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 2024
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
(Translation of Registrant's name into English)

Grand Duchy of Luxembourg
(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: **301,805,677 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"), 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;
- Our financial performance;
- 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;

- The outcome of any known and unknown litigation and regulatory proceedings;
- Our ability to maintain the listing of our ordinary shares, with a nominal value of $0.01 per share ("Ordinary Shares "), or warrants (the "Warrants") on The Nasdaq Stock Market LLC ("Nasdaq") and the Nasdaq Main Market in Iceland ("Nasdaq Iceland Main 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; and
- Our relationship with partners for the commercialization of our product candidates.

These forward-looking statements are based on information available as of the date of this Annual Report, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

You should not place undue reliance on these forward-looking statements in deciding to invest in our securities. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include:

- The outcome of any legal proceedings that may be instituted against us or others following the Business Combination;
- The outcome of any legal or regulatory proceedings;
- The ability to raise substantial additional funding, which may not be available on acceptable terms or at all;
- The ability to maintain the listing of Ordinary Shares on The Nasdaq Stock Market LLC and Nasdaq Iceland Main Market;
- Changes in applicable laws or regulations;
- The effects of public health emergencies on our business;
- The inherent uncertainty of projected financial information with respect to us, and the possibility that the assumption underlying such projects ultimately prove incorrect;
- The effects of competition on our future business;
- Our position in the market against current and future competitors;
- Our expansion into new products, services, technologies or geographic regions;
- Our ability to implement business plans, forecasts and other expectations, and identify and realize additional opportunities and to continue as a going concern;
- The risk of downturns and the possibility of rapid change in the highly competitive industry in which we operate;

- The risk that we and our current and future commercial partners are unable to successfully develop, seek regulatory approval for, and commercialize our products or services, or experience significant delays in doing so;
- The risk that we may never achieve or sustain profitability;
- The risk that we may need to raise additional capital to execute our business plan, which may not be available on acceptable terms or at all;
- The risk that we experience difficulties in managing our growth and expanding operations;
- The risk that we have identified a material weakness in our internal control over financial reporting which, if not corrected, could affect the reliability of our financial statements;
- The risk that we are unable to secure or protect our intellectual property;
- The risk that estimated growth of the industry does not occur, or does not occur at the rates or timing we have assumed based on third-party estimates and on our own internal analyses; and
- The possibility that we may be adversely affected by other economic, business, and/or competitive factors.

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.

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 a limited operating history in a highly regulated environment on which to assess our business, have incurred significant losses since inception and anticipate that we may continue to incur significant losses for the immediate future.
- 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 substantial 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, 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.
- 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 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 our costs and limit supply.
- Our biosimilar product candidates, if approved, will face significant competition from the reference products, from other biosimilar products that reference the same 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 biosimilar products in certain markets, and their failure to commercialize in those markets could have a material adverse effect on our 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.

Risks Related to Our Financial Position and Need for Capital

We have a limited operating history in a highly regulated environment on which to assess our business, have incurred significant losses since inception and anticipate that we may continue to incur significant losses for the immediate future.

We are a biotech company with a limited operating history. We have incurred losses in each year since inception in 2013, including losses of $231.9 million, $551.7 million, and $513.6 million for the years ended 31 December 2024, 2023, and 2022, respectively. We had an accumulated deficit of $2,437.7 million as of 31 December 2024.

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 and our ability to obtain funding through equity or debt financings or strategic collaborations. Biopharmaceutical product development is a highly speculative undertaking and involves a substantial degree of risk.

There can be no guarantee that we will receive regulatory approval for our product candidates in any country. For any of our product candidates that receive approval, our revenue will depend upon the therapeutic indications for which approval is granted, the size of any markets in which our product candidates receive approval and our ability to achieve sufficient market acceptance, pricing, reimbursement from third-party payors and adequate market share for our product candidates in those markets. However, even if one or more of our product candidates gain regulatory approval and is commercialized, we may never become profitable.

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;
- incur costs associated with being a public company;
- 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, the net losses 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 good indication of our future performance quarter-to-quarter and year-to-year due to factors including the timing of clinical trials, 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.

Our product revenues have been limited and we may never be profitable.

Although we have received upfront payments, milestone and other contingent payments and/or funding for development from some of our collaboration and license agreements, and some product revenue since we launched AVT02 since 2022 in various phases (under the trade names HUKYNDRA, SIMLANDI and ADALACIP, depending on the jurisdiction) and AVT04 in 2024 in various phases (under the trade names USTEKINUMAB BS (F) and UZPRUVO, depending on the jurisdiction) we have generated limited revenue from product sales. Our ability to continue to generate revenue and achieve profitability depends on the ability of our strategic collaboration partners, to successfully commercialize our approved biosimilars and our ability to successfully complete the development of, and obtain the regulatory approvals necessary to commercialize, as well as successfully commercialize, our biosimilar candidates. We cannot predict if and when we will begin generating substantial product revenue from additional jurisdictions for approved biosimilars 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;
- 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;

- 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.

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 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, our revenue will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval, the timing of our entry into a particular market or territory, the number of biosimilar competitors in such markets and whether any have regulatory exclusivity, the national laws governing substitution, the accepted price for the product, the ability to get reimbursement at any price, the nature and degree of competition from the reference product and other biosimilar companies (including competition from large pharmaceutical companies entering the biosimilar market that may be able to gain advantages in the sale of biosimilar products based on brand recognition and/or existing relationships with customers and payors), our ability to manufacture sufficient quantities of the product of sufficient quality and at a reasonable cost and whether we own (or has partnered to own) the commercial rights for that territory. 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 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, 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.

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 2024, 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 of AVT04 in Canada, Japan and select European markets. See also "—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."

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") for term loan commitments in an aggregate principal amount of $965.0 million, of which $900.0 million was drawable as "first out" term loans (the "First Out Term Loans") and $65.0 million drawable as "second out" term loans (the "Second Out Term Loans"). If we cannot service our debt payments under the Secured Loan Facility, 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 securityholders may lose some or all of their investment.

We may need to raise substantial 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.

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 $51.4 million as of 31 December 2024, 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 significant 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 securityholders will lose all or a part 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 2024, we had $1,068.6 million in outstanding indebtedness, consisting of $990.7 million under the Secured Loan Facility, and $77.8 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 homebuilding 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 securityholders or on terms that would not require us to breach the terms and conditions of our existing or future debt agreements

We may need to refinance all or a portion of our indebtedness and cannot assure you that refinancing will be available on commercially reasonable terms, or at all.

As of 31 December 2024, we had $1,068.6 million in outstanding indebtedness, that matures between July 2029 and July 2030, excluding our rolling credit facilities. We may need to refinance all or a portion of our indebtedness, on or before its maturity.

We cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms, or at all. 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 securityholders may lose some or all of their investment.

Based on the legislation currently into effect, as European public company with limited liability, issuers of listed securities on an EU regulated market, with registered office in Luxembourg, and qualifying as a parent company of a large group, we will be subject over time 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.

On 12 July 2020 the Regulation 2020/852/EU ("the Taxonomy Regulation") entered into force. The goal of the Taxonomy Regulation is to create a uniform, credible, science-based system to classify activities that are environmentally sustainable by determining (among other conditions) if they substantially contribute to specific environmental objectives. The broader objective of the Taxonomy Regulation is to help financial market participants and other relevant actors to identify which economic operators carry out environmentally sustainable economic activities, and make it easier for these relevant actors to raise funding for these activities, while safeguarding investors against greenwashing.

On 5 January 2023, Directive 2022/2464/EU (the "Corporate Sustainability Reporting Directive" or "CSRD") entered into force. The CSRD is aimed at amending *inter alia* which amends the non-financial reporting requirements set out in Directive 2013/34/EU (the "Accounting Directive") as previously amended also by the Directive 2014/95/EU (the "Non-Financial Reporting Directive" or "NFRD"). The CSRD introduces new mandatory reporting obligations that requires in-scope entities to publish audited sustainability information in their management reports (or consolidated management report), addressing environmental, social and governance ("ESG**"**) matters in line with new mandatory European sustainability reporting standards ("ESRS") adopted by the European Commission through secondary legislation.

This will involve setting up processes to gather the relevant data, conduct materiality assessments and prepare a CSRD-compliant report, which is normally a time-consuming and costly exercise.

Certain disclosures for in-scope entities are mandatory, even if the entity considers that there are no material impacts, risks or opportunities. Materiality' under the CSRD must be assessed following the double materiality principle. Double materiality means that the reporting entity should consider both financial materiality (i.e., sustainability matters which from the investor perspective are material to the company's development, performance and position) and impact materiality (i.e., the impact of corporate activity on sustainability matters from the perspective of citizens, consumers, employees etc.). Impacts, risks and opportunities are material if they satisfy one or both of these materiality tests.

The disclosure requirements under the CSRD will apply alongside the EU Taxonomy Regulation, which (a) creates a classification system to determine when an economic activity qualifies as "environmentally sustainable" and (b) requires companies in scope of the Accounting Directive, including those brought into scope by the CSRD, to disclose the proportion of turnover, capital and operational expenditure directed towards activities that qualify as "environmentally sustainable" (this information should be disclosed even if the contribution is none).

All EU reporting entities must have the sustainability section of their management report audited by a third-party accredited auditor to confirm that it has been prepared in accordance with the relevant ESRS and Article 8 of the Taxonomy Regulation.

Subject to implementation into national law by the EU Member States, the CSRD requirements will become effective in stages, based on the characteristics of undertakings, with earliest application from 1 January 2024 (reporting in 2025 on 2024 data). As a European public company with limited liability, issuers of listed securities on an EU regulated market, with registered office in Luxembourg, and qualifying as a parent company of a large group, we would have fallen under the scope of application of the new sustainability-related reporting requirements for the financial year 2024. Since Luxembourg has not transposed the CSRD into national law yet, CSRD is not applicable to us for financial year 2024 and the previous regime remains applicable, as set forth under the Accounting Directive, amended by the NFRD and

implemented into Luxembourg national law by the law of 23 July 2016 as regards the disclosure of non-financial and diversity information.

The disclosures set out in the NFRD/CSRD and the EU Taxonomy Regulation should be also considered together with the adjusted proposal of the Directive 2024/1760/EU ("Corporate Sustainability Due Diligence Directive" or "CSDDD"), which entered into force on 25 July 2024. The CSDDD sets out new due diligence duties for large companies with (a) more than 1000 employees and (b) a net worldwide turnover of over EUR 450 million generated in the last financial year for which financial statements have been prepared or which are the ultimate parent companies of groups that exceeded those threshold in the last financial year for which consolidated annual financial statements have been or should have been adopted. The due diligence obligations under the CSDDD shall also apply to companies entering into franchising or licensing agreements in the Union in return for royalties which independent third-party companies, where those agreements ensure a common identity, a common business concept and the application of uniform business methods, and amounting to more than EUR 22.5 million, provided that the company has a net worldwide turnover of over EUR 80 million generated in the last financial year for which financial statements have been prepared. The requirements of this directive may apply to us.

Upon implementation into national law, the CSDDD will impose substantive due diligence obligations and also influence the information gathering process required by entities that are also subject to the CSRD. It will also have an impact on the mandatory disclosures to be made under the CSRD on the entity's due diligence process (which will need to show compliance with the CSDDD if the entity is subject to both the CSRD and CSDDD). At present, Luxembourg has not implemented CSDDD into national law yet, and no implementation bill is available yet.

It shall be noted that the EU Taxonomy, the CSRD and the CSDDD are currently under scrutiny for possible amendments. On 26 February 2025, the EU Commission adopted the two "Omnibus packages", which include inter alia:

- A proposal which postpones the application of all reporting requirements in the CSRD for companies that are due to report in 2026 and 2027 (known as wave 2 and 3 companies, respectively) and which postpones the implementation deadline and the first wave of application of the CSDDD by one year to 2028 (the "Stop the Clock Proposal"), and;
- A proposal for a directive amending the CSRD and the CSDDD (the "Amending Proposal").

The Stop the Clock Proposal suggests postponing the implementation of reporting requirements for large companies that have not yet started applying the CSRD, as well as for listed SMEs (waves 2 and 3), by two years. In addition, it suggests postponing the implementation deadline of CSDDD to 26 July 2027, and the application date of the requirements to 26 July 2028. It is noteworthy that companies that under CSRD were to report in 2025 for financial year 2024 are not tackled by the Stop the Clock Proposal.

The Amending Proposal suggests several amendments to the CSRD, *inter alia*, a narrower scope of reporting companies (large undertakings and parents of large groups will only be in scope if such companies or group employ more than 1,000 employees), the revision of the published set of ESRS, and several amendments to the CSDDD.

These proposals are subject to negotiations and approval under the relevant legislative procedures, and may be amended, which may also have an impact on the applicability of NFRD or CSRD for the current financial year.

A disruption at our main manufacturing facility could materially and adversely affect our business, financial condition and results of operations.

On 16 November 2022, we acquired the Reykjavik manufacturing and research facility through the purchase of the shares in Fasteignafélagið Sæmundur hf. ("Saemundur") from ATP Holdings ehf., a related party. Simultaneously, we entered into a loan facility for $48.8 million with Landsbankinn hf., secured with a first priority mortgage over the facility, resulting in the extinguishment of the old loan on the manufacturing and research facility. As owners of the manufacturing and research facility, 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 Landsbankinn hf. may lead disruptions of our manufacturing facility and to the loss of the facility and equipment therein.

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.

We have the ability to opt to have interest paid-in-kind in lieu of cash interest for any interest period ("PIK Interest Election"), which would increase the interest rate for such First Out Term Loans by 0.75% per annum for the applicable interest period. Alvotech can make such PIK Interest Election for interest accruing on or before 30 June 2025, if the First Out Term Loans are funded in July 2024. With respect to the Second Out Term Loans, all interest may only be paid in kind. Servicing the Secured Loan Facility will require a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

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.

Risks Related to the Development of Our Product Candidates

The regulatory review and approval processes of the FDA, 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.

Our future success is dependent on our ability to develop, obtain regulatory approval for, and then commercialize and obtain adequate third-party coverage and reimbursement for one or more product candidates. We currently only have marketing authorization for AVT02 and AVT04 in certain jurisdictions, including in the United States, the EEA (comprising the 27 EU Member States, Norway, Liechtenstein, and Iceland), and Canada. We do not have marketing authorization for other product candidates and may never be able to develop or commercialize a marketable product other than AVT02 and AVT04 in those other countries where they are currently approved.

The research, development, testing, manufacturing, labeling, packaging, approval, promotion, advertising, storage, marketing, distribution, post-approval monitoring and reporting and export and import of biologic products are subject to extensive regulation by the FDA and other regulatory authorities in the United States, by Health Canada, by the European Commission, the European Medicines Agency (the "EMA") and the National Competent Authorities of the EEA countries, and by other comparable regulatory authorities in other countries, which regulations differ from country to country. Neither we nor any collaboration partner is permitted to market our product candidates before receiving market authorization/approval from the appropriate regulatory authorities.

The time required to seek and obtain market authorization/approval by the FDA and comparable foreign regulatory authorities is unpredictable, may take many years following the completion of clinical studies and depends upon numerous factors. In addition, approval requirements, regulations, or considerations with respect to the type and amount of clinical, nonclinical and analytical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions, which may cause delays in the submission of an application for marketing authorization/approval, the authorization or approval, or the decision not to approve an application.

These lengthy approval processes, as well as the unpredictability of the results of analytical, nonclinical, and clinical studies, may result in our failure to obtain regulatory approval to market any of our product candidates, which would significantly harm our business, prospects and financial condition. Moreover, any delays in the commencement or completion of product testing could significantly impact our product development costs and could result in the need for additional financing. For example, our clinical trials must use reference products as comparators, and such supplies may not be available on a timely basis to support such trials.

Most of our product candidates are in varying stages of development and will require additional clinical development, management of analytical, nonclinical, clinical and manufacturing activities, regulatory approval, adequate manufacturing supplies, commercial organization and significant marketing efforts before we may generate any revenue from product sales.

We cannot be certain that any of our product candidates will receive additional regulatory approval. If we and our collaboration partners do not receive regulatory approvals for enough of our product candidates in sufficiently large markets, we may not be able to continue our operations.

Applications for our product candidates could fail to receive regulatory approval for many reasons, including but not limited to the following:

- the data collected from analytical, nonclinical, or clinical studies of our product candidates may not be sufficient to support an application for regulatory approval as a biosimilar;
- the FDA or comparable supranational, national or regional regulatory authorities may disagree with the design or implementation, or sufficiency of our analytical, nonclinical, or clinical studies;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from analytical and bioanalytical studies, nonclinical studies or clinical studies;
- we may be unable to provide adequate scientific justification to the FDA or comparable regulatory authorities for extrapolation of a product candidate to each proposed indication;
- the FDA or comparable foreign regulatory authorities may identify significant deficiencies with the manufacturing processes, test procedures and specifications, facilities or third-party manufacturers with which we contract for clinical and commercial supplies;
- the regulatory exclusivity held by a competing manufacturer; and
- the approval requirements, policies, or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical, nonclinical, analytical, or chemistry, manufacturing, and control data insufficient for approval.

In addition, if we change the regulatory pathway through which we intend to seek approval of any of our product candidates, we may have to conduct additional clinical trials, which may delay our ability to submit a marketing application for the product. Even if we or our collaboration partners were to obtain approval for any of our product candidates, the FDA or comparable foreign regulatory authorities may limit the scope of such approval, e.g., for fewer or more limited indications than those for which we have sought licensure, may grant approval contingent on the completion of costly additional clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could materially harm the commercial prospects for our product candidates.

The UK's withdrawal from the EEA on 31 January 2020, commonly referred to as Brexit, has created significant uncertainty and such uncertainty may make it more difficult for us to achieve regulatory approval in the UK.

Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the EU, the UK, was subject to a transition period until 31 December 2020, or the Transition Period, during which EU rules continued to apply. The UK and the EU have signed an EU-UK Trade and Cooperation Agreement, or TCA, which became provisionally applicable on 1 January 2021 and entered into force on 1 May 2021. This agreement provides details on how some aspects of the UK and EU's relationship will operate going forward though many uncertainties remain. The TCA primarily focuses on ensuring free trade between the EEA and the UK in relation to goods, including medicinal products. Although the body of the TCA includes general terms which apply to medicinal products, greater detail on sector-specific issues is provided in an annex to the TCA. The annex provides a framework for the recognition of GMP inspections and for the exchange and acceptance of official GMP documents.

Among the changes the United Kingdom is now considered a third country to the EU. The TCA also encourages, although it does not oblige, the parties to consult one another on proposals to introduce significant changes to technical regulations or inspection procedures. Among the areas of absence of mutual recognition are batch testing and batch release.

The UK has unilaterally agreed to accept EEA batch testing and batch release. However, the EEA continues to apply EU laws that require batch testing and batch release to take place in the EEA territory. This means that medicinal products that are tested and released in the UK must be retested and re-released when entering the EEA market for commercial use.

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. 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 UK Medicines and Healthcare products Regulatory Agency (MHRA) with respect to medicinal products. Pursuant to the Windsor Framework holders of Great Britain marketing authorizations converted into UK marketing authorizations on 1 January 2025 unless the entities holding such marketing authorizations also held a Northern Ireland marketing authorization that they failed to cancel before 31 December 2024. 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. Companies must follow one of the United Kingdom's national authorization procedures or one of the remaining post-Brexit international cooperation procedures to obtain a marketing authorization to market products in the United Kingdom.

The MHRA has also introduced changes to national marketing authorization procedures. This includes introduction of procedures to prioritize access to new medicines that will benefit patients, including a 150-day assessment route, a rolling review procedure and the International Recognition Procedures which entered into application on 1 January 2024. Since 1 January 2024, the MHRA may rely on the International Recognition Procedure ("IRP"), when reviewing certain types of marketing authorization applications. This procedure is available for applicants for marketing authorization who have already received an authorization for the same product from a reference regulator. These include the FDA, the EMA, and national competent authorities of individual EEA countries. A positive opinion from the EMA and CHMP, or a positive end of procedure outcome from the mutual recognition or decentralized procedures are considered to be authorizations for the purposes of the IRP.

Since a significant proportion of the regulatory framework in the UK applicable to our business and our product candidates is derived from EU Directives and Regulations, all of these changes could increase our costs and otherwise adversely affect our business. Any delay in obtaining, or an inability to obtain, any regulatory approvals for our product candidates would prevent us from commercializing our product candidates in the UK or the EEA and restrict our ability to generate revenue and achieve and sustain profitability. In addition, we may be required to pay taxes or duties or be subjected to other hurdles in connection with the importation of our product candidates into the EEA. If any of these outcomes occur, we may be forced to restrict or delay efforts to seek regulatory approvals for our products or product candidates in the UK or the EEA, or incur significant additional expenses to operate our business, which could significantly and materially harm or delay our ability to generate revenues or achieve profitability of our business. Any further changes in international trade, tariff and import/export regulations as a result of Brexit or otherwise may impose unexpected duty costs or other non-tariff barriers on us. These developments, or the perception that any of them could occur, may significantly reduce global trade and, in particular, trade between the impacted nations and the UK.

As a result of the foregoing, among other factors, there can be no assurance that we would be able to achieve our plan to commercialize our product candidates on our expected timeline, or at all.

If we are not able to demonstrate biosimilarity of our biosimilar product candidates to the satisfaction of the FDA or comparable national or regional 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 the satisfaction of the FDA or comparable national 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 of the data that can be interpreted subjectively in some cases.

It is uncertain if regulatory authorities will grant the reference biosimilar product candidates the same labeling than 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 FDA or comparable foreign regulatory authorities require us to generate additional data, including by conducting additional clinical trials 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.

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 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.

The inherent variability in protein structure from one production lot to another is a fundamental consideration with respect to establishing biosimilarity to a reference product to support regulatory approval requirements. For example, the glycosylation of the protein, meaning the manner in which sugar molecules are attached to the protein backbone of a therapeutic protein when it is produced in a living cell, is critical to half-life (how long the drug stays in the body), efficacy and even safety of the therapeutic and is therefore a key consideration for biosimilarity. Defining and understanding the variability of a reference product in order to match its glycosylation profile requires significant skill in cell biology, protein purification and analytical protein chemistry. Variations in the glycosylation profile and other analytical characterizations important for determining biosimilarity to the reference product molecule are risks unique to biosimilar manufacturers.

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 such as glycosylation patterns, 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. 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. 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. Additionally, the impact of public health emergencies or the occurrence of unforeseen geopolitical events such as the Russia-Ukraine conflict, the Middle Eastern conflicts and the resulting instability in these regions, may delay the conduct and completion of clinical studies.

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, such as the Russia-Ukraine conflict and the Middle Eastern conflicts, and the resulting instability in these regions, 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 its 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 various 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 trials, 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 trials 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 trials, 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 trials 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 trials 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 trials 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 of 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. Depending on the product, that regulatory exclusivity period may be further extended by a six-month pediatric exclusivity. For example, the US regulatory exclusivity in the case of AVT05, a biosimilar to Simponi and Simponi Aria (golimumab), would be 24 April 2021, and in the case of AVT06, a biosimilar candidate to Eylea (aflibercept), would be 18 May 2024. 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.

If other companies' biosimilar candidates for certain reference products are determined to be interchangeable before ours, or our biosimilar product candidates for these same reference products are not determined to be interchangeable, our business could be negatively impacted.

The FDA may determine that a proposed biosimilar product is "interchangeable" with a reference product, meaning that the biosimilar product may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product, if the application includes sufficient information to show that the product is biosimilar to the reference product and that it can be expected to produce the same clinical result as the reference product in any given patient. In addition, if the biosimilar product may be administered more than once to a patient, the applicant must demonstrate that the risk in terms of safety or diminished efficacy of alternating or switching between the biosimilar product candidate and the reference product is not greater than the risk of using the reference product without such alternation or switch. To make a final determination of biosimilarity or interchangeability, the FDA may require additional confirmatory information beyond what we plan to initially submit in our applications for approval, such as more in-depth analytical characterization, animal testing or further clinical studies. Provision of sufficient information for approval may prove difficult and expensive.

We cannot predict whether any of our biosimilar product candidates will meet regulatory requirements for approval as a biosimilar product or as an interchangeable product.

For example, in the United States, the first biosimilar approved as interchangeable with a particular reference product for any condition of use is eligible for a period of market exclusivity during which time the FDA cannot approve a second or subsequent biosimilar product interchangeable with that reference product for any condition of use. The relevant period of exclusivity will end upon 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). Thus, a determination that another company's product is interchangeable with the reference biologic made before we obtain approval of our corresponding biosimilar product candidates may delay the potential approval of our products as interchangeable with the reference product, which could materially adversely affect the results of operations and delay, prevent or limit our ability to generate revenue. Even if we

are awarded interchangeable exclusivity for a product, that award may be challenged by third parties. Any successful challenge to our exclusivity will negatively impact our ability to market and sell the related product.

In the EEA, the approval of a biosimilar for marketing is based on a positive opinion issued by the EMA and a related decision issued by the European Commission. The regulatory approval is valid throughout the entire EEA. However, 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 trials 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. In addition, rules governing the interchangeability, switching and substitution of a reference medicinal products by its biosimilar are provided by the national law of individual EEA countries, and many of them do not permit the automatic substitution of a reference medicinal products by its biosimilar. Therefore, even if we obtain regulatory approval for one of our product candidates in the EEA, we may not receive a positive decision from the National Competent Authorities of EEA countries in relation to the interchangeability, switching or substitution of a reference products with our approved product candidate in one or more EEA countries, thereby restricting our ability to market our products in those jurisdictions.

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 Good Manufacturing Practices ("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 trials. 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 trials, 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 trials, 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 trials, 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.

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.

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. Additionally, we do not currently maintain “key person” life insurance on the lives of our executives or any of our employees.

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 2024, we had 1,032 employees, including 20 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.

Risks Related to Our Reliance on Third Parties

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 partly rely 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 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 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 and commercialization 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.

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.

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. 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 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. 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.

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.

We currently engage single-source suppliers for some manufacture, clinical trial 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. 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 delay in 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.

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 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 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.

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. See also "*—Up until the fourth quarter of 2024, we relied on Alvogen's ERP solution and other components of Alvogen's IT infrastructure*".

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. We expect other companies to seek approval to manufacture and market biosimilars to Humira (AVT02), Prolia/Xgeva (AVT03), Stelara (AVT04), Simponi/Simponi Aria (AVT05), Eylea (AVT06), Entyvio (AVT16), Xolair (AVT23), and Keytruda (AVT33). If other biosimilars to these or other non-reference products in the same therapeutic spaces are approved and successfully commercialized before AVT03, AVT04, AVT05, AVT06, AVT16, AVT23 and AVT33, respectively, we may never achieve significant market share for these products, our revenue would be reduced and, as a result, our business, prospects and financial condition could suffer.

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, universities and other research institutions are engaged in developing, patenting, manufacturing and marketing of products competitive with those 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 trials 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 regimens, 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 an 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 such as AbbVie and Janssen 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 and 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"), Coherus, Amgen, Pfizer Inc. ("Pfizer"), Samsung Bioepis, Ltd. ("Samsung Bioepis"), and Sandoz International GmbH ("Sandoz"), as well as other companies. These companies may develop biosimilars or other products in the same therapeutic space as our products. For example, based on publicly available information, we expect AbbVie (the originator), Amgen, Boehringer Ingelheim GmbH, Biocon/Fujifilm, Celltrion, Fresenius Kabi, Pfizer, Samsung Bioepis, Coherus, and Sandoz to be our main competitors for AVT02, a biosimilar to Humira (adalimumab); Janssen (the originator), Amgen, Celltrion, Bio-Thera, Formycon, Dong-A/Meiji Seika, Samsung Bioepis, and Biocon to

be our main competitors for AVT04, a biosimilar to Stelara (ustekinumab); Amgen (the originator), Sandoz, Celltrion, Fresenius Kabi, Samsung Bioepis, Gedeon Richter, mAbxience, Biocon, Henlius and Teva to be our main competitors for AVT03, a biosimilar candidate to Prolia / Xgeva (denosumab); Janssen (the originator), and Bio-thera to be our main competitors for AVT05, a biosimilar candidate of Simponi and Simponi Aria (golimumab); and Regeneron/Bayer Health Care (the originator), Amgen, Celltrion, Formycon, Altos, Sam Chun Dang, Samsung Bioepis, Sandoz, and Viatris/Biocon, to be our main competitors for AVT06, a biosimilar candidate to Eylea (aflibercept); and Genentech (the originator), Celltrion and Teva, to be our main competitors for AVT23, a biosimilar candidate to Xolair (omalizumab).

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 concentrated in 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. 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 allowing competing medications to be self-administered or for sub cutaneous injection. Development of such alternative and competitive technologies and products may limit our success in commercializing our products.

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. To successfully commercialize any products that may result from our development programs, we will need to develop these capabilities, either on our own or with others. If our product candidates receive regulatory approval, 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 the 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.

We may need to enter into alliances with other companies that can provide capabilities and funds for the development and commercialization of our product candidates. If we are unsuccessful in forming or maintaining these alliances on sufficiently favorable terms, our business could be adversely affected.

We expect our manufacturing facility in Reykjavik to be able to scale up its capabilities for commercial production. Nevertheless, we expect to retain contract manufacturing organization services as a second source of supply, including for business continuity risk mitigation. In addition, because we have limited capabilities for late-stage product development, manufacturing, sales, marketing and distribution, we entered into alliances with other companies. For example, we entered into a collaboration agreement with Teva for the development and commercialization of AVT02 and AVT04 in the United States. Similarly, we entered into a collaboration agreement with STADA for the development and commercialization of AVT02 and AVT04 in Europe. 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 specific 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.

In addition to product development and commercialization capabilities, we may depend on our alliances with other companies to provide substantial additional funding for development and potential commercialization of our product candidates. We may not be able to obtain funding on favorable terms from these alliances and, if we are not successful in doing so, we may not have sufficient funds to develop a particular product candidate internally or to bring product candidates to market. Failure to bring a product candidate to market will prevent us from generating sales revenue, and this may substantially harm our business, prospects and financial condition. Furthermore, any delay in entering into these alliances could delay the development and commercialization of our product candidates and reduce their competitiveness even if they reach the market. As a result, our business and operating results may be adversely affected.

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. Certain cost

containment practices may adversely affect our product sales. 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, 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 in the U.S. and other markets, often intended to contain healthcare costs, may impact our cost of obtaining market approval and ability 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). As the U.S. Secretary of the Department of Health and Human Services (HHS) is given significant flexibility to implement different provisions of the IRA it is currently unclear how this particular legislation will work and what impact it will have on the market for biosimilars in the near future.

If a reference product becomes subject to the IRA negotiation provision and related price cap, this may significantly alter the economics for biosimilars to that product. 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.

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.

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.

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. See, for example, " *—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."* In addition, we were in legal proceedings adverse to AbbVie relating to AVT02, which resulted in settlements (see *Item 4.B "Business Overview—Material Agreements, Partnerships and Suppliers"*), and our Canadian partner JAMP continues to be in proceedings adverse to AbbVie relating to AVT02. 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. 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 trials, 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 or 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 product candidates and 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.

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 2025. 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 December 2021, Health Canada informed JAMP Pharma that the 40 mg/0.4 mL and 80 mg/0.8 mL presentations of SIMLANDI are not subject to the 24-month statutory stay pursuant to the Patented Medicines (Notice of Compliance)

Regulations because AbbVie elected to not market the equivalent high-concentration versions to Canadian patients. In January 2022, JAMP Pharma received notices of compliance for the 40 mg/0.4 mL and 80 mg/0.8 mL presentations of SIMLANDI. AbbVie has commenced applications to judicially review Health Canada's decision in the Federal Court of Canada, and a hearing took place on 16-17 May 2022. On 17 August 2022, the court issued a decision, finding that Health Canada's interpretation of the regulations was reasonable and dismissing AbbVie's applications for judicial review. On 3 October 2022, AbbVie issued a Notice of Appeal. The appeal was scheduled to be heard by the Federal Court of Appeal on 9 April 2024, but AbbVie discontinued the appeal on the eve of the hearing.

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

Potential patent conflict with Johnson & Johnson ("J&J") related to our biosimilar ustekinumab product, AVT04, have been settled or otherwise resolved in the United States, Japan, Canada, and Europe (Europe being resolved January 2024).

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

Risks Related to Legal and Regulatory Compliance Matters

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 some foreign jurisdictions, there have been and continue to be a number of legislative and regulatory changes and proposed changes regarding the healthcare system, including initiatives to contain healthcare costs. For example, in March 2010, the PPACA, was passed, which substantially changed the way health care is financed by both governmental and private insurers and continues to significantly impact the U.S. pharmaceutical industry. The PPACA, among other things, created a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected, increased the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extended the rebate program to individuals enrolled in Medicaid managed care organizations, added a provision to increase the Medicaid rebate for line extensions or reformulated drugs, established annual fees and taxes on manufacturers of certain branded prescription drugs and promotes a new Medicare Part D coverage gap discount program. The PPACA also includes the BPCIA, which created, among other things, a regulatory framework for the approval of biosimilars and interchangeables.

There have been amendments and executive, judicial and Congressional challenges to repeal or replace certain aspects of the PPACA. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions. On 16 August 2022, the Inflation Reduction Act of 2022 (the "IRA") was signed into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA 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. It is possible that the PPACA will be subject to judicial or Congressional challenges in the future. It is unclear how any such challenges, and the healthcare reform measures of the Biden administration, will impact the PPACA, including the BPCIA.

In addition, other legislative changes have been proposed and adopted in the United States since the PPACA was enacted. These changes include aggregate reductions to Medicare payments to providers of 2% per fiscal year pursuant to the Budget Control Act of 2011, which began in 2013 and, due to subsequent legislative amendments to the statute, including the Infrastructure Investment and Jobs Act, will remain in effect until 2032 unless additional Congressional action is taken. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

Further, there has been heightened governmental scrutiny recently over the manner in which manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for pharmaceutical products. At the federal level, the IRA directs the HHS Secretary to establish a Drug Price Negotiation Program (the "Program") to lower prices for certain high-expenditure, single-source prescription drugs and biologics covered under Medicare Part B and Part D that have been approved by the FDA for at least 7 years for prescription drugs and at least 11 years for biologics. Under the Program, the HHS Secretary will publish a list of "selected drugs," and will

then negotiate maximum fair prices ("MFP") with their manufacturers. The Program will be implemented in stages. Beginning in 2026, 10 Medicare Part D "selected drugs" will be subject to price negotiations. By 2029, and in subsequent years thereafter, the number will increase to 20 drugs and biologics covered under Medicare Part B and Part D. Agreements between HHS and manufacturers will remain in place until a drug or biologic is no longer considered a "selected drug" for negotiation purposes. Manufacturers who do not comply with the negotiated prices set under the Program will be subject to an excise tax based on a percentage of total sales of a "selected drug" up to 95% and potential civil monetary penalties. On 15 August 2024, HHS announced the agreed-upon prices of the first ten drugs that were subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. On 17 January 2025, HHS selected fifteen additional products covered under Part D for price negotiation in 2025. Each year thereafter more Part B and Part D products will become subject to the Medicare Drug Price Negotiation Program. Further, effective October 2023, the IRA will require manufacturers that increase prices of certain Medicare Part B and Part D drugs or biologics at a rate greater than inflation to pay rebates to the Centers for Medicare & Medicaid Services or be subject to civil monetary penalties. The IRA also provides certain incentives for the development and manufacture of biosimilars. For example, the Secretary can grant a one-year delay from price negotiations for biosimilars that have a "high likelihood" of a competing biosimilar product entering the market within the requested delay period. In addition, certain Part B biosimilars qualify for an increase in Medicare payments, to 8% of the 5-year Average Sales Price, from 6% under current law. The HHS Secretary has been directed to promulgate regulations to implement the Program and other IRA health reform measures. In response to the Biden administration's October 2022 executive order, on 14 February 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future.

At the state level, 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.

Many EU Member States periodically review their reimbursement procedures for medicinal products, which could have an adverse impact on reimbursement status. We expect that legislators, policymakers and healthcare insurance funds in the EU Member States will continue to propose and implement cost-containing measures, such as lower maximum prices, lower or lack of reimbursement coverage and incentives to use cheaper, usually generic, products as an alternative to branded products, and/or branded products available through parallel import to keep healthcare costs down. Moreover, in order to obtain reimbursement for our products in some EEA countries, including some EU Member States, we may be required to compile additional data comparing the cost-effectiveness of our products to other available therapies. Health Technology Assessment, or HTA, of medicinal products is becoming an increasingly common part of the pricing and reimbursement procedures in some EU Member States, including those representing the larger markets. The HTA process is the procedure to assess therapeutic, economic and societal impact of a given medicinal product in the national healthcare systems of the individual country. The outcome of an HTA will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. The extent to which pricing and reimbursement decisions are influenced by the HTA of the specific medicinal product currently varies between EU Member States.

In December 2021, Regulation No 2021/2282 on Health Technology Assessment ("HTA"), amending Directive 2011/24/EU, was adopted in the EU. This Regulation is intended to boost cooperation among EU Member States in assessing health technologies, including new medicinal products, and providing the basis for cooperation at EU level for joint clinical assessments in these areas. The HTA Regulation has applied from 12 January 2025 although it will enter into force iteratively and initially apply to new active substances to treat cancer and to all advanced therapy medicinal products (ATMPs), it will then be expanded to orphan medicinal products in January 2028, and to all centrally authorized medicinal products as of 2030. The Regulation permits EU Member States to use common HTA tools, methodologies, and procedures across the EU, working together in four main areas, including joint clinical assessment of the innovative health technologies with the most potential impact for patients, joint scientific consultations whereby developers can seek advice from HTA authorities, identification of emerging health technologies to identify promising technologies early, and continuing voluntary cooperation in other areas. Individual EU Member States continue to be responsible for assessing non-clinical (e.g., economic, social, ethical) aspects of health technologies, and making decisions on pricing and reimbursement. If we are unable to maintain favorable pricing and reimbursement status in EU Member States for product candidates that we may successfully develop and for which we may obtain regulatory approval, any anticipated revenue from and growth prospects for those products in the EU could be negatively affected. In light of the fact that the United Kingdom has left the European Union, 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 SMC, the 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.

In addition, the policies of the FDA, the competent authorities of the EU Member States, the EMA, the European Commission and other comparable foreign regulatory authorities with respect to clinical trials may change and additional government regulations may be enacted. For instance, the regulatory landscape related to clinical trials in the EU recently evolved. The EU Clinical Trials Regulation ("CTR"), which was adopted in April 2014 and repeals the EU Clinical Trials Directive, became applicable on 31 January 2022. The CTR allows sponsors to make a single submission to both the competent authority and an ethics committee in each EU Member State, leading to a single decision for each EU Member State. The assessment procedure for the authorization of clinical trials has been harmonized as well, including a joint assessment by all EU Member States concerned, and a separate assessment by each EU Member State with respect to specific requirements related to its own territory, including ethics rules. Each EU Member State's decision is communicated to the sponsor via the centralized EU portal. Once the clinical trial approved, clinical study development may proceed. 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 UK regulatory framework in relation to clinical trials is derived from existing EU legislation (as implemented into UK law, through secondary legislation).

On 17 January 2022, the UK Medicines and Healthcare products Regulatory Agency, or MHRA, launched an eight-week consultation on reframing the UK legislation for clinical trials. The UK Government published its response to the consultation on 21 March 2023 confirming that it would bring forward changes to the legislation and such changes were laid before Parliament on 12 December 2024. These resulting legislative amendments will, if implemented in their current form, bring the UK into closer alignment with the CTR. In October 2023, the MHRA announced a new Notification Scheme for clinical trials which enables a more streamlined and risk-proportionate approach to initial clinical trial applications for Phase 4 and low-risk Phase 3 clinical trial applications.

In addition, on 26 April 2023, the European Commission adopted a proposal for a new Directive and Regulation to revise the existing pharmaceutical legislation. The proposed revisions remain to be agreed and adopted by the European Council. Moreover, on 1 December 2024, a new European Commission took office. The proposal could, therefore, still be subject to revisions. If adopted in the form proposed, the recent European Commission proposals to revise the existing EU laws governing authorization of medicinal products may result in a decrease in data and market exclusivity opportunities for our product candidates in the EU and make them open to generic or biosimilar competition earlier than is currently the case with a related reduction in reimbursement status.

If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies governing clinical trials, our development plans may be impacted.

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).

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

We currently have international operations and a number of international collaborations. Doing business internationally involves a number of risks, including but not limited to:

- multiple, conflicting and changing laws and regulations such as privacy regulations, tax laws, export and import restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses;
- failure by us or our collaboration partners to obtain and maintain regulatory approvals for the use of our products in various countries;

- additional potentially relevant third-party patent rights;
- complexities and difficulties in obtaining protection and enforcing our intellectual property;
- difficulties in staffing and managing foreign operations by us or our collaboration partners;
- complexities associated with managing multiple payor reimbursement regimes, government payors or patient self-pay systems by our collaboration partners;
- limits in our ability or our collaboration partners' ability to penetrate international markets;
- financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our products;
- foreign exchange risk, as we have significant asset and liabilities denominated in foreign currencies (mainly in EUR, GBP, ISK, and CHF), and a 10% fluctuation of the exchange rate of ISK against the USD can significantly impact us;
- natural disasters, political and economic instability, including wars such as the Russia-Ukraine conflict, terrorism and political unrest, outbreak of disease, boycotts, curtailment of trade and other business restrictions;
- certain expenses including, among others, expenses for travel, translation and insurance; and
- regulatory and compliance risks that relate to maintaining accurate information and control over sales and activities that may fall within the purview of the U.S. Foreign Corrupt Practices Act, specifically our books and records provisions or its anti-bribery provisions.

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 trials 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 Controls, 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 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.

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.

To achieve our business objectives, we rely on sophisticated 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 may significantly interrupt the operation of our business, result in significant costs 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 research and development ("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. 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 contain and utilize 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 belonging to us, our staff, customers and/or other parties. In some cases, we and/or permissible third parties may 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, create risks that our sensitive data may be exposed to unauthorized persons, our competitors, or the public.

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.

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 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 General Data Protection

Regulation ("GDPR"), which became effective in May 2018, 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. 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.

We and our service providers may be subject to evolving data protection and security laws in relation to certain processing of personal data. The actual or perceived failure to comply with such laws could harm our financial condition and operating results and involve distraction from other aspects of our business.

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 trials and adverse event reporting and which provides for substantial penalties for non-compliance.

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 and UK's standard contractual clauses, 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 is 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.

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 EU and UK GDPR, require our customers to impose specific contractual restrictions on their service providers.

In addition, because of the remote 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.

Other jurisdictions where we operate have enacted or proposed similar legislation and/or regulations. 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 be subject to government enforcement actions. In addition, under the EU 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, delays or impediments in the development of new products, negative publicity, 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.

Up until the fourth quarter of 2024, we relied on Alvogen's ERP solution and other components of Alvogen's IT infrastructure.

In 2024, we relied on certain IT infrastructure and software owned and/or operated by Alvogen. A service agreement was in place between us and Alvogen addressing confidentiality, service and fees and other customary matters, and the two companies have an agreement regarding the ownership, access rights and retention of shared data, pursuant to which Alvogen stores our data separate from Alvogen data.

In the fourth quarter of 2024, we successfully finalized the implementation of our own ERP system and finalized migration of related ERP applications in the fourth quarter, rendering that we are no longer dependent on Alvogen's ERP platform and licenses.

In the third quarter of 2024, we successfully finalized the migration of Azure services from Alvogen to our own managed Azure Infrastructure, and are no longer dependent on Alvogen's Azure Infrastructure.

In 2024, we completed the separation from Alvogen's IT Infrastructure, resulting in mitigating all risks associated with sharing infrastructure with Alvogen.

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 currently do not have a fully implemented ITG and ISMS in place. At the end of 2022, we hired an Information Security Officer who reports to the General Counsel to strengthen ISMS. The Information Security Officer will introduce an information security ("InfoSec") program, which includes revising and updating the ISMS, and, together with the CIO, the ITG. The InfoSec program plans to introduce enhanced policies and procedures. We currently have in place ITIL aligned procedures, covering access management, change management, incident management, business continuity and disaster recovery, which will be further reviewed and revised and aligned to the ISO 27001 framework. Full implementation of ITG and ISMS, according to ISO 27001, may not be fully completed during 2025 due to lack of capabilities, resources or funding, prioritization, or other reasons.

We do not currently have a data retention policy in place. We have established procedures for IT business continuity and disaster management, with restore tests conducted quarterly. We will continue to enhance our ISMS by adhering to the ISO 27001 standard. Our primary focus for 2025 will be on the implementation of the NIS2 directive. This directive will be pivotal in strengthening our cybersecurity measures and ensuring compliance with the latest regulatory requirements.

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. A new data center has been completed as part of the extension build at Saemundargata 19, Reykjavik, Iceland, and network is now fully redundant between both datacenters. Plans are in place to move part of the manufacturing servers to the new datacenter for high availability. Furthermore, Disaster Recovery site will be implemented in 2025.

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 and/or affect our reputation.*"

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.

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.

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 have identified material weaknesses in the design and operating effectiveness of our internal control over financial reporting. 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 annual or interim financial statements will not be prevented or detected on a timely basis. In connection with the preparation of the consolidated financial statements covered by this report, we identified material weaknesses as follows: (i) we did not have a sufficient number of trained professionals with an appropriate level of internal control knowledge, training and experience; (ii) we 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; and (iii) we did not implement effective controls over the segregation of duties and certain information technology general controls (“ITGCs"), including user access and monitoring of service organizations for information systems that are relevant to the preparation of our financial statements. Our business process controls (both automated and manual) that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted. These material weaknesses could result in a misstatement of our accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Upon identifying the material weaknesses, we began taking steps intended to address the underlying causes of the control deficiencies in order to remediate the material weaknesses, which included the following activities during 2024: (i) continued 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 the execution of the controls; (ii) continued to design more robust controls, including updated documentation requirements and improved segregation of duties; (iii) developed systematic approach for 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 continued 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 (iv) implemented our new ERP system during the fourth quarter of 2024, which includes increased automated functionality and controls for the preparation of the financial statements to prevent, among other things, unauthorized overrides, and enhance user access controls, segregation of duties with the system, and audit trails to track and monitor activities.

During the period covered by this report, we began implementing a remediation plan that is reasonably likely to materially affect our internal control over financial reporting. This plan includes further developing and implementing formal policies, processes, internal controls and documentation relating to our financial reporting working towards the goal of effective control over financial reporting.

We cannot assure that the measures we have taken to date, and are continuing to implement, will be sufficient to remediate the material weaknesses identified and avoid potential future material weaknesses. If the steps we take do not remediate the material weaknesses in a timely manner, we will be unable to conclude that we maintain effective internal control over financial reporting. Accordingly, there could continue to be a reasonable possibility that a material misstatement of our financial statements would not be prevented or detected on a timely basis.

If we fail to remediate our existing material weaknesses, identify new material weaknesses in our internal controls over financial reporting, are unable to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, are unable to conclude that our internal controls over financial reporting are effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal controls over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of the Ordinary Shares could be negatively affected. As a result of such failures, we could also become subject to investigations by the stock exchanges on which our securities are listed, the U.S. Securities and Exchange Commission (the "SEC"), or other regulatory authorities, and become subject to litigation from investors and shareholders, which could harm our reputation and financial condition or divert financial and management resources from our regular business activities.

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 Ownership of our Ordinary Shares and Warrants and our Status as a Public Company

We have and will incur increased costs as a result of operating as a public company, and our management will devote substantial time to new compliance initiatives.

As a public company listed in the United States and on Nasdaq and on Nasdaq Iceland Main Market in Iceland, we have and will continue to incur significant legal, accounting and other expenses that we did not incur as a private company. In addition, the Sarbanes-Oxley Act and rules subsequently implemented by the SEC and Nasdaq have imposed various requirements on publicly traded companies of effective disclosure and financial controls and corporate governance practices. Our management and other personnel devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance.

The market price and trading volume of our Ordinary Shares and Warrants may be volatile and could decline significantly.

The stock markets, including Nasdaq and Nasdaq Iceland Main Market 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 risk factors 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. and Nasdaq Iceland Main Market;
- failure to comply with the Sarbanes-Oxley Act or other laws or regulations in the United States, Luxembourg and Iceland;
- 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 Stock Market in the United States ("Nasdaq") and Nasdaq Iceland Main Market in Iceland. The trading of Ordinary Shares in these markets takes place in different currencies (U.S. dollars on Nasdaq and Icelandic Krona on Nasdaq Iceland Main Market), at different times (resulting from different time zones, different trading days and different public holidays in the United States and Iceland) and with different settlement mechanics. The trading prices of Ordinary Shares on these two 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 and vice versa. Investors could seek to sell or buy Ordinary Shares 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 available for trading on the other exchange. Further, the dual listing of Ordinary Shares 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 may result in increased additional compliance risk, which could have a material effect on our business, results of operations and financial condition, or may delay or discourage a takeover attempt.

Our ordinary shares are listed on both the Nasdaq and Nasdaq Iceland Main Market. Nasdaq Iceland Main Market a regulated market in Iceland operated by Nasdaq Iceland, the Icelandic stock exchange. Issuers on Nasdaq Iceland Main Market are subject to the rules of Nasdaq Iceland Main Market 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 dual-listed Luxembourg company listed on Nasdaq Iceland Main Market and Nasdaq, we are subject to reporting requirements and certain other applicable requirements under Luxembourg law, U.S. law and Icelandic 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.

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 being consummated, outstanding warrants to purchase an aggregate of 10,916,647 Ordinary Shares became 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 1 March 2025, 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 $11.96 per share and the last reported sales price of our Public Warrants was $4.40 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 not continue to be in the money, and they may expire worthless and the terms of the Public Warrants may be amended in a manner adverse to a holder if holders of at least 50% of the then outstanding Public Warrants approve of such amendment.*"

The Warrants may not continue to be in the money, and they may expire worthless and the terms of the Public Warrants may be amended in a manner adverse to a holder if holders of at least 50% of the then outstanding Public Warrants approve of such amendment.

There is no guarantee that the Warrants will continue to be in the money and, as such, the Warrants may expire worthless. For example, between 1 January 2024 and 1 March 2025, the last reported sales prices of our ordinary shares on Nasdaq fluctuated between $17.27 on 26 February 2024 and $10.76 on 11 September 2024.

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"), (the "Public Warrants") to make any change that adversely affects the interests of the registered holders of Public Warrants. Accordingly, we may amend the terms of the Public 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 Public Warrants with the consent of at least 50% of the then-outstanding Public 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 Public 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 Public 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 Public Warrants could force holders (i) to exercise the Public Warrants and pay the exercise price therefor at a time when it may be disadvantageous to do so, (ii) to sell the Public Warrants at the then-current market price when holders might otherwise wish to hold the Public Warrants, or (iii) to accept the nominal redemption price which, at the time the outstanding Public Warrants are called for redemption, is likely to be substantially less than the market value of the Public 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 reporting and "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. For example, some of our key executives may sell a significant amount of Ordinary Shares and such sales are not required to be disclosed as promptly as public companies organized within the United States would have to disclose. Accordingly, once such sales are eventually disclosed, the price of Ordinary Shares may decline significantly.

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 2024, four of our nine 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 2024.

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 and Aztiq, own approximately 63.3% 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 2024. 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.

If we or any of our subsidiaries is treated as a "controlled foreign corporation," certain U.S. investors could be subject to adverse U.S. federal income tax consequences.

Generally, under the Internal Revenue Code of 1986, as amended (the "Code"), if a U.S. investor owns or is treated as owning, directly, indirectly, or constructively, 10% or more of the total value or total combing voting power of our stock, the U.S. investor may be treated as a "United States shareholder" with respect to each controlled foreign corporation ("CFC") in our corporate structure, if any. A non-U.S. corporation generally will be a CFC if United States shareholders own, directly, indirectly, or constructively, 10% or more of the total value or total combined voting power of the stock of such corporation. Because our corporate structure includes a U.S. corporate subsidiary, our non-U.S. corporate subsidiaries, including any non-U.S. corporate subsidiaries that may be formed or acquired in the future, will be treated as CFCs, regardless of whether we are treated as a CFC. A United States shareholder of a CFC may be required to annually report and include in its U.S. taxable income its pro rata share of the CFC's "Subpart F income", "global intangible low-taxed income," and investments of earnings in U.S. property, regardless of whether the CFC makes any distributions to its shareholders. Furthermore, an individual United States shareholder with respect to a CFC generally will not be allowed certain tax deductions and foreign tax credits that are allowed to a corporate United States shareholder. Failure to comply with CFC reporting obligations may also subject a United States shareholder to significant penalties. There can be no assurance that the Company will provide to any United States shareholder information that may be necessary for the United States shareholder to comply with its CFC reporting and tax paying obligations. U.S. investors should consult their tax advisors regarding the application of the CFC 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.

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 2024, 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.

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

We currently have international operations and a number of international collaborations. Doing business internationally involves a number of risks, including but not limited to:

- multiple, conflicting and changing laws and regulations such as privacy regulations, tax laws, export and import restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses;
- failure by us or our collaboration partners to obtain and maintain regulatory approvals for the use of our products in various countries;
- additional potentially relevant third-party patent rights;
- complexities and difficulties in obtaining protection and enforcing our intellectual property;
- difficulties in staffing and managing foreign operations by us or our collaboration partners;
- complexities associated with managing multiple payor reimbursement regimes,
- government payors or patient self-pay systems by our collaboration partners;
- limits in our ability or our collaboration partners' ability to penetrate international markets;
- financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our products;
- foreign exchange risk, as we have significant asset and liabilities denominated in foreign currencies (mainly in EUR, GBP, ISK, and CHF), and a 10% fluctuation of the exchange rate of ISK against the USD can significantly impact us;
- economic weakness, including inflation, or political instability;
- business interruptions resulting from natural disasters, political and economic instability, including wars, terrorism and political unrest, outbreak of disease, boycotts, curtailment of trade and other business restrictions;
- certain expenses including, among others, expenses for travel, translation and insurance;
- regulatory and compliance risks that relate to maintaining accurate information and control over sales and activities that may fall within the purview of the U.S. Foreign Corrupt Practices Act, specifically our books and records provisions or its anti-bribery provisions; and

- tariffs (including tariffs that have been or may in the future be imposed by the United States or other countries), trade protection measures, import or export licensing requirements, trade embargoes and other trade barriers (including further legislation or actions taken by the United States or other countries that restrict trade), and protectionist or retaliatory measures taken by the United States or other countries.

For example, in February 2025, the U.S. President said he was considering tariffs on pharmaceutical products and on products imported from Europe. As of the date of this annual report, it is unclear whether such tariffs, if imposed, would apply to all or any pharmaceutical products, including clinical supply imported for purposes of conducting clinical trials in the United States, and whether they would also apply to goods produced in Iceland, which is a member of the European Economic Area but not the European Union. The impact of such tariffs would also be subject to a number of other factors, including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any retaliatory responses to such actions that the target countries may take and any mitigating actions that may become available. Tariffs on our products could increase our cost of importing clinical and commercial product into the United States, which would increase the costs of conducting clinical trials in the United States and, if approved, the cost of revenue from sale of therapies and could reduce our margins on the sale of our products.

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. Over the past twelve years, we have invested steadily and methodically in building a fully integrated platform, enabling us to control quality, cost and speed to market of our developed products, representing a key competitive advantage in the biosimilar business.

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 2024, 2023, and 2022 amounted to $53.7 million, $33.2 million and $37.9 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 biotech company focused solely on the development and manufacture of biosimilar medicines for patients worldwide. 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; 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 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 see both the discovery of novel therapies, which is the focus of many biopharmaceutical companies, and innovating access to medicines, which is our core focus, as critical to the purpose of the pharmaceutical industry as a whole—to deliver breakthrough, life-changing medicines to as many patients as possible, whoever and wherever they are.

We aim to achieve our mission by becoming a leading supplier of biosimilars globally. To do this, we have built a distinctive and comprehensive platform for developing and manufacturing biosimilars at scale. Our 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 Good Manufacturing Practice ("GMP") 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 intellectual property to partners in exchange for milestone payments and royalties.

Developing and manufacturing biosimilars is a time-consuming, capital intensive, complex and historically uncertain undertaking. We currently have two approved products and an additional nine product candidates in our portfolio and pipeline targeting 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.

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.

Our Pipeline

Through our rigorous product selection and development platform, we have been able to build a pipeline comprising two launched products and nine disclosed biosimilar candidates, covering a variety of therapeutic areas, including autoimmune, eye, and bone disorders, as well as cancer. Our lead program, AVT02, a high concentration formulation biosimilar to Humira, has received regulatory approval in over 55 markets and has been launched in over 25 markets globally. We launched AVT02 in the United States during the first half of 2024. We also have a second approved biosimilar, AVT04, which uses the same SP2/0 host cell line as the reference biologic Stelara. AVT04 has been approved in the United States, Japan, Canada and the EEA and was launched in Japan, Canada and select European countries in 2024. We launched AVT04 in the United States in February 2025. In January 2025, we announced that the FDA accepted

our BLA for AVT03, AVT05 and AVT06 for filing and we anticipate that review will be completed as early as the fourth quarter of 2025 for AVT05. We have also submitted marketing authorization applications for AVT03 and AVT06, and the EMA has confirmed acceptance of these applications for review. We are also developing, AVT23 and AVT16, that are both in clinical development, as well as AVT33, in addition to three undisclosed programs, all of which are in pre-clinical development.

Our Programs

AVT02, our high-concentration biosimilar to Humira

Humira (adalimumab) inhibits tumor necrosis factor, which is a protein in the body that can cause inflammation. Developed and predominantly marketed by AbbVie, adalimumab is prescribed to treat a variety of inflammatory conditions including, rheumatoid arthritis, psoriatic arthritis, Crohn's disease, ulcerative colitis, plaque psoriasis among other indications. Humira is approved and marketed in a high concentration formation (100 mg/mL) across four doses (10 mg, 20 mg, 40 mg, 80 mg) which account for roughly 80% of the U.S. Humira market. In 2024, Humira worldwide net revenues were approximately $9.0 billion. A lower concentration formulation (50 mg/mL) is also approved and marketed across three strengths (10 mg, 20mg, 40mg). Adalimumab has many of the core characteristics we look for in selecting a candidate for development. We now have the first interchangeable high-concentration citrate-free biosimilar to Humira approved in the United States. Additionally, adalimumab fits well within our immunology portfolio and manufacturing capabilities. The competitive landscape and broad market opportunity for adalimumab is attractive to us and our commercial partners.

- We have directly or through our partners, received regulatory approval for AVT02 in 58 countries. These include the United States, the EEA, UK and Switzerland, Canada, Australia, Israel, Morocco, Egypt, Saudi Arabia, South Africa and parts of Latin America. AVT02 is currently marketed in Europe, Canada, Australia and now the United States. In February 2024, we received U.S. FDA approval for AVT02 as an interchangeable high-concentration citrate-free biosimilar to Humira, AVT02 also qualifies for exclusivity as a high-concentration biosimilar. We launched AVT02 with our partner Teva in the United States during the first half of 2024.

AVT04, our biosimilar to Stelara

Stelara (ustekinumab) is a human IgG1k monoclonal antibody against the human interleukin-12 and -23 cytokines. Marketed by Janssen, Stelara is prescribed to treat a variety of inflammatory conditions including psoriatic arthritis, Crohn's disease, ulcerative colitis, plaque psoriasis among other indications. In 2024, global net revenues from Stelara were approximately $10.4 billion.

We are using an SP2/0 host cell line, which is the same manufacturing host cell line as Stelara. Developing our biosimilar in the same host cell line as the originator for a product that requires such a long half-life, de-risks the approval process and creates potential differentiation relative to other biosimilar developers.

In 2023, we announced that AVT04 had been approved in Japan and Canada. In early 2024, we announced that it had also been approved in the EEA. In April 2024, we received FDA approval for AVT04 in a single-dose prefilled syringe for subcutaneous injection for the treatment of moderate to severe plaque psoriasis and for active psoriatic arthritis in adults and pediatric patients 6 years of age and older. We also announced that we have reached settlement agreements with the manufacturer of the reference product Stelara, Johnson & Johnson. We launched AVT04 in Canada, Japan and select European countries in 2024, and we launched in United States in February 2025.

AVT06, our proposed biosimilar to Eylea

Eylea (aflibercept) is a recombinant fusion protein formulated for intravitreal administration consisting of portions of human VEGF receptors 1 and 2 extracellular domains fused to the Fc portion of human IgG1. Developed and marketed by Bayer and Regeneron, Eylea is prescribed to treat conditions including age-related macular degeneration, macular edema, and diabetic retinopathy.

Both the reference product as well as our proposed biosimilar AVT06 are produced in recombinant Chinese hamster ovary cells. In July 2022, we initiated the confirmatory clinical study for AVT06 and, in January 2024, we announced positive topline results from the confirmatory study. In August 2024, we announced that the EMA had accepted our marketing authorization application for AVT06 and we anticipate the review process could be completed in the third quarter of 2025. In February 2025, the Company announced that the FDA has accepted for review a BLA for AVT06. The process to obtain regulatory approval is anticipated to be completed in the fourth quarter of 2025.

AVT03, our proposed biosimilar to both Xgeva and Prolia

Xgeva and Prolia have the same active ingredient, denosumab, but the products are approved for different indications, patient populations, doses and frequencies of administration. Denosumab is a human IgG2 monoclonal antibody with affinity and specificity for human RANKL, receptor activator of nuclear factor kappa-B ligand. Developed and predominately marketed by Amgen, Xgeva is prescribed to prevent bone fracture, spinal cord compression or the need for radiation or bone surgery in patients with certain types of cancer, and Prolia is prescribed to prevent bone loss and increase bone mass. In 2024 global sales of Prolia and Xgeva were approximately $6.6 billion.

Both the reference product as well as our proposed biosimilar AVT03 are produced in recombinant Chinese hamster ovary cells.

AVT03 is in the clinical phase and has been developed to have a high degree of analytical similarity to the originator. Further we have engaged with global regulatory authorities on our development strategy in order to align our program with expectations from regulatory authorities and further limit development risk.

Our clinical program consists of two pharmacokinetic (PK) studies in healthy volunteers and a confirmatory efficacy and safety study in patients with post-menopausal osteoporosis.

In January 2024, we announced the positive top-line results from a PK study for AVT03 compared to Prolia in healthy adult subjects. In August 2023, we announced the initiation of a second PK study comparing AVT03 to Xgeva. In August 2022, we announced the initiation of a confirmatory patient study for AVT03. The objective of the confirmatory study was to demonstrate clinical similarity of AVT03 to Prolia in terms of efficacy, safety, immunogenicity, and PK in postmenopausal women with osteoporosis. In July 2024, we announced positive topline results from this study, which met its primary endpoints. In October 2024, the EMA accepted our MAA for AVT03. In March 2025, the Company announced the FDA acceptance of our BLA for AVT03.

AVT05, our proposed biosimilar to Simponi and Simponi Aria

Simponi / Simponi Aria (golimumab), inhibits TNF, which is a protein in the body that can cause inflammation. Simponi / Simponi Aria are prescribed to treat a variety of inflammatory conditions including, RA, psoriatic arthritis, ulcerative colitis among others. Simponi is a sterile solution of golimumab antibody supplied for subcutaneous use. Simponi Aria injection is a sterile solution supplied for intravenous use. We are developing both forms of the product. AVT05 is expressed in an SP2/0 host cell line, which matches the cell used by the developer of the originator. We have developed AVT05 to match the host cell line used by the developer of the originator and we intend to pursue interchangeability designation. In November 2023, we announced positive topline results from our pharmacokinetic study for AVT05. In May 2023, Alvotech announced the initiation of a clinical study to compare the efficacy, safety, and immunogenicity of AVT05 and Simponi in adult patients with moderate to severe rheumatoid arthritis. In November 2024, we announced that the EMA had accepted our MAA for review and we anticipate the review process to be completed in the fourth quarter of 2025. In January 2025, we announced that the FDA had accepted our BLA for filing and we anticipate review to be completed in the fourth quarter of 2025.

AVT16, our proposed biosimilar to Entyvio

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 currently in clinical development. In September 2024, we initiated a confirmatory patient study for AVT16. The objective of the study is to demonstrate comparative efficacy, safety, and immunogenicity of AVT16 to Entyvio, in male and female participants 18-80 years old with moderate to severe active ulcerative colitis. To date, we are one of two companies known to have initiated a global or multi-country confirmatory study for a biosimilar candidate to Entyvio.

AVT23 (also called ADL018), our proposed biosimilar to Xolair

Xolair (omalizumab) is an antibody that targets free IgE and is used to treat patients with allergic asthma, chronic spontaneous urticaria (CSU) and nasal polyp. Xolair, the only currently approved product containing omalizumab, was first approved in 2003. 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, the UK, Australia, Canada, and New Zealand. Under terms

of the agreement, Alvotech will receive an exclusive license to commercialize AVT23, which will be developed and manufactured by Kashiv.

AVT23 is currently in clinical development. 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. A confirmatory clinical efficacy study comparing AVT23 to Xolair is currently ongoing.

We are currently in early phase development for four additional product candidates, three for which the reference biologic remains unnamed, and AVT33, a proposed biosimilar candidate to Keytruda (pembrolizumab).

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 trials.

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. Additionally, we have cell line, process, analytics and glycoprotein characterization sites in Germany; a regulatory, legal and government affairs office in the United States; 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 GMP 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 two approved biosimilars, we are currently advancing a portfolio and pipeline of nine biosimilar candidates through the development and global regulatory process. Our portfolio and pipeline covers a variety of therapeutic areas, including autoimmune disorders, eye disorders, bone disease, respiratory disease, and cancer. Where possible, we seek to develop differentiated products as is the case with our first launched product, AVT02, a biosimilar to Humira. For the U.S. market, our biosimilar was developed as a high-concentration form, which is the predominant product profile that is marketed by the originator company. Additionally, we sought and have been given an interchangeability designation for AVT02 in the U.S. market, with exclusivity. By end of 2024, we had begun commercialization of AVT02, through our commercial partners, in Canada, Australia, and 19 markets across Europe and AVT04 in Canada, Japan and select European countries.
- *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 Dr. Reddy's (U.S., EU, and UK), Teva (U.S.), STADA (EU), Fuji Pharma Co., Ltd (Japan), Cipla/Cipla Gulf/Cipla Medpro (Australia, New Zealand, South Africa/Africa), JAMP Pharma (Canada), DKSH (Taiwan, Hong Kong, Cambodia, Malaysia, Singapore, Indonesia, India, Bangladesh and Pakistan), YAS (Middle East and Africa), Abdi Ibrahim (Turkey), Kamada (Israel), MegaLabs, Stein, Libbs, Tuteur and Saval (Latin America), Advanz Pharma (EEA, U.K., Switzerland, Canada, Australia and New Zealand), among 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 2024, we employ over 1000 people around the world. Over 85% 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 systems and, where feasible, conducting clinical trials in areas with relatively lower access to healthcare.

Our Platform

We believe that the nature and quality of our platform enable 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 GMP 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 GMP 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 products such as those available in both the U.S. and EU. A global, confirmatory clinical efficacy and safety study is typically also performed to demonstrate that there are no clinically meaningful differences between the proposed biosimilar and the reference product. Depending on the specific program, these two studies may be conducted within one larger study or, conversely, additional small studies may need to be performed to support registration. When both a PK and confirmatory efficacy and safety study is required, we take the calculated risk to execute these studies in parallel (where feasible), which enables the fast track to licensing application submission for the program.

In parallel to the clinical studies being conducted, manufacturing process characterization and validation is completed, in addition to completion of the analytical similarity assessment supporting registration.

Interchangeability

When practical and commercially relevant in the U.S. market and other countries and regions, we seek interchangeability designation such as is the case with our lead product, AVT02, a biosimilar to Humira. Interchangeability is a U.S. regulatory construct and according to the FDA, an interchangeable product will have met additional data requirements and so may be substituted for the reference product without the intervention of a prescriber. The substitution may occur at the pharmacy, much as generic drugs are substituted for brand name drugs, subject to varying U.S. state pharmacy laws. Biosimilars, including those designated as interchangeable products, have the potential to reduce health care costs. The concept of interchangeability for biosimilars was signed into law through the Biologics Price Competition and Innovation Act in 2010. In order to be considered interchangeable, a biosimilar must meet additional requirements, including the execution of a “switching study,” utilizing the reference product and biosimilar product in patients. The vast majority of states have passed laws regarding substitution for interchangeable products.

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 GMP 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 GMP certificate issued by the Icelandic Medicines Authority authorizing Investigational Medicinal Product and commercial manufacturing. In 2024, we completed an expansion to provide additional redundancy in drug product capacity, assembly of combination products and devices, and secondary packaging. With the expansion of the Reykjavik facility’s manufacturing capabilities, we expect our capabilities to be able to meet the demand for our commercial and clinical supply needs in the foreseeable future.

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 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 have launched AVT02 in over 25 markets globally, including in select European countries under the trade name Hukyndra and in Canada under the trade name SIMLANDI. We launched AVT02 in the U.S. during the first half of 2024. We aim to meet patient demand in our major markets, and to launch in further markets in 2025.

We launched AVT04 in Canada in March 2024 (under the trade name JAMTEKI), in Japan in May 2024 (under the trade name USTEKINUMAB BS (F)) and in select European markets in July 2024 (under the trade name UZPRUVO). We aim to launch AVT04 in further markets in 2025, including in the U.S. (under the trade name SELARSDI) in February 2025.

A breakdown of product revenue from the sale of AVT02 and AVT04 is presented by region below:

USD in thousands	2024		2023	
	Product Revenue	% Total	Product Revenue	% Total
Europe	56,574	20.7 %	41,166	84.5 %
North America	195,526	71.5 %	6,638	13.6 %
Rest of World	21,372	7.8 %	895	1.8 %
	273,472	100 %	48,699	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. As of 31 December 2024, we have contracted with 17 partners to sell, market, and distribute our products in certain agreed upon territories.

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, we will generally manufacture, supply and deliver the product to each partner, and the partner will exclusively buy the product 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 approximately 40% (between 35% and 45%) 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 $273.5 million of product revenue and $216.2 million of license and other revenue, resulting from the commercial partnerships, for the year ended 31 December 2024. 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

License and Development Agreement with Teva Pharmaceuticals International GmbH

In August 2020, we entered into a license and development agreement with Teva which was amended in June 2021, and again in February 2023, for the commercialization of certain biosimilar products in certain territories (the "LDA"). Under the LDA, we granted Teva an exclusive license (even as to us and our affiliates), with the right to sublicense through multiple tiers, to use, import, commercialize, and market products containing AVT02, AVT04, AVT05, AVT06, and AVT16 in the United States and each of its territories, districts and possessions, including the Commonwealth of Puerto Rico. Under the LDA, Teva has the exclusive right to reference (i) our registration dossiers of certain biosimilar products for its BLA approval, and (ii) all clinical studies conducted by or on our behalf with respect to the development of certain biosimilar products for purposes of obtaining applicable BLA approvals. Under the LDA, we granted Teva the right of first negotiation for commercialization and marketing rights in certain territories for our future biosimilar products (with some exceptions) for five (5) years from the effective date of the agreement.

The LDA expires on a product-by-product basis ten (10) 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 that is not remedied within a specified time period, if either party reasonably believes that there is a material safety issue with respect to such product, or in certain other circumstances. Teva may terminate the LDA on a product-by-product basis within certain time periods, if Teva reasonably demonstrates a lack of commercial viability for such product in which case we retain already paid milestone payments and are allowed to partner with someone else. Either party may also terminate the LDA upon the insolvency of the other party. The LDA will automatically terminate as a whole upon the termination of the Teva Product Supply Agreement, or in part with respect to any product if the Teva Product Supply Agreement is terminated with respect to such product.

On 27 February 2023, Alvotech and Teva signed an amendment to the LDA. As part of that amendment, Alvotech agreed to provide future financial consideration to Teva to assist with the cost of launching and marketing the licensed biosimilar products.

On 24 July 2023, Alvotech announced that it had expanded its strategic partnership agreement with Teva. The expanded agreement pertained to the exclusive commercialization in the U.S. by Teva of two new biosimilar candidates to be developed and manufactured by Alvotech and line extensions of two current biosimilar candidates in the partnership, also to be developed and manufactured by Alvotech. The agreement includes milestone payments, the majority paid following product approvals and upon achieving significant sales milestones. Teva and Alvotech will share profit from the commercialization of the biosimilars. Teva also agreed to acquire convertible bonds which were issued by us pursuant to a convertible bond instrument, dated 20 December 2022, for $40 million. On 11 July 2024, we redeemed the convertible bonds held by Teva as part of the redemption of all of our convertible bonds that had not elected to convert their convertible bonds into Ordinary Shares.

As consideration for the rights granted to Teva under the LDA, Teva made upfront payments of $40.0 million and $83.8 million in development and performance milestone payments up to 31 December 2024. Additionally, we are eligible to receive aggregate payments of up to an additional $506.2 million upon the achievement of certain regulatory, commercial, manufacturing and sales milestones.

We launched AVT02 through Teva under the trade name SIMLANDI in the U.S. in the first half of 2024 and we expect to launch AVT04 in the U.S. in February 2025.

Product Supply Agreement with Teva Pharmaceuticals International GmbH

In addition to the LDA, we entered into a product supply agreement with Teva in August 2020 for the exclusive manufacture and supply of each product during such product's respective product supply term (the "PSA"). Under the PSA, we will manufacture and supply each product exclusively to Teva for marketing in the territory. We will meet purchase orders for the product that have been accepted or deemed accepted by us. Teva has agreed to a minimum order quantity for each product. Subject to some limitations, as consideration for supply of product Alvotech will receive 40% of the value of Teva's net sales of the products.

The PSA remains in force on a product-by-product basis for 10 years from launch, then continuing until terminated by either party with 12 months' notice. Either party may terminate the PSA on a product-by-product basis for any material breach by the other party that is not remedied within a specified time period. Either party may terminate the agreement with

respect to a product if the BLA approval for a product in the territory is revoked by a regulatory authority due to a health, safety or efficacy concern. With exceptions, Teva may require us to purchase any and all unsold quantities of products ordered by Teva prior to termination. We may terminate the PSA if Teva fails to purchase certain minimum quantities of each product. Additionally, either party may terminate the PSA with respect to a product if a margin split event occurred which results in a negative margin for a period of four (4) consecutive calendar quarters.

Europe—STADA

From August to November of 2019, we entered into similar license and supply agreements ("out-license contracts") with STADA which were amended in March 2020, pursuant to which we granted STADA exclusive licenses (even as to us and our affiliates) to import, commercialize and market certain products containing AVT02, AVT03, AVT04, AVT05, AVT06, and AVT16 in the European Union and certain other countries. Under the amended agreements, STADA also received joint ownership of certain of our intellectual property covering such products in the EU and certain other countries under certain conditions. Pursuant to the amended 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 fulfillment of certain conditions. STADA will remit approximately 40% of its in-market sales to us in the form of sales-based royalties.

Subject to certain conditions, the consideration paid to us is subject to a partial or full refund to STADA on a product-by-product basis if (i) the net sales of a product fall below certain specified thresholds, (ii) the manufacture, marketing or sale of such product would result in patent infringement, or (iii) we materially breach the agreement and fail to cure within 60 days of receiving notice from STADA. The licenses granted to STADA will remain exclusive until the fifth anniversary of STADA's first sale of a product in a country, on a product-by-product and country-by-country basis. STADA may extend the exclusivity period up to three times for an additional five years by providing written notice one year prior to the expiration of the exclusivity period. Upon expiration of the exclusivity period for a product in a country, STADA will retain a non-exclusive license to import, commercialize and market such product in the country, and will be granted a worldwide, non-exclusive license to manufacture such product for sale in such country.

In May 2021, we entered into a second amendment of the AVT02 agreement to, among other things, expand the agreement to include an additional product and provide certain additional terms for the development, licensing and commercialization of such product. Under the amended agreement, we granted STADA a perpetual, exclusive license to import, commercialize and market the additional product in the EU and certain other countries. If STADA grants us a non-exclusive license to import, commercialize and market the additional product, we will be required to reimburse a portion of the milestone payments received for the development of the additional product. Upon expiration of the exclusive license of any AVT02 product in a country, STADA will be granted a worldwide, non-exclusive license to manufacture the additional product for sale in such country.

Prior to the completion of development of the additional product, STADA may terminate its rights to the additional product upon 10 days written notice. Upon such termination, we would no longer be eligible for payments for the subsequent completion of milestones for the additional product.

On 19 May 2023, Alvotech entered into three termination agreements (the "Termination STADA Agreements") with STADA to terminate the license and supply agreements between Alvotech and STADA pertaining to Alvotech's product candidates AVT03, AVT05, and AVT16. Pursuant to the terms of the Termination STADA Agreements, Alvotech repaid the aggregate amount of €17.4 million that Alvotech had previously received from STADA under the Terminated STADA Agreements. Any and all rights, title and/or interest in respect of the products which became jointly owned as a result of the Agreements with STADA, excluding any trademarks of STADA and/or any of its affiliates, fully reverted back to the entire and sole ownership alone by Alvotech. STADA has no further rights or licenses under the Terminated STADA Agreements. The other agreements between Alvotech and STADA, that pertain to AVT02, AVT04 and AVT06, were not terminated or amended.

In June 2024, we announced that we had entered into an agreement with STADA to amend and strengthen our strategic partnership. Under the terms of the agreement, we will be responsible for development and manufacturing AVT03 and STADA will become marketing authorization holder, upon approval of AVT03, and will assume semi-exclusive commercial rights in Europe, including Switzerland and the UK, as well as exclusive commercial rights in selected countries in Central Asia and the Middle East. In parallel with the commercial agreement for AVT03, we agreed to extend STADA's commercial rights to AVT02 and AVT04 to CIS countries in Central Asia, and we regained commercial rights from STADA to AVT06.

In December 2024, we agreed to extend STADA's commercial rights for AVT06 to Germany, CIS countries and Gulf Cooperation Council (GCC) countries.

Under the terms of these agreements, STADA made upfront payments of $4.6 million and $82.5 million in development and performance milestone payments up to 31 December 2024. Additionally, we are eligible to receive aggregate payments of up to an additional $25.0 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.

On 24 May 2023, Alvotech announced that the two companies had extended their exclusive partnership agreement, adding the supply and commercialization of five biosimilar candidates in Europe. Alvotech will be responsible for development and commercial supply and Advanz Pharma will be responsible for registration and commercialization in Europe. The agreement includes candidate biosimilars to Simponi (golimumab) and Entyvio (vedolizumab) and also includes three additional early-stage, undisclosed biosimilar candidates. In conjunction with this agreement, which includes three biosimilar candidates previously licensed to STADA, Advanz Pharma agreed to make upfront payments of $61 million and agreed to make additional payments for an aggregate amount of up to $287.5 million, upon the achievement of certain development and commercial milestones.

In June 2024, we announced that we had entered into an exclusive partnership agreement with Advanz Pharma regarding the supply and commercialization of AVT06, our proposed biosimilar to Eylea (aflibercept) low dose (2 mg), and AVT29, our biosimilar candidate for Eylea high dose (8 mg). Under the agreement, we will be responsible for development and commercial supply of AVT06 and AVT29, and Advanz Pharma will be responsible for registration and commercialization. Advanz Pharma has exclusive commercialization rights in Europe, except for Germany and France where the rights are semi-exclusive. The commercialization agreement includes an upfront payment to us with subsequent payments upon certain development and commercialization milestones.

Under the terms of these agreements, Advanz Pharma made upfront payments of $91.6 million and $36.9 million in development milestone payments up to 31 December 2024. Additionally, we are eligible to receive aggregate payments of up to an additional $351.6 million upon the achievement of certain, regulatory, commercial, manufacturing and sales milestones.

Japan – Fuji Pharma

On 2 April 2019, Alvotech and Fuji Pharma entered into a license agreement, as amended on June 23, 2020 to reflect a delay in the development process and therefore, among others, amended and restated the milestone payments, (the “Fuji Pharma AVT04 License Agreement”) and a supply agreement (the “Fuji Pharma AVT04 Supply Agreement”). Under the Fuji Pharma AVT04 License Agreement, Alvotech will develop AVT04 and compile and provide a dossier of data, information and know-how relating to AVT04 to Fuji Pharma. Alvotech retains full ownership of all intellectual property rights in AVT04 and the AVT04 dossier. Fuji Pharma has the exclusive right to use the dossier to obtain and maintain regulatory approvals for AVT04 and to import, finish, market, promote, sell and distribute AVT04 in Japan. Fuji Pharma made a one-time payment on the signature date of $4.6 million and will make an additional milestone payment to Alvotech upon the launch of the product, subject to certain conditions. If Fuji Pharma achieves annual sales in excess of certain target volumes, it will pay Alvotech an additional royalty on the net sales above the target. Under the Fuji Pharma AVT04 Supply Agreement, Alvotech will manufacture, supply and deliver the AVT04 product. Fuji Pharma will pay Alvotech a royalty or the applicable floor price, whichever is higher, for the duration of the agreement. All invoices are payable within thirty business days, in U.S. dollar and by wire transfer. The agreements terminate 20 years after the first commercial sale of AVT04 in Japan. They can be terminated by either party if the other party: (i) withholds any monies due to the other party for more than two months; (ii) commits or permits any substantial breach of any material term of the agreement; (iii) has a receiver or administrator appointed in respect of any of its assets or enters into any agreement with its creditors; or (iv) goes into liquidation. The agreements can be terminated by Fuji Pharma if (i) a competing product obtains reimbursement approval (Fuji Pharma AVT04 License Agreement) before AVT04 obtains reimbursement approval; (ii) AVT04 does not obtain reimbursement approval by 30 November 2023; or (iii) AVT04 obtains reimbursement approval at the same time two competing products obtain reimbursement approval.

On 18 November 2020, Alvotech and Fuji Pharma entered into four binding term sheets with respect to AVT06, two proposed AVT03 biosimilar products and AVT05. On 10 February 2022, Alvotech and Fuji Pharma expanded their strategic partnership and entered into an additional binding term sheet with respect to a new undisclosed biosimilar candidate currently in early phase development, and in January 2023 we announced the expansion with another undisclosed biosimilar candidate. Under the binding term sheets, Alvotech will develop the product candidates and provide a dossier of data, information and know-how relating to the relevant product to Fuji Pharma. Fuji Pharma has the exclusive right to use the dossier to obtain and maintain regulatory approvals and to import, finish, market, promote, sell and distribute the relevant product in Japan. As of 31 December 2022, Fuji Pharma made one-time payments on the signing dates of the binding term sheets of $3.0 million and agreed to make additional payments upon the achievement of certain regulatory and development milestones. Alvotech and Fuji Pharma will enter into license and supply agreements for each product at a later date, subject to fulfilling of certain conditions related to the development of that product and the absence of the commercial launch of competing products in Japan at that time. Fuji Pharma will exclusively buy the relevant biosimilar candidate from Alvotech at a royalty or the applicable floor price, whichever is higher, for the duration of the agreement. The license and supply agreements will terminate 20 years after the first commercial sale of the relevant product in Japan. They can be terminated by either party in case a party (i) withholds any monies due to the other party for more than two months; (ii) commits or permits any substantial breach of any material term of the agreement; (iii) has a receiver or administrator appointed in respect of any of its assets or enters into any agreement with its creditors; or (iv) goes into liquidation.

In April 2024, we expanded our strategic partnership with Fuji Pharma and entered into a license agreement for AVT5 and AVT06, according to which Alvotech will develop the product candidates and provide a dossier of data, information and know-how relating to the relevant product to Fuji Pharma. Fuji Pharma has the exclusive right to use the dossier to obtain and maintain regulatory approvals and to import, finish, market, promote, sell and distribute the relevant product in Japan.

In September 2023, Fuji Pharma received marketing approval for AVT04 from the Japanese Ministry of Health, Labor and Welfare. We launched AVT04 under the trade name USTEKINUMAB BS (F) in Japan in the second quarter of 2024.

Under the terms of these agreements, Fuji Pharma made upfront payments of $24.6 million and $8.4 million in development and performance milestone payments up to 31 December 2024. Additionally, we are eligible to receive aggregate payments of up to an additional $52.0 million upon the achievement of certain, regulatory, commercial, manufacturing and sales milestones.

Canada – JAMP Pharma

JAMP Pharma has a portfolio with more than 290 molecules and is a leader in the pharmaceutical industry in Canada. In December 2019, Alvotech entered into five license and supply agreements with JAMP Pharma with respect to AVT02, AVT03, AVT04, AVT05 and AVT06. Under the terms of the agreements, Alvotech will develop the product candidates and provide the dossier of data, information and know-how relating to the relevant product candidate to JAMP Pharma. Alvotech retains full ownership of all intellectual property rights in the product candidates and the dossiers. JAMP Pharma has the exclusive right and obligation to use the dossier to try to obtain and maintain regulatory approvals for the relevant product and to market, sell, and distribute the products in Canada. Alvotech will manufacture, supply and deliver the product to JAMP Pharma and JAMP Pharma will exclusively buy the relevant biosimilar candidate from Alvotech at a royalty or the applicable floor price, whichever is higher, for the duration of the agreement. If the agreed remittance is less than the floor price, JAMP Pharma has the option to turn the supply price for that product into a profit share arrangement. All invoices are payable within sixty days, in euros and by wire transfer. The agreements terminate 20 year after the first commercial sale of the relevant product and are subject to certain customary early termination rights. They can be terminated by either party if the other party (i) commits or permits any substantial breach of any material term or provision of the agreement; (ii) has a receiver or administrator appointed in respect of any of its assets, or enter into any arrangement or composition with its creditors; or (iii) goes into liquidation. The agreements can be terminated by JAMP Pharma (i) in case of Phase III study failure; (ii) in case the dossier is delayed by more than 12 months from the target date; (iii) if, following the agreed launch date, Alvotech's formulation of the product or the process used in the manufacture of the product violates any third-party patent in Iceland or Canada; (iv) in case of GMP or quality failures hindering registration or launch in the Canada; (v) if Health Canada rejects or does not provide regulatory approval within 18 months of filing; (vi) if the results of due diligence performed by JAMP Pharma are not satisfactory; (viii) if 50% of the market for the product is not converted to certain product specifications at the time of launch by JAMP Pharma; or (ix) if Alvotech fails to deliver the launch order for the product within 12 months from the placing of the launch and, due to Alvotech's non- or late delivery of products, JAMP Pharma is out of stock for more than 12 consecutive months.

In January 2022, Health Canada granted marketing authorization to JAMP Pharma for AVT02. In April 2022, JAMP Pharma launched AVT02, under the trade name SIMLANDI, in Canada. In November 2023, Health Canada granted marketing authorization to JAMP Pharma for AVT04 under the trade name JAMTEKI. JAMP Pharma launched JAMTEKI in Canada on 1 March 2024.

On 29 August 2022, Alvotech and JAMP Pharma entered into additional license and supply agreements on substantially the same terms and thereby expanded their partnership with two additional biosimilar candidates, AVT16 and AVT33.

Under these agreements, JAMP Pharma made upfront payments of $21.0 million and $3.0 million in development and performance milestone payments up to 31 December 2024. Additionally, we are eligible to receive aggregate payments of up to an additional $50.4 million upon the achievement of certain regulatory, commercial, manufacturing and sales milestones.

Kashiv Biosciences for AVT23

In October 2023, Alvotech announced that it had entered into an exclusive licensing agreement for AVT23 (also called ADL018), a proposed biosimilar to Xolair (omalizumab), which is currently in clinical development. The agreement covers all 27 countries of the European Union, the UK, Australia, Canada, and New Zealand. Under terms of the agreement, Alvotech will receive an exclusive license to commercialize AVT23, which will be developed and manufactured by Kashiv Biosciences ("Kashiv"). Kashiv received an upfront payment of $6.0 million and is eligible for subsequent milestone payments up to $34.0 million and royalties.

In addition, Alvotech has commercialization partnerships with, among others, Dr. Reddy's (U.S., EU, and UK), Cipla/Cipla Gulf/Cipla Medpro (Australia, New Zealand, South Africa/Africa), DKSH (Taiwan, Hong Kong, Cambodia, Malaysia, Singapore, Indonesia, India, Bangladesh and Pakistan), YAS (Middle East and Africa), Abdi Ibrahim (Turkey), Kamada (Israel), MegaLabs, Stein, Libbs, Tuteur and Saval (Latin America), and Advanz Pharma (EEA, U.K., Switzerland, Canada, Australia and New Zealand).

Other Material Agreements, Partnerships and Suppliers

U.S. AbbVie Agreement

On 8 March 2022 Alvotech entered into the AbbVie U.S. Agreement with AbbVie Inc. and AbbVie Biotechnology Ltd with respect to AVT02 for the U.S. market. Under the licensing component of the AbbVie U.S. Agreement, AbbVie granted Alvotech a license to make, import, use, distribute, sell and offer for sale AVT02 in the U.S. and a license to manufacture, import and store a reasonable amount of AVT02 in anticipation of the commercial launch of AVT02 in the U.S. Under the agreement, Alvotech may sublicense certain rights to other parties subject to certain conditions. Following the termination of the royalty payments on 11 February 2025, the license is fully paid up and irrevocable.

European AbbVie Agreement

On 4 April 2022, Alvotech entered into the European AbbVie Agreement with AbbVie Biotechnology Ltd with respect to the sale of AVT02 in Europe and selected markets outside of Europe (the “European AbbVie Agreement”). Under the licensing component of the European AbbVie Agreement, AbbVie granted Alvotech a license to make, import, use, distribute, sell and offer for sale AVT02 in Europe and selected markets outside of Europe. Alvotech may sublicense certain rights to other parties subject to certain conditions. In return, Alvotech is obligated to pay royalties to AbbVie with respect to certain indications that are covered by AbbVie patents, on an indication-by-indication and territory-by-territory basis. For purposes of calculating royalties due under the agreement, the parties agreed that in any territory, a certain percentage of AVT02 sold in such territory is covered by the indication, bringing the effective royalty rate in the single-digit to low-teens percentage range of net sales of AVT02 in the territories. The royalty payments terminated or will terminate, on an indication-by-indication basis, on 5 June 2022, 11 April, 2025, and 3 June 2031, respectively, at which time the license granted for that indication will be deemed fully paid up and irrevocable. Alvotech’s royalty obligation will terminate earlier if, on a territory-by-territory and indication-by-indication basis, no valid AbbVie patent rights remain. Each party has the right to terminate the agreement upon breach of certain terms of the agreement that remains uncured for a certain period of time. Additionally, AbbVie may terminate the agreement if Alvotech takes certain actions concerning the patentability, validity, or enforceability of AbbVie’s patents in Europe with respect to AVT02.

For the year ended 31 December 2024, we paid $5.9 million in royalties to AbbVie.

Secured Loan Facility

On 6 June 2024, Alvotech, as borrowed, entered into the Secured Loan Facility with GLAS USA LLC, as administrative agent, GLAS Americas LLC, as collateral agent, and the lenders party thereto, which provides for term loan commitments in an aggregate principal amount of $965.0 million, of which the $900.0 million First Out Term Loans were drawable as “first out” term loans and the $65.0 million Second Out Term Loans were drawable as “second out” term loans (the “Second Out Term Loans” and, together with the First Out Term Loans, the “Term Loans” or the "Facility"). The Term Loans are scheduled to mature on 11 July 2029.

At the option of Alvotech, the outstanding principal amount under the Facility bear either interest at a secured overnight financing rate (“SOFR”) based rate (with such customary provisions under the Term Loans providing for the replacement of SOFR with any successor rate) or an alternate base rate, in each case plus an applicable margin. The applicable margin for alternate base rate loans is 5.50% per annum for the First Out Term Loans and 9.50% per annum for the Second Out Term Loans and the applicable margin for SOFR-based loans is 6.50% per annum for the First Out Term Loans and 10.50% per annum for the Second Out Term Loans. With respect to the First Out Term Loans, Alvotech has the ability to opt to have interest paid-in-kind in lieu of cash interest for any interest period (“PIK Interest Election”), which would increase the interest rate for such First Out Term Loans by 0.75% per annum for the applicable interest period. Alvotech can make such PIK Interest Election for interest accruing on or before 30 June 2025. With respect to the Second Out Term Loans, all interest may only be paid in kind.

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 permits Alvotech to request, from time to time, (a) increases in the Term Loans pursuant to the establishment of one or more new classes of incremental term loans, and/or (b) extend the maturity of the Term Loans, in each case subject to commitments from lenders and customary conditions, exceptions and thresholds.

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.

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:

AVT02. We expect AbbVie (the originator) as well as Amgen, Boehringer Ingelheim GmbH, Biocon/FujiFilm, Celltrion, Fresenius Kabi, Pfizer, Samsung Bioepis, Coherus, and Sandoz to be our main competitors for AVT02, a biosimilar product candidate to Humira (adalimumab). Most of these companies have either launched or disclosed development plans for a 50 mg/mL Humira biosimilar in the U.S., EU, or both, as well as in some other global markets. Celltrion, Sandoz and Alvotech are the only companies with regulatory approval in the EU for a 100 mg/mL biosimilar version of adalimumab. In the U.S., Amgen, Samsung Bioepis, Celltrion and Sandoz received approval from FDA for a 100 mg/mL biosimilar version of adalimumab and Boehringer Ingelheim has a BLA pending FDA approval. Companies

that announced plans to seek U.S. interchangeability designation for a 100 mg/mL biosimilar version of adalimumab include Amgen, Samsung Bioepis, and Celltrion. On 23 February 2024, the FDA gave market U.S. approval to AVT02 under the tradename SIMLANDI, and announced that SIMLANDI qualified for interchangeability designation and with exclusivity in the U.S. market for an undetermined length of time.

AVT04. We expect Janssen (the originator) as well as Amgen, Celltrion, Bio-Thera, Formycon, Dong-A/Meiji Seika, Samsung Bioepis and Biocon to be our main competitors for AVT04, a biosimilar candidate to Stelara (ustekinumab), all of which have disclosed development plans for a Stelara biosimilar. Janssen is also attempting to defend against biosimilar competition by expanding the label for Stelara and by launching follow-on drugs. We have reached settlement agreements with the originator to enable launches in the U.S., Europe, Canada and Japan.

AVT06. We expect Regeneron (the originator) Amgen, Celltrion, Formycon, Altos, Sam Chun Dang, Samsung Bioepis, Sandoz and Viatris/Biocon to be our main competitors for AVT06, a biosimilar candidate 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), Sandoz, Celltrion, Fresenius Kabi, Samsung Bioepis, Gedeon Richter, mAbxience, Biocon, Henlius and Teva to be our main competitors for AVT03, a biosimilar candidate to Prolia/Xgeva (denosumab), as they have all disclosed development plans for a Prolia/Xgeva biosimilar.

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 trials 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 biological products, or biologics. The Public Health Service Act, or PHSA, the Federal Food, Drug and Cosmetic Act, or FFDCA, and other federal and state statutes and regulations, govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, post-approval changes, and import and export of biologics. 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 PHSA and its implementing regulations provides FDA authority to immediately suspend licenses in certain situations where FDA determines that there exists a danger to health, and to promulgate and enforce regulations to prevent the introduction or spread of communicable diseases in the United States and between states.

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 trials 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.

Pre-clinical tests include laboratory evaluation of product chemistry, formulation and toxicology, as well as animal trials to assess the characteristics and potential safety and efficacy of the product. The conduct of the pre-clinical tests must comply with federal regulations and requirements, including good laboratory practices. An IND must be submitted to the FDA to administer an investigational new drug to humans. The central focus of an IND submission is on the general investigational plan and the protocol(s) for human studies, although the IND must also include safety data, e.g., the results of pre-clinical testing and animal testing assessing the toxicology and pharmacology of the product along with other information, including information about product chemistry, manufacturing and controls and a proposed clinical trial protocol. Long term pre-clinical tests, such as animal tests of reproductive toxicity and carcinogenicity, may continue after the IND is submitted.

An IND must become effective before United States clinical trials may begin. There is generally a 30-day waiting period after the IND submission, after which clinical investigations can begin, unless the FDA notifies the sponsor of concerns or questions related to a clinical hold. If that happens, the sponsor and the FDA must resolve the hold issue(s) before the clinical investigation can begin. Otherwise, the clinical trial proposed in the IND may begin at the conclusion of this 30-day period.

Clinical trials involve the administration of the investigational new drug to volunteers or patients all under the supervision of a qualified investigator. Clinical trials must be conducted in compliance with federal regulations on good clinical practice, or GCP, including, for example, regulations regarding the protection of human subjects, defining, the roles of clinical trial sponsors, administrators and monitors, and governing protocols detailing the objectives of the trial and, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. Each protocol involving testing on U.S. patients and subsequent protocol amendments must be submitted to the FDA as part of the IND. Before approving a BLA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP.

The FDA may order the temporary or permanent discontinuation of a clinical trial at any if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients, among other reasons. The study protocol and informed consent information for patients in clinical trials must also be submitted to an institutional review board, or IRB, for approval. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements or may impose other conditions. The study sponsor may also suspend a clinical trial at any time on various grounds, including a determination that the subjects or patients are being exposed to an unacceptable health risk.

Clinical trials to support BLAs for regulatory approval of a reference biologic product under the 351(a) pathway are typically conducted in three sequential phases, but the phases may overlap or be combined. In Phase 1, the biologics are initially introduced into patients or healthy human subjects and the biologic is tested to assess the safety/tolerability, pharmacokinetics, pharmacological actions, side effects associated with increasing doses, and, if possible, early evidence of effectiveness. Phase 2 usually involves trials in a limited patient population to determine the effectiveness of the biologic for a particular indication, dosage tolerance and optimum dosage and to identify common adverse effects and safety risks. If a product candidate demonstrates evidence of effectiveness and an acceptable safety profile in Phase 2 evaluations, Phase 3 clinical trials are undertaken to obtain additional information about clinical efficacy and safety in a larger number of patients, typically at geographically dispersed clinical trial sites. These Phase 3 clinical trials are intended to establish data sufficient to demonstrate substantial evidence of the efficacy and safety of the product to permit the FDA to evaluate the overall benefit-risk relationship of the biologic and to provide adequate information for the labeling of the biologic. Trials conducted outside of the United States under similar, GCP-compliant conditions in accordance with local applicable laws may also be acceptable to the FDA in support of product licensing.

Sponsors of clinical trials for investigational drugs generally must publicly disclose certain clinical trial information, including detailed trial design and trial results in a public database administered by the U.S. Department of Health and Human Services. These requirements are subject to specific timelines and apply to most clinical trials of FDA-regulated products.

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 cost of preparing and submitting a BLA is substantial. Under federal law, the submission of most original BLAs is subject to a multi-million dollar application user fee, as well as annual fees, both of which are typically increased annually.

The FDA has agreed to certain performance goals in the review of BLAs. First, the FDA has agreed to determine whether the application will be accepted for filing based on the agency's threshold determination that it is sufficiently complete to enable substantive review within 60 days from its receipt of a BLA. Once the submission is accepted for filing, the FDA begins an in-depth review. The FDA's stated goal is to review most original BLA applications for standard review biologics within ten months from the date the application is accepted for filing. Although the FDA often meets its user fee performance goals, the review goal date can be extended in the event of a "major amendment," or can be extended by requests for additional information or clarification, and FDA review may not occur on a timely basis at all. Additionally, as a result of public health emergencies, such as the COVID-19 pandemic, review timelines may be delayed even further.

The FDA often refers applications for novel biologics or biologics which present difficult questions of safety or efficacy, to an advisory committee — typically a panel that includes clinicians and other experts — for review, evaluation and a recommendation as to whether the application should be approved and/or specific use and approvability questions. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations.

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. An approval letter authorizes commercial marketing of the biologic with specific prescribing information for specific indications. The approval for a biologic may be significantly more limited than requested in the application, including limitations on the specific conditions of use, which could restrict the commercial value of the product. The FDA may also require that certain contraindications, warnings or precautions be included in the product labeling. In addition, under certain circumstances, the FDA may require a risk evaluation and mitigation strategy, or REMS, as a condition of approval, if necessary to ensure that the benefits of the biologic outweigh the potential risks. REMS can include medication guides, communication plans for healthcare professionals and elements to assure safe use, or ETASU. ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring and the use of patient registries. The requirement for a REMS can materially affect the potential market and profitability of the biologic. Moreover, product approval may include post-marketing commitments and/or post-marketing-requirements, including, for example, pediatric studies, safety monitoring, and Phase 4 trials.

Certain types of biologics may also be subject to official lot release. As part of the manufacturing process, the manufacturer is required to perform certain tests on each lot of the product before it is released for distribution. If the product is subject to official lot release by the FDA, the manufacturer submits samples of each lot of product to the FDA together with a release protocol showing a summary of the history of manufacture of the lot and the results of all of the manufacturer's tests performed on the lot. The FDA may also perform certain confirmatory tests on lots of some products, such as viral vaccines, before releasing the lots for distribution by the manufacturer. In addition, the FDA conducts laboratory research related to the regulatory standards on the safety, purity, potency and effectiveness of biological products. After approval of biologics, manufacturers must address any safety issues that arise, may be subject to recalls or a halt in manufacturing under certain circumstances, and are subject to periodic inspection after approval.

Because biologically-sourced raw materials are subject to unique contamination risks, their use may be restricted in some countries.

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. This pathway was established as a way to provide more treatment options, increase access to lifesaving medications, and potentially lower health care costs through competition. Under the 351(k) (biosimilar) approval pathway, an application for licensure of a biosimilar product must include information demonstrating biosimilarity based upon the following (unless a specific element is waived by FDA):

- analytical studies demonstrating that the proposed biosimilar product is highly similar to the approved product notwithstanding minor differences in clinically inactive components;
- animal studies (including the assessment of toxicity and immunogenicity); and
- a clinical study or studies (including the assessment of immunogenicity and pharmacokinetics or pharmacodynamics) that are sufficient to demonstrate safety, purity, and potency in one or more appropriate conditions of use for which the reference product is licensed and intended to be used and for which licensure is sought for the biological product.

In addition, an application submitted under the 351(k) pathway must include information demonstrating that:

- the proposed biosimilar product and reference product utilize the same mechanism of action for the condition(s) of use prescribed, recommended or suggested in the proposed labeling, but only to the extent the mechanism(s) of action are known for the reference product;

- the condition or conditions of use prescribed, recommended or suggested in the labeling for the proposed biosimilar product have been previously approved for the reference product;
- the route of administration, the dosage form and the strength of the proposed biosimilar product are the same as those for the reference product; and
- the facility in which the biological product is manufactured, processed, packed or held meets standards designed to assure that the biological product continues to be safe, pure, and potent.

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. An application seeking licensure as an interchangeable must include information sufficient to demonstrate that:

- the proposed product is biosimilar to the reference product;
- the proposed product is expected to produce the same clinical result as the reference product in any given patient; and
- for a product that is administered more than once to an individual, the risk to the patient in terms of safety or diminished efficacy of alternating or switching between the biosimilar and the reference product is no greater than the risk of using the reference product without such alternation or switch.

As with other biological products, FDA approval of a BLA is required before a biosimilar may be marketed in the United States. Biosimilar BLAs (or "351(k) BLAs") are not required to duplicate the entirety of the data package used to establish the safety and effectiveness of the reference product. Rather, a 351(k) BLA will be approved based on a demonstration of biosimilarity to the reference product, including the information outlined above, and does not require an independent showing of safety and effectiveness. 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 trials. 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 FDA may refuse to file applications that it finds are incomplete. The FDA will treat a biosimilar application or supplement as incomplete if, among other reasons, any applicable user fees assessed under the Biosimilar User Fee Act of 2012 have not been paid. In addition, the FDA may accept an application for filing but deny approval on the basis that the sponsor has not demonstrated biosimilarity, in which case the sponsor may choose to conduct further analytical, preclinical or clinical studies and resubmit the BLA to demonstrate biosimilarity under section 351(k).

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

The FFDCA prohibits the marketing, promotion, or advertising of an investigational drug as if it has been demonstrated to be safe and effective for the uses for which it is being studied. 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. For instance, the FDA closely regulates the post-approval advertising, marketing and promotion of drugs, including biologics, including, for example, direct-to-consumer advertising, off-label promotion, and industry-sponsored scientific and educational activities. 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. A supplement for a 351(a) BLA seeking to add a new indication typically requires new clinical data, and the FDA generally uses the same procedures and actions in reviewing BLA supplements with clinical data as it does in reviewing BLAs. There are also continuing reporting requirements for marketed drug products.

Adverse Event Reporting and GMP Compliance

In addition to regular periodic reports following FDA approval of a BLA and compliance with any post-marketing commitments or post-marketing requirements, license-holders also must comply with adverse event reporting requirements and must continue to conform to cGMPs, as described above. Manufacture, packaging, labeling, storage, and distribution procedures must continue to conform to cGMP after approval, and FDA conducts periodic surveillance inspections intended to ensure such ongoing compliance. Biologics manufacturers and their manufacturing subcontractors are generally required to register their establishments with the FDA and certain state agencies. Accordingly, manufacturers must continue to expend time, money, and effort in the areas of production and quality control to maintain compliance with cGMP.

Post-approval discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency or issues with manufacturing processes or cGMP compliance, or other failures to comply with regulatory requirements, may lead the FDA to, for example:

- require revisions to approved labeling to add new safety information;
- require post-market studies to assess new safety risks;
- issue fines, warning letters, or untitled letters;
- place post-approval clinical trials on hold;
- detain or refusal to permit the import or export of products;
- request voluntary calls;
- seek injunctions, civil forfeiture, civil money penalties, or other civil relief; or
- seek criminal penalties or prosecution.

Under certain circumstances, FDA may initiate proceedings to suspend or revoke a license or recall the product from the market.

Other Healthcare Laws and Compliance Requirements

Although we currently do not have any products on the market or engage with any licensed health care providers in the United States, our current and future 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 PPACA, 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 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, state and local laws that require the registration of pharmaceutical sales representatives, 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 trials, 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 Trials in the EU

In the EU, clinical trials are governed by the Clinical Trials Regulation (EU) No 536/2014, or CTR, which entered into application on 31 January 2022, repealing and replacing the former Clinical Trials Directive 2001/20, or CTD, and related national implementing legislation of EU Member States.

The CTR is intended to harmonize and streamline clinical trial authorizations, simplify adverse-event reporting procedures, improve the supervision of clinical trials 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 Trials 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 trials 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 trials on their territory.

The extent to which on-going clinical trials will be governed by the CTR will depend on the duration of the individual clinical trial. Sponsors could choose to submit a clinical trial application under either the CTD or the CTR until 31 January 2023. For clinical trials in relation to which application for approval was made on the basis of the CTD before 31 January 2023, if authorized, those clinical trials continued to be governed on a transitional basis by the CTD until 31 January 2025. All ongoing trials are now subject to the provisions of the CTR.

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, the EMA's Committee for Medicinal Products for Human Use, or CHMP, conducts the initial assessment of a product. The CHMP is also responsible for several post-authorization and maintenance activities, such as the assessment of modifications or extensions to an existing MA.

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. Accelerated assessment may be granted by the CHMP in exceptional cases, when a medicinal product targeting an unmet medical need is expected to be of major interest from the point of view of public health and, in particular, from the viewpoint of therapeutic innovation. If the CHMP accepts a request for accelerated assessment, the time limit of 210 days will be reduced to 150 days (excluding clock stops). The CHMP can, however, revert to the standard time limit for the centralized procedure if it considers that it is no longer appropriate to conduct an accelerated assessment.

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. This application is identical to the application that would be submitted to the EMA for authorization through the centralized procedure. The reference EU Member State prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. The resulting assessment report is submitted to the concerned EU Member States who, within 90 days of receipt, must decide whether to approve the assessment report and related materials. If a concerned EU Member State cannot approve the assessment report and related materials due to concerns relating to a potential serious risk to public health, disputed elements may be referred to the Heads of Medicines Agencies' Coordination Group for Mutual Recognition and Decentralised Procedures – Human, or CMDh, for review. The subsequent decision of the European Commission is binding on all EU Member States.

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).

Innovative products that target an unmet medical need and are expected to be of major public health interest may be eligible for a number of expedited development and review programs, such as the Priority Medicines, or PRIME, scheme, which provides incentives similar to the breakthrough therapy designation in the U.S. PRIME is a voluntary scheme aimed at enhancing the EMA's support for the development of medicinal products that target unmet medical needs. Eligible products must target conditions for which there is an unmet medical need (there is no satisfactory method of diagnosis, prevention or treatment in the EU or, if there is, the new medicinal product will bring a major therapeutic advantage) and they must demonstrate the potential to address the unmet medical need by introducing new methods of therapy or improving existing ones. Benefits accrue to sponsors of product candidates with PRIME designation, including but not limited to, early and proactive regulatory dialogue with the EMA, frequent discussions on clinical trial designs and other development program elements, and potentially accelerated MAA assessment once a dossier has been submitted.

In the EU, a "conditional" MA may be granted in cases where all the required safety and efficacy data are not yet available. The European Commission may grant a conditional MA for a medicinal product if it is demonstrated that all of the following criteria are met: (i) the benefit-risk balance of the medicinal product is positive; (ii) it is likely that the applicant will be able to provide comprehensive data post-authorization; (iii) the medicinal product fulfils an unmet medical need; and (iv) the benefit of the immediate availability to patients of the medicinal product is greater than the risk inherent in the fact that additional data are still required. The conditional MA is subject to conditions to be fulfilled for generating the missing data or ensuring increased safety measures. It is valid for one year and must be renewed annually until all related conditions have been fulfilled. Once any pending studies are provided, the conditional MA can be converted into a traditional MA. However, if the conditions are not fulfilled within the timeframe set by the EMA and approved by the European Commission, the MA will cease to be renewed.

An MA may also be granted "under exceptional circumstances" where the applicant can show that it is unable to provide comprehensive data on efficacy and safety under normal conditions of use even after the product has been authorized and subject to specific procedures being introduced. These circumstances may arise in particular when the intended indications are very rare and, in the state of scientific knowledge at that time, it is not possible to provide comprehensive information, or when generating data may be contrary to generally accepted ethical principles. Like a conditional MA, an MA granted in exceptional circumstances is reserved to medicinal products intended to be authorized for treatment of rare diseases or unmet medical needs for which the applicant does not hold a complete data set that is required for the grant of a standard MA. However, unlike the conditional MA, an applicant for authorization in exceptional circumstances is not subsequently required to provide the missing data. Although the MA "under exceptional circumstances" is granted definitively, the risk-benefit balance of the medicinal product is reviewed annually, and the MA will be withdrawn if the risk-benefit ratio is no longer favorable.

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 trials or post-authorization safety studies.

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.

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.

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 trials 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 trials, product approval, pricing and reimbursement vary from country to country. In all cases, the clinical trials 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. 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 PPACA 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.

In the U.S. and some other countries, particularly over the past few years, a number of legislative and regulatory proposals have been introduced in an attempt to lower drug prices and restrict or regulate post-approval activities. In the U.S., in addition to market actions taken by private and government payors, there has been heightened government, media, and public scrutiny over the manner in which drug manufacturers set prices for their marketed products, resulting in several presidential executive orders, Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for pharmaceutical products. For example, the IRA directs the U.S. Department of Health and Human Services ("HHS") Secretary to establish a Drug Price Negotiation Program to lower prices for certain high-expenditure, single-source prescription drugs and biologics covered under Medicare Part B and Part D that have been approved by the FDA for at least 7 years for prescription drugs and at least 11 years for biologics. Under the Program, the HHS Secretary will publish a list of "selected drugs," and will then negotiate maximum fair prices with their manufacturers. The Program will be implemented in stages. Beginning in 2026, 10 Medicare Part D "selected drugs" will be subject to price negotiations. By 2029, and in subsequent years thereafter, the number will increase to 20 drugs and biologics covered under Medicare Part B and Part D. Agreements between HHS and manufacturers will remain in place until a drug or biologic is no longer considered a "selected drug" for negotiation purposes. Manufacturers who do not comply with the negotiated prices set under the Program will be subject to an excise tax based on a percentage of total sales of a "selected drug" up to 95% and potential civil monetary penalties. On 15 August 2024, HHS announced the agreed-upon prices of the first ten drugs that were subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges.

On 17 January 2025, HHS selected fifteen additional products covered under Part D for price negotiation in 2025. Each year thereafter more Part B and Part D products will become subject to the Medicare Drug Price Negotiation Program. Further, effective October 2023, the IRA requires manufacturers that increase prices of certain Medicare Part B and Part D drugs or biologics at a rate greater than inflation to pay rebates to the Centers for Medicare & Medicaid Services or be subject to civil monetary penalties. The IRA also provides certain incentives for the development and manufacture of biosimilars. For example, the Secretary can grant a one-year delay from price negotiations for biosimilars that have a "high likelihood" of a competing biosimilar product entering the market within the requested delay period. In addition, certain Part B biosimilars qualify for an increase in Medicare payments, to 8% of the 5-year Average Sales Price, from 6% under current law. The HHS Secretary has been directed to promulgate regulations to implement the Program and other IRA health reform measures.

In this dynamic environment, particularly given the recent change in administration, 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. In December 2021, the EU HTA Regulation was adopted in the EU. The HTA Regulation has applied from 12 January 2025 although it will enter into force iteratively and initially apply to new active substances to treat cancer and to all advanced therapy medicinal products (ATMPs), it will then be expanded to orphan medicinal products in January 2028, and to all centrally authorized medicinal products as of 2030. Selected high-risk medical devices will also be assessed under the HTA Regulation as of 2026. The HTA Regulation is intended to harmonize the clinical benefit assessment of HTA across the EU. Pricing and reimbursement decisions, based on these assessments, remain the responsibility of individual Member States.. 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.

Regulation in the United Kingdom

The withdrawal of the United Kingdom from the EU on 31 January 2020, commonly referred to as Brexit, has created significant uncertainty concerning the regulatory relationship between the UK and the EU. The Medicines and Healthcare products Regulatory Agency ("MHRA"), is now the UK's standalone regulator. On 24 December 2020, the EU and UK reached an agreement in principle on the framework for their future relationship, the EU-UK Trade and Cooperation Agreement, or Agreement. The Agreement primarily focuses on ensuring free trade between the EU and the UK in relation to goods, including medicinal products. Although the body of the Agreement includes general terms which apply to medicinal products, greater detail on sector-specific issues is provided in an Annex to the Agreement.

Among the changes that will now occur are that the United Kingdom is now a third country. As part of the Agreement, the EU and the UK will recognize GMP inspections carried out by the other party and the acceptance of official GMP documents issued by the other party. The Agreement also encourages, although it does not oblige, the parties to consult one another on proposals to introduce significant changes to technical regulations or inspection procedures. Among the areas of absence of mutual recognition are batch testing and batch release. The UK has unilaterally agreed to accept EU batch testing and batch release. However, the EU continues to apply EU laws that require batch testing and batch release to take place in the EU territory. This means that medicinal products that are tested and released in the UK must be retested and re-released when entering the EU market for commercial use.

The UK regulatory framework in relation to clinical trials is derived from existing EU legislation (as implemented into UK law, through secondary legislation). On 17 January 2022, the UK Medicines and Healthcare products Regulatory Agency, or MHRA, launched an eight-week consultation on reframing the UK legislation for clinical trials. The UK Government published its response to the consultation on 21 March 2023 confirming that it would bring forward changes to the legislation and such changes were laid in parliament on 12 December 2024. These resulting legislative amendments will, if implemented in their current form, bring the UK into closer alignment with the CTR. In October 2023, the MHRA announced a new Notification Scheme for clinical trials which enables a more streamlined and risk-proportionate approach to initial clinical trial applications for Phase 4 and low-risk Phase 3 clinical trial applications.

Marketing authorizations in the UK are governed by the Human Medicines Regulations (SI 2012/1916), as amended. Since 1 January 2021, an applicant for the EU centralized procedure marketing authorization can no longer be established in the UK. As a result, since this date, companies established in the UK cannot use the EU centralized procedure. 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.

There is no pre-marketing authorization orphan designation for medicinal products in the UK. Instead, the MHRA reviews applications for orphan designation in parallel to the corresponding marketing authorization application. The criteria are essentially the same as those in the EU, but have been tailored for the market. This includes the criterion that prevalence of the condition in the United Kingdom, rather than the EU, must not be more than five in 10,000. Upon the grant of a marketing authorization with orphan status, the medicinal product will benefit from up to 10 years of market exclusivity from similar products in the approved orphan indication. The start of this market exclusivity period will be set from the date of first approval of the product in the United Kingdom.

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"). New privacy rules are being enacted in the United States and globally, and existing ones are being expanded, updated and strengthened. For example, the EU GDPR which went into effect in May 2018 introduced strict requirements regarding the processing of personal data, including health-related data.

The collection and use of personal health data in the EEA is governed by the EU GDPR, which became effective on 25 May 2018. The EU GDPR applies to any company established in the EEA and to companies established outside the EEA that process personal data in connection with the offering of goods or services to data subjects in the EEA or the monitoring of the behavior of data subjects in the EEA. The EU GDPR enhances data protection obligations for controllers and processors of personal data, including stringent requirements relating to the consent of data subjects, expanded disclosures about how personal data is used, requirements to conduct privacy impact assessments for high-risk processing, limitations on retention of personal data and mandatory data breach notification and privacy by design requirements, and creates direct obligations on service providers acting as data processors. The EU GDPR also imposes strict rules on the transfer of personal data outside of the EEA to countries that do not ensure an adequate level of protection, such as the U.S. Failure to comply with the requirements of the EU GDPR and the related national data protection laws of the EEA countries may result in fines up to 20 million Euros or 4% of a company's global annual revenues for the preceding financial year, whichever is higher. Moreover, the EU GDPR grants data subjects the right to claim compensation for damages resulting from infringement of the EU GDPR.

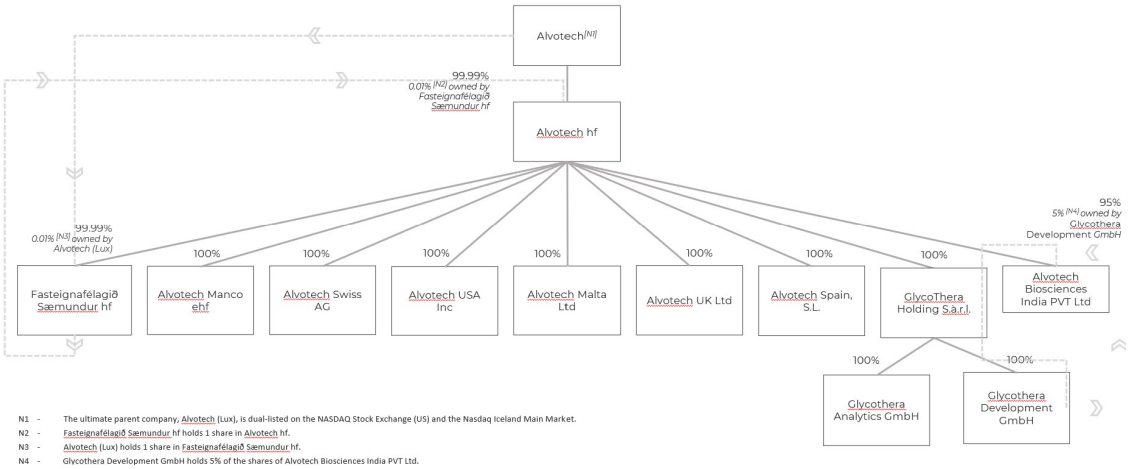
Following the United Kingdom's withdrawal and the expiration of the transition period, from 31 January 2020, companies doing business in the EU and the UK will be obliged to comply with both the GDPR and the UK GDPR. The UK has implemented legislation similar to the EU GDPR, the UK GDPR, including the UK Data Protection Act, which provides for fines of up to the greater of 17.5 million British Pounds or 4% of a company's worldwide turnover, whichever is higher. Additionally, the relationship between the UK and the EU in relation to certain aspects of data protection law

remains unclear following Brexit, including with respect to regulation of data transfers between EU Member States and the UK. On 28 June 2021, the European Commission announced a decision of "adequacy" concluding that the UK ensures an equivalent level of data protection to the EU GDPR, which provides some relief regarding the legality of continued personal data flows from the EEA to the UK. Some uncertainty remains, however, as this adequacy determination must be renewed after four years and may be modified or revoked in the interim. We cannot fully predict how the Data Protection Act, the UK GDPR, and other UK data protection laws or regulations may develop in the medium to longer term nor the effects of divergent laws and guidance regarding how data transfers to and from the UK will be regulated.

C. Organizational Structure

Corporate Structure

The following diagram illustrates our corporate structure as of 31 December 2024.



- Alvotech hf., Alvotech Manco ehf., and Fasteignafélagið Sæmundur hf. are incorporated in Iceland;
- 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 Limited is incorporated in the United Kingdom;
- Alvotech Spain S.L. is incorporated in Spain;
- 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, including the ongoing expansion of the Reykjavik facility, 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 GMP, 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 GMP 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, and secondary packaging. Additionally, the expansion supports increased warehousing and other supportive functions. With the expansion of the Reykjavik facility's manufacturing capabilities, our capabilities are able to meet the demand for our products, after we obtained regulatory approval and commercial launch..

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 also rent office space in Kopavogur, Iceland, for approximately 10,000 square feet, on a lease that expires in 2027.

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 expire 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 2026.

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 expires in December 2025.

Additionally, we use a small part of a 6,000 square feet office in Malta for administrative functions. We are currently leasing this office space. The leases expire in August 2025.

We recently entered into a short-term lease contract for coworking office space with a private office in Madrid, Spain. The lease expires in March 2025.

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 currently has two approved biosimilars for major markets 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.

- In 2022, Alvotech's commercial partners launched AVT02, a biosimilar to Humira (adelimumab), in Canada and Europe and, in 2023, in Australia. On 23 February 2024, Alvotech announced the receipt of FDA approval for marketing AVT02 in the U.S. Alvotech's commercial partners, Teva Pharmaceuticals International GmbH ("Teva") and Quallent Pharmaceuticals ("Quallent"), launched AVT02 in the U.S. during the first half of 2024. The Company extended, through its European commercial partner, STADA Arzneimittel AG ("Stada"), its commercial rights to AVT02 to Commonwealth of Independent States (CIS) countries in Central Asia in June 2024.
- In the fourth quarter of 2023, Alvotech's commercialization partners Fuji Pharma ("Fuji") and JAMP Pharma ("Jamp") received approval for AVT04, a biosimilar to Stelara (ustekinumab), in Japan and Canada. In January 2024, Alvotech's commercialization partner STADA Arzneimittel AG ("Stada") received approval for AVT04 in the EEA. Alvotech received approval from the FDA for Selarsdi, AVT04 biosimilar to Stelara, in April 2024. The Company has launched AVT04 in Canada through its partner Jamp, in Japan through its partner Fuji, in select European markets starting in July through its partner Stada, and in the U.S. starting in February 2025. The Company extended Stada's commercial rights to AVT04 to CIS countries in Central Asia in June 2024. In October 2024, the FDA approved SELARSDI (ustekinumab) in a new presentation, 130 mg/26 ml solution in a single-dose vial for intravenous infusion. This approval paves the way for SELARSDI

to further align its label with the indications of the reference product Stelara in the U.S. at launch, which is expected in the first quarter of 2025.

- Alvotech is in late stage clinical studies for five biosimilar candidates. These are AVT03, a biosimilar candidate to Prolia / Xgeva (denosumab), AVT05, a biosimilar candidate to Simponi and Simponi Aria (golimumab), AVT06, a biosimilar candidate to Eylea (aflibercept), AVT16, a biosimilar candidate to Entyvio (vedolizumab), and AVT23, a biosimilar candidate to Xolair (omalizumab).
- In April 2024, the Company announced positive topline results from a confirmatory clinical study for AVT05, a proposed biosimilar for Simponi and Simponi Aria. In November 2024, the European Medicines Agency (EMA) accepted a Marketing Authorization Application (MAA) for AVT05. The approvals process is anticipated to be completed in the fourth quarter of 2025.
- In May 2024, Alvotech entered into an agreement with Dr. Reddy's Laboratories SA, ("Dr. Reddy") for the commercialization of AVT03, a biosimilar candidate to Prolia and Xgeva in the U.S., Europe and United Kingdom ("UK"). Dr. Reddy's commercialization rights are exclusive for the U.S., and semi-exclusive for Europe and the UK. In June 2024, the Company extended its partnership with Stada who will assume marketing license for AVT03 in Europe through semi-exclusive rights, including Switzerland and the UK, as well as exclusive rights in selected markets in Central Asia and the Middle East. In July 2024, the Company announced positive topline results from a confirmatory patient study for AVT03. In October 2024, the EMA accepted a MAA for AVT03. In March 2025, the Company announced the FDA acceptance of BLA for AVT03.
- In June 2024, the Company entered into an exclusive partnership agreement with Mercury Pharma Group Limited ("Advanz") regarding the supply and commercialization of AVT06, its proposed biosimilar to Eylea, in Europe, except for Germany and France where the rights are semi-exclusive. In August 2024, the EMA has accepted a MAA for AVT06. Alvotech has also regained commercial rights from Stada to AVT06.
- In September 2024, the Company announced the initiation of a confirmatory patient study for AVT16, a biosimilar candidate to Entyvio (vedolizumab). Alvotech is one of two companies known to have initiated a global or multi-country confirmatory patient study for a biosimilar candidate to Entyvio.
- Alvotech also has a number of other programs in earlier phases of development that it plans to advance over the coming years. The most advanced of these is AVT33, a proposed biosimilar to Keytruda (pembrolizumab).

As of 31 December 2024, the Group had cash and cash equivalents of $51.4 million and current assets less current liabilities of $261.6 million.

- 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.
- On 7 June 2024, the Company entered into a senior secured first lien term loan facility of $965.0 million in two tranches (the "Facility"), led by GoldenTree Asset Management, with participation from other institutional investors, enabling the Company to improve cost capital, address upcoming debt maturities in 2025 and add incremental cash to the statement of financial position. The Facility matures in July 2029 and was funded in July 2024.
- 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 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 settlement of the Facility.

- On 11 July 2024, the Company announced the closing of its previously executed Facility. The closing has allowed Alvotech to refinance outstanding debt obligations, reduce the cost of capital and improve its overall debt maturity profile. The first tranche is a first lien $900.0 million term loan which bears an interest rate of USD Secured Overnight Funding Rate ("SOFR") plus 6.5% per annum. 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.

Alvotech's net loss for the years ended 31 December 2024, 2023, and 2022 was $231.9 million, $551.7 million and $513.6 million, respectively. Alvotech's Adjusted EBITDA was $108.3 million and ($291.0) million, for the years ended 31 December 2024, 2023, and 2022, 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 substantial 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

We are subject to additional risks and uncertainties arising from changes to the macroeconomic environment and geopolitical events, including inflation, political instability in particular economies and markets, such as the instability caused by geopolitical conflicts including the war in Ukraine and hostilities in the Middle East, or public health issues or pandemics, such as the COVID-19 pandemic. Global financial markets have experienced volatility and disruption due to macroeconomic and geopolitical events such as armed conflicts, rising inflation, the imposition and threat of imposition of tariffs, trade protection measures and other trade barriers, and other protectionist or retaliatory measures, which increase the fear of a recession. In addition, if equity and credit markets deteriorate, including as a result of past and potential future bank failures, it may make any future debt or equity financing more difficult to obtain on favorable terms, and potentially more dilutive to our existing stockholders. We cannot predict at this time to what extent we and our collaborators, employees, suppliers, contract manufacturers and/or vendors could potentially be negatively impacted by such events.

For example, in February 2025, the U.S. President said he was considering tariffs on pharmaceutical products and on products imported from Europe. As of the date of this annual report, it is unclear whether such tariffs, if imposed, would apply to all or any pharmaceutical products, including clinical supply imported for purposes of conducting clinical trials in the U.S., and whether they would also apply to goods produced in Iceland, which is a member of the European Economic

Area but not the European Union. The impact of such tariffs would also be subject to a number of other factors, including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any retaliatory responses to such actions that the target countries may take and any mitigating actions that may become available. Tariffs on our products could increase our cost of importing clinical and commercial product into the United States, which would increase the costs of conducting clinical trials in the United States and, if approved, the cost of revenue from sale of therapies and could reduce our margins on the sale of our products.

We believe that inflation will have a general impact on the 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 us. 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.

Components of Operations

Product Revenue

During the year ended 31 December 2024, the Company recognized revenue from product sales resulting from the launch of Alvotech's AVT02 product in the U.S. and sales in select European markets, Canada and Australia, and the launch of AVT04 product in Canada, Japan, and in select European countries. The Company expects to continue to increase recognition of product revenue as products are successfully launched into the marketplace.

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 2024, 2023, and 2022 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 trials.

The duration, costs and timing of clinical trials 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.

Share of net loss / profit of joint venture

Alvotech held a 50% ownership interest in the Joint Venture. Alvotech accounted for its ownership interest in the Joint Venture using the equity method of accounting. The carrying amount of equity-accounted investments was assessed for impairment and impairment losses were recognized as impairment loss on investment in joint venture in the statements of profit or loss and other comprehensive income or loss in 2023 as there was objective evidence of impairment as a result of loss events that had an impact on estimated future cash flows and that could be reliably estimated. In June 2024, Alvotech sold its share in the joint venture for a gross proceeds of $18.0 million.

Finance income and finance costs

Finance income consists of changes in the fair value of derivative financial liabilities and interest income. 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, and 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 and Swiss franc.

Gain / Loss on extinguishment of financial liabilities

Alvotech recognizes a gain / loss on extinguishment of financial liabilities in connection with the substantial modification 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.

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 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 revenue	273,472	48,699
License and other revenue	216,210	42,735
Other income	2,296	1,948
Cost of product revenue	(185,309)	(160,856)
Research and development expenses	(171,312)	(210,827)
General and administrative expenses	(65,713)	(76,559)
Operating profit / (loss)	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 loss	(287,207)	(296,189)
Loss before taxes	(217,563)	(651,049)
Income tax (expense) / benefit	(14,301)	99,318
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	nm

nm = not meaningful, refer to explanation below

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	nm

nm = not meaningful, refer to explanation below

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 (R&D expenses)

	Year Ended 31 December		Change 2023 to 2024	
USD in thousands	**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 $210.8 million 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 (G&A expenses)

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	**2023**	**$**	**%**
General and administrative expenses	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 loss on interest 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	nm

nm = not meaningful, refer to explanation below

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	nm

nm = not meaningful, refer to explanation below

Exchange rate differences resulted in a gain of $8.2 million 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 (expense) / benefit

USD in thousands	Year Ended 31 December		*Change* 2023 to 2024	
	2024	2023	$	%
Income tax (expense) / 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.

Comparison of the Years Ended 31 December 2023 and 2022

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

USD in thousands	2023	2022
Product revenue	48,699	24,836
License and other revenue	42,735	58,193
Other income	1,948	1,988
Cost of product revenue	(160,856)	(64,095)
Research and development expenses	(210,827)	(180,622)
General and administrative expenses	(76,559)	(186,742)
Operating loss	(354,860)	(346,442)
Share of net loss of joint venture	(7,153)	(2,590)
Impairment loss on investment in joint venture	(21,519)	—
Finance income	4,823	2,549
Finance costs	(267,157)	(188,419)
Exchange rate differences	(5,183)	10,566
(Loss) / gain on extinguishment of financial liabilities	—	(27,311)
Non-operating (loss) / profit	(296,189)	(205,205)
Loss before taxes	(651,049)	(551,647)
Income tax benefit	99,318	38,067
Loss for the year	(551,731)	(513,580)

Product revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2022 to 2023**	
	2023	**2022**	**$**	**%**
Product revenue	48,699	24,836	23,863	96

The Company successfully launched the AVT02 product in Canada and select European countries during the second quarter 2022 and increased sales volume predominantly in Europe during 2023 resulting in $48.7 million of product revenue recognized during the year ended 31 December 2023, almost doubling the product revenue from 2022.

License and other revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2022 to 2023**	
	2023	**2022**	**$**	**%**
License and other revenue	42,735	58,193	(15,458)	(26.6)

License and other revenue decreased by $15.5 million, or 26.6%, from $58.2 million for the year ended 31 December 2022, to $42.7 million for the year ended 31 December 2023. The decrease in license and other revenue was primarily driven by the recognition of $44.5 million research and development milestone during the same period in the prior year, due to the completion of the AVT04 main clinical program. This was partially offset by the recognition of $31.6 million research and development milestone during 2023 due to the CES completion of the AVT06 program. The remainder of the decrease is mainly due to the net impact of the changes in licensing arrangements during the year ended 31 December 2023.

Other income

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
Other income	1,948	1,988	(40)	(2.0)

Other income remained consistent between 31 December 2023, and 31 December 2022. It mainly includes income from a grant received from the Icelandic government to promote research and development activities in Iceland.

Cost of product revenue

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
Cost of product revenue	160,856	64,095	96,761	151

The Company successfully launched AVT02 in select European countries and Canada during the year ended 31 December 2022. As a result, the Company recognized cost of product revenue in the amount of $64.1 million and $160.9 million during the years ended 31 December 2022 and 2023, respectively. Cost of product revenue includes both variable and fixed manufacturing costs associated with commercial manufacturing. Cost of product revenue for the period is disproportionate relative to product revenue due to the timing of new launches and elevated production-related charges, resulting in higher costs than revenues recognized for the period. Prior to the recognition of cost of product revenues, costs from pre-commercial manufacturing activities were reported as research and development expenses.

Research and development expenses

USD in thousands	Year Ended 31 December		2022 to 2023	
	2023	2022	$	%
AVT02 development program expenses	4,799	9,986	(5,187)	(51.9)
AVT03 development program expenses	30,714	15,667	15,047	96.0
AVT04 development program expenses	7,259	23,879	(16,620)	(69.6)
AVT05 development program expenses	41,460	28,034	13,426	47.9
AVT06 development program expenses	33,109	19,044	14,065	73.9
Salary and other employee expenses	41,844	52,962	(11,118)	(21.0)
Depreciation, amortization and impairment	6,888	6,740	148	2.2
Other research and development expenses [(1)]	44,754	24,310	20,444	84.1
Total research and development expenses	210,827	180,622	30,205	16.7

(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.

Research and development expenses increased by $30.2 million, or 16.7%, from $180.6 million for the year ended 31 December 2022, to $210.8 million for the year ended 31 December 2023. The increase was primarily driven by a charge of $18.5 million relating to the termination of the co-development agreement with Biosana for AVT23, and a $42.5 million increase in direct program expenses mainly from three biosimilar candidates, AVT03, AVT05 and AVT06, that entered clinical development in 2022. These increases were partially offset by a decrease of $21.8 million primarily related to programs which have completed clinical phase (i.e., AVT02 and AVT04 programs). In addition, upon the launch of AVT02 during the second quarter of 2022, the Company commenced recognizing pre-commercial manufacturing activities as cost of product revenue. As a result, research and development expenses during the year ended 31 December 2022 included $8.8 million of costs relating to AVT02 which have since been recognized as cost of product revenue.

General and administrative expenses

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
General and administrative expense	76,559	186,742	(110,183)	(59.0)

General and administrative expenses decreased by $110.2 million, or 59.0%, from $186.7 million for the year ended 31 December 2022, to $76.6 million for the year ended 31 December 2023. The decrease in general and administrative expenses was primarily attributable to a $83.4 million non-cash share listing expense and $22.9 million of transaction costs as a result of the Business Combination recognized as of 31 December 2022. The Company also incurred $13.4 million of IP-related legal expenses during the year ended 31 December 2022, compared to $2.3 million during the year ended 31 December 2023. This decrease was partially offset by a $3.7 million net increase in other general administrative expenses due to costs from operating as a public company in both the U.S. and Iceland. Lastly, the Company recognized $10.8 million of general and administrative expenses for share-based payments, resulting from the granting of RSUs during the year ended 31 December 2023, against $6.5 million during the year ended 31 December 2022.

Share of net loss of joint venture and impairment loss on investment in joint venture

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
Share of net loss of joint venture	7,153	2,590	4,563	176.2
Impairment loss on investment in joint venture	21,519	—	21,519	100.0

Share of net loss of joint venture increased by $4.6 million, or 176.2%, from $2.6 million for the year ended 31 December 2022, to $7.2 million for the year ended 31 December 2023. The increase in losses incurred by the Joint Venture was mainly due to higher depreciation and amortization expense for the year ended 31 December 2023. In 2023, the Group impaired their share of the joint venture, the impairment amounted to $21.5 million, based on discussions between Alvotech and CCHN to buy back Alvotech's interests in the joint venture. The Group estimates the recoverable amount using value in use where the recoverable amount is estimated as the future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Finance income

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
Finance income	4,823	2,549	2,274	89.2

Finance income increased by 2.3 million, or 89.2%, from $2.5 million for the year ended 31 December 2022, to $4.8 million for the year ended 31 December 2023. The increase in finance income is primarily driven by interest received on cash and cash equivalent held in our bank accounts.

Finance costs

USD in thousands	Year Ended 31 December		Change 2022 to 2023	
	2023	2022	$	%
Finance costs	267,157	188,419	78,738	41.8

Finance costs increased by $78.7 million, or 41.8%, from $188.4 million for the year ended 31 December 2022, to $267.2 million for the year ended 31 December 2023.The increase in finance costs is primarily related to a $49.2 million increase in interest on debt and borrowings due to the additional financing obtained since 31 December 2022, including the annualized impact of prior year financing, and a $35.4 million increase in fair value of derivative liabilities mainly driven by the OACB Warrants, the Predecessors and OACB Earn Out shares and the Tranche A Conversion Feature, including the additional Tranche A Convertible Bonds secured in 2023. This is partially offset by $16.0 million in charges related to the closing of the Business Combination in 2022.

Exchange rate differences

USD in thousands	Year Ended 31 December		*Change* 2022 to 2023	
	2023	2022	$	%
Exchange rate differences	(5,183)	10,566	(15,749)	(149.1)

Exchange rate differences decreased by $15.7 million from a gain of $10.6 million for the year ended 31 December 2022, to a loss of $5.2 million for the year ended 31 December 2023. The decrease was primarily driven by the movements in the exchange rate of foreign currencies, predominantly Icelandic krona and euros.

(Loss) / Gain on extinguishment of financial liabilities

USD in thousands	Year Ended 31 December		*Change* 2022 to 2023	
	2023	2022	$	%
(Loss) / Gain on extinguishment of financial liabilities	—	(27,311)	27,311	(100.0)

Alvotech recognized a loss on extinguishment of financial liabilities of $27.3 million during the year ended December 31, 2022, primarily as a result of the following transactions:

- $40.9 million loss resulting from the amendment and upsizing of the Senior Bonds.
- $3.9 million loss resulting from the extinguishment of the lease on the Alvotech facility resulting from the Share Purchase Agreement for the Saemundur manufacturing facility.
- $17.8 million gain resulting from the settlement of related party loans with Aztiq and Alvogen, in which the parties agreed to settle outstanding loan amounts through the issuance of Ordinary Shares.

Income tax benefit

USD in thousands	Year Ended 31 December		*Change* 2022 to 2023	
	2023	2022	$	%
Income tax benefit	99,318	38,067	61,251	160.9

The income tax benefit increased by $61.3 million for the year ended 31 December 2023, compared to the same period for 2022. This increase was mainly driven by $34.7 million deferred tax credit corresponding to an increase in operating losses and a favorable $26.7 million foreign currency translation of the deferred tax asset recognized on Icelandic tax loss carry-forwards denominated in Icelandic krona, that the Company expects to fully 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 costs;
3. Loss on extinguishment of financial liabilities;
4. Depreciation and amortization of property, plant, and equipment, right-of-use assets and intangible assets;
5. Impairment and loss on sale of property, plant, and equipment and other intangible assets;
6. Charge and recovery related to contract termination;
7. Long-term incentive plan expense;
8. Share of net loss of joint venture, impairment loss and loss on sale of interest in joint venture;
9. Share listing expenses;
10. Exchange rate differences; and
11. 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 loss for the year to Adjusted EBITDA for the years ended 31 December 2024, 2023, and 2022, respectively:

USD in thousands	2024	2023	2022
Loss for the year	(231,864)	(551,731)	(513,580)
Income tax expense / (benefit)	14,301	(99,318)	(38,067)
Total net finance costs	223,020	262,334	185,870
Loss on extinguishment of financial liabilities	69,378	—	27,311
Depreciation and amortization	31,301	24,210	20,409
Impairment and loss on sale of property, plant and equipment	—	365	—
Impairment of intangible assets	—	1,779	2,755
Charge related to contract termination[1]	—	18,500	—
Incentive plan expense[2]	7,626	18,111	10,994
Share of net loss of joint venture	—	7,153	2,590
Impairment loss on investment in joint venture	—	21,519	—
Loss on sale of interest in joint venture	2,970	—	—
Exchange rate differences	(8,161)	5,183	(10,566)
Recovery related to contract termination[3]	(1,084)	—	—
Share listing expenses[4]	—	—	83,411
Transaction costs[5]	828	918	23,695
Adjusted EBITDA	108,315	(290,977)	(205,178)

(1) Represents a charge in relation to the termination of the co-development agreement with Biosana for AVT23.

(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 a recovery in relation to the termination of the co-development agreement with Biosana for AVT23.

(4) Represents the share listing expense reported within general and administrative expenses, which was recorded in accordance with IFRS 2 as 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.

(5) Represents transaction costs in connection with the Business Combination and the Icelandic Main Board listing, with any remaining services reported within general and administrative expenses.

B. Going Concern, Liquidity and Capital Resources

As of 31 December 2024 and 31 December 2023, Alvotech had cash and cash equivalents, excluding restricted cash, of $51.4 million and $11.2 million, respectively. Since its inception, Alvotech has incurred operating losses, including net losses of $231.9 million and $551.7 million for the years ended 31 December 2024 and 2023, respectively, and had an accumulated deficit of $2,437.7 million and $2,205.8 million as of 31 December 2024 and 31 December 2023, 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 2024, the Company used $236.8 million cash in operating activities and $18.9 million cash in investing activities, and its financing activities provided $297.3 million in cash.

Sources of Liquidity

Alvotech began to generate revenue from product sales in the second quarter of 2022 in conjunction with the commercialization of AVT02, a biosimilar to Humira (adelimumab), in Canada and select European countries. AVT02 has received regulatory approval in over 55 markets and has been launched in over 25 markets globally to date. Following the FDA approval in February 2024, Alvotech launched AVT02 in the United States during the first half of 2024 with Teva and Quallent under its private label. The Company also has a second biosimilar, AVT04, a biosimilar to Stelara (ustekinumab), which has been approved in Japan, Canada, and the EEA. Alvotech received approval from the FDA for Selarsdi, AVT04 biosimilar to Stelara, in April 2024. The Company has launched AVT04 in Canada through its partner Jamp, in Japan through its partner Fuji, in Europe starting in July through its partner Stada, and in the U.S. starting in February 2025 through its partner Teva.

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 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 11 July 2024, the Company announced the closing of its previously executed Secured Loan Facility. The closing has allowed Alvotech to refinance outstanding debt obligations, reduce the cost of capital and improve 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 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. This resulted in the concurrent settlement of its existing debt obligations.

Additionally, the Group continues to focus its efforts in the launch and commercialization of its existing biosimilar programs, as follows:

- The Company extended Stada's commercial rights to AVT02 and AVT04 to Commonwealth of Independent States (CIS) countries in Central Asia in June 2024.
- In April 2024, the Company announced positive topline results from a confirmatory clinical study for AVT05, a proposed biosimilar for Simponi and Simponi Aria (golimumab). In November 2024, the EMA accepted our Marketing Authorization Application (MAA) for AVT05. The approvals process is anticipated to be completed in the fourth quarter of 2025. In January 2025, the Company announced filing acceptance of our U.S. Biologics License Applications (BLA) for AVT05. The FDA review process for these applications is anticipated to be completed in the fourth quarter of 2025.

- In May 2024, the Company announced its collaboration with Dr. Reddy, for the commercialization of AVT03, a proposed biosimilar to Prolia (denosumab) and Xgeva (denosumab), in the U.S., Europe and UK. Dr. Reddy's commercialization rights are exclusive for the U.S., and semi-exclusive for Europe and the UK. In June 2024, the Company extended its partnership with Stada who will assume marketing license for AVT03 in Europe through semi-exclusive rights, including Switzerland and the UK, as well as exclusive rights in selected markets in Central Asia and the Middle East. In July 2024, the Company announced positive topline results from a confirmatory patient study for AVT03. In October 2024, the EMA accepted our MAA for AVT03.In March 2025, the Company announced the FDA acceptance of our BLA for AVT03.
- In June 2024, the Company entered into an exclusive partnership agreement with Advanz regarding the supply and commercialization of AVT06 (aflibercebt), its proposed biosimilar to Eylea in Europe, except for Germany and France where the rights are semi-exclusive. In August 2024, the EMA has accepted a Marketing Authorization Application for AVT06. In February 2025, the Company announced that the FDA has accepted for review our BLA for AVT06. The process to obtain regulatory approval is anticipated to be completed in the fourth quarter of 2025.
- In September 2024, the Company announced the initiation of a confirmatory patient study for AVT16, a biosimilar candidate to Entyvio (vedolizumab).

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 2024 and 2023*:*

			Change	
	Year Ended 31 December		**2023 to 2024**	
USD in thousands	**2024**	**2023**	**$**	**%**
Cash used in operating activities	($236,843)	($312,185)	75,342	(24.1)
Cash used in investing activities	(18,868)	(46,340)	27,472	(59.3)
Cash generated from financing activities	297,306	301,319	(4,013)	(1.3)

Operating activities

Net cash used in operating activities decreased by $75.3 million, or 24.1%, from $312.2 million for the year ended 31 December 2023, to $236.8 million for the year ended 31 December 2024. This was primarily driven by a $387.7 million increase in operating cash flows before considering movements in working capital and $315.0 million increase in cash outflows from movements in working capital.

The $387.7 million increase in operating cash flow before movements in working capital is mostly due to a decreased loss of $319.9 million, $36.0 million increase in finance costs, mainly caused by $13.2 million increase in fair value of derivatives largely due to the Predecessors Earn Out shares compared to prior period, $18.0 million higher interest on debt and borrowings, and a $69.4 million increase in loss on extinguishment of financial liabilities and a $113.6 million change in income tax benefit, in non-cash expenses. This was partially offset by an increase of $75.3 million in finance income, mostly due to changes in the fair value of derivatives, a $19.4 million decrease in allowance for receivables and a $10.4 million decrease in share based payments and $21.5 million decrease in impairment in Joint Venture.

The $315.0 million decrease in cash flows from movements in working capital is primarily due to a $38.7 million increase in cash outflow to inventories, a $110.7 million change in outflow to trade receivables driven by higher product and milestone revenue, a $6.3 million increase in cash outflow to other assets, a $54.6 million increase cash outflow to trade and other payables and other liabilities, a $27.8 million change in contract assets and a $66.8 million change in contract liabilities. The net increase in contract assets is due to revenue recognized upon satisfying performance obligations, partially offset by the transfer of amounts to trade receivables. During the period $133.8 million were added to contract assets and $88.6 million were transferred from contract assets to receivables. The net decrease in contract liabilities is due to revenue recognized when performance obligation has been met. During the period, $51.3 million were added as prepayments, while $82.5 million were deducted and recognized as revenue. Additionally changes in net cash used in the operating cash flow is due to a decrease in paid interests of $2.3 million.

Investing activities

Net cash used in investing activities decreased by $27.5 million, from $46.3 million net cash used in investing activities for the year ended 31 December 2023, to $18.9 million net cash used in investing activities for the year ended 31 December 2024. The change in investing activities was driven by a $20.4 million increase in cash outflow for acquisition of property, plant and equipment and a $9.9 million decrease in cash outflows related to the acquisition of intangible assets. There was also an inflow of $26.1 million from change in restricted cash due to refinancing and $12.0 million inflow from a sale of an interest in joint venture.

Financing activities

Net cash generated from financing activities decreased by $4.0 million, or 1.3%, from $301.3 million for the year ended 31 December 2023, to $297.3 million for the year ended 31 December 2024. The $4.0 million decrease is mostly due to a $649.7 million increase in repayments of borrowings and a $617.4 million increase in new borrowings with, a $4.8 million decrease in transaction costs from new borrowings and an increase of $11.9 million in net proceeds from equity offering. This is partially offset by an increase in repayments of lease liabilities of $1.9 million and a decrease of proceeds from warrants amounting to $1.5 million.

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 2024.

Borrowings

Alvotech's debt consists of interest-bearing borrowings from financial institutions. The amount of the outstanding borrowings as of 31 December 2024, was $1,068.6 million, including payment-in-kind interests. 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 Secured First Lien Term Loan Facility

On 7 June 2024, the Company entered into a $965.0 million Secured Loan Facility, enabling the Company to improve cost 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 on 10 July 2024, the Company was required to settle its existing debt obligations.

The closing has allowed Alvotech to refinance outstanding debt obligations on 10 July and 11 July, 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 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. This resulted in the concurrent settlement of its existing debt obligations as described below.

As of 31 December 2024, the carrying amount of the Secured Loan Facility is $990.7 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 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 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.

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.

Facility loans

As of 31 December 2024, the carrying amount of the facility loans was $45.8 million. The facility loans include annuity payments that are due monthly with a final maturity in February 2030 and a variable interest rate of SOFR plus a margin of 4.05%.

Other borrowings

On 22 February 2022, the Group entered into a credit facility agreement with Landsbankinn hf., which was amended in July 2024, with the ability to draw down an amount up to $18.3 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 on 1 September 2025 and the borrowings have a variable interest rate of SOFR plus a margin of 4.95%. As of 31 December 2024, the outstanding balance on the credit facility was $18.3 million.

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 2024, the outstanding balance on the loan was $2.2 million.

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 2024, the outstanding balance on the loan was $1.3 million.

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 2024, the outstanding balance on the loan was $9.7 million.

Leases

Alvotech's future undiscounted payments pursuant to lease agreements totaled $177.2 million as of 31 December 2024. 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 2024, 2023, and 2022, 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*

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. For a summary of our significant accounting policies see Note 2 of the audited consolidated financial statements as of 31 December 2024, and for the three years ended 31 December 2024, included elsewhere in this Annual Report on Form 20-F.

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 judgement.

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, which is estimated using the most likely amount method due to the binary nature of the outcomes under these contracts. 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 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 executed 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 trials and no certainty attributed to revenues that relate to future sales targets on the basis that such amounts are dependent on events that are not within Alvotech's control. 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 judgement. 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.

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	55	Chief Executive Officer and Executive Chairman of the Board of Directors
Tanya Zharov	58	General Counsel
Joseph E. McClellan	51	Chief Scientific Officer
Faysal Kalmoua	49	Chief Operating Officer
Joel Morales	47	Chief Financial Officer
Directors		
Richard Davies	63	Director and Deputy Chairman
Tomas Ekman	57	Director
Faysal Kalmoua	49	Director
Ann Merchant	60	Director
Arni Hardarson	58	Director
Lisa Graver	54	Director
Linda McGoldrick	69	Director
Hjörleifur Pálsson	61	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.

Tanya Zharov has served as our General Counsel since January 2023 and Deputy Chief Executive Officer between May 2020 and December 2022. Prior to joining Alvotech, between 2016 and 2020, Ms. Zharov served as Deputy Chief Executive Officer and compliance officer of deCODE genetics. Prior to that, 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 July 2003 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.

Joseph E. McClellan has served as our Chief Scientific Officer since October 2019. 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 *IXIFI* (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.

Faysal Kalmoua has served as Chief Operating Officer since September 2023 and as one of Alvotech's directors since June 2020. Mr. Kalmoua has also served as a partner of the Aztiq group since June 2022. Between April 2020 and June 2022, Mr. Kalmoua served as Executive Vice President of Portfolio, Business Development and Research and Development for Alvogen Iceland ehf. and Alvogen, Inc. Between November 2015 and March 2020, Mr. Kalmoua served as Executive Vice President of Portfolio for Alvogen, Inc. Prior to joining Alvogen, Mr. Kalmoua served in various management positions for Synthon for nearly 16 years. Mr. Kalmoua holds a Master's degree in Chemistry from the Radboud University Nijmegen and an executive MBA from Insead.

Joel Morales has served as our Chief Financial Officer since February 2020 after serving as Chief Financial Officer at our affiliated company Alvogen since 2017. Prior to joining Alvotech he held various positions of increasing responsibility with Endo International plc., from January 2015 to September 2017, with his last position as Senior Vice President of the Generics Business Segment and Global Finance Operations. Prior to that, Mr. Morales spent ten years working for large multinational pharmaceutical companies, including Merck and Schering Plough. Mr. Morales began his career at KPMG as a licensed certified public accountant in the State of New Jersey and has a Bachelor of Science degree in Accounting from Rutgers University.

Non-Executive Directors

Richard Davies has served Deputy Chairman of Alvotech's board, previously Chairman of Alvotech's board, and as one of Alvotech's directors since January 2019. Since November 2018, he has served as Chief Executive Officer of Auregen Bio Therapeutics SA. 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. Mr. Davies holds an MBA from the University of Warwick and Bachelor of Science in applied chemistry from the University of Portsmouth.

Tomas Ekman has served as one of Alvotech's directors since January 2019. Since November 2014 he has served as a partner at CVC Capital Partners where he is a member 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 since January 2019. 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. Ms. Merchant holds an MBA from the Henley Business School and a Bachelor of Science in Languages from Georgetown University. We believe Ms. Merchant is qualified to serve on Alvotech's board of directors because of her experience in executive positions with several pharmaceutical companies and expertise in financial planning, new product launches and creating and executing international strategies to increase market share.

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. We believe Mr. Hardarson is qualified to serve on Alvotech's board of directors because of his extensive expertise in financial and legal matters and his past experience in top executive positions.

Lisa Graver has served as one of Alvotech's directors since June 2022. Ms. Graver has served in various leadership positions for Alvogen since June 2010, including as President of Alvogen Inc, a subsidiary of Alvogen, since August 2015, as Executive Vice President and Deputy to the Chief Executive Officer of Alvogen Inc. since February 2013, and as Vice president Intellectual Property of Alvogen since June 2010. Prior to joining Alvogen, Ms. Graver was Vice President Intellectual Property and Senior Director Intellectual Property at Actavis Inc. between 2006 and 2008. Ms. Graver holds a BSc in Biology from Lakehead University and a law degree from the Case Western Reserve University School of Law. We believe Ms. Graver is qualified to serve on Alvotech's board of directors because of her extensive expertise in intellectual property and the pharmaceutical industry.

Dr. Linda McGoldrick has served as one of Alvotech's directors since June 2022. In 1985, Dr. McGoldrick founded, and currently serves as Chairman and Chief Executive Officer of, Financial Health Associates International, a strategic consulting company specializing in *healthcare* and life sciences. Since January 2020, she has served as the Chief Executive

Officer for 2Enable Health LLC. Prior to joining 2Enable Health LLC, Dr. McGoldrick served as interim CEO at Zillion between June 2019 and December 2019. Over her professional career, Dr. McGoldrick has served in a number of leadership roles, including Senior Vice President and National Development Director for the Healthcare and Life Sciences Industry Practices at Marsh-MMC Companies, International Operations and Marketing Director of Veos plc, and Managing Director Europe for Kaiser Permanente International. In 2018, Dr. McGoldrick was appointed by the Governor of Massachusetts to serve on the state's Health Information Technology Commission. Dr. McGoldrick has served as a director of numerous publicly traded and private held companies and non-profit organizations in the U.S., UK and Europe, including as director for Compass Pathways since September 2020. In 2012, Dr. McGoldrick was named as one of the Top 100 Corporate Directors of Fortune 100 Companies by the Financial Times. Dr. McGoldrick holds a master's degree in healthcare from the University of Pennsylvania, an MBA from Wharton, and a PhD in Philosophy from Worcester Polytechnic Institute. We believe Dr. McGoldrick is qualified to serve on Alvotech's board of directors because of her extensive expertise in financial matters and the healthcare and life sciences industry.

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, 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 with us for an indefinite period of time. The agreements provide the terms of each individual's employment or service with us, as applicable.

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 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

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 2023.

	2023			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	1,491	26	—	—
Other Members of the Leadership Team	5,020	346	52	9,456
	6,511	372	52	9,456

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 2024 and 2023:

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
Tomas Ekman, Board Member*	—	—	—	—
	469	—	732	1,229,264

* 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).	2023			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	156	—	104	1,143,713
Ann Merchant, Board Member	113	—	104	10,582
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Linda McGoldrick, Board Member	81	—	104	10,582
Lisa Graver, Board Member	71	—	104	10,582
Tomas Ekman, Board Member*	—	—	—	—
	421	—	416	1,175,459

* 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 2024, our Remuneration Committee authorized the grant of a total of 673,425 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 3,619,737 Ordinary Shares.

C. Board Practices

Composition of Our Board of Directors

Our board of directors is currently composed of nine members. In accordance with our articles of association, the board of directors is not divided into classes of directors. Eight directors were appointed at the closing of the Business Combination on 15 June 2022 and one director was appointed at the Annual General Meeting held in June 2024, to serve as director until the end of the general meeting of shareholders called to approve our annual accounts for the 2024 financial year.

Four of 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, 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, and the nominating and corporate governance committees. 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 Dr. McGoldrick (Chair), Ms. Merchant, Mr. Davies, and Mr. Pálsson. 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 Dr. McGoldrick. 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. Hardarson, and Dr. McGoldrick. 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. Faysal Kalmoua (Chair), Ms. Lisa Graver, and Mr. Wessman.

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 2024, we had 1,032 employees, including 20 contractors, 87% of whom were devoted to R&D, quality and technical operations, and 13% 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:	2024	2023	2022
Manufacturing	614	575	512
Administrative	129	131	129
Research and development	289	320	306
Total	**1,032**	**1,026**	**947**
Geography:			
Iceland	866	839	745
European Union	77	74	79
United States	13	14	28
Elsewhere	76	99	95
Total	**1,032**	**1,026**	**947**

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 1 March 2025 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 266,821,844 Ordinary Shares outstanding as of 1 March 2025.

Name and Address of Beneficial Owners	Number of Shares	**%**
Directors and Executive Officers[1]		
Robert Wessman	—	—
Richard Davies[2]	1,174,445	*
Tomas Ekman	—	—
Ann Merchant[3]	41,314	—
Arni Hardarson	—	—
Lisa Graver[4]	41,314	*
Linda McGoldrick[5]	41,314	*
Hjorleifur Palsson	2,350	*
Faysal Kalmoua[6]	39,683	—
Tanya Zharov[7]	168,650	—
Joseph E. McClellan[8]	365,678	—
Joel Morales[9]	255,749	—
All Directors and Executive Officers as a group (12 persons)	2,130,497	*
Five Percent Holders Post-Business Combination		
Alvogen Lux Holdings S.à r.l.[10]	90,005,334	29.82 %
Aztiq Pharma Partners S.à r.l.[11]	101,147,803	33.51 %

* 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 11,023 vested RSUs held by Richard Davies.

(3) Includes 11,023 vested RUSs and 9,127 vested options held by Ann Merchant.

(4) Includes 11,023 vested RSUs and 9,127 vested options held by Lisa Graver.
(5) Includes 11,023 vested RSUs and 9,127 vested options held by Linda McGoldrick.
(6) Includes 39,683 vested RSUs held by Faysal Kalmoua.
(7) Includes 168,650 vested RSUs held by Tanya Zharov.
(8) Includes 211,640 vested RSUs held by Joseph McClellan.
(9) Includes 158,730 vested RSUs held by Joel Morales.
(10) Represents shares held by Alvogen Lux Holdings S.à r.l. ("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.
(11) 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, Johann Johannsson, Danny Major, 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, Johann Johannsson, Danny Major, 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 28 February 2025, to the best of our knowledge 106,709,426 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 six separate lease agreements with Flóki Fasteignir ehf. in 2024 for apartment buildings in Iceland used for temporary housing of employees and third-party contractors. The remaining lease terms approximate 10 years, on average, as of 31 December 2024. Lease liabilities as of 31 December 2024 for the new leases amount to $1.5 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.

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.

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 2.11 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.

Amendment to the Senior Bonds

On 14 December 2018, Alvotech Holdings issued $300.0 million in convertible bonds, as amended and restated on November 16, 2022 (the "Senior Bonds"). In connection with the closing of the new Secured Loan Facility, we used the proceeds of the First Out Term Loans to repay and cancel the Senior Bonds in July 2024 for a principal value of $550.8 million.

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.

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:

- banks or other financial institutions;
- insurance companies;
- mutual funds;
- pension or retirement plans;
- S corporations;
- broker or dealers in securities or currencies;
- traders in securities that elect mark-to-market treatment;
- regulated investment companies;
- 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;
- 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.

As noted above and subject to applicable limitations, 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. Recently issued U.S. Treasury regulations, which apply to foreign taxes paid or accrued in taxable years beginning on or after 28 December 2021, 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 2024. 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, unless the shares in such subsidiaries are themselves "marketable stock." 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 with respect to Ordinary Shares.

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 of 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 2024 and 31 December 2023, we had cash and cash equivalents of $51.4 million and $11.2 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 2024 and 31 December 2023 are denominated in EUR, GBP, ISK, and CHF. 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 2024. 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 2024. 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 2024.

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 2024.

Based on the material weaknesses described below, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of 31 December 2024, 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.

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 2024 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.

Identified Material Weakness

Alvotech has identified material weaknesses in the design and operating effectiveness of its internal control over financial reporting. 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 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, (iii) information and communication and (iv) monitoring activities components, including as follows:

(i) the Company did not have a sufficient number of trained professionals with an appropriate level of internal control knowledge, training and experience;
(ii) 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; and
(iii) the Company did not implement effective controls over the segregation of duties and certain ITGCs, including user access and monitoring of service organizations for information systems that are relevant to the preparation of our financial statements. Our business process controls (both automated and manual) that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted.

These material weaknesses could result in a misstatement of Alvotech’s accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Activities

Management is committed to maintaining a strong internal control environment and remediating the identified material weaknesses in a timely manner, with appropriate oversight from our Audit Committee. We have made progress towards remediation and continue to implement our remediation plan, as described below, for the material weaknesses in internal control over financial reporting described above, although we note that remediation efforts are ongoing.

During the period covered by this Annual Report, we began implementing a remediation plan that is reasonably likely to materially affect our internal control over financial reporting. This plan includes further developing and implementing formal policies, processes, internal controls and documentation relating to our financial reporting working towards the goal of effective control over financial reporting.

As part of this plan, we began taking steps intended to address the underlying causes of the control deficiencies in order to remediate the material weaknesses, which included the following activities during 2024:

(i) Continued 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 the execution of the controls;
(ii) Continued to design more robust controls, including updated documentation requirements and improved segregation of duties;
(iii) Developed systematic approach for 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 continued 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
(iv) Implemented our new ERP system during the fourth quarter of 2024, which includes increased automated functionality and controls for the preparation of the financial statements to prevent, among other things, unauthorized overrides, and enhance user access controls, segregation of duties with the system, and audit trails to track and monitor activities.

In addition to the above actions, we expect to continue engaging in the following additional remediation measures:

(i) Continue to focus on enhancing our ITGC environment, specifically the ITGC for our new ERP system, including stronger IT controls to ensure the integrity and security of financial information, specifically enhancing access and

change management controls, implementing regular system monitoring and testing, and adequate oversight and monitoring of service organizations;

(ii) 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; and
(iii) Continue engaging outside consultants to assist in evaluating the internal controls and actively measure compliance and remediation through quarterly review process.

The Company believes that this structured and phased approach is essential in order to establish effective internal controls over financial reporting in a sustainable manner, which will also enable us to support and adapt to the Company's continuous growth path. Management may also determine that it is necessary to modify the above-mentioned remediation efforts depending on the circumstances and Company needs. However, we cannot assure that our efforts will be effective, that we will be able to remedy these material weaknesses or that we will be able to prevent any future material weaknesses in our internal control over financial reporting. Management has taken ownership of the identified deficiencies, remediation plans, and acknowledges additional time is needed to assess the ongoing operation of the controls. We plan to continue to address the material weaknesses identified by further improving our internal control over financial reporting, including designing and implementing additional procedures within our finance, manufacturing and supply chain, human resources and information technology departments.

We will not be able to conclude that we have remediated the material weaknesses until all relevant controls are fully implemented and have operated effectively for a sufficient period of time. See also "*Item 3. Key Information—D. Risk factors—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."*

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of our internal control over financial reporting as of 31 December 2024, 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, 2024, 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, 2024, 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, 2024, of the Company and our report dated March 26, 2025, expressed an unqualified opinion on those financial statements.

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, (iii) information and communication and (iv) monitoring activities components, 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; and
c. the Company did not implement effective controls over the segregation of duties and certain information technology general controls ("ITGCs") including user access and monitoring of service organizations for information systems that are relevant to the preparation of our financial statements. The business process controls (both automated and manual) that are dependent on the affected ITGCs were also deemed ineffective because they could have been adversely impacted.

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, 2024, of the Company, and this report does not affect our report on such financial statements.

/s/ Deloitte ehf.

Kópavogur, Iceland

March 26, 2025

D. Changes in Internal Control Over Financial Reporting

Refer to "*Item 15.A Disclosure Controls and Procedures—Remediation Activities*" above for the 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 Dr. McGoldrick (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. Dr. McGoldrick (Chair), Ms. Merchant, Mr. Davies, and Mr. Pálsson 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 2024 and 2023.

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 2024 and 2023.

	Year Ended 31 December	
(in thousands of dollars)	**2024**	**2023**
Audit Fees	3,335	2,876
Audit-Related Fees	265	365
Tax Fees	14	97
Total	3,614	3,338

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, 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 2024, 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 Corporate Security, the Director of IT Infrastructure and Operations, the Enterprise architect, 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-57 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	09.22.2020
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	06.22.2022
2.3	Description of Securities	20-F	001-41421	2.11	03.01.2023
4.1††	License and supply agreement between Alvotech hf. and STADA for AVT02 (Adalimumab), dated August 30, 2019	F-4	333-261773	10.1	12.20.2021
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	12.20.2021
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	12.20.2021
4.4††	License and supply agreement between Alvotech hf. and STADA for AVT04 (Ustekinumab), dated November 6, 2019	F-4	333-261773	10.6	12.20.2021
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	12.20.2021
4.6††	License and supply agreement between Alvotech hf. and STADA for AVT06 (Aflibercept), dated November 6, 2019	F-4	333-261773	10.10	12.20.2021
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	12.20.2021
4.8††	License and supply agreement between Alvotech hf. and STADA for AVT16, dated November 6, 2019	F-4	333-261773	10.12	12.20.2021
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	12.20.2021
4.10††	Product Supply Agreement between Alvotech hf. and Teva, dated August 5, 2020	F-4	333-261773	10.16	12.20.2021

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	12.20.2021
4.12††	Settlement Agreement, Release and Amendment to the License and Development Agreement between Alvotech hf. and Teva dated August 5, 2020, dated June 28, 2021	F-4	333-261773	10.18	12.20.2021
4.13††	Amended and Restated Services Agreement between Alvogen and Alvotech, dated April 11, 2022	F-4	333-261773	10.17	12.20.2021
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 dated December 7, 2021	F-4	333-261773	10.22	12.20.2021
4.15	Product Rights Agreement between Alvotech hf. and Alvogen, dated January 22, 2018	F-4	333-261773	10.25	12.20.2021
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	12.20.2021
4.17††	Settlement and License Agreement between Alvotech hf. and AbbVie, dated March 8, 2022	F-4	333-261773	10.29	03.14.2022
4.18††	Settlement and License Agreement between Alvotech hf. and AbbVie, dated April 4, 2022	F-4	333-261773	10.31	04.19.2022
4.19#	Management Incentive Plan.	20-F	001-41421	4.39	06.22.2022
4.20	Investor Rights and Lock-Up Agreement between Alvotech and certain Investors, dated June 15, 2022	F-1	333-266136	10.37	07.14.2022
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	11.17.2022
4.22	Form of Indemnification Agreement between Alvotech and Non-Executive Directors	20-F	001-41421	4.46	03.01.2023
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	03.01.2023
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	07.12.2023
4.25††	Amendment No. 1 dated as of July 3, 2024 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				

Exhibit	Description	Incorporation By Reference			
		Schedule/ Form	File Number	Exhibit	File Date
4.26+*	Amended and Restated Transition Services Agreement between Alvotech and Aztiq Consulting ehf., dated December 1, 2024				
8.1*	Subsidiaries of the Registrant	20-F	001-41421	8.1	03.01.2023
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	03.20.2024
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)				

* Filed herewith.
** Furnished herewith.
† Certain schedules and exhibits to this Exhibit have been omitted pursuant to Company S-K Item 601(b)(2). The Registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.
†† 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.

26 March 2025

ALVOTECH

By: */s/ Robert Wessman*
Name: Robert Wessman
Title: Chief Executive Officer

Alvotech

Consolidated Financial Statements as
of 31 December 2024 and 2023 and
for the years ended 31 December 2024, 2023, and 2022

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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, 2024 and 2023, 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, 2024, 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, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, 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, 2024, 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 26, 2025, 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, 2024 was $298 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 asset to be recovered. The majority of the deferred tax asset recognized relates to tax losses that have arisen in Iceland, whereby it is probable that future forecasted taxable profits associated with product and out-licensing revenue, driven by management's assumptions for unit price and market share, will be available to offset the cumulative tax losses as of 31 December 2024.

Given the 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 requires management to make significant judgements and estimates related to taxable profits, performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to taxable profits required a high degree of auditor judgment and an increased extent of effort, particularly related to unit price and market share assumptions.

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 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:
  - Internal budgets.
  - Historical taxable income.
  - Analyst and industry reports for the Company and certain of 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.

/s/ Deloitte ehf.

Kópavogur, Iceland

March 26, 2025

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 2024, 2023, and 2022

USD in thousands, except for per share amounts	Notes	2024	2023	2022
Product revenue	5	273,472	48,699	24,836
License and other revenue	5	216,210	42,735	58,193
Other income		2,296	1,948	1,988
Cost of product revenue		(185,309)	(160,856)	(64,095)
Research and development expenses		(171,312)	(210,827)	(180,622)
General and administrative expenses		(65,713)	(76,559)	(186,742)
Operating profit / (loss)		69,644	(354,860)	(346,442)
Share of net loss of joint venture	26	—	(7,153)	(2,590)
Impairment loss on investment in joint venture		—	(21,519)	—
Loss on sale of interest in joint venture	26	(2,970)	—	—
Finance income	7	80,145	4,823	2,549
Finance costs	7	(303,165)	(267,157)	(188,419)
Exchange rate differences		8,161	(5,183)	10,566
Loss on extinguishment of financial liabilities	21	(69,378)	—	(27,311)
Non-operating loss		(287,207)	(296,189)	(205,205)
Loss before taxes		(217,563)	(651,049)	(551,647)
Income tax (expense) / benefit	10	(14,301)	99,318	38,067
Loss for the year		(231,864)	(551,731)	(513,580)
Other comprehensive loss				
Item that will be reclassified to profit or loss in subsequent periods:				
Exchange rate differences on translation of foreign operations		(690)	(86)	(6,111)
Total comprehensive loss		(232,554)	(551,817)	(519,691)
Loss per share				
Basic and diluted loss for the year per share	11	(0.87)	(2.43)	(2.60)

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

Non-current assets	**Notes**	**31 December 2024**	**31 December 2023**
Property, plant and equipment	12	284,546	236,779
Right-of-use assets	13	125,198	119,802
Goodwill	14	11,330	12,058
Other intangible assets	15	20,621	19,076
Contract assets	5	22,710	10,856
Interest in joint venture	26	—	18,494
Other long-term assets		3,615	2,244
Restricted cash	16	—	26,132
Deferred tax assets	10	298,360	309,807
Total non-current assets		766,380	755,248
Current assets			
Inventories	17	127,889	74,433
Trade receivables		160,217	41,292
Contract assets	5	67,304	35,193
Other current assets	18	48,064	31,871
Receivables from related parties	24	118	896
Cash and cash equivalents	16	51,428	11,157
Total current assets		455,020	194,842
Total assets		1,221,400	950,090

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

Equity	Notes	31 December 2024	31 December 2023
Share capital	19	2,826	2,279
Share premium	19	2,007,058	1,229,690
Other reserves	20	17,272	42,911
Translation reserve		(2,218)	(1,528)
Accumulated deficit		(2,437,709)	(2,205,845)
Total equity		(412,771)	(932,493)
Non-current liabilities			
Borrowings	21	1,035,882	922,134
Derivative financial liabilities	27	210,224	520,553
Lease liabilities	13	112,137	105,632
Contract liabilities	5	80,721	73,261
Deferred tax liability	10	1,811	53
Total non-current liabilities		1,440,775	1,621,633
Current liabilities			
Trade and other payables		67,126	80,563
Lease liabilities	13	9,515	9,683
Current maturities of borrowings	21	32,702	38,025
Liabilities to related parties	24	8,465	9,851
Contract liabilities	5	15,980	59,183
Taxes payable		204	925
Other current liabilities	25	59,404	62,720
Total current liabilities		193,396	260,950
Total liabilities		1,634,171	1,882,583
Total equity and liabilities		1,221,400	950,090

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated Statements of Cash Flows for the years 31 December 2024, 2023, and 2022

USD in thousands

Cash flows from operating activities	Notes	2024	2023	2022
Loss for the period		(231,864)	(551,731)	(513,580)
Adjustments for non-cash items:				
Gain on extinguishment of SARs liability		—	—	(4,803)
Share-listing expense		—	—	83,411
Long-term incentive plan expense		—	78	5,492
Depreciation and amortization	12	31,301	24,210	20,409
Impairment of other intangible assets	15	—	1,779	2,755
Impairment loss on investment in joint venture	26	—	21,519	—
Change in allowance for receivables		(946)	18,500	—
Change in inventory reserves	17	(3,483)	8,341	—
Share-based payments	22	7,626	18,033	10,317
Loss on disposal of property, plant and equipment		—	365	—
Loss on sale of interest in joint venture	26	2,970	—	—
Share of net loss of joint venture	26	—	7,153	2,590
Finance income	7	(80,145)	(4,823)	(2,549)
Finance costs	7	303,165	267,157	188,419
Exchange rate difference		(8,161)	5,183	(10,566)
Loss on extinguishment of financial liabilities	22	69,378	—	27,311
Income tax benefit	10	14,301	(99,318)	(38,067)
Operating cash flow before movement in working capital		104,142	(283,554)	(228,861)
Increase in inventories	17	(49,973)	(11,304)	(32,412)
(Increase) in trade receivables		(119,063)	(8,320)	(3,576)
Decrease / (increase) in receivables with related parties	24	20	881	(437)
(Increase) in contract assets	5	(45,192)	(17,393)	(9,218)
(Increase) in other assets		(7,125)	(802)	(17,194)
(Decrease) increase in trade and other payables		(13,695)	31,772	16,442
(Decrease) / increase in contract liabilities	5	(31,446)	35,396	19,396
(Decrease) / increase in liabilities with related parties		(7,871)	1,280	493
(Decrease) in other liabilities		(14,299)	(5,182)	(21,384)
Cash used in operations		(184,502)	(257,226)	(276,751)
Interest received		4,617	3,649	568
Interest paid		(54,921)	(57,254)	(35,372)
Income tax paid		(2,037)	(1,354)	(834)
Net cash used in operating activities		(236,843)	(312,185)	(312,389)
Cash flows from investing activities				
Acquisition of property, plant and equipment	12	(53,661)	(33,234)	(37,880)
Disposal of property, plant and equipment		—	133	379
Acquisition of intangible assets	15	(3,339)	(13,239)	(11,122)
Restricted cash in connection with debt extinguishment	16	26,132	—	—
Restricted cash in connection with amended bond agreement		—	—	(14,914)
Proceeds from the sale in joint venture	26	12,000	—	—
Net cash generated from (used in) investing activities		(18,868)	(46,340)	(63,537)
Cash flows from financing activities				
Repayments of borrowings	21	(749,082)	(99,367)	(34,714)
Repayments of principal portion of lease liabilities	13	(10,197)	(8,269)	(11,147)
Proceeds from new borrowings	21	896,263	278,831	193,678
Transaction cost from new borrowings		(4,236)	(9,004)	—
Gross proceeds from equity offering	19	150,451	136,879	—
Fees from equity offering		(5,812)	(4,141)	—
Proceeds from warrants	27	4,843	6,390	—
Stock options exercised		76	—	—
Transaction costs for amended borrowing agreements		—	—	(12,102)
Gross proceeds from the PIPE Financing		—	—	174,930
Gross PIPE Financing fees paid		—	—	(5,562)
Proceeds from the Capital Reorganization		—	—	9,827

Proceeds from loans from related parties		24,500	—	160,000
Repayment of loans from related parties		(9,500)	—	(50,000)
Net cash generated from financing activities		297,306	301,319	424,910
Increase / (decrease) in cash and cash equivalents		41,595	(57,206)	48,984
Cash and cash equivalents at the beginning of the year	16	11,157	66,427	17,556
Effect of movements in exchange rates on cash held		(1,324)	1,936	(113)
Cash and cash equivalents at the end of the period	16	51,428	11,157	66,427

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 2022	135	1,000,118	—	4,669	(1,140,534)	(135,612)
Loss for the year	—	—	—	—	(513,580)	(513,580)
Foreign currency translation differences	—	—	—	(6,111)	—	(6,111)
Total comprehensive loss	—	—	—	(6,111)	(513,580)	(519,691)
PIPE Financing	175	169,193	—	—	—	169,368
Settlement of SARs with shares	35	30,267	—	—	—	30,302
Capital Reorganization	1,731	(173,296)	—	—	—	(171,565)
Settlement of related party loans with Ordinary Shares	50	32,150	—	—	—	32,200
Recognition of share-based payments	—	—	14,548	—	—	14,548
Recognition of equity component of convertible bonds	—	—	16,034	—	—	16,034
At 31 December 2022	2,126	1,058,432	30,582	(1,442)	(1,654,114)	(564,416)
Loss for the period	—	—	—	—	(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 period	—	—	—	—	(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 bonds	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)

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 26 March 2025.

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 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	
				2024	**2023**
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 %	— %
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.	Group Serv.	3,114	Spain	100.00 %	— %
Alvotech & CCHN Biopharmaceutical Co. Ltd*	Biopharm.	0	China	— %	50.00 %

* Alvotech & CCHN Biopharmaceutical Co. Ltd. unconsolidated joint venture was sold during 2024 (see Note 26).

1.3 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 33.5% and 29.8% ownership interest as of 31 December 2024, respectively. The remaining 36.7% ownership interest is held by various entities, with no single shareholder holding more than 2.4% ownership interest as of 31 December 2024.

1.4 Going concern

The Group has primarily funded its operations with proceeds from the issuance of ordinary shares and the issuance of loans and borrowings to both related parties and third parties. The Group has incurred recurring losses since its inception, including net losses of $231.9 million, $551.7 million, and $513.6 million for the years ended 31 December 2024, 2023, and 2022, respectively, and had an accumulated deficit of $2,437.7 million as of 31 December 2024 and $2,205.8 million as of 31 December 2023. The Group has not generated positive operational cash flow, largely due to the continued focus on biosimilar product development and expansion efforts.

As of 31 December 2024, the Group had cash and cash equivalents of $51.4 million and current assets less current liabilities of $261.6 million.

In 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 used 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 senior secured first lien term loan facility of $965.0 million, led by GoldenTree Asset Management (the "Secured Loan Facility").

In July 2024, the Company announced the closing of its previously executed Secured Loan Facility. The closing has allowed Alvotech to refinance outstanding debt obligations, reduce the cost of capital and improve 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 Secured Overnight Funding Rate (SOFR) plus 6.5% per annum. 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. This resulted in the concurrent settlement of its existing debt obligations.

Additionally, the Group continues to focus its efforts on the launch and commercialization of its existing biosimilar programs, as follows:

- In February 2024, the Company announced that the U.S. Food and Drug Administration (FDA) has approved Simlandi (adalimumab) injection, the AVT02 interchangeable biosimilar to Humira. Teva Pharmaceuticals International GmbH (“Teva”) is Alvotech’s strategic partner for the exclusive commercialization of Simlandi in the United States. In April 2024, the Company signed an agreement with Quallent Pharmaceuticals ("Quallent") allowing the interchangeable biosimilar to be distributed under Quallent's private label in the U.S. Additionally, The Company extended its European commercial partner, STADA Arzneimittel AG (“Stada”), commercial rights to AVT02 to Commonwealth of Independent States (CIS) countries in Central Asia in June 2024.
- The FDA approved AVT04, a biosimilar to Stelara (ustekinumab), for the U.S. in April 2024 enabling a commercialization starting on or after 21 February 2025. Alvotech launched AVT04 in Canada with its commercial partner JAMP Pharma ("Jamp"), on March 1, 2024 and started commercialization in Japan with Fuji Pharma ("Fuji") in May 2024. In July 2024, the Company launched Uzpruvo, the first approved AVT04 biosimilar to Stelara across select European countries, with its commercial partner Stada. The

Company extended Stada's commercial rights to AVT04 to CIS countries in Central Asia in June 2024. In October 2024, the FDA approved SELARSDI (ustekinumab) in a new presentation, 130 mg/26 ml solution in a single-dose vial for intravenous infusion. This approval paves the way for SELARSDI to further align its label with the indications of the reference product Stelara in the U.S. at launch, which is expected in the first quarter of 2025.

- In April 2024, the Company announced positive topline results from a confirmatory clinical study for AVT05, a proposed biosimilar for Simponi and Simponi Aria (golimumab). In November 2024, the European Medicines Agency (EMA) accepted a Marketing Authorization Application (MAA) for AVT05. The approvals process is anticipated to be completed in the fourth quarter of 2025.
- In May 2024, the Company announced its collaboration with Dr. Reddy's Laboratories SA, ("Dr. Reddy"), for the commercialization of AVT03, a proposed biosimilar to Prolia (denosumab) and Xgeva (denosumab), in the U.S., Europe and UK. Dr. Reddy's commercialization rights are exclusive for the U.S., and semi-exclusive for Europe and the UK. In June 2024, the Company extended its partnership with Stada who will assume marketing license for AVT03 in Europe through semi-exclusive rights, including Switzerland and the UK, as well as exclusive rights in selected markets in Central Asia and the Middle East. In July 2024, the Company announced positive topline results from a confirmatory patient study for AVT03. In October 2024, the EMA accepted a MAA for AVT03.
- In June 2024, the Company entered into an exclusive partnership agreement with Mercury Pharma Group Limited ("Advanz") regarding the supply and commercialization of AVT06 (aflibercebt), its proposed biosimilar to Eylea in Europe, except for Germany and France where the rights are semi-exclusive. In August 2024, the European Medicines Agency (EMA) has accepted a Marketing Authorization Application for AVT06.
- In September 2024, the Company announced the initiation of a confirmatory patient study for AVT16, a biosimilar candidate to Entyvio (vedolizumab).

The Group expects to fund 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. Due to the relatively recent launch of AVT02 and AVT04 products on which the Group is currently reliant for cash flow generation, the recent debt refinancing as set out above, and the anticipated future launches of AVT03, AVT05, AVT06, which are undergoing regulatory approval, 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, as the Group's cash flow projections indicate there will be sufficient cash flow generation over the next twelve months without the need for additional financing, 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 2024 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). No impairment losses were recognized in 2022.

2.4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires Group management to make judgments, estimates and assumptions about the reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources.

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.

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, which is estimated using the most likely amount method due to the binary nature of the outcomes under these contracts. 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 generally included in the transaction price upon submission of the first clinical trial application to the respective regulatory agency, since it is at this point in time that a significant reversal of cumulative revenue recognized related to such payments is no longer highly probable. 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. The standalone selling price of the development services is estimated based on the expected costs to be incurred during the development period, 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 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.

Expenditures related to research and development activities are recognized as an expense in the period in which they are incurred. The Company did not capitalize any development expenses as intangible assets during the years ended 31 December 2024, 2023, and 2022 as not all the criteria in paragraph 57 of IAS 38 have been met.

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 did not complete any business combinations during the years ended 31 December 2024 and 31 December 2023.

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
Customer relationships	7 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 2024, 2023, or 2022. All of the Group's financial assets are measured at amortized cost as of 31 December 2024 and 2023.

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 2024, 2023, and 2022, except for the Biosana related asset which was fully reserved (see Note 18).

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 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 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 loss per share calculation.

The calculation of basic loss per share is based on the loss for the year attributable to ordinary shareholders of the Group and the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share is computed by dividing the loss for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding in the basic 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 a reduction in loss per share, are not recognized in the computation of diluted 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 2024 has not had a significant effect on the Consolidated financial statements, specifically:

- Amendments to IFRS 16 *Leases: Lease Liability in a Sale and Lease back*;
- Amendment to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*; and
- Amendment to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures: Supplier Finance Arrangement*s.

New or amended IFRS Accounting Standards and interpretations issued by the IASB. 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:

	2024	2023	2022
Europe	157,587	63,510	39,433
USA	273,036	9,430	17,940
Rest of World	59,059	18,494	25,656
	489,682	91,434	83,029

Non-current assets, excluding financial instruments and deferred tax assets, based on the location of the asset is as follows:

	2024	2023
Europe	451,066	415,659
USA	6,407	5,094
Rest of World	10,547	6,194
	468,020	426,947

Revenue from transactions with individual customers that exceeds ten percent or more of the Group's total revenue is as follows:

	2024		2023		2022	
	Revenue	% Total	Revenue	% Total	Revenue	% Total
Customer A	144,384	29.5 %	9,430	10.3 %	17,940	21.6 %
Customer B	72,105	14.7 %	46,954	51.4 %	38,376	46.2 %
Customer C	26,094	5.3 %	8,876	9.7 %	12,840	15.5 %
Customer D	72,339	14.8 %	16,556	18.1 %	—	— %
Customer E	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 2024, 2023, and 2022:

	2024	2023	2022
Product revenue (point in time revenue recognition)	273,472	48,699	24,836
License revenue (point in time revenue recognition)	75,813	7,775	—
Performance revenue (point in time revenue recognition)	42,391	4,402	424
Development and other service revenue (over time revenue recognition)	98,006	30,558	57,769
	489,682	91,434	83,029

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 years 2023 and 2022

Reassessment of measure of progress

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 2024, 2023, and 2022.

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 2022	28,656	93,932
Contract asset additions	19,634	—
Amounts transferred to trade receivables	(2,412)	—
Derecognition of contract liability	—	(42,089)
Customer prepayments	—	100,555
Revenue recognized	—	(23,101)
Foreign currency adjustment	171	3,147
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

The net increase in contract assets as of 31 December 2024 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 2024 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 2024, $22.7 million and $67.3 million are recorded as non-current contract assets and current contract assets, respectively. Non-current contract assets will materialize over the next 2 to 3 years. As of 31 December 2024, $80.7 million and $16.0 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 5 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 $265.5 million. The Group expects to recognize the majority of these revenues over the next 5 years.

6. Salaries and other employee expenses

The average number of individuals employed by the Group during the years ended 31 December 2024, 2023, and 2022 was 1,011, 999, and 858, respectively. The aggregate salary and other employee expenses incurred by the Group for these employees were as follows:

	2024	2023	2022
Salary expense	109,042	107,067	92,082
Defined contribution plan expense [1]	11,168	11,518	10,052
Long-term incentive plan expense	198	78	5,481
Share-based payments (see Note 22)	7,626	18,033	10,317
Other employee expense	19,998	19,718	11,670
Temporary labor	5,994	8,495	5,838
	154,026	164,909	135,440

[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.

Salaries and other employee expenses are included within the consolidated statements of profit or loss and other comprehensive income or loss as follows:

	2024	2023	2022
Cost of product revenue	77,241	76,908	42,501
Research and development expenses	37,652	44,339	52,962
General and administrative expenses	39,133	43,662	39,977
Total salary and other employee expenses	154,026	164,909	135,440

7. Finance income and finance costs

Finance income earned for the years ended 31 December 2024, 2023, and 2022 are as follows:

	2024	2023	2022
Changes in the fair value of derivatives	75,528	—	1,637
Interest income from cash and cash equivalents	4,577	4,547	556
Other interest income	40	276	356
	80,145	4,823	2,549

Finance costs incurred for the years ended 31 December 2024, 2023, and 2022 are as follows:

	2024	2023	2022
Changes in the fair value of derivatives (see Note 27)	(145,564)	(132,333)	(96,981)
Interest on debt and borrowings	(147,373)	(129,327)	(71,452)
Consenting fee	—	—	(7,430)
Loss on remeasurement of bonds	—	—	(6,511)
Interest on lease liabilities (see Note 13)	(6,614)	(3,840)	(6,022)
Amortization of deferred debt issue costs	(3,614)	(1,657)	(23)
	(303,165)	(267,157)	(188,419)

8. Depreciation, amortization and impairment

Depreciation, amortization and impairment expenses incurred during the years ended 31 December 2024, 2023, and 2022 are as follows:

	2024	2023	2022
Depreciation and impairment of property, plant and equipment (see Note 12)	17,105	14,353	9,807
Depreciation of right of use assets (see Note 13)	13,377	8,913	9,869
Amortization and impairment of intangible assets (see Note 15)	819	2,723	3,488
	31,301	25,989	23,164

Depreciation, amortization and impairment expenses are included within the consolidated statements of profit or loss and other comprehensive income or loss as follows:

	2024	2023	2022
Cost of product revenue	18,683	15,582	10,053
Research and development expenses	8,359	6,886	9,757
General and administrative expenses	4,259	3,521	3,354
Total depreciation, amortization and impairment expense	31,301	25,989	23,164

9. Audit fees

	2024	2023	2022
Financial Statement audit fees	3,335	2,876	2,615
Other fees, including tax services	279	462	676
Total fees	3,614	3,338	3,291

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, fees for tax compliance, tax advice, and tax planning.

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 2024, 2023, and 2022 is as follows:

	2024	2023	2022
Current tax			
Direct taxes - current	1,149	1,307	1,015
Direct taxes – prior year	(48)	(60)	(115)
Total current tax	1,101	1,247	901
Deferred tax			
Current	7,284	(89,847)	(54,236)
Prior year	5,916	(10,719)	15,269
Total deferred tax	13,200	(100,565)	(38,968)
Total income tax charge / (benefit)	14,301	(99,318)	(38,067)

The prior year deferred tax impact of $5.9 million mainly relates to foreign currency impact on losses denominated in Icelandic krona.

The factors affecting the tax charge during the year ended 31 December 2024 relate to the utilization of the deferred tax asset on accumulated tax losses previously recognized . The factors affecting the tax benefit during the year ended 31 December 2023 and 2022 relate to the recognition of a deferred tax asset on accumulated tax losses, as management assessed that it was probable that the accumulated tax losses would be fully utilized in the coming years.

There were no accruals for tax contingencies during the years ended 31 December 2024, 2023, and 2022.

The effective tax rate for the year of -6.6% (2023: 15.3%, 2022: 6.9%) is lower than the applicable Luxembourgish statutory rate of corporation tax. The reconciling items between the statutory rate and the effective tax rate are as follows:

	2024	2023	2022
Tax rate	24.9 %	24.9 %	24.9 %
Effect of tax rate in foreign jurisdictions	0.8 %	(3.4 %)	(2.5 %)
Permanent Differences	(17.4 %)	(6.7 %)	(8.9 %)
Non-recognition of tax losses	(12.2 %)	(1.5 %)	(3.8 %)
Other items	(2.8 %)	1.9 %	(2.9 %)
Effective tax rate	(6.6 %)	15.3 %	6.9 %

The movement in net deferred taxes during the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
Balance at 1 January	309,754	209,187
Deferred tax credited to profit or loss	(13,205)	100,567
Balance at 31 December	296,549	309,754
Deferred tax assets	298,360	309,807
(Deferred tax liabilities)	(1,811)	(53)

	2024		2023	
Deferred Tax Assets and Liabilities	DTA	(DTL)	DTA	(DTL)
Intangible Assets	751	—	(1,131)	(8)
Tangible Assets	530	(849)	(1,967)	(10)
Inventory Reserves	1,384	—	1,829	—
Bad Debt Reserves	3,483	—	3,700	—
Employee Benefits	4,611	—	5,652	—
Provisions and accruals	—	(679)	(410)	—
Other	(275)	(283)	760	(35)
Taxable Losses	287,874	—	301,375	—
Total Deferred Taxes	298,360	(1,811)	309,807	(53)

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 2024 and 2023 is composed of:

	2024	2023
Deferred tax assets attributable to tax loss carryforwards	287,874	301,375
Deferred tax assets attributable to other temporary differences	10,760	11,941
(Deferred tax liabilities) attributable to other temporary differences	(2,085)	(3,562)
Net deferred tax assets / (liabilities)	296,549	309,754

A deferred tax liability has been recognized in relation to ordinary timing differences arising from depreciation and other provisions. A deferred tax liability of $2.1 million and $3.6 million has been recognized as of 31 December 2024 and 2023, respectively.

A deferred tax asset has been recognized in relation to ordinary timing differences arising from amortization, depreciation, reserves, employee benefits and tax losses carried forward in the Group. The deferred tax asset on tax losses relates to tax losses arising in Iceland, and management considers probable that future forecasted profit associated with product, license and other revenue will be available to offset the cumulative tax losses as of 31 December 2024. In assessing the probability of recovery, management has reviewed the Group's long-term plan that has been used for the going concern assessment and the goodwill and fixed asset impairment testing. This long-term plan anticipates successful completion of biosimilar programs currently in the pipeline and execution of future commercial launches that will support profitability in the near future. The forecasts included in the long-term plan are evaluated to incorporate potential uncertainty associated with the amount and timing of expected future revenues, driven by factors such as potential competition, market share, price erosion, and the inherent risk associated with biosimilar product development.

No deferred tax asset is recognized on tax losses arising in Luxembourg as their recoverability is unlikely to be realized.

A net deferred tax asset of $296.5 million and $309.8 million is recognized as of 31 December 2024 and 2023, respectively.

These tax losses expire as follows:

2025-2027	118,340
2028-2030	392,857
Later	969,441
Indefinite	—
Total	1,480,638

As of 31 December 2024, the Group has total unused tax losses of $1,480.6 million which is comprised of $1,439.4 million of accumulated tax losses in Iceland and $41.2 million accumulated tax losses in Luxembourg.

11. Loss per share

Basic loss per share is computed by dividing loss for the year by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share is computed by adjusting the calculation of basic 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 2024, 2023, and 2022, 31,432,382, 86,745,377 and 148,857,998, respectively, potential ordinary shares pursuant to the RSUs, 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 loss per share, since the effect of doing so would result in a reduction of loss per share and thus be antidilutive.

The calculation of basic and diluted loss per share for the years ended 31 December 2024, 2023, and 2022 is as follows (in thousands, except for share and per share amounts):

	2024	2023	2022
Earnings			
Loss for the year	(231,864)	(551,731)	(513,580)
Number of shares			
Weighted average number of ordinary shares outstanding	267,924,570	227,256,469	197,721,710
Basic and diluted loss per share	(0.87)	(2.43)	(2.60)

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 2024 and 2023 are as follows:

	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

	Facility	Facility Equipment	Furniture, fixtures and leasehold improvements	Computer equipment	Total
Cost					
Balance at 1 January 2023	115,000	145,150	9,598	1,959	271,707
Reclassification of assets	—	2,771	(112)	(7)	2,652
Additions	—	29,351	1,500	518	31,369
Disposals	—	(1,233)	(23)	(136)	(1,392)
Translation difference	—	679	(85)	(22)	572
Balance at 31 December 2023	115,000	176,718	10,878	2,312	304,908
Depreciation					
Balance at 1 January 2023	359	46,002	3,233	1,519	51,113
Reclassification of assets	—	3,330	(112)	(7)	3,211
Depreciation	2,875	10,572	676	230	14,353
Disposals	—	(737)	(22)	(136)	(895)
Translation difference	—	330	40	(23)	347
Balance at 31 December 2023	3,234	59,497	3,815	1,583	68,129
Net carrying amount					
Balance at 31 December 2023	111,766	117,221	7,063	729	236,779

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 (see Note 13). The settlement amount was $14.8 million.

The Group pledged $284.5 million and $127.4 million of property, plant and equipment as collateral to secure bank loans with third parties as of 31 December 2024 and 2023, 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 2024 and 2023 are as follows:

	2024	2023
Right-of-use assets		
Balance at 1 January	119,802	47,501
Adjustments for indexed leases	6,283	7,354
New leases	41,506	74,109
Cancelled leases	(476)	(139)
Remeasurement due to acquisition of equipment	(27,902)	—
Reclassification	—	(443)
Depreciation	(13,377)	(8,913)
Translation difference	(638)	333
Balance at 31 December	125,198	119,802

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 14 years as of 31 December 2024. The building is 140,000 square feet. The construction was completed in 2024 and the final details are expected to be finalized in 2025. The lease amount is 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 2024 amounts to $78.7 million.

The Group's right-of-use assets as of 31 December 2024 and 2023 are comprised of the following:

	2024	2023
Right-of-use assets		
Facilities	117,931	110,692
Fleet	268	389
Equipment	6,999	8,721
	125,198	119,802

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 2024 and 2023 are as follows:

	2024	2023
Lease liabilities		
Balance at 1 January	115,315	40,532
Adjustments for indexed leases	6,325	7,405
New leases	41,584	72,882
Cancelled leases	(484)	(167)
Installment payments	(10,725)	(7,260)
Remeasurement due to acquisition of equipment	(28,252)	—
Foreign currency adjustment	(1,695)	1,932
Translation difference	(416)	(9)
Balance at 31 December	121,652	115,315
Current liabilities	(9,515)	(9,683)
Non-current liabilities	112,137	105,632

The amounts recognized in the consolidated statements of profit or loss and other comprehensive income or loss during the years ended 31 December 2024, 2023, and 2022 in relation to the Group's lease arrangements are as follows:

	2024	2023	2022
Depreciation expense from right-of-use assets			
Facilities	(11,922)	(7,631)	(9,423)
Fleet	(161)	(180)	(119)
Equipment	(1,294)	(1,102)	(327)
Total depreciation expense from right-of-use assets	(13,377)	(8,913)	(9,869)
Interest expense on lease liabilities	(6,614)	(3,840)	(6,022)
Foreign currency difference on lease liability	(1,695)	(1,932)	11,682
Gain/(loss) from extinguishment of lease agreement	375	(28)	(3,859)
Total amount recognized in profit and loss	(21,311)	(14,713)	(8,068)

The maturity analysis of undiscounted lease payments as of 31 December 2024 and 2023 is as follows:

	2024	2023
Less than one year	16,731	14,637
One to five years	58,722	51,053
Thereafter	101,703	89,682
	177,156	155,372

The Group's lease liabilities as of 31 December 2024 and 2023 do not include short-term leases and low value leases. During these years the Group expensed $0.2 million and $0.7 million, respectively, in relation to such leases.

14. Goodwill

The Group's goodwill balances as of 31 December 2024 and 2023 are as follows:

	2024	2023
Balance as of 1 January	12,058	11,643
Translation difference	(728)	415
Balance as of 31 December	11,330	12,058

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 2025-2030 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 2024 and 2023 value in use calculations, respectively. A discount rate of 24.3% (2023: 25.0%) 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 2024 and 2023, 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 2024 and 2023 are as follows:

	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.

	Software	Customer relationships	Intellectual property rights	Total
Cost				
Balance at 1 January 2023	13,684	2,181	15,000	30,865
Reclassification of assets	1,002	—	—	1,002
Additions	4,094	—	6,000	10,094
Impairment	(1,779)	—	—	(1,779)
Retirement	—	—	(15,000)	(15,000)
Translation difference	72	90	—	162
Balance at 31 December 2023	17,073	2,271	6,000	25,344
Amortization				
Balance at 1 January 2023	3,343	1,870	—	5,213
Amortization	626	318	—	944
Translation difference	28	83	—	111
Balance at 31 December 2023	3,997	2,271	—	6,268
Net carrying amount				
Balance at 31 December 2023	13,076	—	6,000	19,076

Additions during the year ended 31 December 2023 were primarily comprised of licensed intellectual property rights from Kashiv as detailed below.

Expense for amortization of the Group's intangible assets is included within the consolidated statements of profit or loss and other comprehensive income or loss as follows:

	2024	2023	2022
Cost of product revenue	—	318	471
Research and development expenses	21	8	—
General and administrative expenses	798	618	262
	819	944	733

At 31 December 2024 the Group performed a review of its intangible assets and determined that there was no impairment in 2024. At 31 December 2023 and 2022, 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 and $2.8 million during the years ended 31 December 2023 and 2022, respectively. The impairment charge for the year ended 31 December 2023 was recognized as an expense within "General and administrative expense". For the year ended 31 December 2022, the impairment was recognized as an expense as follows: $2.1 million in "Cost of product revenue" and $0.7 million in "General and administrative expense".

At 31 December 2023, following the termination of the agreement with Biosana, the Group derecognized $15.0 million of other intangible assets relating to intellectual property rights for the co-development and commercialization of AVT23. A corresponding receivable was recognized to reflect the claim against Biosana (see Note 18 for further information).

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.

In addition, Alvotech may be obligated to pay Kashiv up to an aggregate of $25 million (including the $6 million upfront payments mentioned above), 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.

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 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Cash and cash equivalents denominated in US dollars	36,930	1,466
Cash and cash equivalents denominated in other currencies	14,498	9,691
	51,428	11,157

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 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Balance at 1 January	26,132	25,187
Interest income	740	945
Release during the period	(26,872)	—
Balance at 31 December	—	26,132

17. Inventories

The Group's inventory balances as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Raw materials and supplies	53,566	51,524
Work in progress	81,243	33,068
Finished goods	—	244
Inventory reserves	(6,920)	(10,403)
Total Balance	127,889	74,433

The increase in inventory from 31 December 2023 to 31 December 2024 is due to the expansion of the commercial launch of certain of the Group's biosimilar products.

The Group recognized $117.9 million and $42.8 million within cost of goods sold during the years ended 31 December 2024 and 2023, respectively.

During the years ended 31 December 2024, 2023, and 2022, write-down of inventories amounted to $6.9 million, $10.4 million, and $2.1 million, respectively, due to product expiration and results from quality control inspections.

There was a reversal of inventory write-downs of $8.9 million during the year ended 31 December 2024. There were no reversals of inventory write-downs during the years ended 31 December 2023, and 2022.

18. Other current assets

The composition of other current assets as of 31 December 2024 and 31 December 2023 is as follows:

	31 December 2024	31 December 2023
Value-added tax	17,719	8,801
Prepaid expenses	23,984	22,035
Proceeds receivable from sale of joint venture (Note 26)	5,950	—
Other short-term receivables	411	1,035
	48,064	31,871

During the year 2023, the Group terminated the co-development agreement with Biosana for AVT23 and derecognized $15.0 million of other intangible assets and $3.5 million of prepaid development costs. A receivable of $18.5 million was recognized under other current assets which was fully reserved due to the uncertainty that it would be collected. In 2024, the Group collected $1.1 million of the receivable, which was recognized through profit and loss during the year.

19. Share capital

Share capital and share premium of the Group's Ordinary Shares issued as of 31 December 2024, and 2023 are as follows (in thousands, except for share amounts):

	2024		2023	
	Shares	Share capital and share premium	Shares	Share capital and share premium
Ordinary Shares	301,805,677	2,009,884	266,821,844	1,231,969
Total share capital and share premium	301,805,677	2,009,884	266,821,844	1,231,969

The authorised capital, excluding the share capital, is set at $59.0 million, consisting of 5,901,355,465 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.

Movements in the Group's Ordinary shares, share capital and share premium during the years ended 31 December 2024, 2023, and 2022 are as follows (in thousands, except for share amounts):

	Ordinary Shares	Predecessor Ordinary Shares	Share capital	Share premium	Total
Balance at 1 January 2022		13,481,799	135	1,000,118	1,000,253
Elimination of Predecessor Ordinary Shares (Note 1.1)	—	(13,481,799)	(135)	135	—
Issuance of Ordinary Shares (Note 1.1)	186,576,505	—	1,866	63,169	65,035
PIPE Financing (Note 1.1)	17,493,000	—	175	174,755	174,930
Transaction costs arising on share issue	—	—	—	(5,562)	(5,562)
Predecessor Earn Out Shares (Note 1.1)	38,330,000	—	—	(227,500)	(227,500)
OACB Earn Out Shares (Note 1.1)	1,250,000	—	—	(9,100)	(9,100)
SARs Settlement	3,510,582	—	35	30,267	30,302
Settlement of related party loans with Ordinary Shares	5,000,000	—	50	32,150	32,200
Balance at 31 December 2022	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 at 31 December 2024	301,805,677	—	2,826	2,007,058	2,009,884

No dividends were paid or declared during the years ended 31 December 2024, 2023, and 2022.

At 31 December 2024 and 2023 Alvotech Manco ehf., a subsidiary of Alvotech hf., owned 22,995,363 and 22,905,618 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 2024 and 2023 is as follows:

	2024	2023
Equity component of convertible bonds	—	21,391
Share based payments	17,272	21,520
	17,272	42,911

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 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Senior Bonds	—	549,411
2022 Convertible Bonds	—	155,914
Aztiq Convertible Bonds	—	80,663
Alvogen Facility	—	76,556
Senior Secured First Lien Term Loan Facility	990,744	—
Other borrowings	77,840	97,615
Total outstanding borrowings, net of debt issue costs	1,068,584	960,159
Less: current portion of borrowings	(32,702)	(38,025)
Total non-current borrowings	1,035,882	922,134

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, 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.

Under the terms of the Secured Loan Facility, the First Tranche Facility includes payments of 0.25% of aggregated principal amount at the closing date that are due quarterly with a final maturity in July 2029 and the Group can elect payment-in-kind interest for any quarterly payment due on or before 30 June 2025, provided that if such election is made, the annual interest rate will increased by 0.75%. The Second Tranche Facility is a bullet loan with a final maturity in July 2029 and payment-in-kind interest.

The Group has the option, at any time, to prepay all or any part of the First Tranche Facility in exchange for the payment of the redemption premium pursuant to the terms of the Secured Loan Facility agreement at the time of such prepayment. The Group can elect to prepay the Second Tranche Facility once the First Tranche Facility has been repaid in full.

The Group is in compliance with all representations and non-financial covenants required by the Secured Loan Facility agreement.

As of 31 December 2024, the carrying amount of the Secured Loan Facility is $990.7 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 2024, the carrying amount of the Facility loans is $45.8 million, compared to $48.5 million as of 31 December 2023.

Other borrowings

On 22 February 2022, the Group entered into a credit facility agreement with Landsbankinn hf., which was amended in July 2024, with the ability to draw down an amount up to $18.3 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 on 1 September 2025 and the borrowings have a variable interest rate of USD SOFR plus a margin of 4.95%. As of 31 December 2024, the outstanding balance on the credit facility was $18.3 million, compared to $7.8 million as of 31 December 2023.

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 2024, the outstanding balance on the loan was $2.2 million, compared to $2.5 million as of 31 December 2023.

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 2024, the outstanding balance on the loan was $1.3 million, compared to $1.6 million as of 31 December 2023.

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 2024, the outstanding balance on the loan was $9.7 million, compared to $11.0 million as of 31 December 2023.

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.

Movements in the Group's outstanding borrowings during the year ended 31 December 2024 are as follows:

	2024
Borrowings, net at 1 January	960,159
Recognition of deferred debt issue costs	(32,601)
Accretion/derecognition of borrowings discount	13,127
Loss on extinguishment	69,047
Proceeds from new borrowings	1,064,958
Bonds converted to equity	(220,736)
Repayments of borrowings	(874,412)
Accrued interest	88,206
Amortization of deferred debt issue costs	3,614
Foreign currency exchange difference	(2,777)
Borrowings, net at 31 December	1,068,584

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 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)		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.

	1 January 2023	Financing Cash flows (a)	Capitalized loan cost changes	Fair value changes, including accretion	Other changes (b)	Foreign exchange impact	31 December 2023
2022 Convertible Bonds and Aztiq Convertible Bonds	98,234	145,358	1,657	(36,071)	27,603	(204)	236,577
Senior Bonds	530,506	—	—	888	18,017	—	549,411
Other borrowings	71,242	25,102	—	—	(8)	1,279	97,615
Alvogen Facility	64,588	—	—	—	11,968	—	76,556
Borrowings, net	764,570	170,460	1,657	(35,183)	57,580	1,075	960,159

(a) The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the cash flow statement.

(b) Other changes include interest accruals and payments.

The weighted-average interest rates of outstanding borrowings for the years ended 31 December 2024 and 31 December 2023 are 12.4% and 12.73%, respectively.

Contractual maturities of principal amounts on the Group's outstanding borrowings as of 31 December 2024 are as follows:

	31 December 2024
Within one year	32,702
Within two years	14,590
Within three years	14,784
Within four years	14,996
Thereafter	992,539
	1,069,611

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 2024 and 2023 are as follows:

	2024		2023	
	RSUs	Weighted Average Fair Value	RSUs	Weighted Average Fair Value
Outstanding at 1 January	3,745,781	$7.04	6,979,482	$6.72
New grants during the period	673,425	$11.66	820,602	$8.79
Forfeited during the period	(589,482)	$7.98	(1,587,929)	$7.11
Vested during the period	(1,487,906)	$6.99	(2,466,374)	$6.67
Outstanding at 31 December	2,341,818	$8.17	3,745,781	$7.04

The Group recognized $7.6 million and $18.0 million of share-based payment expense during the years ended 31 December 2024 and 2023, respectively, as follows:

	2024	2023
Cost of product revenue	941	3,319
Research and development expenses	1,879	3,991
General and administrative expenses	4,806	10,723
	7,626	18,033

23. Litigation

The Group was involved in four litigations (all now dismissed) in the United States adverse to AbbVie arising out of the development of Alvotech's AVT02 product, and the filing of a biologics license application with the U.S. Food and Drug Administration seeking regulatory approval (the "AbbVie Litigations").

Alvotech entered into the AbbVie U.S. Agreement with AbbVie Inc. and AbbVie Biotechnology Ltd with respect to AVT02 for the U.S. market. Pursuant to the settlement component of the AbbVie U.S. Agreement, the parties agreed to stipulate to the dismissal of all claims, counterclaims and potential claims in the four U.S. litigations, with each party to bear its own fees and costs. The parties further agreed to release each other from certain claims and demands.

The Group incurred approximately $0.0 million, $0.0 million, and $8.7 million in legal expenses during the years ended 31 December 2024, 2023, and 2022, respectively, in preparation for, and/or in relation to, these litigations. Aside from this matter, the Group is not currently a party to any material litigation or similar 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.

Lease agreements with related parties

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 14 years as of 31 December 2024. The building is 140,000 square feet. The construction was completed in 2024 and the final details are expected to be finalized in 2025. Lease liabilities as of 31 December 2024 amount to $80.6 million.

The Group entered into six separate lease agreements with Flóki Fasteignir ehf. in 2024 for apartment buildings in Iceland used for temporary housing of employees and third-party contractors. The remaining lease terms approximate 10 years, on average, as of 31 December 2024. Lease liabilities as of 31 December 2024 for the new leases amount to $1.5 million.

The Group entered into office sublease sharing agreement with Alvogen UK Ltd. in August 2023. The agreement was effective from 1 January 2023 and shall terminate upon the expiration or termination of the lease. The office is approximately 5,500 square feet and the group leases 30% of the premises, containing approximately 1,645 square feet of space. Lease liabilities as of 31 December 2024 amount to $0.5 million.

The Group entered into an art lease agreement with Flóki-Art ehf. in January 2023, as a result of the Share Purchase Agreement pursuant to which the Group rent pieces of art located in Sæmundargata 15-19, Reykjavik. The remaining lease term for the leased asset is 14 years as of 31 December 2024. Lease liabilities as of 31 December amount to $0.4 million.

The Group provides and receives certain support services through arrangements with Aztiq, Alvogen, and Adalvo Ltd. (Adalvo). Services provided to Alvogen consist of finance, administrative, legal and human resource services. Services received from Alvogen primarily consist of marketing, salary processing, and information technology support services. Services received from Adalvo primarily consist of legal, regulatory, supply chain management, and portfolio and market intelligence services.

Purchased service includes rental fees and service expenses, as described above. Rental fees and 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.

Interest includes interest expense on borrowings. Interest expenses on loans from related parties are presented as "Finance costs" in the consolidated statements of profit or loss and other comprehensive income or loss. Borrowings are presented as "Borrowings" and "Current maturities of borrowings" on the consolidated statements of financial position. See Note 21 for further details on the borrowing arrangements with related parties.

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 2024 are as follows:

	Purchases / 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 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 as of 31 December 2023 are as follows:

	Purchased service / interest	Sold service	Receivables	Payables/ borrowings
Alvogen Lux Holdings S.à r.l. – Sister company (a)	11,968	—	—	76,556
ATP Holdings ehf. - Sister company (a)	9,193	—	—	49,560
Aztiq Consulting ehf. - Sister company	178	69	—	54
Flóki-Art ehf. - Sister company	88	—	—	422
Alvogen Iceland ehf. - Sister company	19	1	—	484
Alvogen ehf. - Sister company	—	152	16	—
Alvogen UK - Sister company	273	—	—	581
Alvogen Finance B.V. - Sister company	3,382	—	—	65
Lotus Pharmaceuticals Co. Ltd. - Sister company (b)	—	29	29	7,440
Lotus International Pte. Ltd. - Sister company	—	2	—	—
Alvogen Emerging Markets - Sister company	108	—	—	—
Alvogen Inc. - Sister company	305	—	—	284
Alvotech and CCHT Biopharmaceutical Co., Ltd. (c)	—	—	758	539
Adalvo Limited - Sister company	402	189	86	337
Adalvo UK - Sister company	—	49	—	—
Flóki Invest ehf. - Sister company	680	4	—	251
Floki Holdings S.à r.l. – Sister company	40	—	—	—
Alvogen Malta Sh. Services - Sister company	—	—	7	—
Alvogen Spain SL - Sister Company	14	—	—	15
Norwich Clinical Services Ltd - Sister company	642	—	—	170
Fasteignafélagið Eyjólfur ehf - Sister company (d)	3,807	102	—	69,732
Flóki fasteignir ehf. - Sister company	1,682	—	—	11,466
	32,781	597	896	217,956

(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 including discount and accretion (see Note 21).

(b) Payables to Lotus Pharmaceuticals Co. Ltd. consists of an other current liability. This other current liability is presented as "Liabilities to related party" on the unaudited condensed consolidated interim statements of financial position.

(c) The amount receivable from Alvotech & CCHN Biopharmaceutical Co., Ltd. relates to amounts due for reference drugs used in research and development studies and certain consulting fees incurred by the Group.

(d) Refer to Note 13 for the details of the new lease.

Related party transactions for the year ended 31 December 2022 are as follows:

	Purchased service / interest	Sold service
Alvogen Lux Holdings S.à r.l. – Sister company (a)	5,415	—
Aztiq Fjárfestingar ehf. (a)	216	—
Aztiq Consulting ehf. - Sister company	442	—
ATP Holdings ehf. - Sister company (a)	1,254	—
Fasteignafélagið Sæmundur hf. - Sister company	7,189	—
Fasteignafélagið Eyjólfur ehf - Sister company	—	196
Alvogen Iceland ehf. - Sister company	465	174
Alvogen ehf. - Sister company	—	68
Lotus Pharmaceuticals Co. Ltd. - Sister company (b)	—	3
Lotus International Pte. Ltd. - Sister company (b)	—	4
Alvogen Emerging Markets - Sister company	98	—
Alvogen Korea co. Ltd - Sister company	—	1
Alvogen Inc. - Sister company	585	266
Alvogen Malta Sh. Services - Sister company	603	—
Adalvo Limited - Sister company	1,218	106
Alvogen Spain SL - Sister Company	117	—
Norwich Clinical Services Ltd - Sister Company	301	—
Alvogen Pharma Pvt Ltd - Sister Company	1,159	—
Flóki fasteignir ehf. - Sister company	1,516	—
L41 ehf.	26	—
Lambhagavegur 7 ehf.	537	—
	21,141	818

(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).

(b) Lambhagavegur is no longer a related party as it was sold during the year ended 31 December 2023.

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 2024 and 2023 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 2024 and 2023. 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).

	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
Tomas Ekman, Board Member*	—	—	—	—
	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

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).

	2023			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	156	—	104	1,143,713
Ann Merchant, Board Member	113	—	104	10,582
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Linda McGoldrick, Board Member	81	—	104	10,582
Lisa Graver, Board Member	71	—	104	10,582
Tomas Ekman, Board Member*	—	—	—	—
	421	—	416	1,175,459

* Waived their board compensation (both cash and equity)
** Direct share ownership

	2023			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	1,491	26	—	—
Other Executive Team Members (9)	5,020	346	52	9,456
	6,511	372	52	9,456

25. Other current liabilities

The composition of other current liabilities as of 31 December 2024 and 31 December 2023 is as follows:

	31 December 2024	31 December 2023
Unpaid salary and salary related expenses	14,465	31,340
Accrued interest	428	3,333
Accrued vacation leave	6,631	6,075
Employee incentive plan	—	659
Accrued royalties	15,858	5,001
Accrued profit sharing	12,604	—
Accrued other expenses	9,418	16,312
	59,404	62,720

26. Interests in joint ventures

In September 2018, Alvotech hf., a subsidiary of the Group, entered into a joint venture agreement with Changchun High & New Technology Industries (Group) Inc. (the “joint venture partner”, "CCHN") to form a newly created joint venture entity, Alvotech & CCHN Biopharmaceutical Co., Ltd. (the “joint venture” or “JVCO”). The purpose of the JVCO is to develop, manufacture and sell biosimilar products in the Chinese market. The JVCO’s place of business is also the country of incorporation.

		Ownership interest		Carrying Amount	
Name of entity	Place of business	2024	2023	2024	2023
Alvotech & CCHN Biopharmaceutical Co., Ltd.	China	— %	50 %	— %	18,494

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. The total gross proceeds was $18.0 million, and the unpaid portion of $6.0 million is classified as other short-term assets.

The following table provides the change in the Group’s interest in a joint venture during the years ended 31 December 2024 and 2023:

	2024	2023
Balance at 1 January	18,494	48,568
Share in losses	—	(7,153)
Sale of shares in joint venture	(18,494)	—
Translation difference	—	(1,402)
Balance at 31 December	—	18,494

27. Financial instruments

Accounting classification and carrying amounts

Financial assets as of 31 December 2024 and 2023, all of which are measured at amortized cost, are as follows:

	31 December 2024	31 December 2023
Cash and cash equivalents	51,428	11,157
Restricted cash	—	26,132
Trade receivables	160,217	41,292
Other current assets	6,361	1,035
Receivables from related parties	118	896
Other long-term assets	213	336
	218,337	80,848

Financial liabilities as of 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Borrowings (measured at amortized cost)	1,068,584	960,159
Derivative financial liabilities (measured at FVTPL)	210,224	520,553
Trade and other payables (measured at amortized cost)	67,126	80,563
Lease liabilities (measured at amortized cost)	121,652	115,315
Liabilities to related parties (measured at amortized cost)	8,465	9,851
Other current liabilities	58,903	61,873
	1,534,954	1,748,314

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 2024, the Secured Loan Facility, and, in 2023, the Senior Bonds, Aztiq Convertible Bond, 2022 Convertible Bonds, and Alvogen 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 2024	
	Carrying Amount	Fair Value
Senior Secured First Lien Term Loan Facility	990,744	969,077
	990,744	969,077

	31 December 2023	
	Carrying Amount	Fair Value
Senior Bonds	549,411	559,867
Aztiq Convertible Bond	80,663	84,756
2022 Convertible Bonds	155,914	217,419
Alvogen Facility	76,556	82,060
	862,544	944,102

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 2024 and 31 December 2023:

	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

	31 December 2023			
	Level 1	Level 2	Level 3	Total
Senior Bond Warrants	19,715	—	—	19,715
Tranche A Conversion Feature	—	—	118,830	118,830
Predecessor Earn Out Shares	—	349,900	—	349,900
OACB Earn Out Shares	—	6,200	—	6,200
OACB Warrants	25,908	—	—	25,908
	45,623	356,100	118,830	520,553

The Group did not recognize any transfer of assets or liabilities between levels of the fair value hierarchy during the year ended 31 December 2024.

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.

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 $179.3 million as of 31 December 2024, resulting in $130.5 million of finance costs for the year ended 31 December 2024.

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 2024	31 December 2023
Number of shares	19,165,000	38,330,000
Share price	$13.23	$11.48
Volatility rate	52.0 %	55.0 %
Risk-free rate	4.26 %	3.97 %

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 OACB warrants had a fair value of $30.9 million as of 31 December 2024. 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 $6.9 million of finance costs for the year ended 31 December 2024.

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 2024 and 2023.

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.

	2024	2023
Variable-rate financial instruments +100	(9,873)	(89)
Variable-rate financial instruments -100	9,873	89

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 and UK market currencies, as well as in the Swiss franc.

Below are the foreign currencies that have the most significant impact on the Group's operations.

	Closing rate		Average rate		
	2024	2023	2024	2023	Change
EUR	1.038	1.105	1.082	1.091	(6.0 %)
GBP	1.251	1.275	1.278	1.266	(1.8 %)
ISK	0.007	0.007	0.007	0.007	(2.0 %)
CHF	1.103	1.188	1.136	1.156	(7.2 %)
INR	0.012	0.012	0.012	0.012	(2.6 %)

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

The Group's assets and liabilities that are denominated in foreign currencies as of 31 December 2023 are as follows:

	Assets	Liabilities	Net assets
EUR	36,568	46,303	(9,735)
GBP	69	3,479	(3,410)
ISK	3,247	144,812	(141,565)
CHF	335	7,488	(7,153)
INR	167	536	(369)

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
Year ended 31 December 2024					
-10% weakening	(2,612)	335	15,089	32	(35)
+ 10% strengthening	2,612	(335)	(15,089)	(32)	35
Year ended 31 December 2023					
-10% weakening	(974)	(341)	(14,156)	(715)	(37)
+ 10% strengthening	974	341	14,156	715	37

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 2024 and 2023 is as follows:

	2024	2023
Cash and cash equivalents	51,428	11,157
Restricted cash	—	26,132
Trade receivables	160,217	41,292
Other assets	6,692	2,267
	218,337	80,848

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, and contract assets recognized in connection with the Group's performance pursuant to its contracts with customers, all of which are large multinational pharmaceutical companies. In 2023, 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 2023 due to the uncertainty of its collection (see Note 18). 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 2024 and 2023 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 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
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

Contractual maturities of financial assets and liabilities as of 31 December 2023 are as follows:

	Within one year	One to two years	Thereafter	Total
Financial assets				
Non-interest bearing	43,223	—	—	43,223
Variable-interest bearing	11,157	—	26,468	37,625
Total financial assets	54,380	—	26,468	80,848
Financial liabilities				
Non-interest bearing	142,436	—	—	142,436
Fixed-interest bearing - Borrowings	66,309	1,101,185	—	1,167,494
Derivative liabilities	—	520,553	—	520,553
Variable-interest bearing - Borrowings	44,995	10,198	65,826	121,019
Total financial liabilities	253,740	1,631,936	65,826	1,951,502

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 2024, 2023, and 2022 is included below. (see Note 21 for non-cash movements in borrowings).

Non-cash investing and financing activities	2024	2023	2022
Acquisition of property, plant and equipment in trade payables and other current liabilities	13,917	2,266	4,131
Acquisition of intangibles in trade payables and other current liabilities	—	930	4,075
Right-of-use assets obtained through new leases	41,506	74,109	9,583
Sale of joint venture	5,950	—	—
Settlement of borrowings through refinancing	118,330	—	—
Settlement of transaction cost through refinancing	28,365	—	—
Equity issued through conversion of borrowings	263,969	—	32,200
Settlement of RSUs with shares	5,076	678	—
Settlement of SARs with shares	—	13,767	—
Purchase of Facility through Aztiq Convertible Bond	—	—	115,005
Non-cash issuance of Aztiq Convertible Bond	—	—	80,000

29. Subsequent events

The Group evaluated subsequent events through 26 March 2025, the date that the consolidated financial statements were available to be issued.

On 27 January 2025, the Company announced filing acceptance of U.S. Biologics License Applications (BLA) for AVT05, a proposed biosimilar to Simponi and Simponi Aria (golimumab). The FDA review process for these applications is anticipated to be completed in the fourth quarter of 2025.

On 18 February 2025, the Company announced that the FDA has accepted for review a BLA for AVT06, Alvotech's proposed biosimilar to Eylea (aflibercept), a biologic used to treat eye disorders, including diseases which can lead to vision loss or blindness. The process to obtain regulatory approval is anticipated to be completed in the fourth quarter of 2025.

On 21 February 2025, the Company announced the availability of SELARSDI (ustekinumab) injection in the U.S., a biosimilar to Stelara (ustekinumab), for the treatment of psoriatic arthritis, plaque psoriasis, Crohn's disease, ulcerative colitis, pediatric plaque psoriasis and pediatric psoriatic arthritis.

On 18 March 2025, the Company announced the FDA acceptance of BLA for AVT03, a proposed biosimilar to Prolia and Xgeva (denosumab).

On 20 March 2025, the Company announced the acquisition of Xbrane Biopharma AB's ("Xbrane") research and development operations and a biosimilar candidate, further expanding the Company's development capabilities, and establishing a footprint in the Swedish life science sector. Xbrane retains other pre-clinical development programs and will focus on the commercialization of this portfolio. The purchase price for the acquisition amounts to approximately SEK 275 million (approximately $27 million) and will be payable in cash at closing for SEK 102.2 million and by assumption of SEK 172.8 million in debt and accounts payable. The creditors have agreed to accept payment for SEK 152.8 million of the debt with Alvotech equity shares. Closing of the acquisition is expected to occur in April 2025 and is contingent on approvals from the relevant authorities and Xbrane's shareholders. The Company also announced that it intends to explore the possibility of a listing of Swedish Depository Receipts (SDR), equity share equivalents, on Nasdaq Stockholm, in the future.

Registre de Commerce et des Sociétés
Numéro RCS : B258884
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Alvotech

Société anonyme

Siège social: 9, rue de Bitbourg, L-1273 Luxembourg

R.C.S. Luxemburg B 258884

STATUS COORDONNES AU 1ER JUILLET 2024

A. NAME - PURPOSE - DURATION - REGISTERED OFFICE

Article 1 Name - Legal form

There exists a public limited company (société anonyme) under the name "**Alvotech**" (the "**Company**") which shall be governed by the law of 10 August 1915 on commercial companies, as amended (the "**Law**"), as well as by the present articles of association.

Article 2 Purpose

1.1 The purpose of the Company is the holding of participations in any form whatsoever in Luxembourg and foreign companies and in any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, management, control and development of its portfolio.

1.2 The Company may grant loans to, as well as guarantees or security for the benefit of third parties to secure its obligations and obligations of other companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company, or otherwise assist such companies.

1.3 The Company may raise funds through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type.

1.4 The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it considers useful for the accomplishment of these purposes.

Article 3 Duration

1.1 The Company is incorporated for an unlimited period of time.

1.2 It may be dissolved at any time by a resolution of the general meeting of shareholders adopted in the manner required for an amendment of these articles of association.

Article 4 Registered office

1.1 The registered office of the Company is established in the City of Luxembourg, Grand Duchy of Luxembourg.

1.2 The board of directors may transfer the registered office of the Company within the same municipality or to any other municipality in the Grand Duchy of Luxembourg and, if necessary, subsequently amend these articles of association to reflect such change of registered office.

1.3 Branches or other offices may be established either in the Grand Duchy of Luxembourg or abroad by a resolution of the board of directors.

1.4 In the event that the board of directors determines that extraordinary political, economic or social circumstances or natural disasters have occurred or are imminent that would interfere with the normal activities of the Company at its registered office, the registered office may be temporarily transferred abroad until the complete cessation of these extraordinary circumstances; such temporary measures shall not affect the nationality of the

Company which, notwithstanding the temporary transfer of its registered office, shall remain a Luxembourg company.

B. SHARE CAPITAL – SHARES

Article 5 Share capital

1.1 The Company's share capital is set at three million two hundred forty-eight thousand ten US dollars and forty cents (USD 3,248,010.40), represented by three hundred twenty-four million eight hundred one thousand forty (324,801,040) ordinary shares (the "Shares"), each having a nominal value of one cent (USD 0.01).

1.2 The Company's share capital may be increased or reduced by a resolution of the general meeting of shareholders adopted in the manner required for an amendment of these articles of association or as set out in Article 6 hereof.

1.3 Any new Shares to be paid for in cash shall be offered by preference to the existing shareholder(s). In case of a plurality of shareholders, such Shares shall be offered to the shareholders in proportion to the number of Shares held by them in the Company's share capital. The board of directors shall determine the time period during which such preferential subscription right may be exercised, which may not be less than fourteen (14) days from the date of publication of the offer on the Recueil électronique des sociétés et associations and in a Luxembourg newspaper or, in case of registered Shares, of dispatch of a registered mail or any other means of communication individually accepted by the addressees and ensuring access to the information sent to the shareholders announcing the opening of the subscription period**.**

1.4 The general meeting of shareholders may limit or cancel the preferential subscription right of the existing shareholders subject to quorum and majority required for an amendment of these articles of association. Notwithstanding the above, the board of directors may limit or cancel the preferential subscription right of the existing shareholders in accordance with Article 6 hereof.

1.5 If after the end of the subscription period not all of the preferential subscription rights offered to the existing shareholders have been subscribed by the latter, third parties may be allowed to participate in the share capital increase, except if the board of directors decides that the preferential subscription rights shall be offered to the existing shareholders who have already exercised their rights during the subscription period, in proportion to the portion that their Shares represent in the share capital; the modalities for the subscription to be determined by the board of directors. The board of directors may also decide in such case that the share capital shall only be increased by the amount of subscriptions received by the existing shareholders of the Company.

1.6 The Company may repurchase its own Shares subject to the provisions of the Law, and in conformity with all other applicable laws and regulations.

Article 6 Authorised capital

1.1 The authorised capital, excluding the share capital, is set at fifty-nine million thirteen thousand five hundred fifty-four US dollars and sixty-five cents (USD 59,013,554.65), consisting of five billion nine hundred one million three hundred fifty-five thousand four hundred sixty-five (5,901,355,465) Shares, each having a nominal value of one cent (USD 0.01). During a period of five (5) years from the date of incorporation or any subsequent resolutions to create,

renew or increase the authorised capital pursuant to this article, the board of directors is hereby authorised and empowered within the limits of the authorised capital to (i) realise for any reason whatsoever including, any issue in one or several successive tranches of (a) any subscription and/or conversion rights, including warrants (which may be issued separately or attached to Shares, bonds, options, notes or similar instruments), convertible bonds, notes or similar instruments (the "**Share Rights**") as well as (b) new Shares, with or without share premium, against payment in cash or in kind, by conversion of claims on the Company, by way of conversion of available reserves or in any other manner; (ii) determine the place and date of the issue or the successive issues, the issue price, the terms and conditions of the subscription of and paying up on the new Shares; (iii) remove or limit the preferential subscription right of the shareholders in case of issue against payment in cash of Shares, warrants (which may be separate or attached to Shares, bonds, notes or similar instruments), convertible bonds, notes or similar instruments, and (iv) confirm by way of a notarial deed within the legal deadline each and any share capital increase effectuated within the limits of the authorised capital and to amend Article 5.1 and Article 6.1 accordingly. The Shares to be issued upon exercise of any Share Rights may be issued beyond the initial authorized capital period of five (5) years as long as the Share Rights were issued within the relevant initial authorized capital period of five (5) years.

1.2 During a period of up to five (5) years from the date of the resolutions of the general meeting of the shareholders granting such authorisation to the board of directors or its subsequent renewal(s) and subject to the provisions of the Law, the board of directors is hereby authorised and empowered to (i) repurchase Shares, each having a nominal value of one cent (USD 0.01), in one or more occasions, (ii) determine the moment and place of repurchase of the Shares, (iii) proceed with the cancellation of the Shares so repurchased and the subsequent share capital reduction, (iv) allocate the amount of the share capital reductions to the shareholders of the Company, provided that in case such repurchase is made for value, the consideration payable for such Shares shall be determined by the board of directors and shall not be lower than the nominal value of the repurchased Shares, and (v) record by way of a notarial deed each and any share capital reduction effectuated within the limits of this Article 1.2 and to amend Article 5.1 accordingly.

1.3 The above authorisations may be renewed through a resolution of the general meeting of the shareholders adopted in the manner required for an amendment of these articles of association and subject to the provisions of the Law, each time for a period not exceeding five (5) years.

Article 7 Shares – Transfer of Shares

1.1 The Company may have one or several shareholders.

1.2 Death, suspension of civil rights, dissolution, bankruptcy or insolvency or any other similar event regarding any of the shareholders shall not cause the dissolution of the Company.

1.3 The Shares are in registered form.

1.4 The Company will recognise only one (1) holder per Share. In case a Share is owned by several persons, they shall appoint a single representative who shall represent them in respect of the Company. The Company has the right to suspend the exercise of all rights

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attached to that Share, except for relevant information rights, until such representative has been appointed.

1.5 Subject to applicable legal or regulatory transfer restrictions or any contractual agreement to which the Shares or the shareholders may be subject to and the present articles of association, the shares are freely transferable in accordance with the provisions of the Law.

1.6 A register of Shares shall be kept by the Company at its registered office, where it shall be available for inspection by any shareholder. This register shall contain all the information required by the Law. Ownership of Shares will be established by registration in said register, or in the event separate registrars have been appointed pursuant to article 7.7, in such separate register(s). A transfer of Shares shall be carried out by means of a declaration of transfer entered in the relevant register, dated and signed by the transferor and the transferee or by their duly authorised representatives or by the Company upon notification of the transfer or acceptance of the transfer by the Company. The Company may accept and enter in the relevant register a transfer on the basis of correspondence or other documents recording the agreement between the transferor and the transferee.

1.7 The Company may appoint registrars in different jurisdictions who may each maintain a separate register for the Shares entered therein. Shareholders may elect to be entered into one of these registers and to transfer their Shares to another register so maintained. The board of directors may however impose transfer restrictions for Shares in compliance with applicable trading restrictions. A transfer to the register kept at the Company's registered office may always be requested.

1.8 Subject to the provisions of article 7.10, the Company may consider the person in whose name the Shares are registered in the register of shareholders as the owner of such Shares. In the event that a holder of Shares does not provide an address in writing to which all notices or announcements from the Company may be sent, the Company may permit a notice to this effect to be entered into the register of shareholders and such holder's address will be deemed to be at the registered office of the Company or such other address as may be so entered by the Company from time to time, until a different address shall be provided to the Company by such holder in writing. The holder may, at any time, change his address as entered in the register of shareholders by means of written notification to the Company.

1.9 All communications and notices to be given to a registered shareholder shall be deemed validly made if made to the latest address communicated by the shareholder to the Company in accordance with article 7.6 or, if no address has been communicated by the shareholder, the registered office of the Company or such other address as may be so entered by the Company in the register from time to time according to article 7.10.

1.10 Where Shares are recorded in the register of shareholders in the name of or on behalf of a securities settlement system or the operator of such system and recorded as book- entry interests in the securities accounts of a professional depositary or any sub-depositary (any depositary and any sub-depositary being referred to hereinafter as a "**Depositary**"), the Company will permit the Depositary of such book-entry interests to exercise the rights attaching to the Shares corresponding to the book-entry interests of the relevant holder, including receiving notices of general meetings, admission to and voting at general meetings, and shall consider the Depositary to be the holder of the Shares corresponding to the book- entry interests for purposes of this article 7.10. The board of

directors may determine the formal requirements with which certificates certifying the number and ownership of Shares

maintained on a securities account by such Depositary must comply and the exercise of the rights in respect of such Shares may in addition be subject to the internal rules and procedures of the securities settlement system.

1.11 In connection with a general meeting of shareholders, the board of directors may decide that no entry shall be made in the register of shareholders and no notice of a transfer shall be recognised for voting purposes by the Company and any Depositary or registrar(s) during the period starting on the Record Date (as hereinafter defined) and ending on the closing of such general meeting, subject to compliance with the applicable rules of any stock exchange, if the Shares of the Company are listed on a stock exchange.

C. GENERAL MEETINGS OF SHAREHOLDERS

Article 8 Powers of the general meeting of shareholders

The shareholders exercise their collective rights in the general meeting of shareholders. Any regularly constituted general meeting of shareholders of the Company shall represent the entire body of shareholders of the Company. The general meeting of shareholders is vested with the powers expressly reserved to it by the Law and by these articles of association.

Article 9 Convening of general meetings of shareholders

1.1 The general meeting of shareholders of the Company may at any time be convened by the board of directors, to be held at such place and on such date as specified in the notice of such meeting.

1.2 The general meeting of shareholders must be convened by the board of directors upon the written request of one or several shareholders representing at least ten per cent (10%) of the Company's share capital.

1.3 The convening notice for every general meeting of shareholders shall contain the date, time, place and agenda of the meeting and may be made through announcements filed with the Luxembourg Trade and Companies Register and published at least thirty (30) days before the meeting, on the Recueil électronique des sociétés et associations, in a Luxembourg newspaper and such media which may reasonably be expected to be relied upon for the effective dissemination of information to the public throughout the European Economic Area, and which are accessible rapidly and on a non-discriminatory basis.

1.4 If the Shares of the Company are listed on one or several stock exchanges, the requirements of such stock exchanges applicable to the Company shall additionally be complied with. If all of the shareholders are present or represented at a general meeting of shareholders and have waived any convening requirements, the meeting may be held without prior notice or publication.

1.5 All shareholders of the Company are entitled to be admitted to any general meeting of shareholders provided, however, that the board of directors may determine a date and time preceding the general meeting of shareholders as the record date for admission to such meeting in accordance with applicable laws and regulations (the "**Record Date**").

1.6 Shareholders holding individually or collectively at least five per cent (5%) of the issued share capital of the Company, may request the addition of one or several new items on the agenda of the general meeting. This right shall be exercised upon request of the shareholders in writing submitted to the Company by registered letter at the address of the

registered office of the Company. The requests shall include the details requested in the convening notice in accordance with applicable laws and regulations.

Article 10 Conduct of general meetings of shareholders

1.1 The annual general meeting of shareholders shall be held within six (6) months of the end of the financial year in the Grand Duchy of Luxembourg at the registered office of the Company or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting. Other meetings of shareholders may be held at such place and time as may be specified in the respective convening notices. Holders of bonds are not entitled to attend meetings of shareholders.

1.2 A board of the meeting (bureau) shall be formed at any general meeting of shareholders, composed of a chairman, a secretary and a scrutineer who need neither be shareholders nor members of the board of directors. The board of the meeting shall ensure that the meeting is held in accordance with applicable rules and, in particular, in compliance with the rules in relation to convening, majority requirements, vote tallying and representation of shareholders.

1.3 An attendance list must be kept at all general meetings of shareholders.

1.4 A shareholder may act at any general meeting of shareholders by appointing another person as his proxy in writing or by facsimile, electronic mail or any other similar means of communication. One person may represent several or even all shareholders.

1.5 Shareholders taking part in a meeting by conference call, through video conference or by any other means of communication allowing for their identification, allowing all persons taking part in the meeting to hear one another on a continuous basis and allowing for an effective participation of all such persons in the meeting, are deemed to be present for the computation of the quorums and votes, subject to such means of communication being made available at the place of the meeting.

1.6 The board of directors may in its sole discretion authorize each shareholder to vote at a general meeting through a signed voting form sent by post, electronic mail, facsimile or any other means of communication authorised by the board of directors to the Company's registered office or to the address specified in the convening notice. Subject to such authorization by the board of directors, the shareholders may only use voting forms provided by the Company which contain at least the place, date and time of the meeting, the agenda of the meeting, the proposals submitted to the shareholders, as well as for each proposal three (3) boxes allowing the shareholder to vote in favour thereof, against, or abstain from voting by ticking the appropriate box. The Company will only take into account voting forms received prior to the general meeting of shareholders to which they relate. For the avoidance of doubt, shareholders may not vote by voting forms where the board of directors has not authorized such voting method for a given general meeting.

1.7 Voting forms which, for a proposed resolution, do not show (i) a vote in favour of the proposed resolution, (ii) a vote against the proposed resolution or (iii) an abstention from voting on the proposed resolution, are void with respect to such resolution. If a shareholder votes by means of a voting form, the voting form shall be deposited at the registered office of the Company or with an agent of the Company duly authorised to receive such voting forms. The Company shall only take into account voting forms received no later than two (2) business

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days prior to the date of the general meeting to which they relate. The board of directors may set a shorter period for the submission of the voting forms.

1.8 If a shareholder votes by means of proxy, the proxy shall be deposited at the registered office of the Company or with an agent of the Company duly authorised to receive such proxies. The Company shall only take into account proxies received no later than two (2) business days prior to the date of the general meeting to which they relate.

1.9 A holder of Shares held through the operator of a securities settlement system or with a Depositary wishing to attend a general meeting must provide the Company with a certificate issued by such operator or Depositary certifying the number of Shares recorded in the relevant account on the Record Date. Such certificate must be provided to the Company no later than two (2) business days prior to the date of such general meeting. If such holder of Shares votes by means of a proxy, article 10.8 of these articles of association shall apply.

1.10 The board of directors may determine further conditions that must be fulfilled by the shareholders for them to take part in any general meeting of shareholders and shorten or prolong periods for receipt of proxies and voting forms in the convening notice.

1.11 In connection with each general meeting, the board of directors is authorized to provide such rules of deliberations and such conditions for allowing shareholders to take part in the meeting as the board of directors deems appropriate.

1.12 Except to the extent inconsistent with the rules and conditions as adopted by the board of directors, the person presiding over the general meeting shall have the power and authority to prescribe such additional rules and conditions and to do all such acts as, in the judgment of such person, are appropriate for the proper conduct of the meeting. Such rules and conditions, whether adopted by the board of directors or prescribed by the person presiding over the meeting, may include, in each case to the extent permitted by applicable law:

▪ determining the order of business for the meeting subject to compliance with the agenda for the meeting;

▪ rules and procedures for maintaining order at the meeting and the safety of those present;

▪ limitations on attendance at or participation in the meeting to shareholders of record, their duly authorized and constituted attorneys or such other persons as the person presiding over the meeting shall determine;

▪ restrictions on entry to the meeting after the time fixed for the commencement thereof; and

▪ limitations on the time allotted to questions or comments by participants.

Article 11 Quorum, majority and vote

1.1 Each Share entitles to one vote in general meetings of shareholders.

1.2 Subject to the rules of the applicable stock exchange, if any, on which a Share is listed, the board of directors may suspend the voting rights of any shareholder in breach of his/her/its obligations under any relevant contractual arrangement entered into by such shareholder. A shareholder may individually decide not to exercise, temporarily or

permanently, all or part of his voting rights. The waiving shareholder is bound by such waiver and the waiver is mandatory for the Company upon notification to the latter.

1.3 Subject to the rules of the applicable stock exchange, if any, on which a Share is listed, in case the voting rights of one of several shareholders are suspended or the exercise of the voting rights has been waived by one or several shareholders in accordance with Article 11.2, such shareholders may attend any general meeting of the Company but the Shares they hold are not taken into account for the determination of the conditions of quorum and majority to be complied with at the general meetings of the Company.

1.4 Except as otherwise required by the Law or these articles of association, resolutions at a general meeting of shareholders duly convened shall not require any quorum and shall be adopted at a simple majority of the votes validly cast regardless of the portion of capital represented. Abstentions and nil votes shall not be taken into account.

Article 12 Amendments of the articles of association

1.1 Except as otherwise provided herein or by the Law, these articles of association may be amended by a majority of at least two thirds of the votes validly cast at a general meeting at which a quorum of more than half of the Company's share capital is present or represented. If no quorum is reached in a meeting, a second meeting may be convened in accordance with the provisions of Article 9.3, which may deliberate regardless of the quorum and at which resolutions are adopted at a majority of at least two thirds of the votes validly cast. Abstentions and nil votes shall not be taken into account.

1.2 Subject to the rules of the applicable stock exchange, if any, on which a Share is listed, in case voting rights of one of several shareholders are suspended or the exercise of the voting rights has been waived by one or several shareholders in accordance with Article 11.2, the provisions of Article 11.3 of these Articles of Association apply mutatis mutandis.

Article 13 Change of nationality

The shareholders may change the nationality of the Company by a resolution of the general meeting of shareholders adopted in the manner required for an amendment of these articles of association.

Article 14 Adjournment of general meeting of shareholders

Subject to the provisions of the Law, the board of directors may, during the course of any general meeting, adjourn such general meeting for four (4) weeks. The board of directors shall do so at the request of one or several shareholders representing at least ten per cent (10%) of the share capital of the Company. In the event of an adjournment, any resolution already adopted by the general meeting of shareholders shall be cancelled.

Article 15 Minutes of general meetings of shareholders

1.1 The board of any general meeting of shareholders shall draw up minutes of the meeting which shall be signed by the members of the board of the meeting as well as by any shareholder upon its request.

1.2 Any copy and excerpt of such original minutes to be produced in judicial proceedings or to be delivered to any third party, shall be certified as a true copy of the original by the notary having had custody of the original deed in case the meeting has been recorded in a notarial

deed, or shall be signed by the chairman of the board of directors, if any, or by any two (2) of its members.

Article 16 Rules applicable in case of listing on a EU Regulated Market

In case the Shares are admitted to trading on a regulated market within the meaning of Directive 2014/65/EU within the territory of the European Economic Area (the "**EU Regulated Market**"), the provisions of the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders at general meetings of listed companies, as amended shall apply to the relevant Shares notwithstanding anything to the contrary in these articles of association.

D. MANAGEMENT

Article 17 Composition and powers of the board of directors, board rules

1.1 The Company shall be managed by a board of directors composed of at least three (3) directors, which shall be appointed pursuant to these articles of association and any nomination agreement to which the Company is a party as may be further determined in the board rules adopted by the board of directors. The directors shall be appointed by the general meeting of shareholders which shall determine their number, fix their remuneration, and their term of office, which may not exceed three (3) years. Directors may be reappointed for successive terms.

1.2 The board of directors is vested with the broadest powers to act in the name of the Company and to take any action necessary or useful to fulfill the Company's corporate purpose, with the exception of the powers reserved by the Law or by these Articles of Association to the general meeting of shareholders.

1.3 The board of directors shall determine its own rules of procedure and may create one or several committees. The composition and the powers of such committee(s), the terms of the appointment, removal, remuneration and duration of the mandate of its/their members, as well as its/their rules of procedure are determined by the board of directors. The board of directors shall be in charge of the supervision of the activities of the committee(s). For the avoidance of doubt, such committees shall not constitute management committee in the sense of Article 441-11 of the Law.

1.4 The board of directors may unanimously pass resolutions by circular means when expressing its approval in writing, by facsimile, electronic mail or any other similar means of communication. Each director may express his consent separately, the entirety of the consents evidencing the adoption of the resolutions. The date of such resolutions shall be the date of the last signature.

Article 18 Daily management

The daily management of the Company as well as the representation of the Company in relation to such daily management may be delegated to one or more directors, officers or other agents, acting individually or jointly. Their appointment, removal and powers shall be determined by a resolution of the board of directors.

Article 19 Appointment, removal and term of office of directors

1.1 The directors shall be appointed by the general meeting of shareholders which shall determine their remuneration and term of office.

1.2 Each director is appointed by the general meeting of shareholders at a simple majority of the votes validly cast.

1.3 Any director may be removed from office at any time with or without cause by the general meeting of shareholders at a simple majority of the votes validly cast.

1.4 If a legal entity is appointed as director of the Company, such legal entity must designate a physical person as permanent representative who shall perform this role in the name and on behalf of the legal entity. The relevant legal entity may only remove its permanent representative if it appoints a successor at the same time. An individual may only be a permanent representative of one (1) director of the Company and may not be himself a director of the Company at the same time.

Article 20 Vacancy in the office of a director

1.1 In the event of a vacancy in the office of a director because of death, legal incapacity, bankruptcy, resignation or otherwise, this vacancy may be filled on a temporary basis and for a period of time not exceeding the initial mandate of the replaced director by the remaining directors until the next meeting of shareholders which shall resolve on the permanent appointment in compliance with the applicable legal provisions.

1.2 In case the vacancy occurs in the office of the Company's sole director, such vacancy must be filled without undue delay by the general meeting of shareholders.

Article 21 Conflict of interests

1.1 Save as otherwise provided by the Law, any director who has, directly or indirectly, a financial interest conflicting with the interest of the Company in connection with a transaction falling within the competence of the board of directors, must inform the board of directors of such conflict of interest and must have his declaration recorded in the minutes of the board meeting. The relevant director may not take part in the discussions relating to such transaction nor vote on such transaction. Any such conflict of interest must be reported to the next general meeting of shareholders prior to such meeting taking any resolution on any other item.

1.2 Where the Company comprises a single director, transactions made between the Company and the director having an interest conflicting with that of the Company are only mentioned in the resolution of the sole director.

1.3 Where, by reason of a conflicting interest, the number of directors required in order to validly deliberate is not met, the board of directors may decide to submit the decision on this specific item to the general meeting of shareholders.

1.4 The conflict of interest rules shall not apply where the decision of the board of directors or the sole director relates to day-to-day transactions entered into under normal conditions.

1.5 The daily manager(s) of the Company, if any, are subject to articles 21.1 to 21.4 of these articles of association provided that if only one (1) daily manager has been appointed and is in a situation of conflicting interests, the relevant decision shall be adopted by the board of directors.

Article 22 Dealing with third parties

1.1 The Company shall be bound towards third parties in all circumstances by the joint signature of any two (2) directors or by the joint signature or the sole signature of any person(s)

to whom such signatory power may have been delegated by the board of directors within the limits of such delegation.

1.2 Within the limits of the daily management, the Company shall be bound towards third parties by the signature of any person(s) to whom such power may have been delegated, acting individually or jointly in accordance within the limits of such delegation.

Article 23 Indemnification

1.1 The members of the board of directors, officers, employees and agents of the Company are not held personally liable for the indebtedness or other obligations of the Company. As agents of the Company, they are responsible for the performance of their duties. Subject to the exceptions and limitations listed in article 23.2 and mandatory provisions of law, every person who is, or has been, a member of the board of directors, officer (mandataire) or agent of the Company (and any other persons to which applicable law permits the Company to provide indemnification, including any person who is or was a director or officer of the Company, is or was serving at the request of the Company as a director, officer (mandataire), employee or agent of another company, partnership, joint venture, trust or other enterprise or employee benefit plan) (collectively, the "**Covered Persons**"), shall be indemnified by the Company to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by them in connection with any claim, action, suit or proceeding which they become involved as a party or otherwise by virtue of his or her being or having been a Covered Person and against amounts paid or incurred by him or her in the settlement thereof. If applicable law is amended after approval of this Article 23 to authorize corporate action further eliminating or limiting the personal liability of Covered Persons, then the liability of a Covered Person to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended. The words "claim", "action", "suit" or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal or otherwise including appeals) actual or threatened and the words "liability" and "expenses" shall include without limitation attorneys' fees, costs, judgments, amounts paid in settlement and other liabilities.

1.2 Expenses (including attorneys' fees) incurred by a Covered Person in defending any claim (save for fraud, negligence or willful misconduct's claims) shall be paid by the Company in advance of the final disposition of such claim upon receipt of an undertaking by or on behalf of such Covered Person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in this Article 23. Such expenses (including attorneys' fees) incurred by former Covered Persons may be so paid upon such terms and conditions, if any, as the Company deems appropriate.

1.3 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article 23 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under this present articles of association, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Company that indemnification of the persons specified in this Article 23 shall be made to the fullest extent permitted by law.

1.4 Any repeal or modification of this Article 23 by the shareholders of the Company shall only be prospective and shall not affect the rights to indemnification and to the advancement of expenses of a Covered Person or protections or increase the liability of any

Covered Person under this Article 23 in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

1.5 No indemnification shall be provided to any Covered Person (i) against any liability by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office (ii) with respect to any matter as to which he or she shall have been finally adjudicated to have acted in bad faith and not in the interest of the Company or (iii) in the event of a settlement, unless the settlement has been approved by a court of competent jurisdiction or by the board of directors. The termination of any claim, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any claim, had reasonable cause to believe that such person's conduct was unlawful.

1.6 The right of indemnification herein provided shall be severable, shall not affect any other rights to which any Covered Person may now or hereafter be entitled, shall continue as to a person who has ceased to be such Covered Person and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect or limit any rights to indemnification to which corporate personnel, including Covered Persons, may be entitled by contract or otherwise under law. The Company shall specifically be entitled to provide contractual indemnification to and may purchase and maintain insurance for any corporate personnel, including Covered Persons, as the Company may decide upon from time to time.

1.7 Notwithstanding any rights to indemnification, advancement of expenses and/or insurance that may be provided by any persons who is a pension fund, private investment fund or institutional lender or any wholly owned subsidiary of the foregoing, including for the avoidance of doubt, Oaktree Capital Management, L.P. and each of its managed funds and each affiliate of the foregoing (other than the Company and its subsidiaries) (collectively, the "**Other Indemnitors**"), to a Covered Person, with respect to the rights to indemnification, advancement of expenses and/or insurance set forth herein, the Company: (i) shall be the indemnitor of first resort (i.e., its obligations to Covered Persons are primary and any obligation of the Other Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Covered Persons are secondary); and (ii) shall be required to advance the full amount of expenses incurred by Covered Persons and shall be liable for the full amount of all liabilities, without regard to any rights Covered Persons may have against any of the Other Indemnitors. No advancement or payment by the Other Indemnitors on behalf of Covered Persons with respect to any claim for which Covered Persons have sought indemnification from the Company shall affect the immediately preceding sentence, and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Covered Persons against the Company. Notwithstanding anything to the contrary herein, the obligations of the Company under this Article 23 shall only apply to Covered Persons in their capacity as Covered Persons.

E. AUDIT AND SUPERVISION

Article 24 Auditor(s)

1.1 The transactions of the Company shall be supervised by one or several statutory auditors (commissaires). The general meeting of shareholders shall appoint the statutory auditor(s) and shall determine their term of office, which may not exceed six (6) years.

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1.2 The general meeting of shareholders of the Company shall appoint one or more independent auditors (réviseurs d'entreprises agréés) in accordance with Article 69 of the law of 19 December 2002 regarding the trade and companies register and the accounting and annual accounts of undertakings, as amended, the institution of statutory auditors is no longer required.

1.3 An independent auditor may only be removed by the general meeting of shareholders for cause or with his approval.

F. FINANCIAL YEAR – ANNUAL ACCOUNTS – ALLOCATION OF PROFITS – INTERIM DIVIDENDS

Article 25 Financial year

The financial year of the Company shall begin on the first of January of each year and shall end on the thirty-first of December of the same year.

Article 26 Annual accounts and allocation of profits

1.1 At the end of each financial year, the accounts are closed and the board of directors draws up an inventory of the Company's assets and liabilities, the balance sheet and the profit and loss accounts in accordance with the law.

1.2 Of the annual net profits of the Company, five per cent (5%) at least shall be allocated to the legal reserve. This allocation shall cease to be mandatory as soon and as long as the aggregate amount of such reserve amounts to ten per cent (10%) of the share capital of the Company.

1.3 Sums contributed to a reserve of the Company may also be allocated to the legal reserve.

1.4 In case of a share capital reduction, the Company's legal reserve may be reduced in proportion so that it does not exceed ten per cent (10%) of the share capital.

1.5 Upon recommendation of the board of directors, the general meeting of shareholders shall determine how the remainder of the Company's profits shall be used in accordance with the Law and these articles of association.

1.6 Distributions shall be made to the shareholders in proportion to the number of Shares they hold in the Company.

Article 27 Interim dividends - Share premium and assimilated premiums

1.1 The board of directors may proceed with the payment of interim dividends subject to the provisions of the Law.

1.2 Any share premium, assimilated premium or other distributable reserve may be freely distributed to the shareholders subject to the provisions of the Law and these articles of association.

G. LIQUIDATION

Article 28 Liquidation

1.1 In the event of dissolution of the Company in accordance with Article 3.2 of these Articles of Association, the liquidation shall be carried out by one or several liquidators who are appointed by the general meeting of shareholders deciding on such dissolution and which

shall determine their powers and their compensation. Unless otherwise provided, the liquidators shall have the most extensive powers for the realisation of the assets and payment of the liabilities of the Company.

1.2 The surplus resulting from the realisation of the assets and the payment of the liabilities shall be distributed among the shareholders in proportion to the number of Shares of the Company held by them.

H. FINAL CLAUSE - GOVERNING LAW - JURISDICTION

Article 29 Governing law - Jurisdiction

1.1 All matters not governed by these articles of association shall be determined in accordance with the Law.

1.2 Unless the Company consents in writing to the selection of an alternative forum in the United States, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder or the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.3 Unless a different jurisdiction is competent in accordance with mandatory applicable law, the competent courts in the Grand Duchy of Luxembourg shall be the exclusive forum for any disputes arising out of or in connection with these articles of association, notably (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Law, or (iii) any action or proceeding asserting a claim or otherwise related to the affairs of the Company.

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. THE OMISSIONS HAVE BEEN INDICATED BY "[***]."

AMENDMENT NO. 1 TO TERM LOAN CREDIT AGREEMENT

This AMENDMENT NO. 1 TO TERM LOAN CREDIT AGREEMENT, dated as of July 3, 2024 (this "***Agreement***"), among Alvotech, S.A., a public limited liability 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 registered with the Luxembourg Trade and Companies' Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B258884 (the "***Borrower***"), GLAS USA LLC, a limited liability company organized and existing under the laws of the State of New Jersey, as administrative agent (in such capacity, including any successor thereto, the "***Administrative Agent***"), and the lenders party hereto (collectively, the "***Lenders***" and individually, a "***Lender***").

PRELIMINARY STATEMENTS

WHEREAS, reference is made to that certain Term Loan Credit Agreement, dated as of June 7, 2024 (the "***Existing Credit Agreement***"; the Existing Credit Agreement as amended by this Agreement, the "***Amended Credit Agreement***"; capitalized terms used but not defined herein having the meaning provided in the Amended Credit Agreement), among the Borrower, the Lenders from time to time party thereto, the Administrative Agent and GLAS Americas LLC, a limited liability company organized and existing under the laws of the State of New Jersey, as collateral agent;

WHEREAS, in connection with the conversion or equitization of the 2022 Convertible Bonds, the Borrower has requested certain amendments to the Existing Credit Agreement on the terms and conditions contained herein; and

WHEREAS, each of the Lenders party hereto, which constitute the Required Lenders and each Second Out Term Lender under the Existing Credit Agreement on and as of the date hereof, has agreed to the modification of the Existing Credit Agreement, including the schedules and exhibits thereto, in the manner described in Section 1 herein.

NOW, **THEREFORE**, in consideration of the undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Effectiveness of Agreement; Amendments to the Existing Credit Agreement. Effective as of the Amendment No. 1 Effective Date (as defined below):

(a) The Existing Credit Agreement shall be amended to delete the bold, red stricken text (indicated textually in the same manner as the following example: ~~**stricken text**~~) and to add the bold, blue double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the Amended Credit Agreement attached as Exhibit A hereto (in each case without yellow highlighting);

(b) the Schedules to the Existing Credit Agreement shall be amended and restated in their entirety as set forth in the schedules attached as Exhibit B hereto; and

(c) Exhibit R (Agreed Securities Principles) to the Existing Credit Agreement shall be amended and restated in its entirety as set forth in the exhibit attached Exhibit C as hereto.

2. Representations and Warranties. To induce the other parties hereto to enter into this Agreement, each of the Loan Parties represents and warrants to each of the Lenders party hereto and the Administrative Agent that, after giving effect to this Agreement:

(a) Existence; Qualification and Power; Compliance with Laws. Each Loan Party and each of its respective Material Subsidiaries (i) is a Person duly incorporated, formed or organized, validly existing and in good standing (to the extent such concept exists) under the Laws of the jurisdiction of its incorporation, formation or organization, (ii) has all corporate or other organizational power and authority to (x) own or lease its assets and carry on its business as currently conducted and (y) in the case of the Loan Parties, execute, deliver and perform under this Agreement, (iii) is duly qualified and in good standing (to the extent such concept exists) under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business as currently conducted requires such qualification, (iv) is in compliance with all applicable Laws, orders, writs, injunctions and orders, and (v) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted, including the production, marketing, offering for sale, selling and importing any biosimilar-based products, except in each case referred to in the preceding clauses (i) (other than with respect to the good standing of a Person other than the Borrower), (ii)(x),(iii), (iv) and (v) to the extent that failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Authorization; No Contravention. The execution, delivery and performance by each of the Loan Parties party to this Agreement have been duly authorized by all necessary corporate or other organizational action. None of the execution, delivery and performance by each Loan Party party to this Agreement will: (i) contravene the terms of any of such Person's Organizational Documents or any shareholders' agreement, unanimous shareholders' agreement or sole shareholder declaration by which such Loan Party is bound, (ii) result in any breach or contravention of, or the creation of any Lien upon any of the property or assets of such Person or any of the Subsidiaries (other than as permitted by Section 7.01 of the Amended Credit Agreement) under (x) any Contractual Obligation in excess of the Threshold Amount to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan Party or any of its Subsidiaries or (y) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or its property is subject or (iii) violate any applicable Law; except with respect to any breach, contravention or violation (but not creation of Liens) referred to in the preceding clauses (ii) and (iii), to the extent that such breach, contravention or violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Governmental Authorization; Other Consents. No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement, except for (i) filings and registrations necessary to perfect the Liens on the Collateral granted by the Loan Parties in favor of the Secured Parties, (ii) the approvals, consents, exemptions, authorizations, actions, notices and filings that have been duly obtained, taken, given or made and are in full force and effect (except to the extent not required to be obtained, taken, given or made or in full force and effect pursuant to the Collateral and Guarantee Requirement), (iii) any filings to be made under the relevant securities laws applicable to the Borrower by reason of the public listing of its shares and (iv) those approvals, consents, exemptions, authorizations, or other actions, notices or filings, the failure of which to obtain or make would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(d) Execution and Delivery; Binding Effect. This Agreement has been duly executed and delivered by each Loan Party that is party hereto. This Agreement constitutes a legal, valid and binding obligation of each Loan Party that is party hereto, enforceable against each such

Loan Party in accordance with its terms, except as such enforceability may be limited by Debtor Relief Laws, Foreign Legal Reservations and by general principles of equity and principles of good faith and fair dealing.

(e) Credit Agreement.

(i) The representations and warranties of each Loan Party set forth in Article V of the Existing Credit Agreement and in each other Loan Document are true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects as so qualified) on and as of the date of this Agreement with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects as so qualified) as of such earlier date or the Amendment No. 1 Effective Date, as the case may be; and

(ii) no Default or Event of Default has occurred and is continuing as of the date hereof.

3. Conditions Precedent. This Agreement and the amendments described in Section 1 hereto shall only become effective on the date (the "***Amendment No. 1 Effective Date***") when the Administrative Agent (or its counsel) shall have received from the Borrower, the Administrative Agent and each of the Lenders, who constitute the Required Lenders and each Second Out Term Lender on and as of the date hereof, a counterpart of this Agreement or written evidence (which may include a telecopy or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

4. Confirmation. Each Loan Party hereby acknowledges its receipt of a copy of this Agreement and its review of the terms and conditions hereof and consents to the terms and conditions of this Agreement and the transactions contemplated thereby. Each Loan Party hereby (a) affirms and confirms its obligations under the Existing Credit Agreement, the Amended Credit Agreement (from and after the Amendment No. 1 Effective Date) and Loan Documents to which it is a party, (b) agrees that as of the Amendment No. 1 Effective Date, (i) each Loan Document to which it is a party shall continue to be in full force and effect and (ii) all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Secured Parties and (d) agrees that the Existing Credit Agreement as modified hereby is the "Credit Agreement" under and for all purposes of the Loan Documents.

5. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with the Amended Credit Agreement. The execution, delivery and effectiveness of this Agreement shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

6. Loan Document. This Agreement shall constitute a Loan Document for all purposes of the Amended Credit Agreement and the other Loan Documents.

7. Governing Law, Etc. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. SECTIONS 10.15, 10.16 AND 10.17 OF THE AMENDED CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE, *MUTATIS MUTANDIS*.**

8. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements

and understandings, oral or written, relating to the subject matter hereof and thereof. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging (including in .pdf format) means shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "signed," "signature," and words of like import herein shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first set forth above.

GLAS USA LLC, as Administrative Agent

By: /s/ Vairon Inamagua
Name: Vairon Inamagua
Title: Assistant Vice President

[Signature Page to Pre-Funding Letter Agreement]

ALVOTECH, S.A., as the Borrower

By: /s/ Robert Wessman
Name: Robert Wessman
Title: Chief Executive Officer

[Signature Page Amendment No. 1 to Term Loan Credit Agreement]

[On file with the Administrative Agent]

[Signature Page Amendment No. 1 to Term Loan Credit Agreement]

Exhibit A
to Amendment No. 1

Amended Credit Agreement

$965,000,000

TERM LOAN CREDIT AGREEMENT

Dated as of June 7, 2024

among

ALVOTECH, S.A.,
as the Borrower,

GLAS USA LLC,
as Administrative Agent,

GLAS AMERICAS LLC,
as Collateral Agent,

and

THE LENDERS PARTY HERETO

FOR THE PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE CLOSING DATE TERM LOANS AND THE SECOND OUT TERM LOANS WERE ISSUED WITH ORIGINAL ISSUE DISCOUNT. A LENDER MAY, UPON REQUEST, OBTAIN FROM THE BORROWER ANY INFORMATION REQUIRED TO BE PROVIDED TO SUCH LENDER PURSUANT TO TREASURY REGULATION SECTION 1.1275-3(B)(I) BY CONTACTING THE COMPANY IN ACCORDANCE WITH SECTION 10.02.

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TERM LOAN CREDIT AGREEMENT

This TERM LOAN CREDIT AGREEMENT (this "**Agreement**") is entered into as of June 7, 2024, by and among Alvotech, S.A., a public limited liability 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 registered with the Luxembourg Trade and Companies' Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B258884 (the "**Borrower**"), GLAS USA LLC, a limited liability company organized and existing under the laws of the State of New Jersey ("**GLAS USA**"), as administrative agent (in such capacity, including any successor thereto, the "**Administrative Agent**"), GLAS Americas LLC, a limited liability company organized and existing under the laws of the State of New Jersey ("**GLAS Americas**" and together with GLAS USA, "**GLAS**"), as collateral agent (in such capacity, including any successor thereto, the "**Collateral Agent**") under the Loan Documents, and each lender from time to time party hereto (collectively, the "**Lenders**" and individually, a "**Lender**").

PRELIMINARY STATEMENTS

The Borrower has requested that the Lenders make available on the Closing Date to the Borrower up to (i) $900,000,000 of Closing Date Term Loans and (ii) $65,000,000 of Second Out Term Loans, in each case on the terms and conditions set forth herein, the proceeds of which will be used for the purposes set forth in Section 6.14.

The proceeds of the Closing Date Term Loans will be used on the Closing Date (i) to consummate the Closing Date Refinancing, (ii) to pay the applicable Transaction Expenses and (iii) to the extent any such proceeds remain after the foregoing uses, for general corporate purposes not prohibited by the terms of this Agreement. The proceeds of the Second Out Term Loans will be used on the Second Out Closing Date ~~for the prepayment, repayment, redemption, repurchase, defeasance, discharge, refinancing or termination of the 2022 Convertible Notes and the Aztiq Convertible Notes.~~to consummate the Second Out Closing Date Refinancing and to pay the applicable Transaction Expenses.

The Lenders have indicated their willingness to lend on the terms and subject to the conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

Definitions and Accounting Terms

Section 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings set forth below:

"**2022 Convertible Bonds**" means, collectively, the $200,000,000 tranche A and tranche B convertible bonds due 2025 issued by the Borrower pursuant to, as applicable, the tranche A convertible bond instrument and tranche B convertible bond instrument, each dated as of December 20, 2022, and made by and among the Borrower, as the issuer, and the holders party thereto.

"**Acceleration Applicable Premium Amount**" has the meaning specified in Section 2.18(3).

"**Acceleration Event**" has the meaning specified in Section 2.18(3).

"**Acceptable Discount**" has the meaning specified in Section 2.05(1)(e)(D)(2).

"**Acceptable Prepayment Amount**" has the meaning specified in Section 2.05(1)(e)(D)(3).

"**Acceptance and Prepayment Notice**" means a written notice of the Borrower's acceptance of the Acceptable Discount in substantially the form of Exhibit M or such other form approved by the Administrative Agent.

"**Acceptance Date**" has the meaning specified in Section 2.05(1)(e)(D)(2).

"**Acquired Indebtedness**" means, with respect to any specified Person,

(1) Indebtedness of any other Person existing at the time such other Person is merged, consolidated or amalgamated with or into or became a Subsidiary of such specified Person and not incurred in connection with, or in contemplation of, such other Person merging, amalgamating or consolidating with or into, or becoming a Subsidiary of, such specified Person, and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Additional Lender**" means, at any time, any bank, other financial institution or institutional lender or investor that, in any case, is not an existing Lender and that agrees to provide any portion of any Incremental Loan in accordance with Section 2.14; *provided* that each Additional Lender shall be subject to the approval of the Administrative Agent, such approval not to be unreasonably withheld, conditioned or delayed, in each case solely to the extent that any such consent would be required from the Administrative Agent under Section 10.07(2)(c)(ii) for an assignment of Loans to such Additional Lender.

"**Adjusted EBITDA**" means, with respect to any Person for any period, the Consolidated Net Income of such Person and its Subsidiaries for such period:

(1) increased (without duplication) by the following, in each case (other than clauses (h) and (l)) to the extent deducted (and not added back) in determining Consolidated Net Income for such period:

(a) total interest expense and, to the extent not reflected in such total interest expense, any losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, net of interest income and gains on such Hedging Obligations or such derivative instruments, and bank and letter of credit fees and costs of surety bonds in connection with financing activities; *plus*

(b) provision for taxes based on income, profits, revenue or capital, including federal, provincial, territorial, foreign and state income, franchise, excise, value added and similar taxes, property taxes and similar taxes, and foreign withholding taxes paid or accrued during such period (including any future taxes or other levies that replace or are intended to be in lieu of taxes, and any penalties and interest related to taxes or arising from tax examinations), and any payments to a Parent Company in respect of such taxes permitted to be made hereunder; *plus*

(c) Consolidated Depreciation and Amortization Expense for such period; *plus*

(d) any other non-cash expenses, charges, expenses, losses or items (including any write-offs or write-downs) reducing Consolidated Net Income for such period (*provided* that if any such non-cash charges represent an accrual or reserve for potential cash items in any future period, (i) the Borrower may determine not to add back such non-cash charge in the current period and (ii) to the extent the Borrower does decide to add back such non-cash charge, the cash payment in respect thereof in such future period shall be subtracted from Adjusted EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period); *plus*

(e) minority interest expense, the amount of any non-controlling interest consisting of income attributable to non-controlling interests of third parties in any non-wholly-owned Subsidiary deducted (and not added back) in such period to Consolidated Net Income, excluding cash distributions in respect thereof, and the amount of any reductions in arriving at Consolidated Net Income resulting from the application of IFRS 10, *Consolidated Financial Statements,* and IFRS 3, *Business Combinations*; *plus*

(f) (i) the amounts paid (or, if applicable, distributed) or accrued in such period to the extent otherwise permitted under Section 7.06(b)(3) and (ii) the amount of payments made to option holders of such Person or any Parent Company in connection with, or as a result of, any distribution being made to shareholders of such Person or its Parent Companies, which payments are being

made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted hereunder; *plus*

(g) the amount of loss or discount on sale of receivables; *plus*

(h) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not representing Adjusted EBITDA or Consolidated Net Income in any period to the extent non-cash gains relating to such income were deducted in the calculation of Adjusted EBITDA pursuant to clause (2) below for any previous period and not added back; *plus*

(i) any costs or expenses incurred pursuant to any management equity plan, stock option plan or any other management or employee benefit plan, agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of such Person or net cash proceeds of an issuance of Equity Interest of such Person (other than Disqualified Stock); *plus*

(j) Transaction Expenses to the extent paid on or within 90 days of the Closing Date in an amount not to exceed (i) the amount of Transaction Expenses set forth in the funds flow memorandum with respect to the Transactions on the Closing Date plus (ii) the amount of Transaction Expenses incurred following the Closing Date and on or prior to 90 days following the Closing Date; *plus*

(k) any net loss from operations expected to be disposed of, abandoned or discontinued within twelve months after the end of such period; *provided* that amounts added back pursuant to this clause (k), when combined with all other Combined Adjustment Amounts for such period, shall not exceed 10% of Adjusted EBITDA for such period calculated prior to giving effect to all such add-backs and adjustments; *plus*

(l) (I) pro forma adjustments, including pro forma "run rate" cost savings, operating expense reductions and other synergies (in each case, net of amounts actually realized) related to acquisitions, dispositions and other Specified Transactions, or related to restructuring initiatives, cost savings initiatives and other initiatives that are reasonably identifiable and projected by the Borrower in good faith to result from actions that have either been taken, with respect to which substantial steps have been taken or are that are expected to be taken within 12 months after the date of consummation of such acquisition, disposition or other Specified Transaction or the initiation of such restructuring initiative, cost savings initiative or other initiatives; and

(II) pro forma "run rate" cost savings, operating expense reductions and synergies (in each case, net of amounts actually realized) related to the Transactions that are reasonably identifiable and projected by the Borrower in

good faith to result from actions that have either been taken, with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Borrower) within 12 months after the Closing Date (it is understood and agreed that "run-rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken);

provided that:

(i) amounts added back pursuant to clause (*l*)(I) and (II), when combined with all other Combined Adjustment Amounts for such period, shall not exceed 10% of Adjusted EBITDA for such period calculated prior to giving effect to all such add-backs and adjustments;

(ii) that such 10% cap shall apply to adjustments made in accordance with Regulation S-X of the Securities Act; and

(iii) such adjustments shall be permitted only to the extent they are supported by a certificate executed by a Financial Officer of the Borrower and delivered to the Administrative Agent (which may be the Compliance Certificate) which certificate shall include a reasonably detailed and itemized calculation of all such adjustments, including those included within such 10% cap; *plus*

(m) any payments in the nature of compensation or expense reimbursement made to independent board members to the extent customary for similarly situated businesses; *plus*

(n) costs, charges, accruals, reserves and expenses attributable to (1) the undertaking and/or implementation of cost savings initiatives, operating expense reductions and other synergies and similar initiatives and business optimization and other restructuring and integration charges and (2) single or one-time events or occurrences; *provided* that amounts added back pursuant to this clause (n)(1), when combined with all other Combined Adjustment Amounts for such period, shall not exceed 10% of Adjusted EBITDA for such period calculated prior to giving effect to all such add-backs and adjustments; *plus*

(o) add-backs and adjustments reflected in the financial model dated ~~[•]~~April 15, 2024 and uploaded to the Borrower's data room prior to the Effective Date; *provided* that amounts added back pursuant to this clause (o), when combined with all other Combined Adjustment Amounts for such period, shall not exceed 10% of Adjusted EBITDA for such period calculated prior to giving effect to all such add-backs and adjustments; *plus*

(p) any net pension or other post-employment benefit costs representing amortization of unrecognized prior service costs, actuarial losses, including amortization of such amounts arising in prior periods, amortization of

unrecognized net obligation (and loss or cost) existing at the date of initial application of International Accounting Standard 19, and any other items of a similar nature;

(2) decreased (without duplication) by the following, in each case to the extent included in determining Consolidated Net Income for such period:

(a) non-cash gains for such period (excluding any non-cash gain to the extent it represents the reversal of an accrual or reserve for a potential cash item that reduced Consolidated Net Income or Adjusted EBITDA in any prior period other than any such accrual or reserve that has been added back to Consolidated Net Income in calculating Adjusted EBITDA in accordance with this definition),

(b) the amount of any non-controlling interest consisting of loss attributable to non-controlling interests of third parties in any non-wholly owned subsidiary added (and not deducted in such period from Consolidated Net Income), and

(c) any net gain from operations expected to be disposed of, abandoned or discontinued within twelve months after the end of such period.

For the avoidance of doubt, and notwithstanding anything in this Agreement to the contrary, no adjustments or addbacks in respect of lost revenue shall be included in determining 'Adjusted EBITDA' for any purpose in any period; *provided* that, the foregoing shall not prohibit the inclusion of amounts of proceeds received or receivable from business interruption insurance in determining 'Consolidated Net Income' as described in the last paragraph of the definition of 'Consolidated Net Income'.

Adjusted EBITDA of the Borrower and its Subsidiaries will be (a) deemed to equal $(80,800,000), $(78,800,000), $(65,700,000) and $(38,400,000) for the Fiscal Quarters ending on June 30, 2023, September 30, 2023, December 31, 2023 and March 31, 2024, respectively, and (b) in each case and, without duplication, adjusted to reflect any pro forma adjustments with respect to any relevant Permitted Acquisitions as are appropriate and consistent with the pro forma adjustment provisions set forth in Section 1.07, in each case, occurring or identified after the Closing Date and not otherwise included in the calculation of the foregoing amounts. For the avoidance of doubt, the amounts set forth in the foregoing clause (a) are negative amounts.

"**Adjusted EBITDA Grower Trigger Date**" means the first date Adjusted EBITDA of the Borrower and its Subsidiaries for any Test Period is equal to or greater than $200,000,000.

"**Administrative Agent**" has the meaning specified in the introductory paragraph to this Agreement.

"**Administrative Agent's Account**" means the account from time to time designated by the Administrative Agent as the account to which payments hereunder are to be directed.

"**Administrative Questionnaire**" means, with respect to each Lender, an administrative questionnaire in the form provided by the Administrative Agent and submitted to the Administrative Agent duly completed by such Lender.

"**Affected Financial Institution**" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlling*," "*controlled by*" and "*under common control with*"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"**Affiliate Transaction**" has the meaning specified in Section 7.06.

"**After Year-End Payment**" has the meaning specified in Section 2.05(2).

"**Agency Fee Letter**" means that certain Agency Fee Letter, dated as of the Effective Date, by and among the Administrative Agent, the Collateral Agent and the Borrower, as amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms thereof.

"**Agent Indemnitee**" has the meaning specified in Section 10.05.

"**Agent Parties**" has the meaning specified in Section 10.02(4).

"**Agent-Related Persons**" means the Agents, together with their respective Affiliates, and the officers, directors, employees, agents, attorney-in-fact, partners, trustees and advisors of such Persons and of such Persons' Affiliates.

"**Agents**" means, collectively, the Administrative Agent, the Collateral Agent and the Supplemental Administrative Agents (if any).

"**Aggregate Commitments**" means the Commitments of all the Lenders.

"**Agreed Security Principles**" means the principles set forth in Exhibit R.

"**Agreement**" means this Agreement, as amended by Amendment No. 1 and as further amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms hereof.

"**Agreement Currency**" has the meaning specified in Section 10.25.

"**AHYDO Payment**" means any mandatory prepayment or redemption pursuant to the terms of any Indebtedness that is required to cause such Indebtedness not to be treated as an "applicable high yield discount obligation" within the meaning of Code Section 163(i).

"**Alvogen Facility**" means the facility under the subordinated loan agreement, dated as of November 16, 2022, by and between the Borrower, as borrower, and Alvogen Lux Holdings S.à r.l., as lender.

"**Amendment No. 1**" means that certain Amendment No. 1 to Term Loan Credit Agreement, dated as of July 3, 2024 among the Borrower, the other Loan Parties, the Administrative Agent and the Lenders party thereto.

"**Anti-Corruption Laws**" means the U.S. Foreign Corrupt Practices Act of 1977, including the regulations thereunder and as amended from time to time, as amended, the UK Bribery Act, any law, rule or regulation implementing the OECD Convention on Combatting Bribery of Foreign Public Officials, and any other similar applicable law, rule or regulation related to corruption or bribery administered or enforced by any Governmental Authority.

"**Anti-Corruption Prohibited Activity**" has the meaning specified in Section 5.21.

"**Anti-Money Laundering Laws**" means laws, regulations, rules or guidelines relating to the prevention of money laundering administered or enforced by any Governmental Authority, including financing recordkeeping and reporting requirements, such as the USA PATRIOT Act, the U.S. Currency and Foreign Transaction Reporting Act of 1970, as amended, and the U.S. Money Laundering Control Act of 1986, as amended.

"**Anti-Terrorism Laws**" has the meaning specified in Section 5.17.

"**Applicable Discount**" has the meaning specified in Section 2.05(1)II(2).

"**Applicable Indebtedness**" has the meaning specified in the definition of "Weighted Average Life to Maturity".

"**Applicable Intercreditor Agreement**" means (a) to the extent executed in connection with any incurrence of Indebtedness secured by Liens on the Collateral that are intended to rank equal in priority to the Liens on the Collateral securing the Obligations, an intercreditor agreement substantially in the form of Exhibit G-1 (as attached on the Effective Date or the Closing Date), (b) to the extent executed in connection with any incurrence of Indebtedness secured by Liens on the Collateral that are intended to rank junior in priority to the Liens on the Collateral securing the Obligations, an intercreditor agreement substantially in the form of Exhibit G-2 (as attached on the Effective Date or the Closing Date) or (c) if the foregoing clauses (a) and (b) are not applicable, a customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent and the Borrower.

"**Applicable Rate**" means a percentage per annum equal to, (A) with respect to Closing Date Term Loans, (i) for SOFR Loans, 6.50% and (ii) for Base Rate Loans, 5.50%; *provided* that if the Borrower makes a PIK Interest Election in accordance with Section 2.08(3), then the Applicable Rate with respect to the relevant Interest Period shall increase by a percentage per annum equal to 0.75% and (B) with respect to the Second Out Term Loans, (i) for SOFR Loans, 10.50% and (ii) for Base Rate Loans, 9.50%.

Notwithstanding the foregoing, the Applicable Rate with respect to any Term Loans (other than Closing Date Term Loans and Second Out Term Loans), shall be as specified in the applicable Extension Amendment or Incremental Amendment.

"**Appropriate Lender**" means, at any time, with respect to Loans of any Class, the Lenders of such Class.

"**Approved Affiliate Agreement**" has the meaning specified in Section 6.20(d).

"**Approved Fund**" means, with respect to any Lender, any Fund that is administered, advised, sub-advised or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of an entity that administers, advises, sub-advises or manages such Lender.

"**Asset Sale**" means:

(1) the sale, conveyance, transfer, license, lease (other than an operating lease entered into in the ordinary course of business), assignment or other disposition (including sale-leaseback transactions), whether direct or indirect or in a single transaction or a series of related transactions of property or assets of the Borrower or any Subsidiary (each referred to in this definition as a "disposition"); or

(2) the issuance or sale of Equity Interests (other than Preferred Stock or Disqualified Stock of Subsidiaries issued in compliance with Section 7.02 and directors' qualifying shares or shares or interests required to be held by foreign nationals or other third parties to the extent required by applicable law) of any Subsidiary (other than to the Borrower or another Subsidiary), whether in a single transaction or a series of related transactions;

in each case, other than:

(a) any disposition of (i) Cash Equivalents or Investment Grade Securities, (ii) obsolete, damaged or worn out property or assets in the ordinary course of business or consistent with industry practice or any disposition of inventory or goods (or other assets) held for sale or no longer used or useful in the ordinary course and (iii) improvements made to leased real property to landlords pursuant to customary terms of leases entered into in the ordinary course of business;

(b) the disposition of any assets by the Borrower or any Subsidiary in a manner permitted pursuant to Section 7.03;

(c) any disposition in connection with the making of any Restricted Payment that is permitted to be made, and is made, under Section 7.05, any Permitted Investment or an acquisition otherwise permitted under this Agreement;

(d) any disposition of property or assets or issuance or sale of Equity Interests of any Subsidiary with an aggregate fair market value of less than $7,500,000 for any individual transaction or series of related transactions;

(e) any disposition of property or assets or issuance of securities by a Subsidiary to the Borrower or by the Borrower or a Subsidiary to a Subsidiary (or to a Person that contemporaneously therewith becomes a Subsidiary) to the extent permitted under this Agreement; *provided* that if the Borrower or any Subsidiary makes such disposition to any Non-Loan Party, the Borrower and its Subsidiaries shall be in pro forma compliance with the Guarantor Coverage Requirement at the time of such disposition;

(f) a Specified Disposition to the extent such Specified Disposition is consummated within 12 months following the Closing Date;

(g) (i) the lease, assignment or sublease, license or sublicense of any real or personal property in the ordinary course of business or consistent with industry practice and (ii) the exercise of termination rights with respect to any lease, sublease, license or sublicense or other agreement;

(h) [reserved];

(i) foreclosures, condemnation, expropriation, eminent domain or any similar action (including for the avoidance of doubt, any Casualty Event) with respect to assets or the granting of Liens not prohibited hereunder;

(j) a sale, assignment or other transfer of Receivables Assets, or participations therein, and related assets (x) to a Receivables Subsidiary or (y) to any other Person in connection with a Permitted Receivables Facility;

(k) Permitted Existing Licenses;

(l) the sale, lease, assignment, license, sublicense, sublease or discount of inventory, equipment, accounts receivable, notes receivable or other current assets or the conversion of accounts receivable to notes receivable or other dispositions of accounts receivable in connection with the collection thereof, in each case in the ordinary course of business or consistent with industry practice; in each case, other than any receivables financing or factoring facilities;

(m) any licensing or sublicensing of Proprietary Rights or collaboration agreements, strategic alliances or similar arrangements in respect of Proprietary Rights, in each case, for the development or commercialization of Proprietary Rights in the ordinary course of business and on an arm's length basis that, at the time of such license, sublicense, collaboration agreement, strategic alliance or similar arrangement, does not materially and adversely affect the Borrower's and its Subsidiaries' business, condition (financial or otherwise) or prospects, taken as a whole;

(n) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business or consistent with industry practice;

(o) the unwinding of any Hedging Obligations;

(p) sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary put, drag or tag arrangements (or other provisions with similar effect) between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(q) the lapse or abandonment of Proprietary Rights, which in the reasonable good faith determination of the Borrower, are not material to the conduct of the business of the Borrower and its Subsidiaries taken as a whole;

(r) the granting of a Lien that is permitted under Section 7.01;

(s) the issuance of directors' qualifying shares and shares of Capital Stock of Foreign Subsidiaries issued to foreign nationals as required by applicable law;

(t) the disposition of any assets (including Equity Interests) (i) acquired in a transaction permitted hereunder, which assets are not used or useful in the ordinary course of business of the Borrower and its Subsidiaries or (ii) made in connection with the approval of any applicable antitrust authority or otherwise necessary or advisable in the good faith determination of the Borrower to consummate any acquisition permitted hereunder;

(u) dispositions of property to the extent that such property is exchanged for credit against the purchase price of similar replacement property; and

(v) any disposition of Capital Stock of a Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Borrower or a Subsidiary) from whom such Subsidiary was acquired or from whom such Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and, in each case, comprising all or a portion of the consideration in respect of such acquisition; and

(w) the settlement or early termination of any Permitted Bond Hedge Transaction and the settlement or early termination of any related Permitted Warrant Transaction.

"**Assignee Group**" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor or sub-advisor.

"**Assignment and Assumption**" means an Assignment and Assumption substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

"**Attorney Costs**" means all reasonable fees, expenses and disbursements of any law firm or other external legal counsel, to the extent documented in reasonable detail and invoiced.

"**Auction Agent**" means (a) the Administrative Agent or any of its Affiliates (unless the Administrative Agent, in its sole discretion, declines to act in such capacity hereunder) or (b) any other financial institution or advisor engaged by the Borrower (whether or not an Affiliate of the Administrative Agent) to act as an arranger in connection with any Discounted Term Loan Prepayment pursuant to Section 2.05(1)(e); *provided* that the Borrower shall not designate the

Administrative Agent as the Auction Agent without the written consent of the Administrative Agent (it being understood that the Administrative Agent shall be under no obligation to agree to act as the Auction Agent); *provided further* that neither the Borrower nor any of its Affiliates may act as the Auction Agent.

"**Available Amount**" means, at any time (the "**Available Amount Reference Time**"), an amount equal to the sum of:

(1) the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets; *plus*

(2) an amount equal to the CNI Growth Amount at the Available Amount Reference Time; *plus*

(3) the amount of any Net Proceeds from any Permitted Equity Issuance of the Borrower or any Parent Company thereof to the extent contributed to the Borrower as Qualified Equity Interests and the fair market value of any capital contributions made in cash, Cash Equivalents and other property, in each case, to the extent Not Otherwise Applied (and excluding the amount of any (x) Cure Amount and (y) non-cash capital contributions in excess of $1,000,000)) in each case during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time; *plus*

(4) (i) the cash proceeds of any Indebtedness of the Borrower and any of its Subsidiaries issued after the Closing Date (other than Disqualified Stock or Indebtedness issued to the Borrower or any of its Subsidiaries) which has been converted into or exchanged for Capital Stock of the Borrower, any Subsidiary or any Parent Company that does not constitute Disqualified Stock during the period from and including the Business Day immediately following the Closing Date through and including the Available Amount Reference Time; *plus*

(5) [reserved]; *plus*

(6) the aggregate amount of remaining Declined Proceeds during the period from the Business Day immediately following the Closing Date through and including the Available Amount Reference Time, so long as such Declined Proceeds have first been offered to non-declining Lenders as set forth Section 2.05(2)(g); *plus*

(7) [reserved]; *minus*

(8) the aggregate amount of Restricted Payments made with the Available Amount pursuant to clause (10) of Section 7.05(b) (net of any return of capital in respect of any such Investments or deemed reduction in the amount of such Investment, including upon the sale, transfer, lease or other disposition of any such Investments and, in each case, not to exceed the original amount of such Investment (without giving effect to the last sentence of the definition thereof)), during the period commencing on the Closing Date through and including the Available Amount Reference Time (and, for

purposes of this clause (8), without taking account of the intended usage of the Available Amount at such Available Amount Reference Time).

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.03(e).

"**Aztiq Convertible Bonds**" means the $80,000,000 convertible bonds due 2025 issued by the Borrower pursuant to the convertible bond instrument, dated as of November 2022 (as amended and restated on March 30, 2023), by and between the Borrower, as the issuer, and ATP Holdings ehf., as the holder party thereto.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy," as now or hereafter in effect, or any successor thereto.

"**Base Rate**" means for any day a fluctuating rate per annum equal to the highest of (a) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "prime rate"; (b) the Federal Funds Rate for such day, *plus* ½ of 1.00%; (c) Term SOFR for a one month interest period as determined on such day, *plus* 1.00% and (d) 1.75%. The "prime rate" is a rate of interest last quoted by *The Wall Street Journal* as the "prime rate" in the U.S. or, if *The Wall Street Journal* ceases to publish for any reason such rate of interest, "prime rate" is the highest per annum interest published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate released by the Federal Reserve Board (as reasonably determined by the Administrative Agent and the Borrower). Any change in Wall Street Journal's prime rate, the Federal Funds Rate or the Term SOFR Rate, respectively, shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

"**Base Rate Loan**" means a Loan that bears interest based on the Base Rate.

"**Basket**" means any amount, threshold or other value permitted or prescribed with respect to any Lien, Indebtedness, Asset Sale, Investment, Restricted Payment, transaction value, judgment or other amount under any provision in Articles V, VI, VII or VIII and the definitions related thereto.

"**Benchmark**" means, initially, the Term SOFR Reference Rate; provided, that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.03.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date,

(a) Daily Simple SOFR;

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent (at the direction of the Required Lenders) and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body and (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent (at the direction of the Required Lenders) and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof)

permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided, that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means, the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark in accordance with Section 3.03 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark in accordance with Section 3.03.

"**Benefit Plan**" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"**Board of Directors**" means, for any Person, the board of directors or other governing body of such Person or, if such Person does not have such a board of directors or other governing body and is owned or managed by a single entity, the Board of Directors of such entity, or, in either case, any committee thereof duly authorized to act on behalf of such Board of Directors. Unless otherwise provided, "Board of Directors" means the Board of Directors of the Borrower.

"**Borrower**" has the meaning specified in the introductory paragraph to this Agreement and upon the consummation of any transaction permitted by Section 7.03(4), the Successor Borrower.

"**Borrower Materials**" has the meaning specified in Section 6.02.

"**Borrower Offer of Specified Discount Prepayment**" means any offer by any Borrower Party to make a voluntary prepayment of Loans at a specified discount to par pursuant to Section 2.05(1)(e)(B).

"**Borrower Parties**" means the collective reference to the Borrower and each Subsidiary of the Borrower and "**Borrower Party**" means any of them.

"**Borrower Solicitation of Discount Range Prepayment Offers**" means the solicitation by any Borrower Party of offers for, and the corresponding acceptance by a Lender of, a voluntary prepayment of Loans at a specified range of discounts to par pursuant to Section 2.05(1)(e)(C).

"**Borrower Solicitation of Discounted Prepayment Offers**" means the solicitation by any Borrower Party of offers for, and the subsequent acceptance, if any, by a Lender of, a voluntary prepayment of Loans at a discount to par pursuant to Section 2.05(1)(e)(D).

"**Borrowing**" means a borrowing consisting of Loans of the same Class and Type made, converted or continued on the same date and, in the case of SOFR Loans, having the same Interest Period.

"**Business Day**" means any day that is not a Legal Holiday and, when used in connection with Base Rate Loans or SOFR Loans or otherwise in respect of Obligations of any Loan Party, the term "Business Day" shall also exclude any day on which commercial banks in the State of New York, Luxembourg or Iceland are authorized or required by law to remain closed; *provided* that when used in connection with any SOFR Loans, the term "**Business Day**" means any U.S. Government Securities Business Day.

"**Capital Expenditures**" means, with respect to any Person for any period, all expenditures paid in cash, in each case that are (or should be) set forth as capital expenditures in a consolidated statement of cash flows of such Person for such period, in each case prepared in accordance with IFRS; *provided* that, except for purposes of (x) the definition of Excess Cash Flow (solely to the extent such amounts increase Consolidated Net Income) and (y) Section 2.05(2)(a) (solely to the extent such amounts increase Consolidated Net Income), "Capital Expenditures" shall not include:

(a) any additions, replacements, restorations or substitutions to property, plant and equipment and other capital expenditures made with (i) any proceeds from dispositions of fixtures, furniture or equipment that (x) do not constitute Asset Sales or (y) are applied in accordance with Section 2.05(2)(b)(ii), (ii) proceeds of insurance settlements, condemnation awards and other settlements in respect of lost, destroyed, damaged or condemned assets, equipment or other property to the extent such expenditures are made to replace or repair such lost, destroyed, damaged or condemned assets, equipment or other property or otherwise to acquire, maintain, develop, construct, improve, upgrade or repair assets or properties useful in the business of the Loan Parties or (iii) the cash proceeds of any Equity Interests issued or capital contributions in cash received by any Loan Party or any Subsidiary that is applied to any such capital expenditures contemporaneously with the receipt of such cash amounts by any such Loan Party or Subsidiary;

(b) any expenditures that are (i) accounted for as capital expenditures of such person and that actually are paid for by a third party (excluding the Borrower or any Subsidiary thereof) and for which neither the Borrower nor any Subsidiary has provided or is required to provide or incur, directly or indirectly, any consideration or obligation to such third party or any other person (whether before, during or after such period) or (ii) financed with tenant improvement allowances (or similar real estate incentive programs); or

(c) the purchase price of equipment purchased during such period to the extent the consideration therefor consists of any combination of (i) used or surplus equipment traded in at the time of such purchase or (ii) the proceeds of a

concurrent sale of used or surplus equipment, in each case, in the ordinary course of business.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock or shares in the capital of such corporation;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into or exchangeable for Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

Notwithstanding anything to the contrary, Capital Stock shall not include any Convertible Indebtedness, Permitted Warrant Transaction or Permitted Bond Hedge Transaction.

"**Capitalized Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of an effective lease that would at such time be required to be reflected as a liability on a balance sheet and represent its obligation to make lease payments (excluding the footnotes thereto) prepared in accordance with IFRS as in effect on the Effective Date.

"**Capitalized Software Expenditures**" means, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) by a Person and its Subsidiaries during such period in respect of licensed or purchased software or internally developed software and software enhancements that, in conformity with IFRS, are or are required to be reflected as capitalized costs on the consolidated balance sheet of a Person and its Subsidiaries.

"**Cash Collateral Account**" means an account subject to the sole dominion and control of, the Collateral Agent.

"**Cash Equivalents**" means:

(1) Dollars;

(2) Icelandic Krona or Euros;

(3) local currencies held by the Borrower or any Subsidiary from time to time in the ordinary course of business or consistent with industry practice;

(4) readily marketable direct obligations issued or directly and fully and unconditionally guaranteed or insured by the U.S. government or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 24 months or less from the date of acquisition;

(5) certificates of deposit, and time deposits with maturities of one year or less from the date of acquisition, demand deposits, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any domestic or foreign commercial bank having capital and surplus of not less than $625,000,000 in the case of U.S. banks and $125,000,000 (or the Dollar equivalent as of the date of determination) in the case of non-U.S. banks;

(6) repurchase obligations for underlying securities of the types described in clauses (4) and (5) above or clauses (7) and (8) below entered into with any financial institution or recognized securities dealer meeting the qualifications specified in clause (5) above;

(7) commercial paper and variable or fixed rate notes rated at least P-2 by Moody's or at least A-2 by S&P (or, if at any time neither Moody's nor S&P is rating such obligations, an equivalent rating from another Rating Agency selected by the Borrower) and in each case maturing within 24 months after the date of acquisition thereof;

(8) marketable short-term money market and similar liquid funds having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P is rating such obligations, an equivalent rating from another Rating Agency selected by the Borrower);

(9) securities issued or directly and fully and unconditionally guaranteed by any state, commonwealth or territory of the United States or any political subdivision or taxing authority of any of the foregoing or any public instrumentality thereof having maturities of not more than 24 months from the date of acquisition thereof;

(10) readily marketable direct obligations issued or directly and fully and unconditionally guaranteed by any foreign government or any political subdivision or public instrumentality thereof, in each case having an Investment Grade Rating from either Moody's or S&P (or, if at any time neither Moody's nor S&P is rating such obligations, an equivalent rating from another Rating Agency selected by the Borrower) with maturities of 24 months or less from the date of acquisition;

(11) Indebtedness or Preferred Stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's (or, if at any time neither Moody's nor S&P is rating such obligations, an equivalent rating from another Rating Agency selected by the Borrower) with maturities of 24 months or less from the date of acquisition;

(12) Investments with average maturities of 24 months or less from the date of acquisition in money market funds rated AAA (or the equivalent thereof) or better by S&P or Aa3 (or the equivalent thereof) or better by Moody's (or, if at any time neither Moody's nor S&P is rating such obligations, an equivalent rating from another Rating Agency selected by the Borrower); and

(13) investment funds investing substantially all of their assets in securities of the types described in clauses (1) through (12) above.

In the case of Investments by any Foreign Subsidiary or Investments made in a country outside the United States, Cash Equivalents will also include (i) investments of the type and maturity described in clauses (1) through (13) above of foreign obligors, which investments or obligors (or the parents of such obligors) have ratings described in such clauses or equivalent ratings from comparable foreign rating agencies and (ii) other short-term investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in investments analogous to the foregoing investments in clauses (1) through (13) and in this paragraph.

Notwithstanding the foregoing, Cash Equivalents will include amounts denominated in currencies other than those set forth in clauses (1) and (2) above, provided that such amounts, are expected by the Borrower to be converted into any currency listed in clause (1) or (2) above as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts (and solely to the extent so converted on or prior to such tenth (10th) Business Day).

"**Cash Management Agreement**" means any agreement entered into from time to time by the Borrower or any Subsidiary in connection with cash management services for collections, other Cash Management Services and for operating, payroll and trust accounts of such Person, including automatic clearing house services, controlled disbursement services, electronic funds transfer services, information reporting services, lockbox services, stop payment services and wire transfer services.

"**Cash Management Obligations**" means obligations owed by the Borrower or any Subsidiary in connection with, or in respect of, any Cash Management Services.

"**Cash Management Services**" means (a) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, (b) treasury management services (including controlled disbursement, overdraft, automatic clearing house fund transfer services, return items and interstate depository network services), (c) foreign exchange, netting and currency management services and (d) any other demand deposit or operating account relationships or other cash management services, including under any Cash Management Agreements.

"**Casualty Event**" means any event that gives rise to the receipt by the Borrower or any Subsidiary of any insurance proceeds or condemnation awards in respect of any equipment, fixed assets or real property (including any improvements thereon) to replace or repair such equipment, fixed assets or real property.

"**CERCLA**" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as the same has been amended and may hereafter be amended from time to time, 42 U.S.C. Sections 9601 et seq.

"**Change in Law**" means the occurrence, after the Effective Date, of any of the following: (a) the adoption of any law, rule, regulation or treaty (excluding the taking effect after the Effective Date of a law, rule, regulation or treaty adopted prior to the Effective Date), (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority. It is understood and agreed that (i) the Dodd–Frank Wall Street Reform and Consumer Protection Act (Public Law 111 203, H.R. 4173), all Laws relating thereto and all interpretations and applications thereof and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall, for the purpose of this Agreement, be deemed to be adopted subsequent to the Effective Date.

"**Change of Control**" means the occurrence of any of the following after the Effective Date:

(1) (a) any Person (other than the Sponsor) or (b) Persons (other than the Sponsor) constituting a "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), becoming the "beneficial owner" (as defined in Rule 13(d)-3 and 13(d)-5 under such Act) of Equity Interests of the Borrower or such Parent Company representing more than 35.0% of the (x) the aggregate ordinary voting power or (y) the aggregate outstanding economic interests, in each case, represented by the issued and outstanding Equity Interests of the Borrower or such Parent Company, as applicable, and the percentage of aggregate ordinary voting power or economic interests so held is greater than the percentage of the aggregate ordinary voting power or economic interests represented by the Equity Interests of the Borrower or such Parent Company, as applicable, beneficially owned, directly or indirectly, in the aggregate by the Sponsor; or

(2) a "change of control" or other similar event shall occur, as defined in, or under any Indebtedness for borrowed money having an aggregate outstanding principal amount of not less than the Threshold Amount; or

(3) the Borrower ceases to, directly or indirectly, own 100% of the Equity Interests of Alvotech HF (other than (x) directors' qualifying shares or the functional equivalent thereof or (y) Equity Interests that are required to be held by another Person in order to satisfy a requirement of Law prescribing an equity owner resident in the local jurisdiction);

unless, in the case of clause (1) or (2) above, the Sponsor has, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of the Board of Directors of the Borrower or any Parent Company.

"**Claim**" means any actions, suits or written demands or claims.

"**Class**" means (i) with respect to Commitments or Loans, those of such Commitments or Loans that have the same terms and conditions (without regard to differences in the Type of Loan, Interest Period, upfront fees, OID or similar fees paid or payable in connection with such Commitments or Loans, or differences in tax treatment (e.g., "fungibility")) and (ii) with respect to Lenders, those of such Lenders that have Commitments or Loans of a particular Class. It is understood that the Closing Date Term Loan Commitments and the Second Out Term Loan Commitments are separate Classes of Commitments, and the Closing Date Term Loans and the Second Out Term Loans are separate Classes of Loans.

"**Closing Date**" means the first date on which all the conditions precedent in Section 4.02 are satisfied or waived in accordance with Section 10.01, and the Closing Date Term Loans ~~(and the Second Out Term Loans, if any)~~ are made to the Borrower pursuant to Section 2.01(1)(x).

"**Closing Date Refinancing**" means (i) the repayment, redemption, repurchase, defeasance, discharge, refinancing or termination in full of the Senior Bonds, (ii) the conversion, equitization, prepayment, repayment, redemption, repurchase, defeasance, discharge, refinancing or termination in full of the 2022 Convertible Notes~~ and the Aztiq Convertible Notes (*provided* that the aggregate amount of the 2022 Convertible Notes and the Aztiq Convertible Notes that have been prepaid, repaid, redeemed, repurchased, defeased, discharged, refinanced or terminated using cash on hand of the Borrower and its Subsidiaries shall not exceed $50,000,000)~~, (iii) the repayment, redemption, repurchase, defeasance, discharge, refinancing or termination in full of the Alvogen Facility, (~~iv~~v) the repayment, redemption, repurchase, defeasance, discharge, refinancing or termination in full of the Factoring Facility and (~~v~~iv) in each case, the termination and/or release of all guarantees and security granted in connection therewith (including any applicable local law termination and/or release documentation), other than contingent indemnification obligations as to which no claim has been asserted.

"**Closing Date Term Lenders**" means each Lender holding a Closing Date Term Loan Commitment or Closing Date Term Loan.

"**Closing Date Term Loan Commitment**" means, as to each Term Lender, (i) its obligation to make a Closing Date Term Loan to the Borrower on the Closing Date in an aggregate amount not to exceed the amount specified opposite such Lender's name on Schedule 2.01 under the caption "Closing Date Term Loan Commitment", as such commitment may be (a) reduced from time to time pursuant to this Agreement and (b) reduced or increased from time to time pursuant to (x) assignments by or to such Term Lender pursuant to an Assignment and Assumption, (y) an Incremental Amendment or (z) an Extension Amendment or (ii) in the Assignment and Assumption pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including pursuant to Section 2.16).

"**Closing Date Term Loans**" means the Loans made by the Closing Date Term Lenders on the Closing Date to the Borrower pursuant to Section 2.01(1).

"**Closing Payment Letter**" means those certain Closing Payment Letters, dated as of Effective Date, by and among the Lenders party thereto and the Borrower, as amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms thereof.

"**CNI Growth Amount**" means 50% of the Consolidated Net Income of the Borrower for the period beginning on January 1, 2025 and ending on the last day of the most recent Fiscal Quarter or Fiscal Year, as applicable, of the Borrower for which financial statements required to be delivered pursuant to Section 6.01(1) or Section 6.01(2) have been received by the Administrative Agent or, in the case such Consolidated Net Income for such period is a deficit,

minus 100% of the amount of such deficit; *provided* that the CNI Growth Amount shall not be less than zero at any time for the period from the Closing Date through the Fiscal Year ending on December 31, 2026.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Collateral**" means all the "Collateral" (or equivalent term of each of the foregoing) as defined in any Collateral Document and the Mortgaged Properties, if any.

"**Collateral Agent**" has the meaning specified in the introductory paragraph to this Agreement.

"**Collateral and Guarantee Requirement**" means, at any time on and after the Closing Date, the requirement that:

(1) the Collateral Agent shall have received each Collateral Document required to be delivered (a) on the Closing Date pursuant to Section 4.02(1)(c) or (b) pursuant to Section 6.11 or 6.13 at such time required by such Sections to be delivered, in each case, duly executed by each Loan Party that is party thereto;

(2) all Obligations shall have been unconditionally guaranteed by each Subsidiary of the Borrower (other than any Excluded Subsidiary), which as of the Closing Date shall include those that are listed on Schedule 1.01(1) hereto (the "**Guarantors**");

(3) except to the extent otherwise provided hereunder or under any Collateral Document, the Obligations and the Guaranty shall have been secured by a perfected security interest in favor of the Collateral Agent for the benefit of the Secured Parties, subject only to Liens permitted by Section 7.01, in all Equity Interests of each Subsidiary; and

(4) except to the extent otherwise provided hereunder or under any Collateral Document and subject to the Agreed Security Principles, the Obligations and the Guaranty shall have been secured by a security interest in favor of the Collateral Agent for the benefit of the Secured Parties in substantially all tangible and intangible personal property of the Borrower and each Guarantor (including accounts), inventory, equipment, investment property, contract rights, applications and registrations of IP Rights filed in the United States or other jurisdictions outside of the United States to the extent consistent with the Agreed Security Principles, other general intangibles, and proceeds of the foregoing, in each case,

(a) that has been perfected (to the extent such security interest may be perfected) by:

(i) delivering certificated securities, intercompany notes and other instruments in which a security interest can be perfected by physical control, in each case to the extent required hereunder or the Security Agreement,

(ii) filing financing statements under the Uniform Commercial Code (or equivalent forms in jurisdictions outside of the United States to the extent consistent with the Agreed Security Principles),

(iii) making any necessary filings with the United States Patent and Trademark Office or United States Copyright Office (or equivalent offices to the extent consistent with the Agreed Security Principles),

(iv) filings in the applicable real estate records or land registry offices with respect to Mortgaged Properties (or any fixtures related to Mortgaged Properties) to the extent required by the Collateral Documents and, in the case of Mortgage Properties located outside of the United States, subject to the Agreed Security Principles; and

(b) with the priority required by the Collateral Documents;

provided that any such security interests described in this clause (4) in the Collateral shall be subject to the terms of the Applicable Intercreditor Agreements and the Agreed Security Principles; and

(5) the Collateral Agent shall have received counterparts of a Mortgage, together with the other deliverables described in Section 6.11(2)(b), with respect to each Material Real Property listed on Schedule 1.01(2) (to the extent required to be delivered pursuant to Section 6.13 and, in the case of Material Real Property located outside of the United States, subject to the Agreed Security Principles) or otherwise required to be delivered pursuant to Section 6.11 (the "**Mortgaged Properties**") duly executed and delivered by the record owner of such property within the time periods set forth in said Sections; *provided* that to the extent any Mortgaged Property is located in a jurisdiction which imposes mortgage recording taxes, intangibles tax, documentary tax or similar recording fees or taxes, the relevant Mortgage shall not secure an amount in excess of the fair market value of the Mortgaged Property subject thereto; *provided*, *further*, that the Loan Parties shall not be required to, and shall not, execute any Collateral Documents that consist of the Mortgages with respect to (A) any Material Real Property located in the United States until (1) such time as Administrative Agent and Lenders have received for any such Material Real Property (where applicable), (i) a completed "life of the loan" Federal Emergency Management Agency standard flood hazard determination, (ii) [reserved], and (iii) if such notice is required to be provided to the Borrower or the applicable Loan Party and flood insurance is available in the community in which such Material Real Property is located, evidence of required flood insurance, (2) the Administrative Agent and the Lenders have confirmed that flood insurance due diligence and flood insurance compliance has been completed by the Lenders, and (3) the Administrative Agent has instructed the Loan Parties to execute and deliver such Mortgages and (B) any Material Real Property located outside of the United States, subject to the Agreed Security Principles.

The foregoing definition shall not require, and the Loan Documents shall not contain any requirements as to, the creation, perfection or maintenance of pledges of, or security interests in, Mortgages on, or the obtaining of Mortgage Policies, surveys, abstracts or appraisals or taking other actions with respect to, any Excluded Assets.

The Collateral Agent may grant extensions of time for the creation, perfection or maintenance of security interests in, or the execution or delivery of any Mortgage and the obtaining of title insurance, surveys or Opinions of Counsel with respect to, particular assets (including extensions beyond the Closing Date for the creation, perfection or maintenance of security interests in the assets of the Loan Parties on such date) where it reasonably determines, in consultation with the Borrower, that creation or perfection cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the Collateral Documents. None of the Agents shall be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement or the other Loan Documents in regards to the requirements set forth in this definition.

Notwithstanding the foregoing provisions of this definition or anything in this Agreement or any other Loan Document to the contrary:

(A) Liens required to be granted from time to time pursuant to the Collateral and Guarantee Requirement shall be subject to exceptions and limitations set forth in the Collateral Documents and the Agreed Security Principles;

(B) the Collateral and Guarantee Requirement shall not apply to any Excluded Assets;

(C) no deposit account control agreement, securities account control agreement or other control agreements or control arrangements shall be required with respect to any deposit account, securities account or other asset specifically requiring perfection through control agreements; *provided* that if deposit account control agreement, securities account control agreement or other control agreements or control arrangements are required or provided under any Indebtedness incurred pursuant to Section 7.02(b)(34), such deposit account control agreement, securities account control agreement or other control agreements or control arrangements will be required (subject to appropriate "springing" features if such other Indebtedness is an asset-based lending facility);

(D) no actions in any jurisdiction other than the (i) U.S. or (ii) the jurisdiction in which any Foreign Subsidiary that is a Material Subsidiary is organized, shall be required, nor shall the Administrative Agent or Collateral Agent be authorized to take any action outside of such jurisdictions, to create or perfect any security interests in assets located, registered, applied for, filed, or arising under laws outside of such jurisdiction except to the extent consistent with the Agreed Security Principles;

(E) except to the extent consistent with the Agreed Security Principles, no Intellectual Property filings or searches shall be required in any jurisdiction

other than the U.S. to create or perfect (to the extent required to be perfected) any security interests in any jurisdiction other than the U.S.;

(F) no stock certificates of Subsidiaries shall be required to be delivered to the Collateral Agent until the date that is 60 days (or such later date reasonably acceptable to the Administrative Agent acting at the direction of the Required Lenders) after the formation or acquisition thereof; and

(G) no perfection steps shall be required with respect to (i) letter of credit rights, except to the extent constituting a support obligation for other Collateral as to which perfection is accomplished solely by the filing of a UCC financing statement (or equivalent form) (it being understood that no actions shall be required to perfect a security interest in letter of credit rights, other than the filing of a UCC financing statement (or equivalent form)), (ii) commercial tort claims with a value of less than $1,000,000, (iii) motor vehicles and other assets subject to certificates of title to the extent a Lien thereon cannot be perfected by the filing of a UCC financing statement (or equivalent form) and (iv) promissory notes evidencing debt for borrowed money in a principal amount of less than $1,000,000 individually.

"**Collateral Documents**" means, collectively, the Security Agreement, the Intellectual Property Security Agreements, the Mortgages (if any), the Intercompany Subordination Agreement, the Applicable Intercreditor Agreement (if any), each of the collateral assignments, security agreements, pledge agreements, control agreements (if any) or other similar agreements delivered to the Administrative Agent, Collateral Agent or the Lenders pursuant to Sections 4.02(1)(c), 6.11 or 6.13 and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

"**Combined Adjustment Amounts**" means:

(1) all amounts added back pursuant to clause (1)(*l*)(I) and (II) of the definition of "Adjusted EBITDA", together with any similar adjustments made in accordance with Section 1.07(3);

(2) all amounts added back pursuant to clauses (1)(g), (k), (n) and (o) of the definition of "Adjusted EBITDA"; and

(3) all amounts pursuant clause (1) (y) of the definition of "Consolidated Net Income".

"**Commitment**" means a Closing Date Term Loan Commitment, a Second Out Term Loan Commitments, an Incremental Term Commitment or an Extended Commitment, as the context may require.

"**Committed Loan Notice**" means a written notice of (1) a Borrowing with respect to a given Class of Loans, (2) a conversion of Loans of a given Class from one Type to the other or (3) a continuation of SOFR Loans of a given Class, pursuant to Section 2.02(1), which shall be substantially in the form of Exhibit A.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. §1 et. Seq.), as amended from time to time and any successor statute.

"**Compensation Period**" has the meaning specified in Section 2.12(3)(b).

"**Compliance Certificate**" means a certificate substantially in the form of Exhibit C and which certificate shall in any event be a certificate of a Financial Officer of the Borrower:

(1) certifying as to whether a Default has occurred and is continuing and, if applicable, specifying the details thereof and any action taken or proposed to be taken with respect thereto (in each case, other than any Default with respect to which the Administrative Agent has otherwise obtained notice in accordance with Section 6.03(1));

(2) in the case of financial statements delivered under Section 6.01(1), setting forth reasonably detailed calculations of (i) Excess Cash Flow for each Fiscal Year commencing with the financial statements for the Fiscal Year ending on December 31, 2026 and (ii) the Net Proceeds received during the applicable period by or on behalf of the Borrower or any Subsidiary in respect of any Asset Sale or Casualty Event subject to prepayment pursuant to Section 2.05(2)(b)(i) and the portion of such Net Proceeds that has been invested or is intended to be reinvested in accordance with Section 2.05(2)(b)(ii); and

(3) certifying as to compliance the Guarantor Coverage Requirement and setting forth reasonably detailed calculations for such determination.

"**Conforming Changes**" means with respect to the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," the definition of "U.S. Government Securities Business Day", the timing and frequency of determining rates and making payments of interest, the timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides (after consultation with the Borrower) may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Consolidated Current Assets**" means, as at any date of determination, the total assets of the Borrower and its Subsidiaries on a consolidated basis that may properly be classified as current assets in conformity with IFRS, excluding cash and Cash Equivalents, amounts related to current or deferred taxes based on income or profits, assets held for sale, loans (permitted) to third parties, pension assets, deferred bank fees, derivative financial instruments and any assets in respect of Hedge Agreements, and excluding the effects of adjustments pursuant to IFRS resulting from the application of recapitalization accounting or purchase accounting, as the case may be, in relation to the Transactions or any consummated acquisition.

"**Consolidated Current Liabilities**" means, as at any date of determination, the total liabilities of the Borrower and its Subsidiaries on a consolidated basis that may properly be classified as current liabilities in conformity with IFRS, excluding (A) the current portion of any Funded Debt, (B) the current portion of interest, (C) accruals for current or deferred taxes based on income or profits, (D) accruals of any costs or expenses related to restructuring reserves or severance, (E) the current portion of any Capitalized Lease Obligation, (F) deferred revenue arising from cash receipts that are earmarked for specific projects, (G) liabilities in respect of unpaid earn-outs, (H) the current portion of any other long-term liabilities, (I) accrued litigation settlement costs and (J) the current portion of any liabilities in respect of Hedge Agreements, and, furthermore, excluding the effects of adjustments pursuant to IFRS resulting from the application of recapitalization accounting or purchase accounting, as the case may be, in relation to the Transactions or any consummated acquisition.

"**Consolidated Depreciation and Amortization Expense**" means, with respect to any Person for any period, the total amount of depreciation and amortization expense of such Person and its Subsidiaries, including the amortization of intangible assets, deferred financing fees, debt issuance costs, commissions, fees and expenses and amortization of Capitalized Software Expenditures of such Person and its Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with IFRS.

"**Consolidated First Lien Debt**" means as of any date of determination, Consolidated Total Debt of the Borrower and its Subsidiaries that (a) is secured, in whole or in part, by a first priority Lien on the Collateral that ranks pari passu with or senior to the Liens securing the Obligations or (b) consists of Capitalized Lease Obligations (for the avoidance of doubt, whether or not such Capitalized Lease Obligation is secured, in whole or in part, by a first priority Lien on the Collateral).

"**Consolidated Net Income**" means, with respect to any Person for any period, the net income (loss) of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with IFRS, excluding (and excluding the effect of), without duplication,

(1) (x) extraordinary, exceptional, non-recurring or unusual gains, losses, fees, costs, charges or expenses (including relating to any multi-year strategic initiatives and accruals and reserves in connection with such gains, losses, charges or expenses (which, for the avoidance of doubt, shall not include any lost or forgone revenue));

(y) restructuring costs, charges, accruals or reserves (including restructuring and integration costs related to acquisitions and adjustments to existing reserves, and in each case, whether or not classified as such under IFRS); costs and expenses related to any reconstruction, decommissioning, recommissioning or reconfiguration of stores or facilities and fixed assets for alternative uses; costs and expenses related to the integration, consolidation, opening, pre-opening and closing of stores or facilities and fixed assets; severance and relocation costs and expenses, one-time compensation costs and expenses, consulting fees, signing, retention or completion bonuses, and executive recruiting costs; costs and expenses incurred in connection with strategic initiatives; transition costs and duplicative running costs; business optimization expenses (including costs and expenses relating to business optimization programs, new systems design, retention charges, system establishment costs and implementation costs and project start-up costs), accruals and reserves; operating expenses attributable to

the implementation of cost-savings initiatives; costs and expenses incurred in connection with non-ordinary course product and IP Rights development; costs incurred in connection with acquisitions (or purchases of assets) prior to or after the Closing Date (including integration costs); and curtailments and modifications to pension and post-retirement employee benefit plans (including any settlement of pension liabilities and charges resulting from changes in estimates, valuations and judgments); costs and expenses attributable to any carve-out; costs and expenses incurred in implementing new initiatives; costs and expenses incurred in connection with indemnities and expenses; costs and expenses incurred in connection with new operations; costs and expenses relating to entering into a new market; costs and expenses relating to corporate development; and

(z) Public Company Costs;

(2) the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period whether effected through a cumulative effect adjustment or a retroactive application, in each case in accordance with IFRS;

(3) [reserved];

(4) any gain (loss) on asset sales, disposals or abandonments (other than asset sales, disposals or abandonments in the ordinary course of business or consistent with industry practice) or income (loss) from discontinued operations (but if such operations are classified as discontinued due to the fact that they are subject to an agreement to dispose of such operations, only when and to the extent such operations are actually disposed of);

(5) solely for the purpose of the Available Amount and Excess Cash Flow, the Net Income for such period of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting; *provided* that the Consolidated Net Income of a Person will be increased by the amount of dividends or distributions or other payments that are actually paid in cash or Cash Equivalents (or to the extent converted into cash or Cash Equivalents) to such Person or a Subsidiary thereof in respect of such period);

(6) solely for the purpose of determining the Available Amount and Excess Cash Flow, the Net Income for such period of any Subsidiary (other than any Guarantor) to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of its Net Income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary or its stockholders, unless such restriction with respect to the payment of dividends or similar distributions has been legally waived (or the Borrower reasonably believes such restriction could be waived and is using commercially reasonable efforts to pursue such waiver); *provided* that Consolidated Net Income of a Person will be increased by the

amount of dividends or other distributions or other payments actually paid in cash or Cash Equivalents (or to the extent converted into cash or Cash Equivalents), or the amount that could have been paid in cash or Cash Equivalents without violating any such restriction or requiring any such approval, to such Person or a Subsidiary thereof in respect of such period, to the extent not already included therein;

(7) effects of adjustments (including the effects of such adjustments pushed down to such Person and its Subsidiaries) related to the application of recapitalization accounting or purchase accounting (including in the inventory, property and equipment, software, goodwill, intangible assets, in process research and development, deferred revenue and debt line items);

(8) income (loss) from the early extinguishment or conversion of (a) Indebtedness, (b) Hedging Obligations or (c) other derivative instruments;

(9) any impairment charge or asset write-off or write-down in each case, pursuant to IFRS, and the amortization of intangibles arising pursuant to IFRS;

(10) (a) any equity based or non-cash compensation charge or expense, including any such charge or expense arising from grants of stock appreciation, equity incentive programs or similar rights, stock options, restricted stock or other rights to, and any cash charges associated with the rollover, acceleration or payout of, Equity Interests by management of such Person or of a Subsidiary or any Parent Company, (b) noncash compensation expense resulting from the application of IFRS 2 — *Share-based Payment*, and (c) any income (loss) attributable to deferred compensation plans or trusts;

(11) any fees, expenses or charges incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, Asset Sale, disposition, incurrence or repayment of Indebtedness (including such fees, expenses or charges related to the incurrence of any Facilities), issuance of Equity Interests (including by any direct or indirect parent of the Borrower), recapitalization, refinancing transaction or amendment or modification of any debt instrument (including any amendment or other modification of the Indebtedness evidenced by this Agreement) and including, in each case, any such transaction whether consummated on, after or prior to the Closing Date and any such transaction undertaken but not completed, and any charges or nonrecurring merger costs incurred during such period as a result of any such transaction, in each case whether or not successful or consummated (including, for the avoidance of doubt, the effects of expensing all transaction related expenses in accordance with IFRS 3 — *Business Combinations*);

(12) accruals and reserves that are established or adjusted in connection with the Transactions, an Investment or an acquisition that are required to be established or adjusted as a result of the Transactions, such Investment or such acquisition, in each case accordance with IFRS;

(13) any expenses, charges or losses to the extent covered by insurance that are, directly or indirectly, reimbursed or reimbursable by a third party, and any expenses, charges or losses that are covered by indemnification or other reimbursement provisions in connection with any acquisition, Investment or any sale, conveyance, transfer or other disposition of assets permitted under this Agreement, in each case only to the extent that such amount is in fact reimbursed within 365 days of the date of such determination (with a deduction in the applicable future period for any amount so excluded to the extent not so reimbursed within such 365 days);

(14) any non-cash gain (loss) attributable to the mark to market movement in the valuation of Hedging Obligations or other derivative instruments pursuant to IFRS 9 — *Financial Instruments* and *IAS 32 – Financial Instruments: Presentation* or mark to market movement of other financial instruments pursuant to IFRS 9 — *Financial Instruments*;

(15) any net unrealized gain or loss (after any offset) resulting in such period from currency transaction or translation gains or losses including those related to currency remeasurements of Indebtedness (including any net loss or gain resulting from (a) Hedging Obligations for currency exchange risk and (b) resulting from intercompany indebtedness) and any other foreign currency transaction or translation gains and losses, to the extent such gains or losses are non-cash items;

(16) any adjustments resulting from the application of IFRS 9 — *Financial Instruments* or any comparable regulation;

(17) any non-cash rent expense;

(18) the amount of any management, monitoring, consulting, transaction and advisory fees and related expenses paid to the Sponsor (or any accruals relating to such fees and related expenses) during such period to the extent otherwise permitted by Section 7.06;

(19) any non-cash expenses, accruals or reserves related to adjustments to historical tax exposures; and

(20) earn-out and contingent consideration obligations (including to the extent accounted for as bonuses or otherwise) and adjustments thereof and purchase price adjustments.

For the avoidance of doubt, and notwithstanding anything in this Agreement to the contrary, no amounts in respect of lost revenue nor the effect thereof shall be excluded as an extraordinary loss or otherwise in determining 'Consolidated Net Income' for any purpose in any period; provided that the foregoing shall not prohibit the inclusion of amounts of proceeds received or receivable from business interruption insurance in determining 'Consolidated Net Income' as described in the succeeding paragraph.

In addition, to the extent not already included in the Consolidated Net Income of such Person and its Subsidiaries, Consolidated Net Income will include (I) the amount of proceeds received or receivable from business interruption insurance only to the extent that such amount is actually received during such period and provided that such amount shall be applied to the Fiscal Quarter during which such business interruption occurred and (II) the amount of any expense or charges incurred by such Person or its Subsidiaries during such period that are, directly or indirectly, reimbursed or reimbursable by a third party and amounts that are covered by indemnification or other reimbursement provisions in connection with any acquisition, Investment or any sale, conveyance, transfer or other disposition of assets permitted hereunder, in each case for this clause (II) only to the extent that such amount is in fact reimbursed within 365 days of the date of such determination (with a deduction in the applicable future period for any amount so excluded to the extent not so reimbursed within such 365 days).

"**Consolidated Secured Debt**" means, as of any date of determination, Consolidated Total Debt that is secured, in whole or in part, by a Lien on any assets or property of the Borrower and its Subsidiaries.

"**Consolidated Total Debt**" means, as of any date of determination, the aggregate principal amount of Indebtedness of the Borrower and its Subsidiaries outstanding on such date, in an amount that would be reflected on a balance sheet on a consolidated basis in accordance with IFRS, consisting only of Indebtedness for borrowed money, Capitalized Lease Obligations and Purchase Money Obligations; *provided* that Consolidated Total Debt will not include undrawn amounts under revolving credit facilities and Indebtedness in respect of any (1) letter of credit, bank guarantees and performance or similar bonds, except to the extent of obligations in respect of drawn standby letters of credit which have not been reimbursed within three (3) Business Days and (2) Hedging Obligations. The Dollar-equivalent principal amount of any Indebtedness denominated in a foreign currency will reflect the currency translation effects, determined in accordance with IFRS, of Hedging Obligations for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar-equivalent principal amount of such Indebtedness.

"**Consolidated Working Capital**" means, as at any date of determination, the excess of Consolidated Current Assets over Consolidated Current Liabilities. In measuring any increase or decrease in Consolidated Working Capital for any period, (a) to the extent the Borrower or any Subsidiary has consummated during such period any one or more acquisitions or dispositions of any Person, then (i) in the case of an acquisition, the Consolidated Working Capital of such acquired Person as of the date of the consummation of such acquisition (after giving effect to the transactions consummated with respect to such acquisition) will be added to the Consolidated Working Capital of the Borrower and its Subsidiaries as of the first day of such period and (ii) in the case of a disposition, the Consolidated Working Capital of the disposed Person as of the date of the disposition of such Person shall be subtracted from the Consolidated Working Capital of the Borrower and its Subsidiaries as of the first day of such period and (b) the application of recapitalization or purchase accounting as a result of any acquisitions or dispositions completed during such period will be excluded.

"**Contract Consideration**" has the meaning specified in clause (2)(j) of the definition of "Excess Cash Flow".

"**Contractual Obligation**" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"**Controlled Investment Affiliate**" means, as to any Person, any other Person, other than the Sponsor, which directly or indirectly is in control of, is controlled by, or is under common control with such Person and is organized by such Person (or any Person controlling such Person) primarily for making direct or indirect equity or debt investments in the Borrower or other companies.

"**Convertible Indebtedness**" means Indebtedness of the Borrower (which may not be guaranteed by any Guarantor) that is either (a) convertible into Capital Stock (other than Disqualified Stock) of the Borrower (and cash in lieu of fractional shares) or cash (in an amount determined by reference to the price of such Capital Stock) or (b) sold as units with call options, warrants or rights to purchase (or substantially equivalent derivative transactions) that are exercisable for Capital Stock (other than Disqualified Stock) of the Borrower or cash (in an amount determined by reference to the price of such Capital Stock); *provided* that such Indebtedness (i) may not have a maturity date that is earlier than the Original Term Loan Maturity Date, (ii) may not be secured and (iii) may not be incurred if an Event of Default has occurred and is continuing; *provided*, *further*, that notwithstanding any other provision contained herein, all computations of amounts and ratios referred to herein shall be made without giving effect to any treatment of Indebtedness relating to convertible secured notes under accounting standards requiring the valuation of any such Indebtedness in a reduced or bifurcated manner and, in the case of any Convertible Indebtedness for which the embedded conversion obligation must be settled by paying solely cash, so long as substantially concurrently with the offering of such Convertible Indebtedness, the Borrower or any of its Subsidiaries enters into a cash-settled Permitted Bond Hedge Transaction relating to such Convertible Indebtedness, notwithstanding any other provision contained herein, for so long as such Permitted Bond Hedge Transaction (or a portion thereof corresponding to the amount of outstanding Convertible Indebtedness) remains in effect, all computations of amounts and ratios referred to herein shall be made as if the amount of Indebtedness represented by such Convertible Indebtedness were equal to the face principal amount thereof without regard to any mark-to-market derivative accounting for such Convertible Indebtedness.

"**Covered Entity**" means any of the following: (a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b), (b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b) or (c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Covered Party**" has the meaning specified in Section 10.27(1).

"**Cure Amount**" has the meaning specified in Section 8.04(1).

"**Cure Deadline**" has the meaning specified in Section 8.04(1).

"**Cure Right**" has the meaning specified in Section 8.04(1).

"**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent acting at the direction of the Required Lenders in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion in consultation with the Borrower.

"**Debt Representative**" means, with respect to any series of Indebtedness secured by Liens permitted under clauses (7)(g) and (21) of the definition of "Permitted Liens" or Liens

securing Indebtedness permitted under clause (25) of Section 7.02(b), the trustee, administrative agent, collateral agent, security agent or similar agent under the indenture, other Indebtedness permitted hereunder or agreement pursuant to which such Indebtedness is issued, incurred or otherwise obtained, as the case may be, and each of their successors in such capacities.

"**Debtor Relief Laws**" means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, proposals or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally, excluding, for the avoidance of doubt, any proceedings such as conciliation, out-of-court arrangement (*accord amiable*) or discussion with the Ministry for the Economy or the Ministry for the Middle Classes in respect of financial difficulties.

"**Declined Proceeds**" has the meaning specified in Section 2.05(2)(g).

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Default Rate**" means an interest rate, equal to (a) the Base Rate, *plus* (b) the Applicable Rate applicable to Base Rate Loans that are Closing Date Term Loans or Second Out Term Loans, as applicable, *plus* (c) 2.00% per annum; *provided* that with respect to the outstanding principal amount of any SOFR Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such SOFR Loan (prior to giving effect to any conversion to a Base Rate Loan pursuant to Section 2.02(3)), *plus* 2.00% per annum, in each case, to the fullest extent permitted by applicable Laws.

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**Defaulting Lender**" means, subject to Section 2.17(2), any Lender that (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans, within one Business Day of the date required to be funded by it hereunder, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by the Administrative Agent, to confirm in writing and in a manner otherwise satisfactory to the Administrative Agent that it will comply with its funding obligations, (d) has, or has a direct or indirect parent company that has, (i) become or is the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, interim receiver, receiver and manager, custodian, conservator, trustee, administrator, assignee for the benefit of creditors, monitor or similar Person charged with reorganization or liquidation of its business or assets or a custodian appointed for it or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment or (e) has become the subject of a Bail-in Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under this definition shall be conclusive absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.17) upon delivery of written notice of such determination to the Borrower and each Lender.

"**Deposit Account**" means any checking or other demand deposit account maintained by the Borrower, including any "deposit accounts" under Article 9 of the UCC. All funds in such Deposit Accounts (other than Excluded Accounts) shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agent and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the Deposit Accounts, subject to this Agreement and the Security Agreement.

"**Designated Non-Cash Consideration**" means (a) the fair market value of non-cash consideration received by the Borrower or a Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, *minus* (b) the amount of cash or Cash Equivalents received in connection with a subsequent sale, redemption or repurchase of or collection or payment on such Designated Non-Cash Consideration.

"**Designated Preferred Stock**" means Preferred Stock of the Borrower, any Subsidiary thereof or any Parent Company (in each case other than Disqualified Stock) that is issued for cash (other than to a Subsidiary or an employee stock ownership plan or trust established by the Borrower or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officer's Certificate, on or promptly after the issuance date thereof, the cash proceeds of which are excluded from the calculation of the Available Amount.

"**Designated Revolving Commitments**" means any commitments to make loans or extend credit on a revolving basis to the Borrower or any Subsidiary by any Person other than the Borrower or any Subsidiary that have been designated in an Officer's Certificate delivered to the Administrative Agent as "Designated Revolving Commitments" until such time as the Borrower subsequently delivers an Officer's Certificate to the Administrative Agent to the effect that such commitments will no longer constitute "Designated Revolving Commitments;" *provided* that on the date such Designated Revolving Commitments are established, such Designated Revolving Commitments will be deemed an incurrence of Indebtedness on such date and will be deemed outstanding for purposes of calculating the applicable Total Net Leverage Ratio, Secured Net Leverage Ratio, First Lien Net Leverage Ratio and the availability of any applicable Basket hereunder on such date after giving *pro forma* effect to the incurrence of the entire committed amount of the Indebtedness thereunder (but without netting any cash proceeds thereof), in which case such committed amount under such Designated Revolving Commitments may thereafter be borrowed and reborrowed, in whole or in part, from time to time, without further compliance with the applicable Total Net Leverage Ratio, Secured Net Leverage Ratio, First Lien Net Leverage Ratio and the availability of any Baskets hereunder. For the avoidance of doubt, in the case of any Designated Revolving Commitments permitted hereunder, the reference to the "incurrence" of Indebtedness shall refer to the date on which such Designated Revolving Commitments are established.

"**discharge**" means, with respect to any Indebtedness, the repayment, prepayment, repurchase (including pursuant to an offer to purchase), redemption, defeasance or other discharge of such Indebtedness, any such case in whole or in part.

"**Discount Prepayment Accepting Lender**" has the meaning specified in Section 2.05(1)(e)(B)(2).

"**Discount Range**" has the meaning specified in Section 2.05(1)(e)(C)(1).

"**Discount Range Prepayment Amount**" has the meaning specified in Section 2.05(1)(e)(C)(1).

"**Discount Range Prepayment Notice**" means a written notice of the Borrower Solicitation of Discount Range Prepayment Offers made pursuant to Section 2.05(1)(e)(C)(1) substantially in the form of Exhibit J.

"**Discount Range Prepayment Offer**" means the written offer by a Lender, substantially in the form of Exhibit K, submitted in response to an invitation to submit offers following the Auction Agent's receipt of a Discount Range Prepayment Notice.

"**Discount Range Prepayment Response Date**" has the meaning specified in Section 2.05(1)(e)(C)(1).

"**Discount Range Proration**" has the meaning specified in Section 2.05(1)(e)(C)(3).

"**Discounted Prepayment Determination Date**" has the meaning specified in Section 2.05(1)(e)(D)(3).

"**Discounted Prepayment Effective Date**" means in the case of the Borrower Offer of Specified Discount Prepayment, Borrower Solicitation of Discount Range Prepayment Offer or Borrower Solicitation of Discounted Prepayment Offer, five (5) Business Days following the Specified Discount Prepayment Response Date, the Discount Range Prepayment Response Date or the Solicited Discounted Prepayment Response Date, as applicable, in accordance with Section 2.05(1)(e)(B), Section 2.05(1)(e)(C) or Section 2.05(1)(e)(D), respectively, unless a shorter period is agreed to between the Borrower and the Auction Agent.

"**Discounted Term Loan Prepayment**" has the meaning assigned to such term in Section 2.05(1)(e)(A).

"**Discretionary Guarantor**" has the meaning specified in the definition of "Excluded Subsidiary".

"**disposition**" has the meaning specified in the definition of "Asset Sale".

"**Disqualified Institution**" means (a) any competitor of the Borrower or its Subsidiaries identified in writing by or on behalf of the Borrower to the Administrative Agent from time to time, (b) those particular banks, financial institutions, other institutional lenders and other Persons identified by or on behalf of the Borrower identified in writing to the Administrative Agent prior to the Effective Date or, if consented to by the Administrative Agent acting at the direction of the Required Lenders (such consent not to be unreasonably withheld, conditioned or delayed), after the Effective Date and (c) any Affiliate of the entities described in the preceding clauses (a) or (b) (excluding, in the case of clause (a), bona fide debt funds) that are either readily identifiable as such on the basis of their name or are identified as such in writing by or on behalf of the Borrower to the Administrative Agent from time to time; it being understood and agreed that the identification of any Person as a Disqualified Institution after the Effective Date shall not apply to retroactively disqualify any Person that has previously acquired an assignment or participation interest in any Loan, subject to Section 10.07(n), until such time such Person no longer constitutes a Lender. The identity of Disqualified Institutions shall be posted or distributed to all Lenders and prospective assignees following request therefor.

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is redeemable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than (i) for Qualified Equity Interests or (ii) solely as a result of a change of control, asset sale, casualty, condemnation, expropriation or eminent domain) pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof

(other than (i) for any Qualified Equity Interests or (ii) solely as a result of a change of control, asset sale, casualty, condemnation, expropriation or eminent domain), in whole or in part, in each case prior to the earlier of the date (x) that is ninety-one (91) days after Latest Maturity Date and (y) the Loans are no longer outstanding and the Commitments have been terminated; *provided* that:

(A) if such Capital Stock is issued pursuant to any plan for the benefit of, future, current or former employees, directors, officers, members of management or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower or its Subsidiaries or any Parent Company or by any such plan to such employees, directors, officers, members of management or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof), such Capital Stock will not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability; *and*

(B) any Capital Stock held by any future, current or former employee, director, officer, member of management or consultant (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower, any of its Subsidiaries, any Parent Company, or any other entity in which the Borrower or a Subsidiary has an Investment and is designated in good faith as an "affiliate" by the Board of Directors (or the compensation committee thereof), in each case pursuant to any equity subscription or equity holders' agreement, management equity plan or stock option plan or any other management or employee benefit plan or agreement will not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or any Subsidiary or in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's, director's, officer's, management member's or consultant's termination, death or disability.

For the purposes hereof, the aggregate principal amount of Disqualified Stock will be deemed to be equal to the greater of its voluntary or involuntary liquidation preference and maximum fixed repurchase price, determined on a consolidated basis in accordance with IFRS, and the "maximum fixed repurchase price" of any Disqualified Stock that does not have a fixed repurchase price will be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which the Consolidated Total Debt will be required to be determined pursuant to this Agreement, and if such price is based upon, or measured by, the fair market value of such Disqualified Stock.

"**Dollar**" and "**$**" mean lawful money of the United States.

"**Domestic Subsidiary**" means any direct or indirect Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"**Drug Applications**" means new drug applications, abbreviated new drug applications, biologic license applications or 351(k) biologic license applications (or equivalent non-U.S. applications of any of the foregoing).

"**Earnouts**" means any earn-out, deferred purchase price and other contingent consideration obligations.

"**ECF Payment**" has the meaning specified in Section 2.05(2)(a).

"**ECF Payment Amount**" has the meaning specified in Section 2.05(2)(a).

"**ECF Percentage**" has the meaning specified in Section 2.05(2)(a).

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent;

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Effective Date**" has the meaning specified in Section 4.01.

"**Effective Yield**" means, with respect to any Indebtedness, as of any date of determination, the sum of (i) the higher of (A) Term SOFR (or other applicable similar reference rate) with an Interest Period of one month and (B) the Term SOFR "floor," if any, with respect thereto as of such date, (ii) the Applicable Rate (or other applicable margin) as of such date for SOFR Loans (or other loans that accrue interest by reference to a similar reference rate) and (iii) the amount of original issue discount and upfront fees thereon (converted to yield assuming a four-year average life and without any present value discount); provided, that "Effective Yield" shall not include arrangement fees, structuring fees, commitment fees, underwriting fees and similar fees that are in each case not paid or payable to all lenders generally with respect to such Indebtedness.

"**Eligible Assignee**" means any Person that meets the requirements to be an assignee under Section 10.07(b), *provided* that no Defaulting Lender(s) or Disqualified Institution(s) may be Eligible Assignee(s).

"**Environment**" means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and sub-surface strata, and natural resources such as wetlands, flora and fauna.

"**Environmental Claim**" means any administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, or proceedings (hereinafter "**Claims**") with respect to any Environmental Liability or Environmental Law, including (i) any Claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any Environmental Law and (ii) any

claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief pursuant to any Environmental Law.

"**Environmental Laws**" means any Laws relating to pollution or the protection of the Environment or, to the extent relating to exposure to Hazardous Materials, the protection of human health.

"**Environmental Liability**" means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities) resulting from or relating to (a) any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement to the extent liability is assumed or imposed with respect to any of the foregoing.

"**Environmental Permit**" means any permit, approval, identification number, license or other authorization required under any Environmental Law.

"**Equity Interests**" means, with respect to any Person, the Capital Stock of such Person and all warrants, options or other rights to acquire Capital Stock of such Person, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock of such Person.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that together with any Loan Party is treated as a single employer within the meaning of Section 414 of the Code or Section 4001 of ERISA.

"**ERISA Event**" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by any Loan Party or any of their respective ERISA Affiliates from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as a termination under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Loan Party or any of their respective ERISA Affiliates from a Multiemployer Plan, written notification of any Loan Party or any of their respective ERISA Affiliates concerning the imposition of Withdrawal Liability or written notification that a Multiemployer Plan is "insolvent" (within the meaning of Section 4245 of ERISA) or has been determined to be in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA); (d) the filing under Section 4041(c) of ERISA of a notice of intent to terminate a Pension Plan, the treatment of a Pension Plan or Multiemployer Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement in writing of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) the imposition of any liability under Title IV of ERISA with respect to the termination of any Pension Plan or Multiemployer Plan, other than for the payment of plan contributions or PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Loan Party or any of their respective ERISA Affiliates; (f) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; (g) a failure to satisfy the minimum funding standard (within the meaning of Section 302 of ERISA or Section 412 of the Code) with respect to a Pension Plan, whether or not waived; (h) the application for a minimum funding waiver under Section 302(c) of ERISA with respect to a Pension Plan; (i) the imposition of a lien under Section 303(k) of ERISA or Section 412(c) of the Code with respect to any Pension Plan; (j) a determination that any Pension Plan is in "at risk" status (within the meaning of Section 303 of ERISA or Section 430 of the Code); or (k) the

occurrence of a nonexempt prohibited transaction with respect to any Pension Plan maintained or contributed to by any Loan Party or any of their respective ERISA Affiliates (within the meaning of Section 4975 of the Code or Section 406 of ERISA) which could result in liability to any Loan Party.

"**Erroneous Payment**" has the meaning specified in Section 9.17.

"**Erroneous Payment Notice**" has the meaning specified in Section 9.17.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Event of Default**" has the meaning specified in Section 8.01.

"**Excess Cash Flow**" means, for any period, an amount equal to the excess of:

(1) the sum, without duplication, of:

(a) Consolidated Net Income of the Borrower for such period,

(b) an amount equal to the amount of all non-cash charges (including depreciation and amortization) for such period to the extent deducted in arriving at such Consolidated Net Income, but excluding any such non-cash charges representing an accrual or reserve for potential cash items in any future period and excluding amortization of a prepaid cash item that was paid in a prior period,

(c) decreases in Consolidated Working Capital (except as a result of the reclassification of items from short-term to long-term or vice versa) for such period,

(d) the amount deducted as tax expense in determining Consolidated Net Income to the extent in excess of cash taxes paid in such period,

(e) cash receipts in respect of Hedge Agreements during such Fiscal Year to the extent not otherwise included in such Consolidated Net Income, and

(f) cash gains excluded by virtue of clauses (1) through (15) (other than to the extent constituting Net Proceeds of Asset Sales) of the definition of "Consolidated Net Income"; *over*

(2) the sum, without duplication, of:

(a) an amount equal to the amount of all non-cash credits (including, to the extent constituting non-cash credits, amortization of deferred revenue acquired as a result of any Permitted Acquisition or other investment permitted hereunder) included in arriving at such Consolidated Net Income (but excluding any non-cash credit to the extent representing the reversal of an accrual or reserve described in clause (1)(b) above) and cash losses, charges (including any reserves

or accruals for potential cash charges in any future period), expenses, costs and fees excluded by virtue of clauses (1) through (15) of the definition of "Consolidated Net Income,"

(b) without duplication of amounts deducted pursuant to clause (j) below in prior Fiscal Years, the amount of Capital Expenditures, Capitalized Software Expenditures or acquisitions of Proprietary Rights (including research and development activities in connection with potential Proprietary Rights) accrued or made in cash during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period, in each case except to the extent financed with the proceeds of Funded Debt (unless such Indebtedness has been repaid or is revolving Indebtedness) of the Borrower or any Subsidiary or the proceeds from any Cure Amount, and without duplication of any amounts deducted from Excess Cash Flow for a prior period,

(c) the aggregate amount of all principal payments of Indebtedness of the Borrower and its Subsidiaries ((x) including (i) the principal component of payments in respect of Capitalized Lease Obligations, (ii) all scheduled principal repayments of Loans or any revolving Indebtedness the extent there is an equivalent permanent reduction in commitments thereunder (or any Indebtedness representing Refinancing Indebtedness in respect thereof in accordance with the corresponding provisions of the governing documentation thereof), in each case to the extent such payments are permitted hereunder, actually made and (iii) the amount of any scheduled repayment of Term Loans pursuant to Section 2.07 and mandatory prepayment of Term Loans pursuant to Section 2.05(2)(b) and mandatory prepayments of any revolving Indebtedness to the extent there is an equivalent permanent reduction in commitments thereunder, but (y) excluding (1) all other prepayments of Term Loans, (2) all prepayments in respect of any revolving credit facility, except to the extent there is an equivalent permanent reduction in commitments thereunder and (3) payments on any Permitted Indebtedness, except in each case to the extent permitted to be paid pursuant to Section 7.05) made during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period, in each case, except to the extent financed with the proceeds of Funded Debt of the Borrower or any Subsidiary (unless such Indebtedness has been repaid or is revolving Indebtedness) or the proceeds from any Cure Amount,

(d) increases in Consolidated Working Capital (except as a result of the reclassification of items from short-term to long-term or vice versa) for such period,

(e) cash payments by the Borrower and its Subsidiaries during such period in respect of long-term liabilities of the Borrower and its Subsidiaries

(other than Indebtedness) to the extent such payments are not expensed during such period or are not deducted in calculating Consolidated Net Income,

(f) without duplication of amounts deducted pursuant to clauses (h) and (i) below in prior Fiscal Years, the amount of cash consideration paid by the Borrower and its Subsidiaries (on a consolidated basis) in connection with investments (other than intercompany Investments among the Borrower and its Subsidiaries, Investments in Cash Equivalents or money market instruments in the ordinary course of business) made during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period (including Permitted Acquisitions, investments constituting Permitted Investments and investments or made pursuant to Section 7.05), except to the extent such investments were financed with the proceeds of Funded Debt (unless such Indebtedness has been repaid or is revolving Indebtedness) of the Borrower or any Subsidiary or the proceeds from any Cure Amount,

(g) the amount of Restricted Payments paid in cash during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period (other than Restricted Payments made pursuant to Section 7.05(b)(15)), except to the extent such Restricted Payments were financed with the proceeds of Funded Debt (unless such Indebtedness has been repaid or is revolving Indebtedness) of the Borrower or any Subsidiary or the proceeds from any Cure Amount,

(h) the aggregate amount of expenditures (to the extent not funded with the proceeds of Funded Debt (unless such Indebtedness has been repaid or is revolving Indebtedness) or the proceeds from any Cure Amount) actually made by the Borrower and its Subsidiaries in cash during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period (including expenditures for the payment of financing fees) to the extent that such expenditures are not expensed during such period and are not deducted in calculating Consolidated Net Income,

(i) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Borrower and its Subsidiaries during such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period, that are made in connection with any prepayment or redemption of Indebtedness to the extent such payments are not expensed during such period or are not deducted in calculating Consolidated Net Income and such payments reduced Excess Cash Flow pursuant to clause (2)(c) above or reduced the mandatory prepayment required by Section 2.05(2)(a),

(j) without duplication of amounts deducted from Excess Cash Flow in other periods, and at the option of the Borrower, (1) the aggregate consideration

required to be paid in cash by the Borrower or any of its Subsidiaries pursuant to binding contracts (the "**Contract Consideration**") entered into prior to or during such period and (2) any planned cash expenditures by the Borrower or any of its Subsidiaries (the "**Planned Expenditures**") in an amount not to exceed $15,000,000 for the following four-Fiscal Quarter period, in the case of each of the preceding clauses (1) and (2), relating to Permitted Acquisitions or other investments, Capital Expenditures, Capitalized Software Expenditures, acquisitions of Proprietary Rights (including research and development activities in connection with potential Proprietary Rights), Restricted Payments, any scheduled payment of Indebtedness that was permitted by the terms of this Agreement to be incurred and paid or permitted tax distributions, in each case, to be consummated or made, as applicable, during the period of four consecutive Fiscal Quarters following the end of such period (except to the extent financed with any of the proceeds received from (A) the issuance or incurrence of Funded Debt (except to the extent repaid or constituting revolving Indebtedness) or (B) any Cure Amount); *provided* that to the extent that the aggregate amount of cash actually utilized to finance such Permitted Acquisitions or other investments, Capital Expenditures, Capitalized Software Expenditures, acquisitions of Proprietary Rights (including research and development activities in connection with potential Proprietary Rights), Restricted Payments, any scheduled payment of Indebtedness that was permitted by the terms of this Agreement to be incurred and paid or permitted tax distributions during such following period of four consecutive Fiscal Quarters is less than the Contract Consideration and Planned Expenditures, the amount of such shortfall shall be added to the calculation of Excess Cash Flow, at the end of such subsequent period of four consecutive Fiscal Quarters,

(k) the amount of cash taxes (including penalties and interest) paid or tax reserves set aside or payable (without duplication) in such period *plus* the amount of distributions with respect to taxes made in such period under Section 7.05(b)(14) to the extent they exceed the amount of tax expense deducted in determining Consolidated Net Income for such period,

(l) cash expenditures in respect of Hedging Obligations during such Fiscal Year to the extent not deducted in arriving at such Consolidated Net Income,

(m) any fees, expenses or charges incurred during such period (including the Transaction Expenses), or any amortization thereof for such period, in connection with any acquisition, investment, disposition, incurrence or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument, in each case, to the extent permitted hereunder, (including any amendment or other modification of this Agreement, the other Loan Documents and related documents) and including, in each case, any such transaction consummated prior to the Closing Date and any

such transaction undertaken but not completed, and any charges or non-recurring merger costs incurred during such period as a result of any such transaction, in each case whether or not successful, and

(n) at the option of the Borrower, any amounts in respect of investments (including Permitted Acquisitions, Investments constituting Permitted Investments and Investments made pursuant to Section 7.05) and Restricted Payments (including related earnouts and similar payments) which could have been deducted pursuant to clauses (g) or (h) above if made in such period or, at the option of the Borrower, made prior to the date the Borrower is required to make a payment of Excess Cash Flow in respect of such period, but which are made after the end of such period and prior to the date upon which a mandatory prepayment for such period would be required under Section 2.05(2)(a) (which amounts shall not affect the calculation of Excess Cash Flow in any future period).

"**Excess Cash Flow Period**" means each Fiscal Year, commencing with the Fiscal Year ending on December 31, 2026.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Excluded Accounts**" means any Deposit Account of any Loan Party (and all cash, Cash Equivalents and other securities or investments credited thereto or deposited therein):

(1) that does not have an individual daily balance in excess of $1,000,000, or in the aggregate with each other account described in this clause (1), in excess of $5,000,000;

(2) that is a zero balance account;

(3) that is a Trust Account or otherwise maintains Excluded Funds;

(4) any Deposit Account that constitutes a disbursement account of the Borrower or any Loan Party the balance of which consists solely of proceeds of Indebtedness, including the proceeds of the Loans or

(5) to the extent that it is cash collateral for letters of credit.

"**Excluded Assets**" means:

(i) (x) any fee-owned real property that does not constitute Material Real Property, (y) any portion of fee-owned real property that contains improvements located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a "special flood hazard area" and (z) all real property leasehold interests;

(ii) pledges and security interests prohibited by (x) any applicable law, rule or regulation (including any legally effective requirement to obtain the consent of any Governmental Authority) or (y) any contract or would require any consent, approval, license or other authorization of any third party (other than Borrower or its Subsidiaries) (provided that such requirement existed on the Effective Date or at the time of the acquisition of such asset, as applicable, and, other than with respect to permitted factoring arrangements and similar arrangements, was not incurred in contemplation thereof (*provided* that the applicable Loan Party shall use commercially reasonable efforts to overcome such obstacle to the extent that that can be done at reasonable cost (and, for the avoidance of doubt, without incurring material cost) and without any adverse impact on relationships with third-parties)), other than to the extent such prohibition or restriction is ineffective under the UCC and other applicable Law;

(iii) any governmental licenses, permits or state, provincial, territorial or local franchises, charters or authorizations, to the extent a security interest in any such licenses, permits, franchise, charter or authorization would be prohibited or restricted thereby (including any legally effective prohibition or restriction);

(iv) to the extent prohibited by, or creating an enforceable right of termination in favor of any other party thereto (other than the Borrower or any Subsidiary of the Borrower), under the terms of any applicable Organizational Documents, joint venture agreement or shareholders' agreement (provided that any such prohibition or enforceable right is in existence as of the Closing Date or at the time of formation or acquisition thereof so long as such prohibition or enforceable right is not created in contemplation of creating an Excluded Asset), equity interests in any person other than directly or indirectly owned Subsidiaries;

(v) Excluded Accounts;

(vi) any (A) lease, license or other agreements, or (B) any property subject to a purchase money security interest, Capitalized Lease Obligation or similar arrangement, in each case, with respect to all such property subject to a purchase money security interest, Capitalized Lease Obligation or similar arrangements to the extent that, in the case of clauses (A) or (B), a pledge thereof or a security interest therein would violate or invalidate such lease, license or agreement, purchase money, Capitalized Lease Obligations or similar arrangement, or create a right of termination in favor of any other party thereto (other than any Loan Party) after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other similar applicable law, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or other similar applicable Law notwithstanding such prohibition;

(vii) personal property to the extent a pledge thereof or a security interest therein would result in a material adverse tax consequence to the Borrower or its Subsidiaries as reasonably determined by the Borrower (in consultation with the Administrative Agent);

(viii) personal property for which the Required Lenders and the Borrower have determined in their reasonable judgment and agree in writing that the cost of creating or perfecting such pledges or security interests therein would be excessive in view of the benefits to be obtained by the Secured Parties therefrom;

(ix) any intent-to-use trademark application in the United States prior to the filing and acceptance of a "Statement of Use" or "Amendment to Allege Use" with respect thereto with the United States Patent and Trademark Office (as applicable);

(x) Excluded Equity;

(xi) Receivables Assets;

(xii) motor vehicles and other goods subject to certificates of title to the extent a Lien thereon cannot be perfected solely by the filing of a UCC financing statement (or equivalent form); and

(xiii) with respect to any Collateral Document to which any Loan Party (other than a Domestic Subsidiary) is a party, the "Excluded Assets" as defined in such Collateral Document consistent with the Agreed Security Principles.

For purposes of this definition, "personal property" means goods, investment property, instruments, documents of title, chattel paper, intangibles and money, each as defined in the Uniform Commercial Code.

"**Excluded Contribution**" means net cash proceeds or the fair market value of marketable securities or the fair market value of Qualified Proceeds received by the Borrower after the Closing Date from:

(1) contributions to its common equity capital;

(2) dividends, distributions, fees and other payments from any joint ventures that are not Subsidiaries; and

(3) the sale (other than to a Subsidiary of the Borrower or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Borrower) of Capital Stock (other than Disqualified Stock and Designated Preferred Stock) of the Borrower;

in each case designated as Excluded Contributions pursuant to an Officer's Certificate at the time of receipt by the Borrower thereof.

"**Excluded Equity**" means Equity Interests:

(i) of any Subsidiary that is not a Material Subsidiary;

(ii) of any Subsidiary acquired pursuant to a Permitted Acquisition if such Equity Interests are pledged and/or mortgaged as security for any assumed Indebtedness permitted under Section 7.02(b)(14) and if and for so long as the terms of such Indebtedness prohibit the creation of any other Lien on such Equity Interests;

(iii) Margin Stock;

(iv) of any Subsidiary with respect to which the Administrative Agent and the Borrower have determined in their reasonable judgment and agreed in writing that the costs of providing a pledge of such Equity Interests or perfection thereof is excessive in view of the benefits to be obtained by the Secured Parties therefrom;

(v) of any Receivables Subsidiary used for a Permitted Receivables Facility;

(vi) to the extent prohibited by, or creating an enforceable right of termination in favor of any other party thereto (other than the Borrower or any Subsidiary of the Borrower), under the terms of any applicable Organizational Documents, joint venture agreement or shareholders' agreement, equity interests in any person other than wholly-owned Subsidiaries; and

(vii) of any Subsidiary outside the United States the pledge of which is prohibited by applicable Laws or which would reasonably be expected to result in a violation or breach of, or conflict with, fiduciary duties of such Subsidiary's officers, directors or managers.

"**Excluded Funds**" means all amounts (i) solely for the purpose of payroll, employee wages and benefits and payment of taxes and (ii) solely for the purpose of trust related activities.

"**Excluded Proceeds**" means, with respect to any Asset Sale or Casualty Event, the sum of (a) any Net Proceeds therefrom that constitute Declined Proceeds and (b) any Net Proceeds therefrom that the Required Facility Lenders agree to exclude from the requirement to be applied to prepay the applicable Term Loans pursuant to Section 2.05(2)(b).

"**Excluded Subsidiaries**" means all of the following and "**Excluded Subsidiary**" means any of them:

(1) any Subsidiary that is not a Material Subsidiary or is not required to become a Loan Party to satisfy the Guarantor Coverage Requirement;

(2) any Subsidiary (including any regulated entity that is subject to net worth or net capital or similar capital and surplus restrictions) that is prohibited or restricted by applicable Law, accounting policies or by Contractual Obligation existing on the Closing Date (or, with respect to any Subsidiary acquired by the Borrower or a Subsidiary after the Closing Date (and so long as such Contractual Obligation was not incurred in contemplation of such acquisition), on the date such Subsidiary is so acquired) from providing a Guaranty, or if such Guaranty would require governmental (including regulatory) or third party (other than a Loan Party) consent, approval, license or authorization, unless such consent, approval, license or authorization has been received, or is received after commercially reasonable efforts to obtain the same, which efforts may be requested by the Administrative Agent;

(3) any Receivables Subsidiary used for a Permitted Receivables Facility;

(4) any non-wholly-owned Subsidiary; *provided* that no Subsidiary shall qualify as an Excluded Subsidiary under this clause (4) if (x) it is or becomes a non-wholly owned Subsidiary as a result of a sale, conveyance, transfer or other Disposition of any of the Equity Interests of such Subsidiary (a) to an Affiliate of the Borrower, (b) that is entered into primarily in contemplation of such Subsidiary's ceasing to constitute a Loan Party and (c) that is not made for fair market value and a bona fide business purpose or (y) an Event of Default has occurred and is continuing;

(5) [reserved];

(6) any Subsidiary with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower, the burden or cost (including any material adverse tax consequences) of providing the Guaranty is excessive in relation to the benefits to be obtained by the Secured Parties therefrom;

(7) any special purpose entity formed for the primary purpose to hold a leasehold interest in real property that is subject to a Sale-Leaseback Transaction and that has no other activities other than those incidental to holding such leasehold interest;

(8) [reserved]; and

(9) any Subsidiary acquired pursuant to a Permitted Acquisition or similar Investment financed at the time of such Permitted Acquisition or similar Investment with secured Indebtedness incurred under Section 7.02(b)(14) and assumed indebtedness (not incurred in contemplation of such Permitted Acquisition or similar Investment) and any Subsidiary thereof that Guarantees such secured Indebtedness, in each case, to the extent, and so long as, such secured Indebtedness prohibits any such Subsidiary from becoming a Guarantor.

Notwithstanding the foregoing, the Borrower may elect, in its sole discretion, to cause any Subsidiary that qualifies as an Excluded Subsidiary to become a Subsidiary Guarantor (including in order to comply with the Guarantor Coverage Requirement) and thereafter such Subsidiary shall not constitute an "Excluded Subsidiary" (any such Subsidiary that becomes a

Subsidiary Guarantor, a "**Discretionary Guarantor**") unless and until Borrower elects, in its sole discretion, to designate such Subsidiary as an Excluded Subsidiary (at which time, such Subsidiary shall cease to be a Discretionary Guarantor); *provided* that the Borrower shall be in pro forma compliance with the Guarantor Coverage Requirement at such time of designation of such Subsidiary as an Excluded Subsidiary .

"**Excluded Taxes**" means, with respect to each Agent and each Lender,

(1) any Taxes on such Agent or Lender's net income or profits (however denominated) or franchise Taxes, in each case, imposed by a jurisdiction as a result of such Agent or Lender being organized under the Laws of, or having its principal office or applicable Lending Office located in, such jurisdiction (or any political subdivision thereof) or that are Other Connection Taxes;

(2) any branch profits Taxes or similar Taxes imposed by any jurisdiction described in clause (1);

(3) any U.S. federal withholding Tax to the extent imposed on amounts payable to or for the account of such Lender under a law, rule, regulation or treaty in effect at the time such Lender (i) acquires such interest in the Loan or Obligation other than pursuant to an assignment request by the Borrower under Section 3.07, or (ii) or designates a new lending office, except (in each case) to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts or indemnity payments with respect to such withholding Tax pursuant to Section 3.01;

(4) any withholding Taxes attributable to a Lender's failure to comply with Section 3.01(3);

(5) any U.S. federal withholding Tax imposed under FATCA; and

(6) any Taxes imposed by Luxembourg pursuant to the amended Luxembourg law dated December 23, 2005, introducing a withholding tax on certain interest payments made to or for the ultimate benefit of Luxembourg tax resident individuals.

"**Executive Order**" has the meaning specified in Section 5.17.

"**Existing Equipment Financings**" means the equipment financings set forth on Schedule 7.02 under the heading "Equipment Financings" (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders).

"**Existing Mortgage**" means the general bond in the original amount of Icelandic Krona 8,310,000,000, dated as of November 16, 2022, issued by Fasteignafélagið Sæmundur hf., reg. no. 591213-1130 to Landsbankinn hf., reg no. 471008-0280, with respect to the Iceland Manufacturing Facility; *provided* that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, any Indebtedness secured by the Existing Mortgage shall not exceed an aggregate principal amount, together with any Refinancing Indebtedness in respect thereof, of $50,000,000 at any time.

"**Expected Cure Deadline**" has the meaning specified in Section 8.04(2).

"**Extended Commitments**" means the Term Loan Commitments held by an Extending Lender.

"**Extended Loans**" means the Term Loans made pursuant to Extended Commitments.

"**Extending Lender**" means each Lender accepting an Extension Offer.

"**Extension**" has the meaning specified in Section 2.16(1).

"**Extension Amendment**" has the meaning specified in Section 2.16(2).

"**Extension Offer**" has the meaning specified in Section 2.16(1).

"**Facilities**" means the Closing Date Term Loans, the Second Out Term Loans, any Incremental Term Loans or any Extended Loans, as the context may require, and "**Facility**" means any of them.

"**Factoring Facility**" means the factoring facility pursuant to that certain qualified receivable financing agreement, dated as of December 14, 2023, by and between the Borrower and Landsbankinn hf.

"**fair market value**" means, with respect to any asset or liability, the fair market value of such asset or liability as determined by the Borrower in good faith.

"**FATCA**" means Sections 1471 through 1474 of the Code as in effect on the Effective Date or any amended or successor version thereof that is substantively comparable and not materially more onerous to comply with (and, in each case, any current or future regulations promulgated thereunder or official interpretations thereof), and any agreements entered into pursuant to Section 1471(b)(1) of the Code, and any intergovernmental agreements, treaty or convention among Governmental Authorities (together with any fiscal or regulatory legislation, rules or practices, or law implementing such agreements).

"**FCPA**" means the U.S. Foreign Corrupt Practices Act of 1977, as amended.

"**Federal Funds Rate**" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) of three major banks of recognized standing, as determined by the Administrative Agent.

"**Federal Reserve Board**" means the Board of Governors of the Federal Reserve System of the United States of America.

"**Financial Incurrence Test**" has the meaning specified in Section 1.07(11).

"**Financial Officer**" means, with respect to a Person, the chief financial officer, accounting officer, treasurer, controller or other senior financial or accounting officer of such Person, as appropriate.

"**First Lien Net Leverage Ratio**" means, with respect to any Test Period, the ratio of (a) Consolidated First Lien Debt outstanding as of the last day of such Test Period, *minus* the Unrestricted Cash Amount on such last day of such Test Period to (b) Adjusted EBITDA of the Borrower and its Subsidiaries for such Test Period, in each case calculated on a *pro forma basis* with such pro forma adjustments as are appropriate and consistent with Section 1.07.

"**Fiscal Quarter**" means a fiscal quarter of the Borrower and its Subsidiaries in any Fiscal Year.

"**Fiscal Year**" means a fiscal year of the Borrower and its Subsidiaries.

"**Fixed Amounts**" has the meaning specified in Section 1.07(9).

"**Flood Insurance Laws**" means, collectively, (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (iv) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto.

"**Flood Insurance Requirements**" has the meaning specified in Section 6.11(2).

"**floor**" means, with respect to any reference rate of interest, any fixed minimum amount specified for such rate.

"**Floor**" means the rate per annum of interest equal to 0.75%.

"**Foreign Asset Sale**" has the meaning specified in Section 2.05(2)(h).

"**Foreign Casualty Event**" has the meaning specified in Section 2.05(2)(h).

"**Foreign Legal Reservations**" means:

(a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and principles of good faith and fair dealing;

(b) the application of bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(c) the existence of timing limitations with respect to the bringing of claims under applicable limitation laws and the defenses of acquiescence, set-off or counterclaim and the possibility that an undertaking to assume liability for, or to indemnify a Person against, non-payment of stamp duty may be void;

(d) the principle that in certain jurisdictions and under certain circumstances a Lien granted by way of fixed charge may be re-characterized as a floating charge or that security purported to be constituted as an assignment may be re-characterized as a charge;

(e) the principle that additional interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;

(f) the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant;

(g) the principle that the creation or purported creation of collateral over any claim, other right, contract or agreement which is subject to a prohibition on transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach of the contract or agreement (or contract or agreement relating to or governing the claim or other right) over which security has purportedly been created;

(h) the principle that a court may not give effect to any parallel debt provisions, covenants to pay or other similar provisions;

(i) the principle that certain remedies in relation to regulated entities may require further approval from government or regulatory bodies or pursuant to agreements with such bodies;

(j) the principles of private and procedural laws which affect the enforcement of a foreign court judgment;

(k) similar principles, rights and defenses under the laws of any relevant jurisdiction; and

(l) any other matters which are set out as qualifications or reservations as to matters of law of general application in the legal opinions required to be delivered pursuant to this Agreement or any other Loan Document.

"**Foreign Lender**" means a Lender that is not a U.S. Person.

"**Foreign Plan**" means any material employee defined-benefit plan, program or agreement maintained or contributed to by, or entered into with, any Loan Party with respect to employees employed outside the United States (other than benefit plans, programs or agreements that are mandated by applicable Laws).

"**Foreign Subsidiary**" means any direct or indirect Subsidiary of the Borrower that is not a Domestic Subsidiary.

"**Free and Clear Incremental Amount**" has the meaning specified in Section 2.14(4)(c).

"**Fund**" means any Person (other than a natural person) that is primarily engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"**Funded Debt**" means all Indebtedness of the Borrower and its Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including Indebtedness in respect of the Loans.

"**GAAP**" means generally accepted accounting principles in the United States of America set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, as in effect from time to time.

"**GAAP Election**" has the meaning specified in Section 1.03.

"**GLAS**" has the meaning specified in the introductory paragraph to this Agreement.

"**GLAS Americas**" has the meaning specified in the introductory paragraph to this Agreement.

"**GLAS USA**" has the meaning specified in the introductory paragraph to this Agreement.

"**Governmental Authority**" means the government of the United States or any other nation, or of any political subdivision thereof, whether state, provincial, territorial, municipal or local, and any agency, governmental department, commission, board, bureau, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency).

"**Granting Lender**" has the meaning specified in Section 10.07(g).

"**guarantee**" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business or consistent with industry practice), direct or indirect, in any manner (including letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

"**Guarantee**" means, as to any Person, without duplication, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other monetary obligation payable or performable by another Person (the "**primary obligor**") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other monetary obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance of such Indebtedness or other monetary obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other monetary obligation or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (b) any Lien on any assets of such Person securing any Indebtedness or other monetary obligation of any other Person, whether or not such Indebtedness or other monetary obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien); *provided* that the term "Guarantee" shall not include endorsements for collection or deposit, in either case in the ordinary course of business, or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"**Guarantor**" has the meaning specified in clause (2) of the definition of "Collateral and Guarantee Requirement".

"**Guarantor Coverage Requirement**" means requirements set forth in Section 6.18.

"**Guaranty**" means (a) the Guarantee of the Obligations by the Guarantors substantially in the form of Exhibit E, (b) each other Guarantee and Guarantee supplement delivered pursuant to Section 6.11 and (c) each other Guarantee and Guarantee supplement delivered by any Parent Company or Subsidiary pursuant to the second sentence of the definition of "Guarantor".

"**Hazardous Materials**" means all explosive or radioactive materials, substances or wastes, and all other hazardous or toxic materials, substances or wastes, pollutants, contaminants and chemicals, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, per- and polyfluoroalkyl substances, toxic mold or radon gas, to the extent any of the foregoing are regulated pursuant to, or form the basis for liability under, any Environmental Law.

"**Hedge Agreement**" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement (any such master agreement, together with any related schedules, a "**Master Agreement**"), including any such obligations or liabilities under any Master Agreement.

"**Hedging Obligations**" means, with respect to any Loan Party, the obligations of such Person under any Hedge Agreement. For the avoidance of doubt, any Permitted Convertible Indebtedness Call Transaction will not constitute Hedging Obligations.

"**Iceland Manufacturing Facility**" means the facility and real property located at Saemundargata 15-19, 102 Reykjavik, Iceland and owned by Fasteignafelagid Saemundur hf.

"**Identified Participating Lenders**" has the meaning specified in Section 2.05(1)(e)(C)(3).

"**Identified Qualifying Lenders**" has the meaning specified in Section 2.05(1)(e)(D)(3).

"**IFRS**" means international financial reporting standards and interpretations issued by the International Accounting Standards Board or any successor thereto (or the Financial Accounting Standards Board, the Accounting Principles Board of the American Institute of Certified Public Accountants or any successor to either such Board, or the SEC, as the case may be), as in effect from time to time.

"**Immediate Family Members**" means with respect to any individual, such individual's child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, qualified domestic partner, sibling, mother-in-law, father-in-law, son-in-law and

daughter-in-law (including, in each case, adoptive relationships) and any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor.

"**Incremental Amendment**" has the meaning specified in Section 2.14(6).

"**Incremental Amounts**" means (a) any accrued and unpaid interest, dividends or liquidation preference on the associated Indebtedness being Refinanced and (b) the amount of any tender premium or penalty or premium required to be paid under the terms of the instrument or documents governing such associated Indebtedness being Refinanced and any defeasance costs and any fees and expenses (including original issue discount, upfront fees or similar fees) incurred in connection with the issuance of such new Indebtedness or the extension, replacement, refunding, refinancing, renewal or defeasance of such associated refinanced Indebtedness (and with respect to associated Indebtedness under Designated Revolving Commitments, including an amount equal to any unutilized Designated Revolving Commitments being refinanced, extended, replaced, refunded, renewed or defeased to the extent permanently terminated at the time of incurrence of such new refinancing Indebtedness or Liens).

"**Incremental Commitments**" has the meaning specified in Section 2.14(1).

"**Incremental Facility Closing Date**" has the meaning specified in Section 2.14(4).

"**Incremental Lenders**" has the meaning specified in Section 2.14(3).

"**Incremental Loan**" has the meaning specified in Section 2.14(2).

"**Incremental Loan Request**" has the meaning specified in Section 2.14(1).

"**Incremental Term Commitments**" has the meaning specified in Section 2.14(1).

"**Incremental Term Lender**" has the meaning specified in Section 2.14(3).

"**Incremental Term Loan**" has the meaning specified in Section 2.14(2).

"**Incurrence Based Amounts**" has the meaning specified in Section 1.07(9).

"**Indebtedness**" means, with respect to any Person, without duplication:

(1) any indebtedness (including principal and premium) of such Person, whether or not contingent:

(a) in respect of borrowed money;

(b) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof);

(c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations) due more than twelve months after such property is acquired, except (i) any such balance that constitutes an obligation in respect of a commercial letter of credit, a trade payable or similar obligation to a trade creditor, in each case accrued in the ordinary course of business or consistent with industry practice, (ii) any Earnout (other than to the extent such obligation is required to be reflected as a liability on the balance sheet (excluding any footnotes thereto) of such Person in accordance with IFRS and such obligation is not paid within 30 days of becoming due and payable) and (iii) accruals for payroll and other liabilities accrued in the ordinary course of business;

(d) representing the net obligations under any Hedging Obligations; or

(e) in respect of Disqualified Stock;

if and to the extent that any of the foregoing Indebtedness (other than obligations in respect of letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with IFRS; *provided* that Indebtedness of any Parent Company appearing upon the balance sheet of the Borrower solely by reason of push-down accounting under IFRS will be excluded;

(2) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, the obligations of the type referred to in clause (1) of a third Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business or consistent with industry practice; and

(3) to the extent not otherwise included, the obligations of the type referred to in clause (1) of a third Person secured by a Lien on any asset owned by such first Person, whether or not such Indebtedness is assumed by such first Person; *provided* that the amount of such Indebtedness will be the lesser of (i) the fair market value of such asset at such date of determination and (ii) the amount of such Indebtedness of such other Person;

provided that, notwithstanding the foregoing, Indebtedness will be deemed not to include:

(i) Guarantees of obligations not constituting Indebtedness described herein incurred in the ordinary course of business or consistent with industry practice;

(ii) reimbursement obligations under letters of credit or bankers' acceptances (*provided* that unreimbursed amounts under letters of credit or bankers' acceptances will be counted as Indebtedness three (3) Business Days after such amount is drawn);

(iii) obligations under a straight-line or operating lease;

(iv) accrued expenses;

(v) deferred or prepaid revenues; and

(vi) asset retirement obligations and obligations in respect of reclamation and workers compensation (including pensions and retiree medical care);

provided, *further*, that Indebtedness will be calculated without giving effect to the effects of *IFRS 9 — Financial Instruments* and *IAS 32 — Financial Instruments*, and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Agreement as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"**Indemnified Liabilities**" has the meaning specified in Section 10.05.

"**Indemnitees**" has the meaning specified in Section 10.05.

"**Information**" has the meaning specified in Section 10.09.

"**Intellectual Property**" has the meaning specified in the Security Agreement.

"**Intellectual Property Security Agreement**" has the meaning specified in the Security Agreement.

"**Intercompany Subordination Agreement**" means an Intercompany Subordination Agreement, substantially in the form of Exhibit Q, executed by the Borrower and each Subsidiary that is party thereto.

"**Interest Payment Date**" means (a) as to any Loan of any Class other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date of the Loans of such Class; *provided* that if any Interest Period for a SOFR Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan of any Class, the last Business Day of each Fiscal Quarter and the applicable Maturity Date of the Loans of such Class.

"**Interest Period**" means, as to each SOFR Loan, the period commencing on the date such SOFR Loan is disbursed or converted to or continued as a SOFR Loan and ending on the date one, three or six months thereafter, or to the extent consented to by the Administrative Agent and each applicable Lender, twelve months (or such period of less than one month as may be consented to by the Administrative Agent and each applicable Lender), as selected by the Borrower in its Committed Loan Notice; *provided* that:

(1) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Business Day;

(2) any Interest Period (other than an Interest Period having a duration of less than one month) that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period;

(3) no Interest Period shall extend beyond the applicable Maturity Date for the Class of Loans of which such SOFR Loan is a part;

(4) no tenor that has been removed from this definition pursuant to Section 3.03(e) shall be available for specification in a Committed Loan Notice; and

(5) the first Interest Period shall be as set forth in the Committed Loan Notice.

"**Investment Grade Rating**" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency selected by the Borrower.

"**Investment Grade Securities**" means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or debt instruments constituting loans or advances among the Borrower and its Subsidiaries;

(3) investments in any fund that invests all or substantially all of its assets in investments of the type described in clauses (1) and (2) which fund may also hold immaterial amounts of cash pending investment or distribution; and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

"**Investments**" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees thereof), advances or capital contributions (excluding accounts receivable, credit card and debit card receivables, trade credit, advances to customers, commission, travel and similar advances to employees, directors, officers, members of management, manufacturers and consultants, in each case arising in the ordinary course of business or consistent with industry practice), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person or acquisitions of all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS.

The amount of any Investment outstanding at any time will be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, or

repayment or other amount received in cash by the Borrower or a Subsidiary in respect of such Investment.

"**IP Rights**" has the meaning specified in Section 5.15.

"**Judgment Currency**" has the meaning specified in Section 10.25.

"**Junior Lien Debt**" means any Indebtedness for borrowed money of the Borrower or any of its Subsidiaries that is secured, in whole or in part, by Liens that are junior or subordinated to the Liens securing the Obligations.

"**Latest Maturity Date**" means, at any date of determination, the latest maturity or expiration date applicable to any Loan or Commitment hereunder at such time, including the latest maturity or expiration date of any Incremental Loan or any Extended Loan, in each case as extended in accordance with this Agreement from time to time.

"**Laws**" or "**laws**" means, collectively, all international, foreign, federal, provincial, territorial, state and local laws (including common law), statutes, treaties, rules, legally enforceable guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities and executive orders, including the legally binding interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

"**LCT Election**" has the meaning specified in Section 1.07(11).

"**LCT Test Date**" has the meaning specified in Section 1.07(11).

"**Lease**" means any agreement, whether written or oral, no matter how styled or structured, pursuant to which a Loan Party is entitled to the use or occupancy of any real property for any period of time.

"**Legal Holiday**" means Saturday, Sunday or a day on which commercial banking institutions are not required to be open in the State of New York, Luxembourg or Iceland or at the place of payment.

"**Lender**" has the meaning specified in the introductory paragraph to this Agreement and their respective successors and assigns as permitted hereunder, each of which is referred to herein as a "Lender." For the avoidance of doubt, each Additional Lender is a Lender to the extent any such Person has executed and delivered an Incremental Amendment and to the extent such Incremental Amendment shall have become effective in accordance with the terms hereof and thereof, and each Extending Lender shall continue to be a Lender. As of the Effective Date, Schedule 2.01 sets forth the name of each Lender.

"**Lender Indemnitees**" has the meaning specified in Section 10.05.

"**Lending Office**" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent in writing.

"**Lien**" means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, assignment, deposit arrangement, charge, preference, priority, security interest or encumbrance or preferential arrangement of any kind in respect of such asset, and any other

arrangement having the effect of providing security, whether or not filed, recorded or otherwise perfected under applicable law, including, any conditional sale agreement, capital lease, title retention agreement or consignment agreement, any option or other agreement to sell or give a security interest, any netting arrangement, defeasance agreement or reciprocal fee arrangement, and any authorized filing of or agreement to give any financing statement (or equivalent form) under the UCC (or equivalent statutes) of any jurisdiction; *provided* that in no event will an operating lease be deemed to constitute a Lien.

"**Limited Condition Transaction**" means any Permitted Acquisition or other similar Investment, disposition or similar transaction (whether by merger, amalgamation, consolidation or other business combination or the acquisition of Capital Stock or otherwise) permitted hereunder by the Borrower or one or more of its Subsidiaries, in each case that is not conditioned on the availability of or obtaining of any third party financing.

"**Limited Originator Recourse**" means a letter of credit, cash collateral account or other credit enhancement provided by a Loan Party or a Subsidiary in connection with a Permitted Receivables Facility to the extent required to satisfy Standard Securitization Undertakings.

"**Liquidity**" means, at any time, the sum of (a) the Unrestricted Cash Amount at such time plus (b) the amount of any unused and available commitments under any revolving credit facility of the Borrower and its Subsidiaries at such time.

"**Liquidity Covenant**" has the meaning specified in Section 7.10.

"**Loan**" means an extension of credit under Article II.

"**Loan Documents**" means, collectively, (a) this Agreement, (b) the Term Notes, (c) any amendments thereto, including any Incremental Amendment and any Extension Amendment, (d) the Guaranty, (e) the Collateral Documents, (f) the Applicable Intercreditor Agreements, (g) the Closing Payment Letter and (h) the Agency Fee Letter.

"**Loan Parties**" means, collectively, the Borrower and each Subsidiary Guarantor.

"**Luxembourg**" means the Grand Duchy of Luxembourg.

"**Make-Whole Premium**" means, with respect to any repayment or prepayment (including following acceleration) of all or any portion of the Closing Date Term Loans at any time on or prior to the first anniversary of the Closing Date, the excess of (i) the sum of the present value of (A) [***]% of the outstanding principal amount of the Closing Date Term Loans being repaid or prepaid as of such date of repayment or prepayment, plus (B) all required interest payments due with respect to such Closing Date Term Loans from the date of repayment or prepayment through and including the first anniversary of the Closing Date (assuming the PIK Interest Election has been made for the entirety of such period), which such present value shall be computed using a discount rate equal to the Treasury Rate plus fifty (50) basis points over (ii) the principal amount of such Closing Date Term Loans being repaid or prepaid; provided that, in no event shall the Make-Whole Premium be less than zero.

"**Management Services Agreement**" means that certain Service Agreement, dated as of April 11, 2022, between Alvotech Holdings S.A., public limited liability 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 registered with the Luxembourg Trade and Companies' Register under number B229193,

and Alvogen Lux Holdings S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 5, rue Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies' Register under number B149045, as in effect on and as of the Effective Date.

"**Margin Stock**" has the meaning specified in Regulation U of the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"**Master Agreement**" has the meaning specified in the definition of "Hedge Agreement".

"**Material Adverse Effect**" means, a circumstance or condition that would materially and adversely affect (a) the business, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the ability of the Loan Parties (taken as a whole) to perform their payment obligations under the Loan Documents to which it is a party or (c) the rights and remedies of the Lenders, the Collateral Agent and the Administrative Agent under the Loan Documents.

"**Material Contract**" means any written contract or agreement with any Person to which the Borrower or any of its Subsidiaries is a party from time to time that is material, individually or in the aggregate, to the operation of the business of the Borrower and its Subsidiaries, taken as a whole.

"**Material Intellectual Property**" means any Intellectual Property owned by the Borrower or any Subsidiary that is material, individually or in the aggregate, to the operation of the business of the Borrower and its Subsidiaries, taken as a whole.

"**Material Real Property**" means any fee-owned real property owned by any Loan Party, having a fair market value in excess of $5,000,000 at the time of acquisition or as of the date of substantial completion of any material improvement thereon or new construction thereof; *provided* that for the avoidance of doubt, Material Real Property will not include any Excluded Assets.

"**Material Subsidiary**" means, as of the Closing Date and thereafter at any date of determination, each Subsidiary (a) whose Total Assets at the last day of the most recent Test Period (when taken together with the Total Assets of the Subsidiaries of such Subsidiary at the last day of the most recent Test Period) were equal to or greater than 5.0% of Total Assets of the Borrower and its Subsidiaries at such date or (b) whose Adjusted EBITDA at the last day of the most recent Test Period (when taken together with the Adjusted EBITDA of the Subsidiaries of such Subsidiary at the last day of the most recent Test Period) were equal to or greater than 5.0% of Adjusted EBITDA of the Borrower and its Subsidiaries at such date or (c) whose gross revenues for such Test Period (when taken together with the gross revenues of the Subsidiaries of such Subsidiary for such Test Period) were equal to or greater than 5.0% of the consolidated gross revenues of the Borrower and its Subsidiaries for such Test Period, in each case determined in accordance with IFRS; *provided* that if at any time and from time to time Subsidiaries that are not Material Subsidiaries solely because they do not meet the thresholds set forth in the preceding clause (a), (b) or (c) comprise in the aggregate more than (when taken together with the Total Assets of the Subsidiaries of such Subsidiaries at the last day of the most recent Test Period) 10.0% of Total Assets of the Borrower and its Subsidiaries as of the end of the most recently ended Test Period or more than (when taken together with the Adjusted EBITDA of the Subsidiaries of such Subsidiaries at the last day of the most recent Test Period) 10.0% of Adjusted EBITDA of the Borrower and its Subsidiaries as of the end of the most recently ended Test Period or more than (when taken together with the gross revenues of the Subsidiaries of such Subsidiaries for such Test Period) 10.0% of the consolidated gross revenues of the

Borrower and its Subsidiaries for such Test Period, then the Borrower shall, not later than 90 days after the date by which financial statements for such Test Period were required to be delivered pursuant to this Agreement (or such longer period as the Administrative Agent, acting at the direction of the Required Lenders, may agree), (i) designate in writing to the Administrative Agent one or more of such Subsidiaries as "Material Subsidiaries" to the extent required such that the foregoing condition ceases to be true and (ii) comply with the provisions of Section 6.11 with respect to any such Subsidiaries.

"**Maturity Date**" means (i) with respect to the Closing Date Term Loans and the Second Out Term Loans, in each case that have not been extended pursuant to Section 2.16, the fifth anniversary of the Closing Date (the "**Original Term Loan Maturity Date**"), (ii) with respect to any tranche of Extended Loans, the final maturity date as specified in the applicable Extension Amendment and (iii) with respect to any Incremental Loans, the final maturity date as specified in the applicable Incremental Amendment; *provided* that in each case, if such day is not a Business Day, the applicable Maturity Date shall be the Business Day immediately succeeding such day.

"**Maximum Rate**" has the meaning specified in Section 10.11.

"**MFN Provision**" has the meaning specified in Section 2.14(5)(c).

"**Moody's**" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"**Mortgage Policies**" has the meaning specified in Section 6.11(2)(b)(ii).

"**Mortgaged Properties**" has the meaning specified in paragraph (5) of the definition of "Collateral and Guarantee Requirement."

"**Mortgages**" means collectively, the deeds of trust, trust deeds, debentures, charges, deeds to secure debt and mortgages made by the Loan Parties in favor or for the benefit of the Collateral Agent for the benefit of the Secured Parties in form and substance reasonably satisfactory to the Collateral Agent, including such modifications as may be required by local laws, pursuant to Section 6.13 and any other deeds of trust, trust deeds, debentures, charges, deeds to secure debt or mortgages executed and delivered pursuant to Sections 6.11.

"**Multiemployer Plan**" means any multiemployer plan as defined in Section 4001(a)(3) of ERISA and subject to Title IV of ERISA, to which any Loan Party or any of their respective ERISA Affiliates makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions to the extent liability (including potential or contingent liability) of any Loan Party remains.

"**Necessary Cure Amount**" has the meaning specified in Section 8.04(2).

"**Net Income**" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with IFRS and before any reduction in respect of Preferred Stock dividends.

"**Net Proceeds**" means:

(1) with respect to any Asset Sale or any Casualty Event, the aggregate Cash Equivalent proceeds or other cash amounts received directly or indirectly by or on behalf of the Borrower or any Subsidiary in respect of such Asset Sale or Casualty Event,

including any Cash Equivalents received upon the sale or other disposition of any Designated Non-Cash Consideration received in any Asset Sale, net of the costs relating to such Asset Sale or Casualty Event and the sale or disposition of such Designated Non-Cash Consideration, including legal, accounting and investment banking fees, payments made in order to obtain a necessary consent or required by applicable law, brokerage and sales commissions, all dividends, distributions or other payments required to be made to minority interest holders in Subsidiaries as a result of any such Asset Sale or Casualty Event by a Subsidiary, the amount of any purchase price or similar adjustment claimed by any Person to be owed by the Borrower or any Subsidiary, until such time as such claim will have been settled or otherwise finally resolved, or paid or payable by the Borrower or any Subsidiary, in either case in respect of such Asset Sale or Casualty Event, any relocation expenses incurred as a result thereof, costs and expenses in connection with unwinding any Hedging Obligation in connection therewith, other fees and expenses, including title and recordation expenses, taxes paid or payable by the Borrower or a Subsidiary as a result thereof or any transactions occurring or deemed to occur to effectuate a payment under this Agreement, amounts required to be applied to the repayment of principal, premium, if any, and interest on Indebtedness (other than Subordinated Indebtedness) or amounts required to be applied to the repayments of Indebtedness secured by a Lien on such assets and required (other than required by Section 2.05(2)(b)) to be paid as a result of such transaction and any deduction of appropriate amounts to be provided by the Borrower or any Subsidiary as a reserve in accordance with IFRS against any liabilities associated with the asset disposed of in such transaction and retained by the Borrower or any Subsidiary after such sale or other disposition thereof, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction; *provided* that, no net cash proceeds calculated in accordance with the foregoing realized in a single transaction or series of related transactions shall constitute Net Proceeds unless such net cash proceeds shall exceed $10,000,000; and

(2) (a) with respect to the incurrence or issuance of any Indebtedness by the Borrower or any Subsidiary or any Permitted Equity Issuance by the Borrower or any Parent Company, the excess, if any, of (i) the sum of the cash and Cash Equivalents received in connection with such incurrence or issuance over (ii) all taxes paid or reasonably estimated to be payable, and all fees (including investment banking fees, attorneys' fees, accountants' fees, underwriting fees and discounts), commissions, costs and other out-of-pocket expenses and other customary expenses incurred, in each case by the Borrower or such Subsidiary in connection with such incurrence or issuance and (b) with respect to any Permitted Equity Issuance by any Parent Company, the amount of cash from such Permitted Equity Issuance contributed to the capital of the Borrower.

"**Non-Consenting Lender**" has the meaning specified in Section 3.07.

"**Non-Defaulting Lender**" means, at any time, a Lender that is not a Defaulting Lender.

"**Non-Excluded Taxes**" means (a) all Taxes other than Excluded Taxes imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"**Non-Extended Lender**" has the meaning specified in Section 2.16.

"**Non-Loan Party**" means any Subsidiary of the Borrower that is not a Loan Party.

"**Non-Loan Party Cap**" means, as of any date of determination, the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 15.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries, which amount shall be reduced by any Indebtedness of Non-Loan Parties outstanding as of such date and incurred pursuant to the Non-Loan Party Cap under Sections 7.02(a), 7.02(b)(12) or 7.02(b)(29).

"Not Otherwise Applied" means, with reference to any proceeds from any equity issuance or the amount of any contributions to the equity capital of the Borrower and its Subsidiaries, (1) that such amount was not previously applied pursuant to (or otherwise included in the calculation of), as applicable, clause (3), (4) or (5) of the Available Amount, Section 7.05(b)(3), 7.05(b)(4), 7.05(b)(14)(h)(ii) and (2) that such equity issuance is not Designated Preferred Stock, an Excluded Contribution or Refunding Capital Stock.

"**Obligations**" means all:

(1) advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, including the obligation (including guarantee obligations) to pay principal, interest, reimbursement obligations, charges, expenses, fees, premium (including the Prepayment Premium and Make-Whole Premium), Attorney Costs, indemnities and other amounts payable by any Loan Party under any Loan Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, fees and other amounts that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, and

(2) the Guaranty in respect of each of the foregoing.

"**OFAC**" means the U.S. Department of the Treasury, Office of Foreign Assets Control.

"**Offered Amount**" has the meaning specified in Section 2.05(1)(e)(D)(1).

"**Offered Discount**" has the meaning specified in Section 2.05(1)(e)(D)(1).

"**Officer's Certificate**" means a certificate signed on behalf of a Person by a Responsible Officer of such Person.

"**OID**" means original issue discount.

"**Opinion of Counsel**" means a written opinion from legal counsel who is reasonably acceptable to the Administrative Agent. Counsel may be an employee of or counsel to the Borrower.

"**Organizational Documents**" means:

(1) with respect to any corporation, the certificate or articles of incorporation, amalgamation or continuance or memorandum of association (or other equivalent), as applicable, and the bylaws (or equivalent) or comparable constitutive documents with respect to any non-U.S. corporation;

(2) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and

(3) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"**Original Term Loan Maturity Date**" has the meaning specified in the definition of "Maturity Date."

"**Other Connection Taxes**" means, with respect to any of the Administrative Agent, the Collateral Agent or any Lender, Taxes imposed as a result of a present or former connection between such Person and the jurisdiction imposing such Tax (other than connections arising from such Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a Lien under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan Document).

"**Other Taxes**" means any and all present or future stamp, court or documentary Taxes, intangible, recording, filing or similar Taxes arising from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except (i) any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.07) and (ii) any Luxembourg registration duties (*droits d'enregistrement*) due to a registration, submission or filing by a Lender of any Loan Document or documents in connection therewith when such registration, submission or filing is or was not required to evidence, prove, maintain, establish, compel, enforce, or otherwise assert the rights of that Lender under such Loan Document.

"**Outstanding Amount**" means on any date, the outstanding principal amount of any Term Loans after giving effect to any borrowings and prepayments or repayments of Term Loans, occurring on such date.

"**Overnight Rate**" means, for any day, with respect to any amount, the greater of (a) the Federal Funds Rate and (b) an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

"**Parent Company**" means any Person so long as such Person directly or indirectly holds 100.0% of the total voting power of the Capital Stock of the Borrower, and at the time such Person acquired such voting power, no Person and no group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision), including any such group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) (other than the Sponsor), will have beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision), directly or indirectly, of 35.0% or more of the total voting power of the Voting Stock of such Person.

"**Participant**" has the meaning specified in Section 10.07(d).

"**Participant Register**" has the meaning specified in Section 10.07(e).

"**Participating Lender**" has the meaning specified in Section 2.05(1)(e)(C)(2).

"**PBGC**" means the Pension Benefit Guaranty Corporation.

"**Pension Plan**" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by any Loan Party or any of their respective ERISA Affiliates or to which any Loan Party or any of their respective ERISA Affiliates contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time in the preceding five plan years, in each case, to the extent liability (including potential or contingent liability) of any Loan Party remains.

"**Perfection Certificate**" has the meaning specified in the Security Agreement.

"**Permitted Acquisition**" has the meaning specified in clause (3) of the definition of "Permitted Investments."

"**Permitted Asset Swap**" means the substantially concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Borrower or any Subsidiary and another Person; *provided* that (i) any cash or Cash Equivalents received must be applied in accordance with Section 2.05(2)(b)(i) and (ii) the aggregate value (as determined by the Borrower in good faith) of all such Permitted Asset Swaps shall not exceed $10,000,000 in any Fiscal Year.

"**Permitted Bond Hedge Transaction**" means any call or capped call option (or substantively equivalent derivative transaction) on the Borrower's common equity that is purchased by the Borrower in connection with the issuance of any Convertible Indebtedness; *provided* that the purchase price for such Permitted Bond Hedge Transaction, less the proceeds received by the Borrower from the sale of any related Permitted Warrant Transaction, does not exceed the net proceeds received by the Borrower from the Convertible Indebtedness issued in connection with such Permitted Bond Hedge Transaction.

"**Permitted Convertible Indebtedness Call Transaction**" means any Permitted Bond Hedge Transaction and any Permitted Warrant Transaction.

"**Permitted Equity Issuance**" means any sale or issuance of any Qualified Equity Interests of the Borrower or any Parent Company.

"**Permitted Existing Licenses**" means the licenses existing on the Effective Date and set forth on Schedule 1.01(3), as such licenses may be amended, restated, supplemented or otherwise modified in a manner that is not adverse to the Lenders.

"**Permitted Indebtedness**" means Indebtedness permitted to be incurred in accordance with Section 7.02.

"**Permitted Investments**" means:

(1) any Investment (a) in any Loan Party, (b) by any Subsidiary that is a Non-Loan Party in any other Subsidiary that is a Non-Loan Party and (c) by any Loan Party in any Subsidiary that is a Non-Loan Party; *provided* that if any Loan Party makes such Investment in a Non-Loan Party, then the Borrower and its Subsidiaries shall be in pro forma compliance with the Guarantor Coverage Requirement at the time of the making of such Investment; *provided*, *further*, that any Investment in any Loan Party by a Subsidiary that is not a Loan Party made pursuant to this clause (1) in the form of Indebtedness shall be subordinated to the Obligations in right of payment pursuant to the Intercompany Subordination Agreement;

(2) any Investment(s) in Cash Equivalents or Investment Grade Securities and Investments that were Cash Equivalents or Investment Grade Securities when made;

(3) (a) any Investment by the Borrower or any Subsidiary in any Person (directly or through entities that will be Subsidiaries), if as a result of such Investment, including, for the avoidance of doubt, if such Investment is made for cash consideration, (i) such Person becomes a Subsidiary or (ii) such Person, in one transaction or a series of related transactions, is amalgamated, merged or consolidated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Borrower or a Subsidiary, together with any other Investments necessary to consummate the foregoing (a "**Permitted Acquisition**"); *provided* that:

(A) (i) Investments made by Loan Parties in Persons that do not become Loan Parties or in assets that are not owned by a Loan Party pursuant to a Permitted Acquisition permitted by this clause (3) shall be permitted without limitation; *provided* that following such Permitted Acquisition, the Borrower and its Subsidiaries shall be in pro forma compliance with the Guarantor Coverage Requirement at the time of the making of such Investment and (ii) Investments made by Subsidiaries that are not Loan Parties in Loan Parties in the form of Indebtedness shall be subordinated to the Obligations in right of payment pursuant to the Intercompany Subordination Agreement;

(B) (i) subject to Section 1.07(8), immediately before and after giving *pro forma* effect to any such Investment, no Event of Default under Sections 8.01(1) or 8.01(6) will have occurred and be continuing;

(ii) to the extent required by the Collateral and Guarantee Requirement, after giving effect to any such Permitted Acquisition, the Borrower shall be in compliance with the covenant set forth in Section 6.11;

(iii) after giving effect to any such Permitted Acquisition, the Borrower shall be in compliance with the covenant set forth in Section 6.17;

(iv) immediately before and after giving pro forma effect to any such Investment, the Borrower shall be in compliance with the covenant set forth in Section 7.10 calculated on a pro forma basis; and

(v) for any acquisition (or series of related acquisitions), the following shall be delivered to the Administrative Agent (A) five (5) Business Days prior to the consummation of such acquisition (or such shorter period acceptable to the Administrative Agent acting at the direction of the Required Lenders) with regard to such transaction, in each case solely to the extent actually prepared or received by the Loan Parties, (1) pro forma financial projections (after giving effect to such acquisition) of the applicable target for the one year following the consummation of such transaction and (2) historical financial statements of the applicable target for the two Fiscal Years prior to such transaction (or, if such target has not been in existence for two years, for each year such target has existed); and (B) within five (5) Business Days following the signing of such agreement, a copy of the acquisition agreement for the proposed transaction.

(b) any Investment held by such Person that is acquired pursuant to such Permitted Acquisition; *provided* that such Investment was not acquired by such Person in contemplation of such acquisition, merger, amalgamation, consolidation, transfer or conveyance;

(4) any Investment in securities or other assets not constituting Cash Equivalents or Investment Grade Securities and received in connection with an Asset Sale made in accordance with Section 7.04 or any other disposition of assets not constituting an Asset Sale;

(5) any Investment existing on the Effective Date or the Closing Date or made pursuant to binding commitments in effect on the Effective Date or the Closing Date, in each case in excess of $1,000,000 and set forth on Schedule 7.03 (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders), or an Investment consisting of any extension, modification, replacement, renewal or reinvestment of any Investment or binding commitment existing on the Effective Date or the Closing Date, as applicable; *provided* that the amount of any such Investment or binding commitment may be increased, extended, modified, replaced, reinvested or renewed, (a) as required by the terms of such Investment or binding commitment as in existence on the Effective Date or the Closing Date, as applicable

(including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (b) as otherwise permitted hereunder;

(6) any Investment acquired by the Borrower or any Subsidiary:

(a) in exchange for any other Investment, accounts receivable or indorsements for collection or deposit held by the Borrower or any Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of, or settlement of delinquent accounts and disputes with or judgments against, the issuer of such other Investment or accounts receivable (including any trade creditor or customer);

(b) in satisfaction of judgments against other Persons;

(c) as a result of a foreclosure by the Borrower or any Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default; or

(d) as a result of the settlement, compromise or resolution of (i) litigation, arbitration or other disputes or (ii) obligations of trade creditors or customers that were incurred in the ordinary course of business or consistent with industry practice of the Borrower or any Subsidiary, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer;

(7) Hedging Obligations permitted under Section 7.02(b)(10);

(8) [reserved];

(9) Investments the payment for which consists of Equity Interests (other than Disqualified Stock) of the Borrower or any Parent Company; *provided* that such Equity Interests will not increase the amount available for Restricted Payments or Investments made using the "Available Amount";

(10) (a) guarantees of Indebtedness permitted under Section 7.02 or leases, contracts or other obligations that do not constitute Indebtedness and performance guarantees, in each case incurred in the ordinary course of business or consistent with industry practice, and (b) the creation of liens on the assets of the Borrower or any Subsidiary in compliance with Section 7.01;

(11) any transaction to the extent it constitutes an Investment that is permitted by and made in accordance with the provisions of Section 7.06(b)(3), (4), (7), (8), (10), (16), (19), (20) and (23);

(12) Investments consisting of purchases and acquisitions of inventory, supplies, material, services or equipment or similar assets or the licensing, sublicensing or contribution of Proprietary Rights pursuant to joint marketing arrangements with other

Persons; *provided* that any such licenses, sublicenses or contributions are on arm's length terms with third parties in the ordinary course of business;

(13) Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (13) that are at that time outstanding, not to exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 30.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries, with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value, but subject to adjustment as set forth in the definition of "Investment"); *plus* at the election of the Borrower, the amount of Restricted Payments then permitted to be made by the Borrower or any Subsidiary in reliance on Section 7.05(b)(11) (such increase shall result in a reduction in availability under Section 7.05(b)(11)); *provided* that immediately before and after giving pro forma effect to any such Investment, no Event of Default has occurred or is continuing; *provided further* that if any Investment pursuant to this clause (13) is made in any Person that is not a Subsidiary of the Borrower at the date of the making of such Investment and such Person becomes a Subsidiary after such date, such Investment will thereafter be deemed to have been made pursuant to clause (1) above (to the extent permitted thereunder) and will cease to have been made pursuant to this clause (13) for so long as such Person continues to be a Subsidiary;

(14) Investments in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Permitted Receivables Facility, including Investments of funds held in accounts permitted or required by the arrangements governing such Permitted Receivables Facility or any related Indebtedness;

(15) loans and advances to, or guarantees of Indebtedness of, officers, directors, employees, consultants and members of management on arm's-length commercial terms in the ordinary course of business or consistent with past practice or consistent with industry practice not in excess of $10,000,000 outstanding at any one time;

(16) loans and advances to employees, directors, officers, members of management and consultants for business-related travel expenses, moving expenses, payroll advances and other similar expenses or payroll expenses, in each case incurred in the ordinary course of business or consistent with past practice or consistent with industry practice or to future, present and former employees, directors, officers, members of management and consultants (and their Controlled Investment Affiliates and Immediate Family Members) to fund such Person's purchase of Equity Interests of the Borrower or any Parent Company;

(17) advances, loans or extensions of trade credit or prepayments to suppliers or loans or advances made to distributors, in each case, in the ordinary course of business or consistent with past practice or consistent with industry practice by the Borrower or any Subsidiary;

(18) any Investment in any Subsidiary or joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business or consistent with industry practice;

(19) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business or consistent with industry practice;

(20) Investments made in the ordinary course of business or consistent with industry practice in connection with obtaining, maintaining or renewing client contacts and loans or advances made to distributors;

(21) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business or consistent with industry practice;

(22) the purchase or other acquisition of any Indebtedness of the Borrower or any Subsidiary to the extent otherwise permitted hereunder;

(23) Investments consisting of the licensing or sublicensing of Proprietary Rights or collaboration agreements, strategic alliances or similar arrangements in respect of Proprietary Rights, in each case, for the development or commercialization of Proprietary Rights in the ordinary course of business and on an arm's length basis that, at the time of such license, sublicense, collaboration agreement, strategic alliance or similar arrangement, does not materially and adversely affect the Borrower's and its Subsidiaries' business, condition (financial or otherwise) or prospects, taken as a whole;

(24) Investments in the ordinary course of business or consistent with industry practice consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Article 4 customary trade arrangements with customers;

(25) [reserved];

(26) Investments made as part of, to effect or resulting from the Transactions;

(27) Investments of assets relating to non-qualified deferred payment plans in the ordinary course of business or consistent with industry practice;

(28) [reserved];

(29) acquisitions of obligations of one or more directors, officers or other employees or consultants or independent contractors of any Parent Company, the Borrower, or any Subsidiary of the Borrower in connection with such director's, officer's, employee's consultant's or independent contractor's acquisition of Equity Interests of the Borrower or any direct or indirect parent of the Borrower, to the extent no cash is actually advanced by the Borrower or any Subsidiary to such directors, officers, employees,

consultants or independent contractors in connection with the acquisition of any such obligations;

(30) Investments constituting promissory notes or other non-cash proceeds of dispositions of assets to the extent permitted under Section 7.04;

(31) Investments resulting from pledges and deposits permitted under Section 7.01;

(32) loans and advances to any direct or indirect parent of the Borrower in lieu of and not in excess of the amount of (after giving effect to any other loans, advances or Restricted Payments in respect thereof) Restricted Payments to the extent permitted to be made in cash to such parent in accordance with Section 7.05 at such time, such Investment being treated for purposes of the applicable clause of Section 7.05, including any limitations, as if a Restricted Payment were made pursuant to such applicable clause;

(33) any Investments if on a pro forma basis after giving effect to such Investment the Total Net Leverage Ratio would be equal to or less than 4.00 to 1.00 as of the last day of the Test Period most recently ended; *provided* that immediately before and after giving pro forma effect to any such Investment in reliance on this clause (33), no Event of Default will have occurred and be continuing;

(34) Permitted Bond Hedge Transactions; and

(35) Permitted Existing Licenses.

For purposes of determining compliance with this definition, an Investment need not be incurred solely by reference to one category of Permitted Investments described in this definition, but is permitted to be incurred in part under any combination thereof and of any other available exemption.

"**Permitted Liens**" means, with respect to any Person:

(1) Liens created pursuant to any Loan Document;

(2) Liens, pledges or deposits made in connection with:

(a) workers' compensation laws, unemployment insurance, health, disability or employee benefits, other social security laws or similar legislation or regulations,

(b) insurance-related obligations (including in respect of deductibles, self-insured retention amounts and premiums and adjustments thereto) securing reimbursement or indemnification obligations of (including obligations in respect of letters of credit, bank guarantees or similar documents or instruments for the benefit of) insurance carriers providing property, casualty or liability insurance or otherwise supporting the payment of items set forth in the foregoing clause (a) or

(c) bids, tenders, contracts, statutory obligations, surety, indemnity, warranty, release, appeal or similar bonds, or with regard to other regulatory requirements, completion guarantees, stay, customs and appeal bonds, performance bonds, bankers' acceptance facilities, and other obligations of like nature (including those to secure health, safety and environmental obligations and in respect of costs of litigation) (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash, Cash Equivalents or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for the payment of rent, contested taxes or import duties and obligations in respect of letters of credit, bank guarantees or similar instruments that have been posted to support the same, in each case incurred in the ordinary course of business or consistent with industry practice;

(3) Liens imposed by law, such as landlords', carriers', warehousemen's, materialmen's, repairmen's, construction, mechanics', laborers', suppliers' or other similar or statutory Liens (a) for sums not yet overdue for a period of more than sixty (60) days or, if more than sixty (60) days overdue, are unfiled and no other action has been taken to enforce such Liens or (b) being contested in good faith by appropriate actions or other Liens arising out of or securing judgments or awards against such Person with respect to which such Person will then be proceeding with an appeal or other proceedings for review if such Liens are adequately bonded or adequate reserves with respect thereto are maintained on the books of such Person in accordance with IFRS;

(4) Liens for Taxes, assessments or other governmental charges not yet overdue for a period of more than thirty (30) days or not yet payable or not subject to penalties for nonpayment or which are being contested in good faith by appropriate actions if adequate reserves with respect thereto are maintained on the books of such Person in accordance with IFRS;

(5) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, revenue or similar bonds, instruments or obligations or with respect to regulatory requirements or letters of credit or bankers acceptance issued, and completion guarantees provided for, in each ease, issued pursuant to the request of and for the account of such Person in the ordinary course of its business or consistent with past practice or industry practice;

(6) survey exceptions, encumbrances, ground leases, easements, restrictions, protrusions, encroachments or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph, telephone and cable television lines and other similar purposes, or zoning, building codes or other restrictions (including minor defects or irregularities in title, inchoate Liens for non-delinquent real property taxes and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties that were not incurred in connection with Indebtedness and that do not in the aggregate materially

impair their use in the operation of the business of such Person and exceptions on title policies insuring liens granted on Mortgaged Properties;

(7) Liens securing obligations in respect of Indebtedness permitted to be incurred pursuant to clauses (A) or (B) of the definition of "Permitted Ratio Debt", clause (4), (12), (13), (25) or (29) of Section 7.02(b); *provided* that:

(a) Liens securing obligations relating to any Indebtedness permitted to be incurred pursuant to such clause (13) relate only to obligations relating to Refinancing Indebtedness that is secured by Liens on the same assets as the assets securing the Refinanced Debt (as defined in the definition of Refinancing Indebtedness), *plus* improvements, accessions, proceeds or dividends or distributions in respect thereof and after-acquired property, or serves to refund, refinance, extend, replace, renew or defease Indebtedness or Preferred Stock incurred under such clause (4) or (13);

(b) Liens securing obligations relating to Indebtedness permitted to be incurred pursuant to such clause (29) extending only to the assets of Subsidiaries that are not Guarantors;

(c) Liens securing obligations in respect of Indebtedness permitted to be incurred pursuant to such clause (4) extend only to the assets so purchased, replaced, leased or improved and proceeds and products thereof; *provided* that individual financings of assets provided by a counterparty may be cross-collateralized to other financings of assets provided by such counterparty;

(d) [reserved];

(e) Liens on the Collateral that secure obligations in respect of Indebtedness incurred pursuant to such clause (25) shall be subject to an Applicable Intercreditor Agreement as described in such clause (25); and

(f) in the case of Liens securing Indebtedness incurred as Permitted Ratio Debt or under clause (12) of Section 7.02(b), together with any Refinancing Indebtedness in respect thereof, such Liens are on assets constituting Collateral and the Debt Representative in respect of such Indebtedness shall have entered into an Applicable Intercreditor Agreement.

(8) Liens existing, or provided for under binding contracts existing, on the Effective Date or the Closing Date, in each case securing obligations in excess of $1,000,000 and set forth on Schedule 7.01 (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders);

(9) [reserved];

(10) Liens on property or other assets at the time the Borrower or a Subsidiary acquired the property or such other assets, including any acquisition by means of a merger, amalgamation or consolidation with or into the Borrower or any Subsidiary and including Liens securing Indebtedness incurred pursuant to clause 14(a) of Section 7.02(b); *provided* that, (A) such Liens are not created or incurred in connection with, or in contemplation of, such acquisition, amalgamation, merger or consolidation; and (B) such Liens are limited to all or part of the same property or assets (*plus* improvements, accessions, proceeds or dividends or distributions in respect thereof and after acquired-property, including proceeds and products thereof) that secured the obligations to which such Liens relate ;

(11) [reserved];

(12) Liens securing (x) Hedging Obligations and (y) obligations in respect of Cash Management Services;

(13) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's accounts payable or similar obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(14) leases, subleases, licenses or sublicenses (or other agreement under which the Borrower or any Subsidiary has granted rights to end users to access and use the Borrower's or any Subsidiary's products, technologies or services) that do not materially interfere with the business of the Borrower and its Subsidiaries, taken as a whole, and the customary rights reserved or vested in any Person by the terms of any lease, sublease, license, sublicense, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(15) Liens arising from UCC (or equivalent statutes) financing statements or similar public filings regarding operating leases, consignments or accounts entered into by the Borrower and its Subsidiaries in the ordinary course of business or consistent with industry practice or purported Liens evidenced by the filing of precautionary UCC (or equivalent statutes) financing statements or similar public filings;

(16) Liens in favor of the Borrower or any Subsidiary; *provided* that such liens securing Indebtedness for borrowed money incurred by a Guarantor and owing to a Subsidiary that is not a Guarantor are expressly subordinated to the Liens securing the Obligations of the Loans of such Guarantor;

(17) Liens on equipment or vehicles of the Borrower or any Subsidiary granted in the ordinary course of business or consistent with industry practice;

(18) (i) Liens on Receivables Assets and related assets, or created in respect of bank accounts into which only the collections in respect of Receivables Assets have been, sold, conveyed, assigned or otherwise transferred or purported to be so sold, conveyed,

assigned or otherwise transferred in connection with a Permitted Receivables Facility and (ii) Liens securing Indebtedness or other obligations of any Receivables Subsidiary;

(19) Liens to secure any modification, refinancing, refunding, extension, renewal or replacement (or successive modification, refinancing, refunding, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (8) or (10) of this definition; *provided* that: (a) such new Lien will be limited to all or part of the same property (*plus* improvements, accessions, proceeds or dividends or distributions in respect thereof and after-acquired property) that secured the original Lien (*plus* improvements and accessions on such property) and proceeds and products thereof and (b) the Indebtedness or Preferred Stock secured by such Lien at such time is not increased to any amount greater than the sum of (i) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under such clauses (7), (8) or (10) at the time the original Lien became a Permitted Lien hereunder, *plus* (ii) an amount necessary to pay any fees and expenses (including original issue discount, upfront fees, defeasance costs, underwriting discounts or similar fees) and premiums (including tender premiums and accrued and unpaid interest), related to such refinancing, refunding, extension, renewal or replacement;

(20) deposits made or other security provided to secure liability to insurance brokers, carriers, underwriters or self-insurance arrangements, including Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(21) other Liens securing obligations in an aggregate outstanding principal amount not to exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 30.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries; *provided*, that, if such Liens secure any Indebtedness for borrowed money, (x) such Liens shall be secured solely by assets that are Collateral, (y) such Liens may be secured on a pari passu basis (only to the extent such Indebtedness is an Incremental Term Loan) or junior basis to the Liens that secure the Obligations and (z) the Debt Representative in respect thereof shall have entered into any Applicable Intercreditor Agreement;

(22) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(23) (a) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business or consistent with industry practice, (b) Liens arising out of conditional sale, title retention or similar arrangements for the sale of goods in the ordinary course of business or consistent with industry practice and (c) Liens arising by operation of law under Article 2 of the Uniform Commercial Code;

(24) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(7);

(25) Liens (a) of a collection bank arising under Sections 4-208 or 4-210 of the Uniform Commercial Code on items in the course of collection, (b) attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business or consistent with industry practice and (c) in favor of banking or other institutions or other electronic payment service providers arising as a matter of law or under general terms and conditions encumbering deposits or margin deposits or other funds maintained with such institution (including the right of setoff) and that are within the general parameters customary in the banking industry;

(26) Liens deemed to exist in connection with Investments in repurchase agreements permitted under this Agreement; *provided* that such Liens do not extend to assets other than those that are subject to such repurchase agreements;

(27) Liens that are contractual rights of setoff (a) relating to the establishment of depository relations with banks or other deposit-taking financial institutions or other electronic payment service providers and not given in connection with the issuance of Indebtedness, (b) relating to pooled deposit or sweep accounts to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business or consistent with industry practice of the Borrower or any Subsidiary or (c) relating to purchase orders and other agreements entered into with customers of the Borrower or any Subsidiary in the ordinary course of business or consistent with industry practice;

(28) Liens on cash proceeds (as defined in Article 9 of the Uniform Commercial Code) of assets sold that were subject to a Lien permitted hereunder;

(29) any encumbrance or restriction (including put, call arrangements, tag, drag, right of first refusal and similar rights) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(30) Liens (a) on cash advances or cash earnest money deposits in favor of the seller of any property to be acquired in an Investment permitted under this Agreement to be applied against the purchase price for such Investment and (b) consisting of a letter of intent or an agreement to sell, transfer, lease or otherwise dispose of any property in a transaction permitted under Section 7.04 in each case, solely to the extent such Investment or sale, disposition, transfer or lease, as the case may be, would have been permitted on the date of the creation of such Lien;

(31) ground leases, leases, subleases, licenses or sublicenses in respect of real property on which facilities owned or leased by the Borrower or any of its Subsidiaries are located;

(32) [reserved];

(33) any licensing or sublicensing of Proprietary Rights or collaboration agreements, strategic alliances or similar arrangements in respect of Proprietary Rights, in each case, for the development or commercialization of Proprietary Rights in the ordinary course of business and on an arm's length basis that, at the time of such license, sublicense, collaboration agreement, strategic alliance or similar arrangement, does not materially and adversely affect the Borrower's and its Subsidiaries' business, condition (financial or otherwise) or prospects, taken as a whole;

(34) any interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under leases or licenses entered into by the Borrower or any of its Subsidiaries in the ordinary course of business or consistent with industry practice;

(35) deposits of cash with the owner or lessor of premises leased and operated by the Borrower or any of its Subsidiaries in the ordinary course of business or consistent with industry practice of the Borrower and such Subsidiary to secure the performance of the Borrower's or such Subsidiary's obligations under the terms of the lease for such premises;

(36) rights of set-off, banker's liens, netting arrangements and other Liens arising by operation of law or by the terms of documents of banks or other financial institutions in relation to the maintenance of administration of deposit accounts, securities accounts, cash management arrangements or in connection with the issuance of letters of credit, bank guarantees or other similar instruments;

(37) Liens on cash and Cash Equivalents used to satisfy or discharge Indebtedness; *provided* that such satisfaction or discharge is permitted under this Agreement;

(38) receipt of progress payments and advances from customers in the ordinary course of business or consistent with industry practice to the extent the same creates a Lien on the related inventory and proceeds thereof;

(39) agreements to subordinate any interest of the Borrower or any Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Borrower or any Subsidiary pursuant to an agreement entered into in the ordinary course of business or consistent with industry practice; in each case, other than any receivables financing or factoring facilities;

(40) Liens arising pursuant to Section 107(l) of the Comprehensive Environmental Response, Compensation and Liability Act or similar provision of any Environmental Law;

(41) Liens disclosed by the title insurance policies delivered on or prior to the Effective Date, including with respect to the Existing Mortgage, and any replacement, extension or renewal of any such Lien (to the extent the Indebtedness and other

obligations secured by such replacement, extension or renewal Liens are permitted by this Agreement); *provided* that such replacement, extension or renewal Liens do not cover any property other than the property that was subject to such Liens prior to such replacement, extension or renewal;

(42) Liens constituting reservations, limitations, provisos and conditions expressed in any original grants from a Governmental Authority or other grants of real property, or interests therein which do not interfere in any material respect with the use of such real property or the ordinary conduct of the business of the Loan Parties or materially impair the value of the real property which may be subject thereto;

(43) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant or permit held by the Borrower or any of its Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(44) restrictive covenants affecting the use to which real property may be put; *provided* that the covenants are complied with in all material respects;

(45) security given to a public utility or any municipality or Governmental Authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business or consistent with industry practice;

(46) zoning by-laws and other land use restrictions, including site plan agreements, development agreements and contract zoning agreements;

(47) cash collateral securing obligations in respect of commercial letters of credit or similar instruments issued under Section 7.02(b)(5);

(48) Liens on the assets of Subsidiaries that are not Loan Parties securing Indebtedness or other obligations of such Subsidiaries that is permitted by Section 7.02 or otherwise not prohibited by this Agreement;

(49) Liens on assets of Subsidiaries that are Foreign Subsidiaries to the extent arising mandatorily under applicable Law;

(50) Liens securing obligations relating to any Indebtedness permitted to be incurred pursuant to clause (29) of Section 7.02(b); *provided*, that such Indebtedness is not secured by assets constituting Collateral; and

(51) Permitted Existing Licenses.

For purposes of determining compliance with this definition, a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition, but is permitted to be incurred in part under any combination thereof and of any other available exemption.

For purposes of this definition, the term "Indebtedness" will be deemed to include interest on such Indebtedness.

"**Permitted Ratio Debt**" has the meaning specified in Section 7.02(a).

"**Permitted Receivables Facility**" means any receivables factoring, financing, securitization or similar facility or transaction pursuant to which the Borrower or any of its Subsidiaries sells, assigns, contributes, conveys or grants a security interest in Receivables Assets to either (A) a Person that is not a Subsidiary or (B) a Receivables Subsidiary that pledges, sells or otherwise transfers its Receivables Assets to a Person that is not a Subsidiary; *provided* that any such Permitted Receivables Facility: (x) is non-recourse to, and does not obligate, any Loan Party or any of their respective properties or assets (other than Receivables Assets) in any way other than pursuant to Standard Securitization Undertakings and Limited Originator Recourse; (y) all sales, conveyances, assignments and/or contributions of Receivables Assets by any Loan Party are made at fair market value (as reasonably determined in good faith by the Borrower, taking into account any Receivables Fees); and (z) any such Permitted Receivables Facility (including financing terms, covenants, termination events (if any) and other provisions thereof) is on market terms at the time such Permitted Receivables Facility is entered into (as reasonably determined in good faith by the Borrower).

"**Permitted Warrant Transaction**" means any call option, warrant or right to purchase (or substantively equivalent derivative transaction) with respect to the Borrower's or a Parent Company's common equity sold by the Borrower or a Parent Company substantially concurrently with a related Permitted Bond Hedge Transaction.

"**Person**" means any individual, corporation, company, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"**PIK Interest**" has the meaning specified in Section 2.08(3).

"**PIK Interest Election**" has the meaning specified in Section 2.08(3).

"**Plan**" means any material "employee benefit plan" (as such term is defined in Section 3(3) of ERISA), other than a Multiemployer Plan or Foreign Plan, established or maintained by any Loan Party or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any of their respective ERISA Affiliates.

"**Planned Expenditures**" has the meaning specified in the definition of "Excess Cash Flow".

"**Platform**" has the meaning specified in Section 6.02.

"**Pledged Collateral**" has the meaning specified in the Security Agreement.

"**Preferred Stock**" means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution or winding up.

"**Prepayment Premium**" means, with respect to a repayment or prepayment (including following acceleration) of all or any portion of the Closing Date Term Loans occurring:

(1) after the Closing Date but prior to the first (1st) anniversary of the Closing Date, an amount equal to the greater of (x) the Make-Whole Premium and (y) [***]% of the aggregate principal amount of such Closing Date Term Loans held by such Lender that are being repaid or prepaid;

(2) on or after the first (1st) anniversary of the Closing Date but prior to the second (2nd) anniversary of the Closing Date, [***]% of the aggregate principal amount of such Closing Date Term Loans held by such Lender that are being repaid or prepaid;

(3) on or after the second (2nd) anniversary of the Closing Date but prior to the third (3rd) anniversary of the Closing Date, an amount equal to [***]% of the aggregate principal amount of such Closing Date Term Loans held by such Lender that are being repaid or prepaid; and

(4) thereafter, zero (0).

"**Private-Side Information**" means any information with respect to the Borrower and its Subsidiaries that is not Public-Side Information.

"**Pro Rata Share**" means with respect to all payments, computations and other matters relating to the Term Loan of a given Class of any Lender at any time a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Term Loan Exposure of such Class of such Lender at such time and the denominator of which is the aggregate Term Loan Exposure of such Class of all Lenders at such time; *provided* that, if the Term Loan of a given Class has been paid in full prior to such determination, then solely for purposes of Section 9.08, the Pro Rata Share shall be determined as of the last date that any such Term Loan of a given Class was outstanding.

"**Proprietary Rights**" means IP Rights and Drug Applications.

"**PTE**" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"**Public Company Costs**" means costs and expenses relating to compliance with the provisions the Securities Act as applicable to companies with equity or debt securities held by the public, the rules of national securities exchanges for companies with listed equity or debt securities, directors' or managers' compensation, fees and expense reimbursement; costs and expenses relating to investor relations, shareholder meetings and reports to shareholders and debtholders, directors' and officers' insurance and other executive costs, legal and other professional and listing fees.

"**Public Lender**" means Lenders that do not wish to receive Private-Side Information.

"**Public-Side Information**" means information that does not constitute material non-public information (within the meaning of applicable securities Laws) with respect to the Borrower or any of its Subsidiaries or any of their respective securities.

"**Purchase Money Obligations**" means any Indebtedness incurred to finance or refinance the acquisition, leasing, construction or improvement or property (real or personal) or assets (other than Capital Stock), and whether acquired through the direct acquisition of such property or assets, or otherwise.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"**QFC Credit Support**" has the meaning specified in Section 10.27.

"**Qualified Equity Interests**" means any Equity Interests that are not Disqualified Stock.

"**Qualified Proceeds**" means the fair market value of assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"**Qualifying Lender**" has the meaning specified in Section 2.05(1)(e)(D)(3).

"**Rating Agencies**" means Moody's and S&P, or if Moody's or S&P (or both) are not making ratings on the relevant obligations publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Borrower that will be substituted for Moody's or S&P (or both), as the case may be.

"**Receivables Assets**" means (a)(i) accounts receivable, accounts payable or customary securitization assets (including royalty and other revenue streams or other rights to payment and the proceeds thereof and/or similar and/or related assets) whether now existing or arising or acquired in the future and (ii) the proceeds of the items described in the foregoing clause (a)(i) and (b) all collateral securing or arising in connection with the items described in clause (a) including, without limitation, contracts and contract rights, guarantees or other obligations in respect of Receivables Assets, lockbox accounts, and all related documents and records.

"**Receivables Fees**" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees and expenses (including reasonable fees and expenses of legal counsel) paid to a Person that is not a Receivables Subsidiary in connection with a Permitted Receivables Facility.

"**Receivables Repurchase Obligation**" means (i) any obligation of a seller of Receivables Assets in a Permitted Receivables Facility to repurchase Receivables Assets arising as a result of a breach of a Standard Securitization Undertaking or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller, or (ii) any right of a seller of receivables in a Permitted Receivables Facility to repurchase defaulted Receivables Assets for the purposes of claiming sales tax bad debt relief.

"**Receivables Subsidiary**" means a wholly-owned Subsidiary (or any other Person formed for the purpose of engaging in a Permitted Receivables Facility with the Borrower and/or one or more of its Subsidiaries (including a special purpose securitization vehicle (or similar entity)) in which the Borrower or any of its Subsidiaries makes an Investment (or which otherwise owes to the Borrower or one of its Subsidiaries any deferral of part of the purchase price of the Receivables Assets for the purpose of credit enhancement given under the Permitted Receivables Facility) and to which the Borrower or any of its Subsidiaries sells, conveys, assigns or otherwise transfers Receivables Assets (which may include a backup or precautionary grant of security interest in such Receivables Assets sold, conveyed, assigned or otherwise transferred or purported to be so sold, conveyed, assigned or otherwise transferred)) which engages in no material activities other than in connection with the purchase, acquisition or financing of Receivables Assets of the Borrower and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business (including servicing of Receivables Assets), and which is

designated by the board of directors or equivalent governing body of the Borrower (as provided below) as a Receivables Subsidiary and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by any Loan Party (other than a Receivables Subsidiary, excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings or Limited Originator Recourse), (ii) is recourse to or obligates any Loan Party (other than a Receivables Subsidiary) in any way other than pursuant to Standard Securitization Undertakings or Limited Originator Recourse, or (iii) subjects any property or asset of any Loan Party (other than a Receivables Subsidiary), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings or Limited Originator Recourse;

(2) with which none of the Borrower or any of its Subsidiaries (other than a Receivables Subsidiary) has any material contract, agreement, arrangement or understanding other than on terms which the Borrower reasonably believes to be no less favorable to the Borrower or such Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Borrower; and

(3) to which none of the Borrower or any of its Subsidiaries has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results (it being understood that (i) contractual obligations to transfer Receivables Assets to a Receivables Subsidiary, (ii) performance measures or credit enhancement measures in respect of Receivables Assets, (iii) Standard Securitization Undertakings and Limited Originator Recourse and (iv) other terms that are approved by the Administrative Agent acting at the direction of the Required Lenders (such approval not to be unreasonably withheld, conditioned or delayed), in each case, shall not constitute an obligation to maintain or preserve an entity's financial condition or to achieve certain levels of operating results).

Any such designation by the board of directors or equivalent governing body of the Borrower shall be evidenced to the Administrative Agent by delivering to the Administrative Agent a certified copy of the resolution of the board of directors or equivalent governing body of the Borrower giving effect to such designation and a certificate of a Responsible Officer of the Borrower certifying that such designation complied with the foregoing conditions.

"**Refinance**" has the meaning assigned in the definition of "Refinancing Indebtedness" and "**Refinancing**" and "**Refinanced**" have meanings correlative to the foregoing.

"**Refinanced Debt**" has the meaning specified in the definition of "Refinancing Indebtedness."

"**Refinancing Indebtedness**" means Indebtedness incurred (or, in the case of Disqualified Stock, issued) by the Borrower or any Subsidiary which, in each case, serves to extend, replace, refund, refinance, renew or defease ("**Refinance**") any Indebtedness (such Indebtedness being refinanced, the "**Refinanced Debt**"), including any Refinancing Indebtedness, so long as:

(1) (a) the principal amount (or accreted value, if applicable) of such new Indebtedness, the amount of such new Disqualified Stock or the liquidation preference of such new Disqualified Stock does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness, the amount of Disqualified Stock or the liquidation

preference of Disqualified Stock, as applicable, being refinanced except to the extent permitted under Section 1.02(10), *plus* (b) any Incremental Amounts;

(2) such Refinancing Indebtedness (other than in the case of any Refinancing of any Indebtedness assumed or acquired in connection with any Permitted Acquisition or similar Investment so long as not created in contemplation thereof) has a:

(a) Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is not less than the remaining Weighted Average Life to Maturity of the applicable Refinanced Debt (or, if earlier, not less than the remaining Weighted Average Life to Maturity of the Class of Loans with the longest Weighted Average Life to Maturity); and

(b) final scheduled maturity date equal to or later than the final scheduled maturity date of the Refinanced Debt (or, if earlier, the date that is 91 days after the Latest Maturity Date of the Loans);

(3) to the extent such Refinancing Indebtedness Refinances (a) Subordinated Indebtedness, such Refinancing Indebtedness is subordinated in right of payment to the Loans or the Guaranty thereof at least to the same extent as the applicable Refinanced Debt, (b) Junior Lien Debt, such Refinancing Indebtedness is (i) unsecured or (ii) secured by Liens that are junior or subordinated to the Liens that secure the Obligations, in each case at least to the same extent as the applicable Refinanced Debt or pursuant to the Applicable Intercreditor Agreement, or (c) Disqualified Stock, such Refinancing Indebtedness must be Disqualified Stock;

(4) such Refinancing Indebtedness shall not be guaranteed or borrowed by any Person other than a Person that is so obligated in respect of the Refinanced Debt being Refinanced; and

(5) such Refinancing Indebtedness shall not be secured by any assets or property of the Borrower or any Subsidiary that does not secure the Refinanced Debt being Refinanced (*plus* improvements, accessions, proceeds or dividends or distributions in respect thereof and after-acquired property); *provided* that Refinancing Indebtedness will not include:

(a) Indebtedness or Disqualified Stock of a Subsidiary of the Borrower that is not a Guarantor that refinances Indebtedness or Disqualified Stock of the Borrower; or

(c) Indebtedness or Disqualified Stock of a Subsidiary of the Borrower that is not a Guarantor that refinances Indebtedness or Disqualified Stock of a Guarantor;

provided, *further*, that (x) clause (2) of this definition will not apply to any Refinancing Indebtedness other than Indebtedness and Disqualified Stock incurred under clauses (14) and (25) of Section 7.02(b) (including any successive Refinancings thereof incurred under clause

(13) of Section 7.02(b)) and any Subordinated Indebtedness (other than Subordinated Indebtedness assumed or acquired in an Investment or acquisition and not created in contemplation thereof) and (y) Refinancing Indebtedness may be incurred in the form of a customary "bridge" or other interim credit facility intended to be refinanced or replaced with long-term indebtedness which does not satisfy the requirements of clause (2) above so long as, subject to customary conditions, as determined in good faith by the Borrower, such "bridge" or other interim indebtedness will either be automatically converted into or required to be exchanged for permanent financing which satisfies the requirements of clause (2) of this definition.

"**Refunding Capital Stock**" has the meaning specified in Section 7.05(b)(2).

"**Register**" has the meaning specified in Section 10.07(c).

"**Rejection Notice**" has the meaning specified in Section 2.05(2)(g).

"**Related Business Assets**" means assets (other than Cash Equivalents) used or useful in a Similar Business; *provided* that any assets received by the Borrower or a Subsidiary in exchange for assets transferred by the Borrower or a Subsidiary will not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person is or would become a Subsidiary.

"**Related Indemnified Person**" of an Indemnitee means (1) the respective directors, officers or employees of such Indemnitee and (2) the respective agents of such Indemnitee, in the case of this clause (2), acting at the instructions of such Indemnitee.

"**Related Person**" means, with respect to any Person, (a) any Affiliate of such Person and (b) the respective directors, officers, employees, agents, partners, members, advisors and other representatives of such Person or any of its Affiliates and the successors of each of the foregoing.

"**Release**" means any release, spill, emission, discharge, disposal, leaking, pumping, pouring, dumping, emptying, injection, leaching or migrating into the Environment.

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or any successor thereto.

"**Reportable Event**" means, with respect to any Pension Plan, any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, other than events for which the thirty (30) day notice period has been waived.

"**Required Facility Lenders**" means, as of any date of determination, with respect to one or more Facilities, Lenders having more than 60.0% of the aggregate principal amount of outstanding Loans under such Facility or Facilities; *provided* that (i) the Term Loan Exposure of any Defaulting Lender and (ii) the Term Loan Exposure of any Lender that will no longer be a Lender pursuant to a contemplated amendment or waiver shall be excluded for purposes of making a determination of Required Facility Lenders; *provided further* that if at any time there are two or more Lenders that are not Affiliates or Approved Funds of one another, then at least two such Lenders (i) that are not Affiliates or Approved Funds of one another and (ii) that have more than 3.33% of the aggregate principal amount of outstanding Loans under such Facility (unless no such Lender exists) shall be included as Required Facility Lenders.

"**Required Lenders**" means, as of any date of determination, Lenders having more than 60.0% of the aggregate principal amount of outstanding Term Loans; *provided* that (i) the Term Loan Exposure of any Defaulting Lender and (ii) the Term Loan Exposure of any Lender that will no longer be a Lender pursuant to a contemplated amendment or waiver shall be excluded for purposes of making a determination of Required Lenders; *provided further* that if at any time there are two or more Lenders that are not Affiliates or Approved Funds of one another, then at least two such Lenders (i) that are not Affiliates or Approved Funds of one another and (ii) that have more than 3.33% of the aggregate principal amount of outstanding Term Loans (unless no such Lender exists) shall be included as Required Lenders.

"**Resolution Authority**" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Responsible Officer**" means, with respect to a Person, a director, the general partner, the chief executive officer, chief operating officer, president, vice president, chief financial officer, treasurer or assistant treasurer or other similar officer or Person performing similar functions, of such Person. With respect to any certificate or document (other than any solvency certificate) delivered by a Loan Party on the Effective Date or the Closing Date, a "Responsible Officer" includes any secretary or assistant secretary of such Loan Party. Any certificate or document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. Unless otherwise specified, all references herein to a "Responsible Officer" shall refer to a Responsible Officer of the Borrower.

"**Restricted Investment**" means any Investment other than any Permitted Investment(s).

"**Restricted Junior Debt**" has the meaning specified in Section 7.05(a).

"**Restricted Junior Debt Payment**" has the meaning specified in Section 7.05(a).

"**Restricted Payment**" has the meaning specified in Section 7.05.

"**ROFO Provision**" has the meaning specified in Section 2.14(3)(b).

"**S&P**" means S&P Global Ratings, and any successor to its rating agency business.

"**Sale-Leaseback Transaction**" means any arrangement providing for the leasing by the Borrower or any Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Borrower or such Subsidiary to a Person other than the Borrower or any Subsidiary in contemplation of such leasing.

"**Same Day Funds**" means disbursements and payments in immediately available funds.

"**Sanctioned Person**" means at any time: (a) any Person listed on any Sanctions-related list of designated or blocked persons; (b) any Person resident in, located in, or an entity organized under the Laws of, a country or territory that is the subject of comprehensive Sanctions (including, as of the date of this Agreement, the Crimea, Zaporizhzhia and Kherson regions of Ukraine, Cuba, Iran, North Korea, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic and Syria); or (c) any Person fifty percent (50%) or more owned or controlled by any of the foregoing.

"**Sanctions**" means applicable economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by: (a) the U.S. government, including

those administered by OFAC and the U.S. Department of State; (b) the United Kingdom, including those administered by His Majesty's Treasury; (c) the European Union (or its member states); or (d) the United Nations Security Council.

"**SEC**" means the U.S. Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"**Secured Net Leverage Ratio**" means, with respect to any Test Period, the ratio of (1) Consolidated Secured Debt outstanding as of the last day of such Test Period, *minus* the Unrestricted Cash Amount on such last day of such Test Period to (2) Consolidated EBITDA of the Borrower and its Subsidiaries for such Test Period, in each case calculated on a pro forma basis with such pro forma adjustments as are appropriate and consistent with Section 1.07.

"**Second Out Closing Date**" means the first date on which all the conditions precedent in Section 4.03 are satisfied or waived in accordance with Section 10.01, and the Second Out Term Loans are made to the Borrower pursuant to Section 2.01(1)(y).

"**Second Out Closing Date Refinancing**" means (i) the conversion, equitization, prepayment, repayment, redemption, repurchase, defeasance, discharge, refinancing or termination in full of the Aztiq Convertible Notes and (ii) the termination and/or release of all guarantees and security (if any) granted in connection therewith (including any applicable local law termination and/or release documentation), other than contingent indemnification obligations as to which no claim has been asserted.

"**Second Out Term Loan Commitment**" means, as to each Second Out Term Lender, (i) its obligation to make a Second Out Term Loan to the Borrower on the Second Out Closing Date in an aggregate amount not to exceed the amount specified opposite such Lender's name on Schedule 2.01 under the caption "Second Out Term Loan Commitment" or (ii) in the Assignment and Assumption pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including pursuant to Section 2.16).

"**Second Out Term Lenders**" means each Lender holding a Second Out Term Loan Commitment or Second Out Term Loan.

"**Second Out Term Loans**" means the Loans, if any, made by the Second Out Term Lenders on the Second Out Closing Date to the Borrower pursuant to Section 2.01(1).

"**Secured Parties**" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, each Supplemental Administrative Agent and each co-agent or sub-agent appointed by the Administrative Agent and/or Collateral Agent from time to time pursuant to Section 9.01(2) or 9.07.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Security Agreement**" means (x) with respect to the Borrower or any other Loan Party that is a Foreign Subsidiary, the applicable security agreement(s) (or foreign equivalent(s)) required pursuant to the Agreed Security Principles and (y) with respect to any Loan Party that is a Domestic Subsidiary, the Security Agreement executed by the applicable Loan Parties and the Collateral Agent, substantially in the form of Exhibit F, together with supplements or joinders thereto executed and delivered pursuant to Section 6.11.

"**Senior Bonds**" means, collectively, the tranche A and tranche B senior bonds due 2025 issued by the Borrower pursuant to, as applicable, that certain Amendment and Restatement Deed (Tranche A) and Amendment and Restatement Deed (Tranche B), each, dated as of November 16, 2022, by and among the Borrower, as the issuer, the guarantors party thereto, the investors party thereto and Madison Pacific Trust Limited, as security trustee, registrar, paying agent and calculation agent.

"**Similar Business**" means (1) any business conducted or proposed to be conducted by the Borrower or any Subsidiary on the Effective Date or (2) any business or other activities that are reasonably similar, ancillary, incidental, complementary or related to (including non-core incidental businesses acquired in connection with any Permitted Investment), or a reasonable extension, development or expansion of, the businesses that the Borrower and its Subsidiaries conduct or propose to conduct on the Effective Date.

"**SOFR**" means a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Loan**" means a Loan bearing interest at a rate determined by reference to Term SOFR.

"**Solicited Discount Proration**" has the meaning specified in Section 2.05(1)I(D)(3).

"**Solicited Discounted Prepayment Amount**" has the meaning specified in Section 2.05(1)(e)(D).

"**Solicited Discounted Prepayment Notice**" means a written notice of the Borrower of Solicited Discounted Prepayment Offers made pursuant to Section 2.05(1)(e)(D) substantially in the form of Exhibit L.

"**Solicited Discounted Prepayment Offer**" means the written offer by each Lender, substantially in the form of Exhibit O, submitted following the Auction Agent's receipt of a Solicited Discounted Prepayment Notice.

"**Solicited Discounted Prepayment Response Date**" has the meaning specified in Section 2.05(1)(e)(D)(1).

"**Solvent**" and "**Solvency**" mean, with respect to any Person on any date of determination, that on such date:

(1) the sum of the liabilities of such Person (including contingent liabilities), on a consolidated basis, does not exceed the present fair saleable value of the present assets of such Person, on a consolidated basis,

(2) the fair value of the property of such Person, on a consolidated basis, is greater than the total amount of liabilities (including contingent liabilities) of such Person, on a consolidated basis,

(3) the capital of such Person, on a consolidated basis, is not unreasonably small in relation to its business as contemplated on such date;

(4) such Person has not incurred and does not intend to incur, or believe that it will incur, debts including current obligations beyond their ability to pay such debts as they become due (whether at maturity or otherwise);

(5) the Borrower has not (x) suspended its payments (*cessation de paiements*) and (y) lost its financial creditworthiness (*ébranlement du crédit*) within the meaning of article 437 of the Luxembourg Commercial Code; and

(6) with respect to any Person formed, incorporated or organized under the Laws of Iceland, such Person is able to pay its creditors' claims in full when they fall due and, if not, it is likely that such Person's payment difficulties will pass within a short period of time.

The amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances as of such date, would reasonably be expected to become an actual and matured liability.

"**SPC**" has the meaning specified in Section 10.07(g).

"**Specified Debt Requirements**" has the meaning specified in Section 7.02(a).

"**Specified Discount**" has the meaning specified in Section 2.05(1)(e)(B)(1).

"**Specified Discount Prepayment Amount**" has the meaning specified in Section 2.05(1)(e)(B)(1).

"**Specified Discount Prepayment Notice**" means a written notice of the Borrower's Offer of Specified Discount Prepayment made pursuant to Section 2.05(1)(e)(B) substantially in the form of Exhibit N.

"**Specified Discount Prepayment Response**" means the written response by each Lender, substantially in the form of Exhibit P, to a Specified Discount Prepayment Notice.

"**Specified Discount Prepayment Response Date**" has the meaning specified in Section 2.05(1)(e)(B)(1).

"**Specified Discount Proration**" has the meaning specified in Section 2.05(1)(e)(B)(3).

"**Specified Dispositions**" means (a) the Disposition of the Capital Stock and/or assets of each of Glycothera GmbH and Alvotech Germany GmbH and (b) the Disposition of the Capital Stock and/or assets of Alvotech & CCHN Biopharmaceutical Limited Liability Company.

"**Specified Transaction**" means:

(1) solely for the purposes of determining the applicable cash balance, any contribution of capital, including as a result of an equity offering, to the Borrower, in each case, in connection with an acquisition or Investment;

(2) any designation of operations or assets of the Borrower or a Subsidiary as discontinued operations (as defined under IFRS);

(3) any Permitted Acquisition, Investment or other similar transaction, in each case, that results in a Person becoming a Subsidiary;

(4) [reserved];

(5) any purchase or other acquisition of a business of any Person, of assets constituting a business unit, line of business or division of any Person;

(6) any Asset Sale (a) that results in a Subsidiary ceasing to be a Subsidiary of the Borrower or (b) of a business, business unit, line of business or division of the Borrower or a Subsidiary, in each case whether by merger, amalgamation, consolidation or otherwise;

(7) any operational changes identified by the Borrower that have been made by the Borrower or any Subsidiary during the Test Period; or

(8) any other transaction that by the terms of this Agreement requires a financial ratio to be calculated on a *pro forma* basis.

"**Sponsor**" means Aztiq Pharma Partners S.à r.l. and its Controlled Investment Affiliates, but not including any portfolio company of any of the foregoing (other than Alvogen Lux Holdings S.à r.l., but solely to the extent of (and not in excess of) the Capital Stock in the Borrower directly or indirectly beneficially owned by it on the Effective Date).

"**Standard Securitization Undertakings**" means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Borrower or any of its Subsidiaries which the Borrower has reasonably determined in good faith to be customary in a receivables and/or securitization facility and/or similar arrangement, including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary (it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking).

"**Submitted Amount**" has the meaning specified in Section 2.05(1)I(C)(1).

"**Submitted Discount**" has the meaning specified in Section 2.05(1)(e)(C)(1).

"**Subordinated Indebtedness**" means any Indebtedness for borrowed money of any Loan Party that by its terms is subordinated in right of payment to the Obligations of such Loan Party arising under the Loans or the Guaranty.

"**Subsidiary**" means, with respect to any Person:

(1) any corporation, association or other business entity (other than a partnership, joint venture, limited liability company or similar entity) (x) that is controlled by such Person or any Subsidiary of such Person or (y) of which more than 50.0% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, members of management or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and

(2) any partnership, joint venture, limited liability company or similar entity of which:

(a) more than 50.0% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise; and

(b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Borrower. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlling*," "*controlled by*" and "*under common control with*"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"**Subsidiary Guarantor**" means any Guarantor.

"**Successor Borrower**" has the meaning specified in Section 7.03(4).

"**Supplemental Administrative Agent**" and "**Supplemental Administrative Agents**" have the meanings specified in Section 9.15(1).

"**Supported QFC**" has the meaning specified in Section 10.27.

"**Tax**" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (including backup withholding) of any nature and whatever called, imposed by any Governmental Authority, including any interest, additions to tax and penalties applicable thereto.

"**Tax Indemnitee**" has the meaning specified in Section 3.01(5).

"**Term Borrowing**" means a Borrowing of any Term Loans.

"**Term Commitment**" means, as to each Term Lender, its obligation to make a Term Loan (whether in the form of a Closing Date Term Loan Commitment, a Second Out Term Loan Commitment or otherwise) to the Borrower hereunder, expressed as an amount representing the maximum principal amount of the Term Loan to be made by such Term Lender under this Agreement, as such commitment may be (a) reduced from time to time pursuant to this Agreement and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Term Lender pursuant to an Assignment and Assumption, (ii) an Incremental Amendment or (iii) an Extension Amendment. The initial amount of each Term Lender's Term Commitment is specified on Schedule 2.01 under the captions "Closing Date Term Loan Commitment" and/or "Second Out Term Loan Commitment", or in the Assignment and Assumption, Incremental Amendment or Extension Amendment pursuant to which such Lender shall have assumed its Commitment, as the case may be.

"**Term Lender**" means, at any time, any Lender that has a Term Commitment or a Term Loan at such time.

"**Term Loan**" means any Closing Date Term Loan, Second Out Term Loan, Incremental Term Loan or Extended Loan, as the context may require.

"**Term Loan Exposure**" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Term Loans of such Lender; *provided* that at any time prior to the making of the Term Loans, the Term Loan Exposure of any Lender shall be equal to such Lender's Term Commitment.

"**Term Loan Increase**" has the meaning specified in Section 2.14(1).

"**Term Note**" means a promissory note of the Borrower payable to any Term Lender or its registered assigns, in substantially the form of Exhibit B hereto, evidencing the aggregate Indebtedness of the Borrower to such Term Lender resulting from the Term Loans made by such Term Lender.

"**Term SOFR**" means, for the applicable tenor, the Term SOFR Reference Rate on the day (such day, the "**Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to (a) in the case of SOFR Loans, the first day of such applicable Interest Period, or (b) with respect to Base Rate, such day of determination of the Base Rate, in each case as such rate is published by the Term SOFR Administrator; provided that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day; provided further that, notwithstanding the foregoing, if Term SOFR determined as provided above shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Termination Conditions**" means, (a) the payment in full in cash of the Obligations (other than contingent indemnification obligations as to which no claim has been asserted) and (b) the termination of the Commitments.

"**Test Period**" in effect at any time means the most recently ended four consecutive Fiscal Quarters (taken as one accounting period) for which, subject to Section 1.07(1), financial statements were delivered (or were required to be delivered) pursuant to Section 6.01(1) or (2), as applicable (or, at the election of the Borrower, are internally available (as determined in good faith by the Borrower) and have been delivered to the Administrative Agent for distribution to the Lenders); *provided* that prior to the first date on which financial statements have been delivered, the Test Period in effect will be the period of four consecutive Fiscal Quarters ended on March 31, 2024.

"**Threshold Amount**" means $20,000,000.

"**Total Assets**" means, at any time, the total assets of the Borrower and its Subsidiaries, determined on a consolidated basis in accordance with IFRS, as shown on the then most recent balance sheet of the Borrower or such other Person as may be available (as determined in good faith by the Borrower) (and, in the case of any determination relating to any Specified Transaction, on a pro forma basis including any property or assets being acquired in connection therewith).

"**Total Net Leverage Ratio**" means, with respect to any Test Period, the ratio of (a) Consolidated Total Debt outstanding as of the last day of such Test Period, *minus* the Unrestricted Cash Amount on such last day of such Test Period to (b) Adjusted EBITDA of the Borrower and its Subsidiaries for such Test Period, in each case calculated on a *pro forma* basis with such *pro forma* adjustments as are appropriate and consistent with Section 1.07.

"**Transaction Expenses**" means any fees, expenses, costs or charges incurred or paid by the Sponsor, any Parent Company, the Borrower or any Subsidiary in connection with the Transactions.

"**Transactions**" means, collectively, (a) the execution, delivery and performance of the Loan Documents, (b) the funding of the Closing Date Term Loans and~~, if any,~~ the Second Out Term Loans, (c) the consummation of the Closing Date Refinancing and the Second Out Closing Date Refinancing and (d) the payment of Transaction Expenses.

"**Treasury Capital Stock**" has the meaning specified in Section 7.05(b)(2)(a).

"**Treasury Rate**" means with respect to the Make-Whole Premium, a rate equal to the then current yield to maturity at the time of computation on actively traded U.S. Treasury securities having a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519), which has become publicly available at least (2) two Business Days prior such prepayment (or, if such Statistical Release is no longer published, any publicly available source or similar market data)) and having a duration equal to (or the nearest available tenor) the period from the date that payment is received to the date that falls on the one (1) year anniversary of the Closing Date.

"**Trust Account**" means any accounts or trusts used solely to hold Trust Funds.

"**Trust Funds**" means cash, Cash Equivalents or other assets comprised of: (a) funds used for payroll and payroll taxes and other employee benefit payments to or for the benefit of such Loan Party's employees; (b) all taxes required to be collected, remitted or withheld (including federal and state withholding taxes (including the employer's share thereof)); and (c) any other funds which the Borrower or any of its Subsidiaries holds in trust or as an escrow or fiduciary for another Person which is not a Subsidiary of the Borrower.

"**Type**" means, with respect to a Loan, its character as a Base Rate Loan or a SOFR Loan.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Uniform Commercial Code**" or "**UCC**" means the Uniform Commercial Code or any successor provision thereof as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code or any successor provision thereof (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to any item or items of Collateral.

"**United States**" and "**U.S**." mean the United States of America.

"**Unrestricted Cash Amount**" means, on any date of determination, the aggregate amount of cash and Cash Equivalents of the Borrower and its Subsidiaries up to an aggregate amount of $200,000,000 that (1) would not appear as "restricted" on a consolidated balance sheet of the Borrower and its Subsidiaries or (2) are restricted in favor of the Facilities (which may also secure other Indebtedness secured on a pari passu with or junior lien basis to the Facilities).

"**U.S. Government Securities Business Day**" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Lender**" means any Lender that is not a Foreign Lender.

"**U.S. Person**" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"**USA PATRIOT Act**" means The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Public Law No. 107-56 (signed into law October 26, 2001)), as amended or modified from time to time.

"**Voting Stock**" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, at any date, the quotient obtained by dividing:

(1) the sum of the products of the number of years (calculated to the nearest one-twenty fifth) from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock or Preferred Stock, *multiplied by* the amount of such payment, *by*

(2) the sum of all such payments; *provided* that for purposes of determining the Weighted Average Life to Maturity of any Indebtedness that is being Refinanced (the "Applicable Indebtedness"), the effects of any amortization or prepayments made on such Applicable Indebtedness prior to the date of the applicable Refinancing will be disregarded.

"**wholly owned**" means, with respect to any Subsidiary of any Person, a Subsidiary of such Person one hundred percent (100%) of the outstanding Equity Interests of which (other than (i) directors' qualifying shares and (ii) shares of Capital Stock of Foreign Subsidiaries issued to foreign nationals as required by applicable Law) is at the time owned by such Person or by one or more wholly owned Subsidiaries of such Person.

"**Withdrawal Liability**" means the liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such term is defined in Part I of Subtitle E of Title IV of ERISA.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(1) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(2) The words "herein," "hereto," "hereof" and "hereunder" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(3) References in this Agreement to an Exhibit, Schedule, Article, Section, Annex, clause or subclause refer (a) to the appropriate Exhibit or Schedule to, or Article, Section, clause or subclause in this Agreement or (b) to the extent such references are not present in this Agreement, to the Loan Document in which such reference appears, in each case as such Exhibit, Schedule, Article, Section, Annex, clause or subclause may be amended or supplemented from time to time.

(4) The term "including" is by way of example and not limitation.

(5) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(6) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including".

(7) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(8) The word "or" is not intended to be exclusive unless expressly indicated otherwise.

(9) With respect to any Default or Event of Default, the words "exists", "is continuing" or similar expressions with respect thereto shall mean that the Default or Event of Default has occurred and has not yet been cured or waived. If, prior to the taking of any action under Section 8.02 (or the occurrence of any event set forth in the proviso thereto), any Default or Event of Default occurs due to (i) the failure by any Loan Party to take any action by a specified time, such Default or Event of Default shall be deemed to have been cured at the time, if any, that the applicable Loan Party takes such action or (ii) the taking of any action by any Loan Party that is not then permitted by the terms of this Agreement or any other Loan Document, then, so long as a Responsible Officer of the Borrower or any of its Subsidiaries did not have actual knowledge of such Default or Event of Default, such Default or Event of Default shall be deemed to be cured on the earlier to occur of (x) the date on which such action would be permitted at such time to be taken under this Agreement and the other Loan Documents, including pursuant to an applicable amendment or waiver permitting such action and (y) the date on which such action is unwound or otherwise modified to the extent necessary for such revised action to be permitted at such time by this Agreement and the other Loan Documents; *provided* that a Default or an Event of Default resulting from the failure to deliver a notice pursuant to such Section 6.03(1) or due to the making of any representation or warranty by any Loan Party or taking of any action by the Borrower or its Subsidiaries, in each case, which subsequent Default or Event of Default would not have arisen had the initial Default or Event of Default not occurred, shall cease to exist and be cured in all respects if the Default or Event of Default giving rise to such notice requirement or resulting in such subsequent Default or Event of Default shall have ceased to exist and/or be cured.

(10) For purposes of determining compliance with any Section of Article VII, in the event that any Lien, Investment, Indebtedness, Asset Sale, Restricted Payment, Affiliate Transaction, Contractual Obligation or prepayment of Indebtedness meets the criteria of one or more of the categories of transactions permitted pursuant to any clause of such Sections, such transaction (or portion thereof) at any time, shall be permitted under one or more of such clauses within the applicable Section as determined by the Borrower in its sole discretion at such time. Without limiting provisions herein that otherwise permit Incremental Amounts to be incurred or secured, for purposes of determining compliance with the incurrence of any Refinancing Indebtedness that restricts the amount of such Indebtedness relative to the amount of Refinanced Debt, the Borrower and Subsidiaries may incur an incremental principal amount of Refinancing Indebtedness in such refinancing to the extent that the excess portion of the Refinancing Indebtedness would otherwise be permitted to be incurred in accordance with this Agreement (*provided* that (1) any additional Indebtedness referenced in this sentence satisfies the other applicable requirements of the definition of Refinancing Indebtedness (with such additional amounts incurred constituting a utilization of the relevant basket or exception contained in

Section 7.02(b) pursuant to which such additional amount is permitted) and (2) if such additional Indebtedness is secured, the Lien securing such Indebtedness satisfies the applicable requirements of Section 7.01). For purposes of determining compliance with the incurrence of any Indebtedness under Designated Revolving Commitments in reliance on compliance with any ratio or Basket, if on the date such Designated Revolving Commitments are established after giving *pro forma* effect to the incurrence of the entire committed amount of then proposed Indebtedness thereunder, then such committed amount under such Designated Revolving Commitments may thereafter be borrowed and reborrowed, in whole or in part, from time to time, without further compliance with any ratio.

(11) For purposes hereof, unless otherwise specifically indicated, the term "consolidated" with respect to any Person refers to such Person consolidated with its Subsidiaries.

(12) Each reference in the Loan Documents with respect to the priority of Liens shall be determined without regard to the control of applicable remedies, in each case, unless otherwise expressly stated in the Loan Documents in respect thereof.

(13) References to "incur" or "incurrence" of Indebtedness shall include a reference to "issue" or "issuance" as applicable, if such Indebtedness is in the form of Disqualified Stock.

Section 1.03 Accounting Terms. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, IFRS, as in effect from time to time.

If at any time any change in IFRS or the application thereof or any election by the Borrower to report in GAAP in lieu of IFRS for financial reporting purposes (any such election, a "**GAAP Election**"), would affect the computation or interpretation of any financial ratio, basket, requirement or other provision set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent and the Borrower shall negotiate in good faith to amend such ratio, basket, requirement or other provision to preserve the original intent thereof in light of such change in IFRS, the application thereof or any GAAP Election (subject to the approval of the Required Lenders not to be unreasonably withheld, conditioned or delayed); *provided* that, until so amended, (i) (A) such ratio, basket, requirement or other provision shall continue to be computed or interpreted in accordance with IFRS or the application thereof prior to such change therein and (B) the Borrower shall provide to the Administrative Agent and the Lenders a written reconciliation in form and substance reasonably satisfactory to the Administrative Agent, between calculations of such ratio, basket, requirement or other provision made before and after giving effect to such change in IFRS, the application thereof or any GAAP Election or (ii) the Borrower may elect to fix IFRS (for purposes of such ratio, basket, requirement or other provision) as of another later date notified in writing to the Administrative Agent from time to time.

Section 1.04 Rounding. Any financial ratios required to be satisfied in order for a specific action to be permitted under this Agreement shall be calculated by dividing the

appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

Section 1.05 References to Agreements, Laws, etc. Unless otherwise expressly provided herein, (1) references to Organizational Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are permitted by any Loan Document; and (2) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

Section 1.06 Times of Day and Timing of Payment and Performance. Unless otherwise specified, all references herein to times of day shall be references to New York time (daylight or standard, as applicable). When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in the definition of "Interest Period") or performance shall extend to the immediately succeeding Business Day.

Section 1.07 Pro Forma and Other Calculations.

(1) Notwithstanding anything to the contrary herein, financial ratios and tests, including the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and the Total Net Leverage Ratio shall be calculated in the manner prescribed by this Section 1.07.

(2) For purposes of calculating any financial ratio or test (or Consolidated Net Income, Adjusted EBITDA or Total Assets), Specified Transactions (and, subject to clause (4) below, the incurrence or repayment of any Indebtedness in connection therewith) that have been made (a) during the applicable Test Period or (b) subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made shall be calculated on a *pro forma* basis assuming that all such Specified Transactions (and any increase or decrease in Consolidated Net Income, Adjusted EBITDA or Total Assets and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period (or, in the case of Total Assets, on the last day of the applicable Test Period). If since the beginning of any applicable Test Period any Person that subsequently became a Subsidiary (or Loan Party, as applicable) or was merged, amalgamated or consolidated with or into the Borrower or any Subsidiary (or Loan Party, as applicable) since the beginning of such Test Period shall have made any Specified Transaction that would have required adjustment pursuant to this Section 1.07, then such financial ratio or test (or Consolidated Net Income, Adjusted EBITDA or Total Assets) shall be calculated to give *pro forma* effect thereto in accordance with this Section 1.07 as if such Specified Transaction had occurred at the beginning of the most recently ended Test Period (or, in the case of Total Assets, on the last day of the applicable Test Period); *provided* that with respect to any pro forma calculations to be made in connection with any Permitted Acquisition or similar investment in respect of which financial statements for the applicable target are not available for the applicable

Test Period, the Borrower shall determine such pro forma calculations on the basis of the available financial statements (even if for differing periods) or such other basis as determined in good faith by the Borrower, which available financial statements or such other basis shall be delivered to the Administrative Agent for distribution to the Lenders.

(3) Whenever *pro forma* effect is to be given to a Specified Transaction, the *pro forma* calculations shall be made in good faith by a Financial Officer of the Borrower and may include, for the avoidance of doubt, the amount of "run-rate" cost savings, synergies and operating expense reductions projected by the Borrower in good faith to result from or resulting from or related to any such Specified Transaction (including the Transactions) which is being given *pro forma* effect that have been realized or are expected to be realized and for which the actions necessary to realize such cost savings, operating expense reductions and synergies are taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Borrower) no later than twelve (12) months after the date of any such Specified Transaction (calculated on a *pro forma* basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions and synergies were realized during the entirety of such period and "run-rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (including any savings expected to result from the elimination of a public target's compliance costs with public company requirements) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial *pro forma* calculations of such financial ratios or tests and during any subsequent Test Period in which the effects thereof are expected to be realized) relating to such Specified Transaction; *provided* that:

(a) such amounts are (i) reasonably identifiable and projected in the good faith judgment of the Borrower to result from such actions and (ii) such actions are taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Borrower) no later than twelve (12) months after the date of such Specified Transaction,

(b) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing Adjusted EBITDA (or any other components thereof), whether through a *pro forma* adjustment or otherwise, with respect to such period; *and*

(c) (x) the foregoing cap shall include adjustments made in accordance with Regulation S-X and (y) that amounts added back pursuant to this clause (3), when combined with all other Combined Adjustment Amounts for such period, shall not exceed 10% of Adjusted EBITDA for such period calculated prior to giving effect to all such add-backs and adjustments, and being calculated on a pro forma basis.

(4) In the event that (a) the Borrower or any Subsidiary incurs (including by assumption or guarantees), issues or repays (including by redemption, repurchase, repayment, retirement or extinguishment) any Indebtedness (other than Indebtedness incurred or repaid under any revolving credit facility or line of credit unless such Indebtedness has been

permanently repaid and not replaced), (b) the Borrower or any Subsidiary issues, repurchases or redeems Disqualified Stock, (c) any Subsidiary issues, repurchases or redeems Preferred Stock or (d) the Borrower or any Subsidiary establishes or eliminates any Designated Revolving Commitments, in each case included in the calculations of any financial ratio or test, (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving *pro forma* effect to such incurrence, issuance, repayment or redemption of Indebtedness, issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, or establishment or elimination of any Designated Revolving Commitments, in each case to the extent required, as if the same had occurred on the last day of the applicable Test Period (except in the case of the First Lien Net Leverage Ratio, Secured Net Leverage Ratio or Total Net Leverage Ratio (or similar ratio), in which case such incurrence, issuance, repayment or redemption of Indebtedness, issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, or establishment or elimination of any Designated Revolving Commitments, in each case will be given effect, as if the same had occurred on the first day of the applicable Test Period) and, in the case of Indebtedness for all purposes as if such Indebtedness in the full amount of any undrawn Designated Revolving Commitments had been incurred thereunder throughout such period in each case to the extent required, as if the same had occurred on the last day of the applicable Test Period.

(5) If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of the event for which the calculation of the First Lien Net Leverage Ratio, Secured Net Leverage Ratio and/or Total Net Leverage Ratio, is made had been the applicable rate for the entire period (taking into account any interest hedging arrangements applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a Financial Officer of the Borrower to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, an interbank offered rate, or other rate shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as the Borrower or applicable Subsidiary may designate.

(6) Notwithstanding anything to the contrary in this Section 1.07 or in any classification under IFRS of any Person, business, assets or operations in respect of which a definitive agreement for the disposition thereof has been entered into, unless otherwise elected by the Borrower, no *pro forma* effect shall be given to any discontinued operations (and the Adjusted EBITDA attributable to any such Person, business, assets or operations shall not be excluded for any purposes hereunder) until such disposition shall have been consummated.

(7) Any determination of Total Assets shall be made by reference to the last day of the Test Period most recently ended on or prior to the relevant date of determination.

(8) If the Borrower or any Subsidiary incurs Indebtedness under a ratio-based basket, such ratio-based basket (together with any other ratio-based basket utilized in connection

therewith, including in respect of other Indebtedness, Liens, Asset Sales, Investments, Dividends, or payments in respect of Junior Indebtedness) will be calculated excluding the cash proceeds of such Indebtedness for netting purposes; *provided* that the actual application of such proceeds may reduce Indebtedness for purposes of determining compliance with any applicable ratio.

(9) Notwithstanding anything to the contrary herein, other than with respect to dividends or distributions that constitute Restricted Payments permitted hereunder, with respect to any amounts incurred or transactions entered into (or consummated) in reliance on a covenant of this Agreement that does not require compliance with a financial ratio or test (including pro forma compliance with any First Lien Net Leverage Ratio test, any Secured Net Leverage Ratio test, any Total Net Leverage Ratio test and/or any other financial ratio or test) (any such amounts, the "**Fixed Amounts**") substantially concurrently with any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement in the same covenant that requires compliance with any such financial ratio or test (any such amounts, the "**Incurrence Based Amounts**"), it is understood and agreed that the Fixed Amounts (and any cash proceeds thereof) shall be disregarded in the calculation of the financial ratio or test applicable to the Incurrence Based Amounts in connection with such substantially concurrent incurrence with respect to the same covenant; *provided* that such incurrences under the Fixed Amount and the Incurrence Based Amounts must be with respect to the same transaction or series of related transactions. Notwithstanding anything in this Agreement or any Loan Document to the contrary, in calculating any Incurrence Based Amounts (a) any Indebtedness concurrently incurred to fund original issue discount or upfront fees and (b) any amounts incurred, or transactions entered into or consummated, in reliance on Fixed Amounts in a concurrent transaction, a single transaction or a series of related transactions with the amount incurred, or transaction entered into or consummated, under an applicable Incurrence Based Amount, in each case of the foregoing clauses (a) and (b), shall be disregarded in the calculation of such Incurrence Based Amount; *provided* that full pro forma effect shall be given to all applicable and related transactions (including the use of proceeds of all applicable Indebtedness incurred and any repayments, repurchases and redemptions of Indebtedness) and all other adjustments as to which pro forma effect may be given under this Section 1.07.

(10) If any Lien, Indebtedness, Disqualified Stock, Asset Sale, Investment, Restricted Payment, or other transaction, action, judgment or amount (any of the foregoing in concurrent transactions, a single transaction or a series of related transactions) is incurred, issued, taken or consummated in reliance on categories of Baskets measured by reference to a percentage of Adjusted EBITDA, and any Lien, Indebtedness, Disqualified Stock, Asset Sale, Investment, Restricted Payment, or other transaction, action, judgment or amount (including in connection with refinancing thereof) would subsequently exceed the applicable percentage of Adjusted EBITDA if calculated based on the Adjusted EBITDA on a later date (including the date of any refinancing or re- classification), such percentage of Adjusted EBITDA will not be deemed to be exceeded (so long as, in the case of refinancing any Indebtedness or Disqualified Stock (and any related Lien), the principal amount or the liquidation preference of such newly incurred or issued Indebtedness or Disqualified Stock does not exceed the maximum principal amount, liquidation preference or amount of Refinancing Indebtedness in respect of the

Indebtedness or Disqualified Stock being refinanced, extended, replaced, refunded, renewed or defeased).

(11) Notwithstanding anything in this Agreement or any Loan Document to the contrary, when (a) any applicable financial ratio or test (including pro forma compliance with any first Lien Net Leverage Ratio test, Secured Net Leverage Ratio test, any Total Net Leverage Ratio test and/or any other financial ratio or test), (a "**Financial Incurrence Test**"), or availability under any Basket, in connection with any Limited Condition Transaction, the incurrence of any Indebtedness or any other transaction in connection with a Limited Condition Transaction and any actions or transactions related thereto (including for all purposes under this clause (11), the making of acquisitions and investments and/or the making of asset dispositions), (b) determining (i) compliance with any provision of this Agreement which requires that no Default or Event of Default (or any type of Default or Event of Default) has occurred, is continuing or would result therefrom, (ii) compliance with any provision of this Agreement which requires compliance with any representations and warranties set forth or referenced herein or (iii) the satisfaction of any other conditions, in each case under this clause (b), in connection with any Limited Condition Transaction, the incurrence of any Indebtedness or any other transaction in connection with a Limited Condition Transaction and any actions or transactions related thereto, in each case under the foregoing clauses (a) and (b), the date of determination of such Financial Incurrence Test, availability under any Basket or other provisions, determination of whether any Default or Event of Default (or any type of Default or Event of Default) has occurred, is continuing or would result therefrom, determination of compliance with any representations or warranties or the satisfaction of any other conditions shall, at the option of the Borrower (in its sole discretion) (the Borrower's election to exercise such option, an "**LCT Election**," which LCT Election may be in respect of one or more of clauses (a), (b)(i), (b)(ii) and (b)(iii) above), be deemed to be (I) any of the date the definitive agreements (or other relevant definitive documentation) for such Limited Condition Transaction or other transaction in connection with such Limited Condition Transaction or action or transaction related thereto, as applicable, are entered into or (II) the time of consummation of such Limited Condition Transaction or other transaction in connection therewith or action or transaction related thereto (*provided* that, notwithstanding the LCT Election made under the foregoing clauses (I) and (II), the Borrower may elect (in its sole discretion) to re- determine one or more of clauses (a), (b)(i), (b)(ii) and (b)(iii) above at the time of consummation of such Limited Condition Transaction or other transaction in connection therewith or action or transaction related thereto, so long as any applicable determination of whether any Event of Default under Section 8.01(1) or Section 8.01(6) is continuing shall also be made at such time) (such date in the foregoing clause (I) or (II), the "**LCT Test Date**") and, subject to the other provisions of this Section 1.07(11), if, after giving pro forma effect to the Limited Condition Transaction or other transaction in connection therewith and any actions or transactions related thereto and any related pro forma adjustments, the Borrower or any of its Subsidiaries would have been permitted to take such actions or consummate such transactions on the relevant LCT Test Date in compliance with such Basket (and any related requirements and conditions), such Basket (and any related requirements and conditions) shall be deemed to have been complied with (or satisfied) for all purposes; *provided*, that compliance with such Baskets (and any related requirements and conditions) shall not be determined or tested at any time after the applicable LCT Test Date for such Limited Condition

Transaction or other transaction incurred in connection therewith and any actions or transactions related thereto.

(12) For the avoidance of doubt, if the Borrower has made an LCT Election, (a) if any of the ratios, tests or baskets for which compliance was determined or tested as of the LCT Test Date would at any time after the LCT Test Date have been exceeded or otherwise failed to have been complied with as a result of fluctuations in any such Financial Incurrence Test or Basket, including due to fluctuations in EBITDA or total assets of the Borrower or the Person subject to such Limited Condition Transaction, such baskets, tests or ratios will not be deemed to have been exceeded or failed to have been complied with as a result of such fluctuations, (b) other than as expressly set forth in clause (11), if any related requirements and conditions (including as to the absence of any (or any type of) continuing Default or Event of Default and satisfaction of any representations and warranties) for which compliance or satisfaction was determined or tested as of the LCT Test Date would at any time after the LCT Test Date not have been complied with or satisfied (including due to the occurrence or continuation of any Default or Event of Default or failure to satisfy any representations and warranties), such requirements and conditions will not be deemed to have been failed to be complied with or satisfied (and such Default or Event of Default shall be deemed not to have occurred or be continuing and such representations and warranties shall be deemed to have been satisfied) and (c) in calculating the availability under any Financial Incurrence Test or Basket in connection with any action or transaction following the relevant LCT Test Date and prior to the earlier of the date on which such Limited Condition Transaction is consummated or the date that the definitive agreement or date for redemption, purchase or repayment specified in an irrevocable notice or declaration for such Limited Condition Transaction is terminated, expires or passes, as applicable, without consummation of such Limited Condition Transaction, any such Financial Incurrence Test or Basket shall be determined or tested giving pro forma effect to such Limited Condition Transaction and any actions or transactions related thereto.

Section 1.08 Available Amount Transaction. If more than one action occurs on any given date the permissibility of the taking of which is determined hereunder by reference to the Available Amount immediately prior to the taking of such action, the permissibility of the taking of each such action shall be determined independently and in no event may any two or more such actions be treated as occurring simultaneously, i.e., each transaction must constitute a permitted use of the Available Amount.

Section 1.09 Interest Rates. Upon the occurrence of a Benchmark Transition Event, Section 3.03(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower, pursuant to Section 3.03(d) of any change to the reference rate upon which the interest rate on SOFR Loans are based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of, performance of or any other matter related to Base Rate, the Benchmark or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or

replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Base Rate, the Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of Base Rate, the Benchmark or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Base Rate, Benchmark or any other Benchmark, or any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.10 Currency Generally.

(1) The Borrower shall determine in good faith the dollar amount of any utilization or other measurement denominated in a currency other than Dollars for purposes of compliance with any Basket. For purposes of determining compliance with any Basket under Article VII or VIII with respect to any amount expressed in a currency other than Dollars, no Default shall be deemed to have occurred solely as a result of changes in rates of currency exchange occurring after the time such Basket utilization occurs or other Basket measurement is made (so long as such Basket utilization or other measurement, at the time incurred, made or acquired, was permitted hereunder). Except with respect to any ratio calculated under any Basket, any subsequent change in rates of currency exchange with respect to any prior utilization or other measurement of a Basket previously made in reliance on such Basket (as the same may have been reallocated in accordance with this Agreement) shall be disregarded for purposes of determining any unutilized portion under such Basket.

(2) For purposes of determining the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and/or the Total Net Leverage Ratio, the amount of Indebtedness and cash and Cash Equivalents shall reflect the currency translation effects, determined in accordance with IFRS, of Hedging Obligations permitted hereunder for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar equivalent of such Indebtedness.

(3) For purposes of determining compliance under any Basket under Article VII or VIII, any amount in a currency other than Dollars will be converted to Dollars in a manner consistent with that used in calculating net income in the Borrower's annual financial statements delivered pursuant to Section 6.01(1) or, until the first such delivery, the Borrower's last Form 20-F publicly filed prior to the Effective Date; *provided, however*, that the foregoing shall not be deemed to apply to the determination of any amount of Indebtedness. For purposes of determining compliance with any restriction on the incurrence of Indebtedness, the Dollar

equivalent of the principal amount of Indebtedness denominated in a foreign currency being incurred shall be calculated based on the exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to extend, replace, refund, refinance, renew or defease other Indebtedness denominated in a foreign currency, and such extension, replacement, refunding, refinancing, renewal or defeasance would cause the applicable restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such extension, replacement, refunding, refinancing, renewal or defeasance, such restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being extended, replaced, refunded, refinanced, renewed or defeased.

Section 1.11 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II

The Commitments and Borrowings

Section 2.01 The Loans. Subject to the terms and conditions set forth in Sections 4.01, 4.02 and 4.03 hereof,

(1) (x) each Term Lender set forth on Schedule 2.01 under the heading "Closing Date Term Loan Commitments" severally agrees to make to the Borrower on the Closing Date Closing Date Term Loans denominated in Dollars in an aggregate principal amount not to exceed such Term Lender's Closing Date Term Loan Commitment on the Closing Date as set forth on Schedule 2.01 and (y) each Term Lender set forth on Schedule 2.01 under the heading "Second Out Term Loan Commitments" severally agrees to make to the Borrower on the Second Out Closing Date Second Out Term Loans denominated in Dollars in an aggregate principal amount not to exceed such Term Lender's Second Out Term Loan Commitment on the Second Out Closing Date as set forth on Schedule 2.01.

(2) The Closing Date Term Loans shall constitute a single Class of Loans hereunder. The Second Out Term Loans shall constitute a single Class of Loans hereunder. Amounts borrowed under this Section 2.01 and repaid or prepaid may not be reborrowed. The Closing Date Term Loans and the Second Out Term Loans may be Base Rate Loans or SOFR Loans, as further provided herein.

Section 2.02 Borrowings, Conversions and Continuations of Loans.

(1) Each Term Borrowing, each conversion of Term Loans from one Type to the other, and each continuation of SOFR Loans shall be made upon the Borrower's irrevocable written notice, on behalf of the Borrower, to the Administrative Agent. Each such notice must be received by the Administrative Agent not later than 1:00 p.m., New York time, (a) three (3) Business Days prior to the requested date of any Borrowing or continuation of SOFR Loans or any conversion of Base Rate Loans to SOFR Loans and (b) one (1) Business Day prior to the requested date of any Borrowing of Base Rate Loans; *provided* that the notice referred to in subclause (a) above may be delivered one (1) Business Day prior to the Closing Date or the Second Out Closing Date, in the case of the Closing Date Term Loans and the Second Out Term Loans, respectively. Each electronic notice by the Borrower pursuant to this Section 2.02(1) must be made by delivery to the Administrative Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Except as provided in Section 2.16, each Borrowing of, conversion to or continuation of SOFR Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Except as provided in Section 2.16, each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Each Committed Loan Notice shall specify:

(i) whether the Borrower is requesting a Term Borrowing, a conversion of Term Loans from one Type to the other or a continuation of SOFR Loans,

(ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day),

(iii) the principal amount of Loans to be borrowed, converted or continued,

(iv) [reserved],

(v) the Class and Type of Loans to be borrowed or to which existing Term Loans are to be converted,

(vi) if applicable, the duration of the Interest Period with respect thereto and

(vii) wire instructions of the account(s) to which funds are to be disbursed.

If the Borrower fails to specify a Type of Loan to be made in a Committed Loan Notice, then the applicable Loans shall be made as SOFR Loans with an Interest Period of one (1) month. If the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made or continued as the same Type of Loan, which if a SOFR Loan, shall have a one-month Interest Period. Any such automatic continuation of SOFR Loans shall be effective as of the last day of the Interest Period then in effect with respect to the

applicable SOFR Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of SOFR Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month.

(2) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Pro Rata Share or other applicable share provided for under this Agreement of the applicable Class of Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic continuation of SOFR Loans or continuation of Loans described in Section 2.02(1). In the case of each Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent by wire transfer in Same Day Funds to the Administrative Agent's Account not later than, in the case of a Borrowing on the Closing Date or the Second Out Closing Date, 10:00 a.m., New York time, and otherwise 2:00 p.m., New York time, on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 or Section 4.03, as applicable, for the Borrowing on the Closing Date, and upon receipt and identification of all requested funds, the Administrative Agent shall make all funds so received available to the applicable Borrower in like funds as received by the Administrative Agent by wire transfer of such funds, in each case in accordance with instructions provided by the Borrower to (and reasonably acceptable to) the Administrative Agent.

(3) Except as otherwise provided herein, a SOFR Loan may be continued or converted only on the last day of an Interest Period for such SOFR Loan, unless the Borrower pays the amount due, if any, under Section 3.05 in connection therewith. Upon the occurrence and during the continuation of an Event of Default, the Administrative Agent at the direction of the Required Lenders under the applicable Facility may require by notice to the Borrower that no Loans may be converted to or continued as SOFR Loans (unless such Event of Default is an Event of Default under Section 8.01(1) or Section 8.01(6), in which case any SOFR Loan shall automatically convert to a Base Rate Loan on the last day of the Interest Period then in effect at the time of the occurrence of such Event of Default under Section 8.01(1) or Section 8.01(6)).

(4) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for SOFR Loans upon determination of such interest rate. The determination of Term SOFR by the Administrative Agent shall be conclusive in the absence of manifest error. At any time when Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the prime rate used in determining the Base Rate promptly following the public announcement of such change.

(5) After giving effect to all Term Borrowings, all conversions of Term Loans from one Type to the other, and all continuations of Term Loans as the same Type, there shall not be more than 6 Interest Periods in effect unless otherwise agreed in writing between the Borrower and the Administrative Agent; *provided* that after the establishment of any new Class of Loans pursuant to an Incremental Amendment or an Extension Amendment, the number of Interest Periods otherwise permitted by this Section 2.02(5) shall increase by three (3) Interest Periods for each applicable Class so established.

(6) The failure of any Lender to make the Loan to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Loan on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Loan to be made by such other Lender on the date of any Borrowing.

(7) Unless the Administrative Agent shall have received written notice from a Lender prior to the date of any Borrowing, or, in the case of any Borrowing of Base Rate Loan, prior to 1:00 p.m., New York time, on the date of such Borrowing, that such Lender will not make available to the Administrative Agent such Lender's Pro Rata Share of such Borrowing, the Administrative Agent may assume that such Lender has made such Pro Rata Share available to the Administrative Agent on the date of such Borrowing in accordance with paragraph (2) above, and the Administrative Agent may (but shall be under no obligation to), in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If the Administrative Agent shall have so made funds available, then, to the extent that such Lender shall not have made such portion available to the Administrative Agent, each of such Lender and the Borrower severally agrees to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at (a) in the case of the Borrower, the interest rate applicable at the time to the Loans comprising such Borrowing and (b) in the case of such Lender, the Overnight Rate *plus* any administrative, processing or similar fees customarily charged by the Administrative Agent in accordance with the foregoing. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this Section 2.02(7) shall be conclusive in the absence of manifest error. If the Borrower and such Lender shall both pay all or any portion of the principal amount in respect of such Borrowing or interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such Borrowing or interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(8) In determining compliance with any condition hereunder to the funding of any advance or other action that by its terms must be fulfilled to the satisfaction of any Lender, the Administrative Agent may presume that such condition is satisfactory to each Lender unless the Administrative Agent shall have received notice to the contrary from such lender or counsel prior to the funding of such advance or taking of such other action.

Section 2.03 [Reserved].

Section 2.04 [Reserved].

Section 2.05 Prepayments.

(1) Optional.

(a) The Borrower may, upon written notice to the Administrative Agent by the Borrower, at any time or from time to time voluntarily prepay any Class or Classes of Term Loans in whole or in part, without any penalty or premium except the applicable Prepayment Premium with respect to the Closing Date Term Loans as provided in Section 2.18; *provided* that

(i) such notice must be received by the Administrative Agent not later than 3:00 p.m., New York time, (A) three (3) Business Days prior to any date of prepayment of SOFR Loans and (B) one (1) Business Day prior to any date of prepayment of Base Rate Loans;

(ii) any partial prepayment of SOFR Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof or, if less, the entire principal amount thereof then outstanding; and

(iii) any prepayment of Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof or, if less, the entire principal amount thereof then outstanding.

Each such notice shall specify the date and amount of such prepayment and the Class(es) and Type(s) of Loans to be prepaid. The Administrative Agent will promptly notify each Appropriate Lender of its receipt of each such notice, and of the amount of such Lender's Pro Rata Share or other applicable share provided for under this Agreement of such prepayment. If such notice is given, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Loan shall be accompanied by all accrued interest thereon, together with, in the case of a SOFR Loan, any additional amounts required pursuant to Section 3.05. In the case of each prepayment of the Loans pursuant to this Section 2.05(1), the Borrower may in its sole discretion select the Borrowing or Borrowings (and the order of maturity of principal payments) to be repaid, and such payment shall be paid to the Appropriate Lenders in accordance with their respective Pro Rata Shares or other applicable share provided for under this Agreement.

(b) Notwithstanding anything to the contrary, no voluntary prepayment of the Second Out Term Loans may be made under this Section 2.05(1) unless (x) such prepayment would be permitted if the Second Out Term Loans constituted Restricted Junior Debt and such prepayment were permitted under Section 7.05 (with any such prepayments of Second Out Term Loans being deemed to be a utilization of the applicable clause of Section 7.05), (y) such prepayment is made using the cash proceeds of any issuance of Capital Stock (other than Disqualified Stock) of the Borrower issued after the Closing Date or (z) the Closing Date Term Loans are not outstanding at the time of such prepayment.

(c) Notwithstanding anything to the contrary contained in this Agreement, the Borrower may rescind (or delay the date of prepayment identified in) any notice of prepayment under Section 2.05(1)(a) if such prepayment would have resulted from a refinancing of all or a portion of the applicable Facility, or other transaction or conditional event which refinancing or other transaction or conditional event shall not be consummated or shall otherwise be delayed.

(d) Except as otherwise set forth in any Incremental Amendment and subject to clause (b) above, each prepayment in respect of any Term Loans (other than with respect to Extended Loans) pursuant to this Section 2.05(1) may be applied to any Class of Term Loans as directed by the Borrower. Voluntary prepayments of any Class of Term Loans permitted hereunder shall be applied in a manner determined at the discretion of the Borrower and specified in the notice of prepayment, subject to clause (b) above; *provided* that the Borrower may prepay Term Loans of any Term Loan Class pursuant to this Section 2.05 without any requirement to prepay Extended Loans that were converted or exchanged from such Term Loan Class. Subject to Section 2.16(3) and to clause (b) above, in the event that the Borrower does not specify the order in which to apply prepayments to reduce scheduled installments of principal or as between Classes of Term Loans, the Borrower shall be deemed to have elected that such proceeds be applied to reduce the scheduled installments of principal in direct order of maturity on a *pro rata* basis among Term Loan Classes.

(e) Notwithstanding anything in any Loan Document to the contrary, so long as (x) no Event of Default has occurred and is continuing or shall occur as a result thereof and (y) no offer pursuant to this Section 2.05(1)(e) is made on a non-pro rata basis and no fees, consideration or other economics (other than customary backstop or arrangement fees) are offered or given on a non-pro rata basis in connection with any transaction pursuant to this Section 2.05(1)(e), any Borrower Party may prepay the outstanding Term Loans (which Term Loans shall, for the avoidance of doubt, be automatically and permanently canceled immediately upon such purchase or prepayment) without premium or penalty on the following basis:

(A) Any Borrower Party shall have the right to make a voluntary prepayment of Loans at a discount to par pursuant to a Borrower Offer of Specified Discount Prepayment, Borrower Solicitation of Discount Range Prepayment Offers or Borrower Solicitation of Discounted Prepayment Offers (any such prepayment, the "**Discounted Term Loan Prepayment**"), in each case made in accordance with this Section 2.05(1)(e) and without premium or penalty.

(B) Any Borrower Party may from time to time offer to make a Discounted Term Loan Prepayment by providing the Auction Agent with five (5) Business Days' notice (or such shorter period as agreed by the Auction Agent) in the form of a Specified Discount Prepayment Notice; *provided* that (I) any such offer shall be made available, at the sole discretion of the applicable Borrower Party, to (x) each Term Lender or (y) each Term Lender with respect to any Class of Term Loans on an individual Class basis, (II) any such offer shall specify the aggregate principal amount offered to be prepaid (the "**Specified Discount Prepayment Amount**") with respect to each applicable Class, the Class or Classes of Term Loans subject to such offer and the specific percentage discount to par (the "**Specified Discount**") of such Term Loans to be prepaid (it being understood that different Specified Discounts or Specified Discount Prepayment Amounts may be offered with respect to different Classes of Term Loans and, in such event, each such offer will be treated as a separate offer pursuant to the terms of this Section 2.05(1)(e)(B)), (III) the Specified Discount Prepayment Amount

shall be in an aggregate amount not less than $5,000,000 and whole increments of $1,000,000 in excess thereof and (IV) each such offer shall remain outstanding through the Specified Discount Prepayment Response Date. The Auction Agent will promptly provide each Appropriate Lender and the Administrative Agent (to the extent the Administrative Agent is not the Auction Agent) with a copy of such Specified Discount Prepayment Notice and a form of the Specified Discount Prepayment Response to be completed and returned by each such Term Lender to the Auction Agent (or its delegate) by no later than 5:00 p.m., New York time, on the third Business Day after the date of delivery of such notice to such Lenders (the "**Specified Discount Prepayment Response Date**").

(2) Each Term Lender receiving such offer shall notify the Auction Agent (or its delegate) (with a copy to the Administrative Agent) (to the extent the Administrative Agent is not the Auction Agent) by the Specified Discount Prepayment Response Date whether or not it agrees to accept a prepayment of any of its applicable then outstanding Term Loans at the Specified Discount and, if so (such accepting Lender, a "**Discount Prepayment Accepting Lender**"), the amount and the Classes of such Lender's Term Loans to be prepaid at such offered discount. Each acceptance of a Discounted Term Loan Prepayment by a Discount Prepayment Accepting Lender shall be irrevocable. Any Term Lender whose Specified Discount Prepayment Response is not received by the Auction Agent by the Specified Discount Prepayment Response Date shall be deemed to have declined to accept the applicable Borrower Offer of Specified Discount Prepayment.

(3) If there is at least one Discount Prepayment Accepting Lender, the relevant Borrower Party will make a prepayment of outstanding Term Loans pursuant to this paragraph (B) to each Discount Prepayment Accepting Lender in accordance with the respective outstanding amount and Classes of Term Loans specified in such Lender's Specified Discount Prepayment Response given pursuant to subsection (2) above*; provided* that if the aggregate principal amount of Term Loans accepted for prepayment by all Discount Prepayment Accepting Lenders exceeds the Specified Discount Prepayment Amount, such prepayment shall be made pro rata among the Discount Prepayment Accepting Lenders in accordance with the respective principal amounts accepted to be prepaid by each such Discount Prepayment Accepting Lender and the Auction Agent (in consultation with such Borrower Party and subject to rounding requirements of the Auction Agent made in its reasonable discretion) will calculate such proration (the "**Specified Discount Proration**"). The Auction Agent shall promptly, and in any case within three (3) Business Days following the Specified Discount Prepayment Response Date, notify (I) the relevant Borrower Party of the respective Term Lenders' responses to such offer, the Discounted Prepayment Effective Date and the aggregate

principal amount of the Discounted Term Loan Prepayment and the Classes to be prepaid, (II) the Administrative Agent (to the extent the Administrative Agent is not the Auction Agent) and each Term Lender of the Discounted Prepayment Effective Date, and the aggregate principal amount and the Classes of Term Loans to be prepaid at the Specified Discount on such date and (III) each Discount Prepayment Accepting Lender of the Specified Discount Proration, if any, and confirmation of the principal amount, Class and Type of Term Loans of such Lender to be prepaid at the Specified Discount on such date. Each determination by the Auction Agent of the amounts stated in the foregoing notices to the applicable Borrower Party and such Term Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the applicable Borrower Party shall be due and payable by such Borrower Party on the Discounted Prepayment Effective Date in accordance with subsection (F) below (subject to subsection (J) below).

(C)

(1) Any Borrower Party may from time to time solicit Discount Range Prepayment Offers by providing the Auction Agent with five (5) Business Days' notice (or such shorter period as agreed by the Auction Agent) in the form of a Discount Range Prepayment Notice; *provided* that (I) any such solicitation shall be extended, at the sole discretion of such Borrower Party, to (x) each Term Lender or (y) each Term Lender with respect to any Class of Term Loans on an individual Class basis, (II) any such notice shall specify the maximum aggregate principal amount of the relevant Term Loans (the "**Discount Range Prepayment Amount**"), the Class or Classes of Term Loans subject to such offer and the maximum and minimum percentage discounts to par (the "**Discount Range**") of the principal amount of such Term Loans with respect to each relevant Class of Term Loans willing to be prepaid by such Borrower Party (it being understood that different Discount Ranges or Discount Range Prepayment Amounts may be offered with respect to different Classes of Term Loans and, in such event, each such offer will be treated as a separate offer pursuant to the terms of this Section 2.05(1)(e)(C)), (III) the Discount Range Prepayment Amount shall be in an aggregate amount not less than $5,000,000 and whole increments of $1,000,000 in excess thereof and (IV) unless rescinded, each such solicitation by the applicable Borrower Party shall remain outstanding through the Discount Range Prepayment Response Date. The Auction Agent will promptly provide each Appropriate Lender and the Administrative Agent (to the extent the Administrative Agent is not the Auction Agent) with a copy of such Discount Range Prepayment Notice and a form of the Discount Range Prepayment Offer to be submitted by a responding Term Lender to the

Auction Agent (or its delegate) by no later than 5:00 p.m., New York time, on the third Business Day after the date of delivery of such notice to such Lenders (the "**Discount Range Prepayment Response Date**"). Each Term Lender's Discount Range Prepayment Offer shall be irrevocable and shall specify a discount to par within the Discount Range (the "**Submitted Discount**") at which such Lender is willing to allow prepayment of any or all of its then outstanding Term Loans of the applicable Class or Classes and the maximum aggregate principal amount and Classes of such Lender's Term Loans (the "**Submitted Amount**") such Term Lender is willing to have prepaid at the Submitted Discount. Any Term Lender whose Discount Range Prepayment Offer is not received by the Auction Agent by the Discount Range Prepayment Response Date shall be deemed to have declined to accept a Discounted Term Loan Prepayment of any of its Term Loans at any discount to their par value within the Discount Range.

(2) The Auction Agent shall review all Discount Range Prepayment Offers received on or before the applicable Discount Range Prepayment Response Date and shall determine (in consultation with such Borrower Party and subject to rounding requirements of the Auction Agent made in its sole reasonable discretion) the Applicable Discount and Term Loans to be prepaid at such Applicable Discount in accordance with this subsection (C). The relevant Borrower Party agrees to accept on the Discount Range Prepayment Response Date all Discount Range Prepayment Offers received by the Auction Agent by the Discount Range Prepayment Response Date, in the order from the Submitted Discount that is the largest discount to par to the Submitted Discount that is the smallest discount to par, up to and including the Submitted Discount that is the smallest discount to par within the Discount Range (such Submitted Discount that is the smallest discount to par within the Discount Range being referred to as the "**Applicable Discount**") which yields a Discounted Term Loan Prepayment in an aggregate principal amount equal to the lower of (I) the Discount Range Prepayment Amount and (II) the sum of all Submitted Amounts. Each Term Lender that has submitted a Discount Range Prepayment Offer to accept prepayment at a discount to par that is larger than or equal to the Applicable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Submitted Amount (subject to any required proration pursuant to the following subsection (3)) at the Applicable Discount (each such Term Lender, a "**Participating Lender**").

(3) If there is at least one Participating Lender, the relevant Borrower Party will prepay the respective outstanding Term Loans of each Participating Lender in the aggregate principal amount and of the Classes specified in such Lender's Discount Range Prepayment Offer at the

Applicable Discount; *provided* that if the Submitted Amount by all Participating Lenders offered at a discount to par greater than the Applicable Discount exceeds the Discount Range Prepayment Amount, prepayment of the principal amount of the relevant Term Loans for those Participating Lenders whose Submitted Discount is a discount to par greater than or equal to the Applicable Discount (the "**Identified Participating Lenders**") shall be made pro rata among the Identified Participating Lenders in accordance with the Submitted Amount of each such Identified Participating Lender and the Auction Agent (in consultation with such Borrower Party and subject to rounding requirements of the Auction Agent made in its sole reasonable discretion) will calculate such proration (the "**Discount Range Proration**"). The Auction Agent shall promptly, and in any case within five (5) Business Days following the Discount Range Prepayment Response Date, notify (I) the relevant Borrower Party of the respective Term Lenders' responses to such solicitation, the Discounted Prepayment Effective Date, the Applicable Discount, the aggregate principal amount of the Discounted Term Loan Prepayment and the Classes to be prepaid, (II) each Term Lender of the Discounted Prepayment Effective Date, the Applicable Discount and the aggregate principal amount and Classes of Term Loans to be prepaid at the Applicable Discount on such date, (III) each Participating Lender of the aggregate principal amount and Classes of such Term Lender to be prepaid at the Applicable Discount on such date and (IV) if applicable, each Identified Participating Lender of the Discount Range Proration. Each determination by the Auction Agent of the amounts stated in the foregoing notices to the relevant Borrower Party and Term Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the applicable Borrower Party shall be due and payable by such Borrower Party on the Discounted Prepayment Effective Date in accordance with subsection (F) below (subject to subsection (J) below).

(D)

(1) Any Borrower Party may from time to time solicit Solicited Discounted Prepayment Offers by providing the Auction Agent with five (5) Business Days' notice in the form of a Solicited Discounted Prepayment Notice (or such later notice specified therein); *provided* that (I) any such solicitation shall be extended, at the sole discretion of such Borrower Party, to (x) each Term Lender or (y) each Lender with respect to any Class of Term Loans on an individual Class basis, (II) any such notice shall specify the maximum aggregate amount of the Term Loans (the "**Solicited Discounted Prepayment Amount**") and the Class or Classes of Term Loans the applicable Borrower Party is willing to prepay at a discount (it being understood that different Solicited Discounted

Prepayment Amounts may be offered with respect to different Classes of Term Loans and, in such event, each such offer will be treated as a separate offer pursuant to the terms of this Section 2.05(1)(e)(D)), (III) the Solicited Discounted Prepayment Amount shall be in an aggregate amount not less than $1,000,000 and whole increments of $500,000 in excess thereof and (IV) unless rescinded, each such solicitation by the applicable Borrower Party shall remain outstanding through the Solicited Discounted Prepayment Response Date. The Auction Agent will promptly provide each Appropriate Lender and the Administrative Agent (to the extent the Administrative Agent is not the Auction Agent) with a copy of such Solicited Discounted Prepayment Notice and a form of the Solicited Discounted Prepayment Offer to be submitted by a responding Lender to the Auction Agent (or its delegate) by no later than 5:00 p.m., New York time, on the third Business Day after the date of delivery of such notice to such Term Lenders (the "**Solicited Discounted Prepayment Response Date**"). Each Term Lender's Solicited Discounted Prepayment Offer shall (x) be irrevocable, (y) remain outstanding until the Acceptance Date and (z) specify both a discount to par (the "**Offered Discount**") at which such Term Lender is willing to allow prepayment of its then outstanding Term Loan and the maximum aggregate principal amount and Classes of such Term Loans (the "**Offered Amount**") such Term Lender is willing to have prepaid at the Offered Discount. Any Term Lender whose Solicited Discounted Prepayment Offer is not received by the Auction Agent by the Solicited Discounted Prepayment Response Date shall be deemed to have declined prepayment of any of its Term Loans at any discount.

(2) The Auction Agent shall promptly provide the relevant Borrower Party (with a copy to the Administrative Agent) (to the extent the Administrative Agent is not the Auction Agent) with a copy of all Solicited Discounted Prepayment Offers received on or before the Solicited Discounted Prepayment Response Date. Such Borrower Party shall review all such Solicited Discounted Prepayment Offers and select the largest of the Offered Discounts specified by the relevant responding Term Lenders in the Solicited Discounted Prepayment Offers that is acceptable to the applicable Borrower Party (the "**Acceptable Discount**"), if any. If the applicable Borrower Party elects to accept any Offered Discount as the Acceptable Discount, then as soon as practicable after the determination of the Acceptable Discount, but in no event later than by the third Business Day after the date of receipt by such Borrower Party from the Auction Agent of a copy of all Solicited Discounted Prepayment Offers pursuant to the first sentence of this subsection (2) (the "**Acceptance Date**"), the applicable Borrower Party shall submit an Acceptance and Prepayment Notice to the Auction Agent (with a copy to the Administrative Agent) (to the extent the Administrative Agent is not the Auction Agent) setting forth the Acceptable Discount. If the Auction

Agent shall fail to receive an Acceptance and Prepayment Notice from the applicable Borrower Party by the Acceptance Date, such Borrower Party shall be deemed to have rejected all Solicited Discounted Prepayment Offers.

(3) Based upon the Acceptable Discount and the Solicited Discounted Prepayment Offers received by the Auction Agent by the Solicited Discounted Prepayment Response Date, within three (3) Business Days after receipt of an Acceptance and Prepayment Notice (the "**Discounted Prepayment Determination Date**"), the Auction Agent will determine (with the consent of such Borrower Party and subject to rounding requirements of the Auction Agent made in its sole reasonable discretion) the aggregate principal amount and the Classes of Term Loans (the "**Acceptable Prepayment Amount**") to be prepaid by the relevant Borrower Party at the Acceptable Discount in accordance with this Section 2.05(1)(e)(D). If the applicable Borrower Party elects to accept any Acceptable Discount, then such Borrower Party agrees to accept all Solicited Discounted Prepayment Offers received by the Auction Agent by the Solicited Discounted Prepayment Response Date, in the order from largest Offered Discount to smallest Offered Discount, up to and including the Acceptable Discount. Each Term Lender that has submitted a Solicited Discounted Prepayment Offer with an Offered Discount that is greater than or equal to the Acceptable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Offered Amount (subject to any required pro-rata reduction pursuant to the following sentence) at the Acceptable Discount (each such Lender, a "**Qualifying Lender**"). The applicable Borrower Party will prepay outstanding Term Loans pursuant to this subsection (D) to each Qualifying Lender in the aggregate principal amount and of the Classes specified in such Lender's Solicited Discounted Prepayment Offer at the Acceptable Discount; *provided* that if the aggregate Offered Amount by all Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount exceeds the Solicited Discounted Prepayment Amount, prepayment of the principal amount of the Term Loans for those Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount (the "**Identified Qualifying Lenders**") shall be made pro rata among the Identified Qualifying Lenders in accordance with the Offered Amount of each such Identified Qualifying Lender and the Auction Agent (in consultation with such Borrower Party and subject to rounding requirements of the Auction Agent made in its sole reasonable discretion) will calculate such proration (the "**Solicited Discount Proration**"). On or prior to the Discounted Prepayment Determination Date, the Auction Agent shall promptly notify (I) the relevant Borrower Party of the Discounted Prepayment Effective Date and Acceptable Prepayment Amount comprising the Discounted Term Loan Prepayment

and the Classes to be prepaid, (II) the Administrative Agent (to the extent the Administrative Agent is not the Auction Agent) and each Term Lender of the Discounted Prepayment Effective Date, the Acceptable Discount, and the Acceptable Prepayment Amount of all Term Loans and the Classes to be prepaid to be prepaid at the Applicable Discount on such date, (III) each Qualifying Lender of the aggregate principal amount and the Classes of such Term Lender to be prepaid at the Acceptable Discount on such date, and (IV) if applicable, each Identified Qualifying Lender of the Solicited Discount Proration. Each determination by the Auction Agent of the amounts stated in the foregoing notices to such Borrower Party and Term Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to such Borrower Party shall be due and payable by such Borrower Party on the Discounted Prepayment Effective Date in accordance with subsection (F) below (subject to subsection (J) below).

(E) In connection with any Discounted Term Loan Prepayment, the Borrower Parties and the Term Lenders acknowledge and agree that the Auction Agent may require, as a condition to the applicable Discounted Term Loan Prepayment, the payment of customary fees and expenses from a Borrower Party to such Auction Agent for its own account in connection therewith.

(F) If any Term Loan is prepaid in accordance with subsections (B) through (D) above, a Borrower Party shall prepay such Term Loans on the Discounted Prepayment Effective Date. The relevant Borrower Party shall make such prepayment to the Administrative Agent, for the account of the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable, by wire transfer to the Administrative Agent's Account in immediately available funds not later than 12:00 p.m., New York time, on the Discounted Prepayment Effective Date and all such prepayments shall be applied to the relevant Class(es) of Term Loans and Lenders as specified by the applicable Borrower Party in the applicable offer. The Term Loans so prepaid shall be accompanied by all accrued and unpaid interest on the par principal amount so prepaid up to, but not including, the Discounted Prepayment Effective Date. Each prepayment of the outstanding Term Loans pursuant to this Section 2.05(1)(e) shall be paid to the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable, and shall be applied to the relevant Loans of such Lenders in accordance with their respective applicable share as calculated by the Auction Agent in accordance with this Section 2.05(1)(e). The aggregate principal amount of the Classes and installments of the relevant Term Loans outstanding shall be deemed reduced by the full par value of the aggregate principal amount of the Classes of Term Loans prepaid on the Discounted Prepayment Effective Date in any Discounted Term Loan Prepayment. In connection with each prepayment pursuant to this Section 2.05(1)(e), the Borrower shall not be required to represent or warrant that it is not in possession

of material non-public information (within the meaning of applicable securities Laws) with respect to the Borrower or any of its Subsidiaries or any of their respective securities.

(G) To the extent not expressly provided for herein, each Discounted Term Loan Prepayment shall be consummated pursuant to procedures consistent with the provisions in this Section 2.05(1)(e), established by the Auction Agent acting in its reasonable discretion and as reasonably agreed by the applicable Borrower Party.

(H) Notwithstanding anything in any Loan Document to the contrary, for purposes of this Section 2.05(1)(e), each notice or other communication required to be delivered or otherwise provided to the Auction Agent (or its delegate) shall be deemed to have been given upon Auction Agent's (or its delegate's) actual receipt during normal business hours of such notice or communication; *provided* that any notice or communication actually received outside of normal business hours shall be deemed to have been given as of the opening of business on the next succeeding Business Day.

(I) Each of the Borrower Parties and the Term Lenders acknowledge and agree that the Auction Agent may perform any and all of its duties under this Section 2.05(1)(e) by itself or through any Affiliate of the Auction Agent and expressly consents to any such delegation of duties by the Auction Agent to such Affiliate and the performance of such delegated duties by such Affiliate. The exculpatory provisions pursuant to this Agreement shall apply to each Affiliate of the Auction Agent and its respective activities in connection with any Discounted Term Loan Prepayment provided for in this Section 2.05(1)(e) as well as activities of the Auction Agent.

(J) Each Borrower Party shall have the right, by written notice to the Auction Agent (with a copy to the Administrative Agent) (to the extent the Administrative Agent is not the Auction Agent), to revoke in full (but not in part) its offer to make a Discounted Term Loan Prepayment and rescind the applicable Specified Discount Prepayment Notice, Discount Range Prepayment Notice or Solicited Discounted Prepayment Notice therefor at its discretion at any time on or prior to the applicable Specified Discount Prepayment Response Date, Discount Range Prepayment Response Date or Solicited Discounted Prepayment Response Date (and if such offer is revoked pursuant to the preceding clauses, any failure by such Borrower Party to make any prepayment to a Lender, as applicable, pursuant to this Section 2.05(1)(e) shall not constitute a Default or Event of Default under Section 8.01 or otherwise).

(K) The Administrative Agent (i) shall not be required to serve as the Auction Agent or have any other obligations to participate in (other than mechanical administrative duties), or facilitate any Discounted Term Loan Prepayment unless it is reasonably satisfied with the terms and restrictions thereof

(for the avoidance of doubt, the Administrative Agent shall not be required to serve as Auction Agent whether or not it is satisfied with the terms and restrictions thereof) and (ii) shall not have any obligation to participate in, arrange, sell or otherwise facilitate, and will have no liability in connection with, any open market repurchases by the Borrower or any of its Subsidiaries. If the Administrative Agent agrees to serve as Auction Agent, all provisions of Article IX and Sections 8.03, 10.04, and 10.05 herein shall inure to the benefit of the Auction Agent and shall be binding upon all Loan Parties and all Secured Parties in connection with this Agreement and the other Loan Documents as if all references herein and therein to "Administrative Agent" were to "Auction Agent".

(2) Mandatory.

(a) Within five (5) Business Days after financial statements are required to be delivered pursuant to Section 6.01(1) and the related Compliance Certificate is required to be delivered pursuant to Section 6.02(1), commencing with the delivery of financial statements for the Fiscal Year ending on December 31, 2026 for each Excess Cash Flow Period, the Borrower shall, subject to clauses (g) and (h) of this Section 2.05(2), prepay, or cause to be prepaid, an aggregate principal amount of Term Loans (the "**ECF Payment Amount**") equal to 50% (such percentage as it may be reduced as described below, the "**ECF Percentage**") of Excess Cash Flow , if any, for such Excess Cash Flow Period covered by such financial statements (such payment, the "**ECF Payment**") *minus* the sum of the following:

(i) all voluntary prepayments, repurchases or redemptions of Closing Date Term Loans and other Term Loans that are secured, in whole or in part, by the Collateral on a pari passu basis with the Closing Date Term Loans (in an amount, in each case, in the case of prepayments pursuant to Section 2.05(1)(e) equal to the discounted amount actually paid in respect of the principal amount of such Term Loans and only to the extent, in each case, that such Loans have been cancelled) (including prepayments made after the end of the Fiscal Year covered by the relevant financial statements but prior to the making of such ECF Payment (such payments, the "**After Year-End Payment**");

(ii) [reserved];

(iii) [reserved]; and

(iv) all voluntary prepayments, repurchases or redemptions of Indebtedness in respect of any revolving facility that is secured on a *pari passu* basis with the Closing Date Term Loans (to the extent accompanied by a permanent reduction in the corresponding revolving commitments) (including to the extent prepaid pursuant to an After Year-End Payment);

(v) without duplication of amounts deducted pursuant to clause (2)(f) of the definition of Excess Cash Flow with respect to the applicable, or any prior, Excess Cash Flow Periods (and without duplication of amounts deducted pursuant to this clause

(v) in respect of prior Excess Cash Flow Periods), the amount of cash consideration paid by the Borrower and its Subsidiaries (on a consolidated basis) in connection with investments made during such Excess Cash Flow Period or, at the option of the Borrower, after such Excess Cash Flow Period but prior to the date a prepayment pursuant to this Section 2.05(2)(a) is required to be made in respect of such Excess Cash Flow Period (including Permitted Acquisitions, investments constituting Permitted Investments and Investments made pursuant to Section 7.05); and

(vi) without duplication of amounts deducted pursuant to clause (2)(b) of the definition of Excess Cash Flow with respect to the applicable, or any prior, Excess Cash Flow Periods (and without duplication of amounts deducted pursuant to this clause (vi) in respect of prior Excess Cash Flow Periods), the amount of Capital Expenditures, Capitalized Software Expenditures or acquisitions of Proprietary Rights (including research and development activities in connection with potential Proprietary Rights) accrued or made (unless previously deducted when accrued) in cash during such Excess Cash Flow Period or, at the option of the Borrower, after such Excess Cash Flow Period but prior to the date a prepayment pursuant to this Section 2.05(2)(a) is required to be made in respect of such Excess Cash Flow Period,

in the case of each of the immediately preceding clauses (i) through (vi), made during such Fiscal Year (without duplication of any payments, prepayments, repurchases or redemptions in such Fiscal Year that reduced the amount of Excess Cash Flow required to be repaid pursuant to this Section 2.05(2)(a) for any prior Fiscal Year) or in connection with an After Year-End Payment, and in each case to the extent such prepayments are not funded with the proceeds of Funded Debt or any Cure Amount;

provided that (x) a prepayment of Term Loans pursuant to this Section 2.05(2)(a) in respect of any Excess Cash Flow Period shall only be required in the amount (if any) by which the ECF Payment Amount for such excess Cash Flow Period exceeds $10,000,000 and (y) the ECF Percentage for any Fiscal Year shall be (i) 50%, if the Total Net Leverage Ratio as of the end of such Fiscal Year was greater than 4.00 to 1.00, (ii) reduced to 25% if the Total Net Leverage Ratio as of the end of such Fiscal Year was less than or equal to 4.00 to 1.00, but greater than 3.50 to 1.00 and (iii) and reduced to 0%, if the Total Net Leverage Ratio as of the end of such Fiscal Year was less than or equal to 3.50 to 1.00;

(and it being understood that following the making of any After Year-End Payment, (i) the Total Net Leverage Ratio shall be recalculated giving *pro forma effect* to such After Year-End Payment as if such payment were made during the Fiscal Year of the applicable ECF Payment and the ECF Percentage for purposes of making such ECF Payment shall be determined by reference to the Total Net Leverage Ratio after giving effect to such recalculation and (ii) if such After Year-End Payment is taken into account for such calculation, the After Year-End Payment shall not be applied to the calculation of the Total Net Leverage Ratio for purposes of determining the ECF Percentage for any subsequent ECF Payment).

(b) Subject to the last paragraph of this Section 2.05(2), (i) if (x) the Borrower or any Subsidiary makes an Asset Sale or (y) any Casualty Event occurs, which results in the realization or receipt by the Borrower or such Subsidiary of Net Proceeds, the Borrower shall, subject to any Applicable Intercreditor Agreement, prepay, or cause to be prepaid, on or prior to the date which is ten (10) Business Days after the date of the realization or receipt by the Borrower or such Subsidiary of such Net Proceeds, subject to clause (ii) of this Section 2.05(2)(b) and clauses (2)(g) and (h) of this Section 2.05, an aggregate principal amount of Term Loans equal to 100% of all Net Proceeds; *provided* that no prepayment shall be required pursuant to this Section 2.05(2)(b)(i) with respect to such portion of such Net Proceeds that (x) the Borrower shall have, on or prior to such date, given written notice to the Administrative Agent of its intent to reinvest (or entered into a binding commitment to reinvest) in accordance with Section 2.05(2)(b)(ii) or (y) received by the Borrower for any Specified Disposition so long as such Specified Disposition is completed within twelve (12) months following the Closing Date and the Net Proceeds from such Specified Disposition are used for general corporate purposes not prohibited by the terms of this Agreement.

(ii) With respect to any Net Proceeds realized or received with respect to any Asset Sale or any Casualty Event, the Borrower or any Subsidiary, at its option, may reinvest all or any portion of such Net Proceeds in the business of the Borrower and its Subsidiaries (including Permitted Acquisitions (and similar Investments), Capital Expenditures and research and development activities in connection with assets used in or useful to the business of the Borrower and its Subsidiaries) within (x) twelve (12) months following receipt of such Net Proceeds or (y) if the Borrower or any Subsidiary enters into a legally binding commitment to reinvest such Net Proceeds within twelve (12) months following receipt thereof, within eighteen (18) months following receipt thereof; *provided* that if any Net Proceeds are no longer intended to be or cannot be so reinvested at any time after delivery of a notice of reinvestment election, and subject to clauses (g) and (h) of this Section 2.05(2), an amount equal to any such Net Proceeds shall be applied within five (5) Business Days after the Borrower reasonably determines that such Net Proceeds are no longer intended to be or cannot be so reinvested to the prepayment of the Term Loans as set forth in this Section 2.05.

(c) [Reserved].

(d) If the Borrower or any Subsidiary incurs or issues any Indebtedness not expressly permitted to be incurred or issued pursuant to Section 7.02(b), the Borrower shall prepay, or cause to be prepaid, an aggregate principal amount of Term Loans of any Class or Classes (in each case, in accordance with this Section 2.05) equal to 100% of all Net Proceeds received therefrom on or prior to the date which is five (5) Business Days after the receipt by the Borrower or such Subsidiary of such Net Proceeds.

(e) Except as otherwise set forth in any Extension Amendment or Incremental Amendment,

(i) each prepayment of Term Loans required by Sections 2.05(2)(a) through (d) shall be applied first, to each Class of Term Loans (other than the Second Out

Term Loans) then outstanding on a *pro rata* basis until such Classes of Term Loans (other than the Second Out Term Loans) are prepaid in full and second, to the Second Out Term Loans on a *pro rata* basis until such Second Out Term Loans are prepaid in full;

(ii) with respect to each Class of Loans, each prepayment pursuant to clauses (a) through (d) of Section 2.05(2) shall be applied to remaining scheduled installments of principal thereof following the date of prepayment on a *pro rata* basis; and

(iii) each such prepayment shall be paid to the Lenders in accordance with their respective Pro Rata Shares of such prepayment;

provided that with respect to the allocation of such prepayments under this clause (e) between a Class of existing Loans and a Class of Extended Loans, to the extent that the Borrower may allocate between such classes, the Borrower may allocate such prepayments as the Borrower may specify, subject always to the limitation that the Borrower may not allocate to such Extended Loans any such mandatory prepayment (other than in the case of a refinancing of Extended Loans) unless such prepayment under this clause (e) is accompanied by at least a *pro rata* prepayment, based upon the applicable remaining scheduled installments of principal due in respect thereof, of the Term Loans of the Class, if any, from which such Extended Loans were converted or exchanged (or such Term Loans of such existing Class have otherwise been repaid in full).

(f) [Reserved].

(g) The Borrower shall notify the Administrative Agent in writing of any mandatory prepayment of Term Loans required to be made pursuant to this Section 2.05(2) by 3:00 p.m. at least four (4) Business Days prior to the date of such prepayment. Each such notice shall specify the date of such prepayment, the subsection of this Agreement pursuant to which such prepayment is being made and provide a reasonably detailed calculation of the aggregate amount of such prepayment to be made by the Borrower. The Administrative Agent will promptly notify each Appropriate Lender of the contents of the Borrower's prepayment notice and of such Appropriate Lender's Pro Rata Share of the prepayment or other applicable share provided for under this Agreement. Each Term Lender may reject all or a portion of its Pro Rata Share, or other applicable share provided for under this Agreement, of any mandatory prepayment (such declined amounts, the "**Declined Proceeds**") of Term Loans required to be made pursuant to clauses (a) and (b) of this Section 2.05(2) by providing written notice (each, a "**Rejection Notice**") to the Administrative Agent and the Borrower no later than 3:00 p.m., New York time, at least two (2) Business Days prior to the scheduled date of such prepayment. Each Rejection Notice from a given Lender shall specify the principal amount of the mandatory repayment of Term Loans to be rejected by such Lender. If a Term Lender fails to deliver a Rejection Notice to the Administrative Agent within the time frame specified above or such Rejection Notice fails to specify the principal amount of the Term Loans to be rejected, any such failure will be deemed an acceptance of the total amount of such mandatory prepayment of Term Loans. Any Declined Proceeds remaining shall be offered to all Lenders which have not declined proceeds of the applicable prepayment event (on a *pro rata* basis as among such non-

declining Lenders) and, to the extent that any such non-declining Lender does not accept such offer by 3:00 p.m., New York time, at least one (1) Business Day prior to the date of such prepayment, such remaining Declined Proceeds shall be retained by the Borrower and shall increase the Available Amount pursuant to clause (6) of the definition thereof or may be otherwise applied as set forth herein.

(h) Notwithstanding any other provisions of this Section 2.05(2), (A) to the extent that any or all of the Net Proceeds of any Asset Sale by a Foreign Subsidiary giving rise to a prepayment event pursuant to Section 2.05(2)(b) (a "**Foreign Asset Sale**"), the Net Proceeds of any Casualty Event from a Foreign Subsidiary (a "**Foreign Casualty Event**"), or all or a portion of Excess Cash Flow are prohibited or delayed by applicable local law from being repatriated to the United States or Luxembourg, the portion of such Net Proceeds or Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 2.05(2) but may be retained by the applicable Foreign Subsidiary so long, but only so long, as the applicable local law will not permit repatriation to the United States or Luxembourg (the Borrower hereby agreeing to cause the applicable Foreign Subsidiary to promptly take all commercially reasonable actions available under by the applicable local law to permit such repatriation), and once such repatriation of any of such affected Net Proceeds or Excess Cash Flow is permitted under the applicable local law such repatriation will be promptly effected and an amount equal to such repatriated Net Proceeds or Excess Cash Flow will be promptly (and in any event not later than two (2) Business Days after such repatriation) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Term Loans pursuant to this Section 2.05(2) to the extent otherwise provided herein and (B) to the extent that the Borrower has determined in good faith that repatriation of any or all or the Net Proceeds of any Foreign Asset Sale or Foreign Casualty Event or Excess Cash Flow would have a material adverse tax consequence (taking into account any foreign tax credit or benefit actually realized in connection with such repatriation) with respect to such Net Proceeds or Excess Cash Flow, the Net Proceeds or Excess Cash Flow so affected may be retained by the applicable Foreign Subsidiary.

(i) Interest, Funding Losses, etc. All prepayments under this Section 2.05 shall be accompanied by all accrued interest thereon, together with, in the case of any such prepayment of a SOFR Loan on a date prior to the last day of an Interest Period therefor, any amounts owing in respect of such SOFR Loan pursuant to Section 3.05.

Notwithstanding any of the other provisions of this Section 2.05, so long as no Event of Default shall have occurred and be continuing, if any prepayment of SOFR Loans is required to be made under this Section 2.05 prior to the last day of the Interest Period therefor, in lieu of making any payment pursuant to this Section 2.05 in respect of any such SOFR Loan prior to the last day of the Interest Period therefor, the Borrower may, in its discretion, deposit an amount sufficient to make any such prepayment otherwise required to be made thereunder together with accrued interest to the last day of such Interest Period into a Cash Collateral Account until the last day of such Interest Period, at which time the Administrative Agent shall be authorized (without any further action by or notice to or from the Borrower or any other Loan Party) to apply such amount to the prepayment of such Loans in accordance with this Section 2.05. Upon

the occurrence and during the continuance of any Event of Default, the Administrative Agent shall also be authorized (without any further action by or notice to or from the Borrower or any other Loan Party) to apply such amount to the prepayment of the outstanding Loans in accordance with the relevant provisions of this Section 2.05. Such deposit shall be deemed to be a prepayment of such Loans by the Borrower for all purposes under this Agreement.

Section 2.06 Termination or Reduction of Commitments.

(1) Optional. The Borrower may, upon written notice by the Borrower to the Administrative Agent, terminate the unused Commitments of any Class, or from time to time permanently reduce the unused Commitments of any Class, in each case without premium or penalty; *provided* that:

(a) any such notice shall be received by the Administrative Agent by 3:00 p.m. New York time three (3) Business Days prior to the date of termination or reduction; and

(b) any such partial reduction shall be in an aggregate amount of $1,000,000 or any whole multiple of $500,000 in excess thereof or, if less, the entire amount thereof.

(2) Mandatory. (x) The Closing Date Term Loan Commitment of each Term Lender on the Closing Date shall be automatically and permanently reduced to $0 (i) upon the making of such Lender's Closing Date Term Loans to the Borrower pursuant to Section 2.01 or (ii) if the conditions to funding the Closing Date Term Loans in Section 4.02 are not satisfied on or prior to [***] and (y) the Second Out Term Loan Commitment of each Term Lender on the Second Out Closing Date shall be automatically and permanently reduced to $0 (i) upon the making of such Lender's Second Out Term Loans to the Borrower pursuant to Section 2.01 or (ii) if the conditions to funding the Second Out Term Loans in Section 4.03 are not satisfied on or prior to [***].

(3) Application of Commitment Reductions. Upon any reduction of unused Commitments of any Class, the Commitment of each Lender of such Class shall be reduced by such Lender's Pro Rata Share or other applicable share provided for under this Agreement of the amount by which such Commitments are reduced (other than the termination of the Commitment of any Lender as provided in Section 3.07).

Section 2.07 Repayment of Loans.

The Borrower shall repay to the Administrative Agent for the ratable account of the Appropriate Lenders on the last Business Day of each Fiscal Quarter until the Maturity Date, commencing with the last Business Day of the Fiscal Quarter ending September 30, 2024, in equal quarterly installments, an amount equal to the following:

(1) with respect to the Closing Date Term Loans, 0.25% of the aggregate principal amount of the Closing Date Term Loans outstanding on the Closing Date (which payments shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05); *provided* that, in connection with any Incremental Term Loans that

constitute part of the same Class as the Closing Date Term Loans, the Borrower and the Administrative Agent shall be permitted to adjust the rate of repayment in respect of such Class such that the Term Lenders holding Closing Date Term Loans comprising part of such Class continue to receive a payment that is not less than the same Dollar amount that such Term Lenders would have received absent the incurrence of such Incremental Term Loans; *provided*, *further*, that if such Incremental Term Loans are to be "fungible" with the Closing Date Term Loans notwithstanding any other conditions specified in this Section 2.07(1), the amortization schedule for such "fungible" Incremental Term Loan may provide for amortization in such other percentage(s) to be agreed by Borrower and the Administrative Agent to provide that the Incremental Term Loans will be (or will be deemed to be) "fungible" with the Closing Date Term Loans

(2) on the Maturity Date for the Closing Date Term Loans and the Second Out Term Loans, the aggregate principal amount of all Closing Date Term Loans and Second Out Term Loans outstanding on such date, and

(3) the aggregate principal amount of all other Incremental Term Loans, all Extended Term Loans of a given Term Loan Extension Series, as applicable, outstanding on the date(s) set forth in, and otherwise in accordance with, the applicable Incremental Amendment or Extension Amendment, as applicable.

Section 2.08 Interest.

(1) Subject to the provisions of Section 2.08(2), (a) each SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to Term SOFR, for such Interest Period, *plus* the Applicable Rate and (b) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable Borrowing date at a rate per annum equal to the Base Rate, *plus* the Applicable Rate.

(2) During the continuance of an Event of Default, the Borrower shall pay interest on all principal and all other amounts outstanding hereunder at the direction (which direction may be provided retroactively to the extent not applied following the occurrence of such Event of Default so long as such Event of Default is continuing) of the Required Lenders (unless such Event of Default is an Event of Default under Section 8.01(1) or Section 8.01(6), in which case the Default Rate shall automatically accrue upon the occurrence of such Event of Default under Section 8.01(1) or Section 8.01(6)), in each case at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws; *provided* that no interest at the Default Rate shall accrue or be payable to a Defaulting Lender so long as such Lender shall be a Defaulting Lender. Accrued and unpaid interest on such amounts shall be due and payable upon demand.

(3) (A) Interest on each Loan (other than the Second Out Term Loans) shall be due and payable in arrears in cash on each Interest Payment Date applicable thereto and at such other times as may be specified herein; *provided* that with respect to any Interest Payment Date applicable to the Closing Date Term Loans ending on or before June 30, 2025, the Borrower may elect in its sole discretion by written notice delivered to the Administrative Agent no later than

five (5) Business Days prior to such Interest Payment Date (each such election, a "**PIK Interest Election**"), to pay up to one hundred percent (100%) of such interest as payment-in-kind interest ("**PIK Interest**"), in lieu of cash interest for the relevant Interest Period, with any remaining portion of interest due on such Interest Payment Date due and payable in cash as set forth above. (B) Interest on the Second Out Term Loans shall be due and payable in arrears in PIK Interest on each Interest Payment Date applicable thereto and at such other times as may be specified herein. All PIK Interest shall be added to the aggregate principal balance of the applicable Loan (based on the amount of each applicable Lender's Pro Rata Share) on such Interest Payment Date, after which time such interest amount shall be considered principal of the applicable Loan for all purposes under this Agreement and shall be payable on the Maturity Date. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

Section 2.09 Fees. The Borrower shall pay to the Agents such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified (including the fees due and owing to the Administrative Agent and Collateral Agent pursuant to the Agency Fee Letter). Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever (except as expressly agreed in writing between the Borrower and the applicable Agent).

Section 2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans shall be made on the basis of a year of three hundred sixty-five (365) days or three hundred sixty-six (366) days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a three hundred sixty (360)-day year and actual days elapsed. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid; *provided* that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(1), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error. In connection with the use or administration of Term SOFR, the Administrative Agent in consultation with the Borrower will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

Section 2.11 Evidence of Indebtedness.

(1) The Term Borrowings made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and evidenced by one or more entries in the Register maintained by the Administrative Agent, acting solely for purposes of Treasury regulations Section 5f.103-1(c) and Section 1.163-5(b) of the proposed Treasury regulations, as applicable, as non-fiduciary agent for the Borrower, in each case in the ordinary course of

business. The accounts or records maintained by the Administrative Agent and each Lender shall be prima facie evidence absent manifest error of the amount of the Term Borrowings made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent, as set forth in the Register, in respect of such matters, the accounts and records of the Administrative Agent, as set forth in the Register, shall control in the absence of manifest error. Upon the request of any Lender, the Borrower shall execute and deliver to such Lender a Term Note payable to such Lender, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Term Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(2) [Reserved].

(3) Entries made in good faith by the Administrative Agent in the Register pursuant to Section 2.11(1), and by each Lender in its account or accounts pursuant to Section 2.11(1), shall be prima facie evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement and the other Loan Documents, absent manifest error; *provided* that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of the Borrower under this Agreement and the other Loan Documents.

Section 2.12 Payments Generally.

(1) All payments hereunder to be made by the Borrower shall be made in Dollars without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, by wire transfer to the Administrative Agent's Account for payment and in Same Day Funds not later than 2:00 p.m., New York time, on the date specified herein. The Administrative Agent will promptly distribute to each Appropriate Lender its Pro Rata Share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. Any payments under this Agreement that are made later than 2:00 p.m., New York time, may, in the Administrative Agent's discretion be deemed to have been made on the next succeeding Business Day (but the Administrative Agent may extend such deadline for purposes of computing interest and fees (but not beyond the end of such day) in its sole discretion whether or not such payments are in process).

(2) If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(3) Unless the Borrower or any Lender has notified the Administrative Agent, in writing prior to the date, or in the case of any Borrowing of Base Rate Loans, prior to 12:00 p.m., New York time, on the date of such Borrowing, any payment is required to be made by it to the Administrative Agent hereunder (in the case of the Borrower, for the account of any Lender hereunder or, in the case of the Lenders, for the account of the Borrower hereunder), that the Borrower or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the Borrower or such Lender, as the case may be, has timely made such payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in Same Day Funds, then:

(a) if the Borrower failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in Same Day Funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent to such Lender to the date such amount is repaid to the Administrative Agent in Same Day Funds at the applicable Overnight Rate from time to time in effect; and

(b) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in Same Day Funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the Borrower to the date such amount is recovered by the Administrative Agent (the "**Compensation Period**") at a rate per annum equal to the applicable Overnight Rate from time to time in effect. When such Lender makes payment to the Administrative Agent (together with all accrued interest thereon), then such payment amount (excluding the amount of any interest which may have accrued and been paid in respect of such late payment) shall constitute such Lender's Loan included in the applicable Borrowing. If such Lender does not pay such amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent may make a demand therefor upon the Borrower, and the Borrower shall pay such amount, or cause such amount to be paid, to the Administrative Agent, together with interest thereon for the Compensation Period at a rate per annum equal to the rate of interest applicable to the applicable Borrowing. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which the Administrative Agent or the Borrower may have against any Lender as a result of any default by such Lender hereunder. A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this Section 2.12(3) shall be conclusive, absent manifest error.

(4) If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Term Borrowing set forth in Section 4.02 or Section 4.03, as applicable, are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(5) The obligations of the Lenders hereunder to make Loans are several and not joint. The failure of any Lender to make any Loan on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan.

(6) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(7) Whenever any payment received by the Administrative Agent under this Agreement or any of the other Loan Documents is insufficient to pay in full all amounts due and payable to the Administrative Agent and the Lenders under or in respect of this Agreement and the other Loan Documents on any date, such payment shall be distributed by the Administrative Agent and applied by the Administrative Agent and the Lenders in the order of priority set forth in Section 8.03 (or otherwise expressly set forth herein). If the Administrative Agent receives funds for application to the Obligations of the Loan Parties under or in respect of the Loan Documents under circumstances for which the Loan Documents do not specify the manner in which such funds are to be applied, the Administrative Agent may, but shall not be obligated to, elect to distribute such funds to each of the Lenders in accordance with such Lender's Pro Rata Share or other applicable share provided for under this Agreement of the sum of the Outstanding Amount of all Loans outstanding at such time, in repayment or prepayment of such of the outstanding Loans or other Obligations then owing to such Lender; provided that any such payment of Second Out Term Loans shall be limited as set forth in Section 2.05(1)(b).

Section 2.13 Sharing of Payments. Other than as expressly provided elsewhere herein (including with respect to any discounted prepayment of Term Loans pursuant to Section 2.05(1)(e) or Section 2.05(2)(g)), if any Lender of any Class shall obtain payment or any other form of consideration in respect of any principal of or interest on account of the Loans of such Class made by it (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (1) notify the Administrative Agent of such fact in writing, and (2) purchase from the other Lenders such participations in the Loans of such Class made by them, as shall be necessary to cause such purchasing Lender to share the excess payment in respect of any principal of or interest on such Loans of such Class, pro rata with each of them; *provided* that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 10.06 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (a) the amount of such paying Lender's required repayment to (b) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. For avoidance of doubt, the provisions of this Section 2.13 shall not be construed to apply to (i) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement as in effect from time to time (including the application of

funds arising from the existence of a Defaulting Lender) or (ii) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant permitted hereunder. The Borrower agrees that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by applicable Law, exercise all its rights of payment (including the right of setoff, but subject to Section 10.10) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.13 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.13 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased.

Section 2.14 Incremental Facilities.

(1) Incremental Loan Request. The Borrower may at any time and from time to time after the Closing Date, by notice to the Administrative Agent (an "**Incremental Loan Request**"), request one or more new commitments which may be of the same Class as any outstanding Term Loans (a "**Term Loan Increase**") or a new Class of Term Loans (collectively with any Term Loan Increase, the "**Incremental Term Commitments**" or the "**Incremental Commitments**"), whereupon the Administrative Agent shall promptly deliver a copy of such Incremental Loan Request to each of the Lenders. Each Incremental Loan Request from the Borrower pursuant to this Section 2.14 shall set forth the requested amount and proposed terms of the relevant Incremental Term Commitments.

(2) Incremental Loans. Any Incremental Term Loans effected through the establishment of one or more new Term Loans made on an Incremental Facility Closing Date (other than a Term Loan Increase) shall be designated a separate Class of Incremental Term Loans for all purposes of this Agreement. On any Incremental Facility Closing Date on which any Incremental Term Commitments of any Class are effected (including through any Term Loan Increase), subject to the satisfaction of the terms and conditions in this Section 2.14, (a) each Incremental Term Lender of such Class shall make a Loan to the Borrower (an "**Incremental Term Loan**") in an amount equal to its Incremental Term Commitment of such Class and (b) each Incremental Term Lender of such Class shall become a Lender hereunder with respect to the Incremental Term Commitment of such Class and the Incremental Term Loans of such Class made pursuant thereto.

(3) Incremental Lenders.

(a) Incremental Term Loans may be made by any existing Lender as approved by the Borrower (but no existing Lender will have an obligation to provide any Incremental Commitment (or make any Incremental Term Loan) (each such existing Lender or Additional Lender providing such Loan or Commitment, an "**Incremental Term Lender**" or "**Incremental Lenders**"); *provided* that the Administrative Agent shall have consented (not to be unreasonably

withheld, conditioned or delayed) to such Additional Lender's making such Incremental Term Loans to the extent such consent, if any, would be required under Section 10.07(2) for an assignment of Loans to such Additional Lender.

(b) The Borrower shall first seek any Incremental Term Loans from the existing Lenders on a bona fide and pro rata basis, and each such Lender shall, by written notice to the Borrower or the Administrative Agent not more than five (5) days after the date of such Lender's receipt of the applicable Incremental Loan Request from the Borrower or the Administrative Agent, as applicable, either elect to provide its pro rata portion of the offered amount of such Incremental Term Loan or decline (in each case, in such Lender's sole discretion) to provide such pro rata portion of the offered amount of such Incremental Term Loan (and any such Lender that does not deliver such a written notice within such period of five (5) days shall be deemed to have declined to provide such pro rata portion of the offered amount of such Incremental Term Loan). In the event that any existing Lender declines to provide its pro rata share of such Incremental Term Loan, the Borrower may then seek the balance of each declining Lender's pro rata share of such Incremental Term Loan on the same terms from any additional bank, financial institution or other Person so long as such additional bank, financial institution or other Person shall be reasonably satisfactory to the Borrower and consented to (to the extent required by the proviso to clause (3)(a) above) by the Administrative Agent; provided that, the Borrower must first offer (in a bona fide offer in good faith) such declined pro rata share (which offer may be made concurrently with the initial bona fide offer in good faith) to the existing Lenders that have agreed to provide their ratable share of such Incremental Term Loan (the foregoing provisions of this Section 2.14(3)(b), the "**ROFO Provision**").

(4) Effectiveness of Incremental Amendment. The effectiveness of any Incremental Amendment and the availability of any initial credit extensions thereunder shall be subject to the satisfaction on the date thereof (the "**Incremental Facility Closing Date**") of each of the following conditions:

(a) (i) no Event of Default shall exist after giving effect to such Incremental Commitments (*provided* that, with respect to any Incremental Amendment in connection with a Limited Condition Transaction, the requirement pursuant to this clause (4)(a)(i) shall be that (x) no Event of Default shall exist on the LCT Test Date and (y) no Event of Default under Section 8.01(1) or Section 8.01(6) shall exist after giving effect to such Incremental Commitments), and (ii) the representations and warranties of the Borrower contained in Article V or any other Loan Document shall be true and correct in all material respects on and as of the date of such Incremental Amendment (*provided* that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date and any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates);

(b) each Incremental Term Commitment shall be in an aggregate principal amount that is not less than $5,000,000 (*provided* that such amount may be less than

$5,000,000 if such amount represents all remaining availability under the limit set forth in clause (c) of this Section 2.14(4));

(c) the aggregate outstanding principal amount of Incremental Term Loans shall not exceed the sum of the following:

(I) an amount that, together with the aggregate principal amount of Indebtedness incurred pursuant to Section 7.02(b)(12), does not exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 30.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries; *plus*

(II) the aggregate principal amount, without duplication, of (including, as applicable, prepayments, terminations, redemptions and purchases of such Indebtedness at or below par (in each case, in the principal amount of the Indebtedness or revolving commitments subject thereto) (the "**First Lien Voluntary Prepayments Amount**") voluntary prepayments, redemptions or repurchases of Closing Date Term Loans and any other Indebtedness secured by the Collateral on a *pari passu* basis with the Obligations ((x) other than Second Lien Term Loans and (y) in the case of revolving Indebtedness, accompanied by a permanent commitment reduction) (*provided* that the relevant prepayment, redemption, repurchase or commitment reduction under this clause (I) shall not have been funded with proceeds of long-term Indebtedness (other than revolving Indebtedness)), *plus*

(III) in the case of any Incremental Loans or Incremental Commitments that effectively extend the Maturity Date of, or refinance, any Facility, an amount equal to the portion of the Facility to be replaced with (or refinanced by) such Incremental Loans or Incremental Commitments and (II) in the case of any Incremental Loans or Incremental Commitments that effectively replace any Commitment or Loan that is terminated or cancelled in accordance with Section 3.07, an amount equal to the portion of the relevant terminated or cancelled Commitment or Loan,

the amount available under this clause (c), the "**Free and Clear Incremental Amount**".

(5) Required Terms. Except as set forth in clauses (a) through (c) below, the terms, provisions and documentation of the Incremental Term Loans and Incremental Term Commitments of any Class and any Term Loan Increase shall be as agreed between the Borrower and the applicable Incremental Lenders providing such Incremental Commitments, and except as otherwise set forth herein, to the extent not identical to the Closing Date Term Loans existing on the Incremental Facility Closing Date, shall either, at the option of the Borrower, (a) be not materially more restrictive to the Borrower when taken as a whole (as determined by the Borrower in good faith) than the terms of the Closing Date Term Loans except with respect to

covenants and other terms applicable only to periods after the Latest Maturity Date in effect immediately prior to the incurrence of the Incremental Term Loans and Incremental Term Commitments, or (b) if clause (a) is not satisfied, be reasonably satisfactory to the Administrative Agent acting at the direction of the Required Lenders (*provided* that, at the Borrower's election, to the extent any term or provision is added for the benefit of the Lenders of Incremental Term Loans, no consent shall be required from the Administrative Agent to the extent that such term or provision is also added, or the features of such term or provision are provided, for the benefit of the Lenders of the Closing Date Term Loans; *provided* that in the case of a Term Loan Increase, the terms, provisions and documentation of such Term Loan Increase shall be identical (other than with respect to upfront fees, OID or similar fees, it being understood that, if required to consummate such Term Loan Increase transaction, the interest rate margins and rate floors may be increased, any call protection provision may be made more favorable to the applicable existing Lenders and additional upfront or similar fees may be payable to the lenders providing the Term Loan Increase) to the applicable Class of Term Loans being increased, in each case, as existing on the Incremental Facility Closing Date (*provided* that, if such Incremental Term Loans are to be "fungible" with the Closing Date Term Loans, notwithstanding any other conditions specified in this Section 2.14(5), the amortization schedule for such "fungible" Incremental Term Loan may provide for amortization in such other percentage(s) to be agreed by the Borrower and the Administrative Agent to ensure that such Incremental Term Loans will be "fungible" with the Closing Date Term Loans). In any event:

(a) the Incremental Term Loans:

(I) (I) shall either rank equal in priority of right of payment with the Closing Date Term Loans or junior in priority of right of payment to the Second Out Term Loans under this Agreement (as determined by the Borrower) and (II) to the extent secured, shall rank equal or junior in priority of right of security (but without regard to the control of remedies) with the Obligations under this Agreement;

(II) shall not mature earlier than the Original Term Loan Maturity Date,

(III) shall have a Weighted Average Life to Maturity not shorter than the remaining Weighted Average Life to Maturity of the Closing Date Term Loans on the date of incurrence of such Incremental Term Loan,

(IV) subject to clause (5)(a)(III) above and clause (5)(c) below, respectively, shall have amortization and an Applicable Rate determined by the Borrower and the applicable Incremental Term Lenders (*provided*, that if such Incremental Term Loans are to be "fungible" with any then-existing Class of Term Loans notwithstanding any other conditions specified in this Section 2.14(5)(a), the amortization schedule for such "fungible" Incremental Term Loan may provide for amortization in such other percentage(s) to be agreed by the Borrower and the Administrative Agent to ensure that the Incremental Term Loans will be (or will be deemed to be) "fungible" with such Class of Term Loans),

(V) may participate (x) on a pro rata basis, or on a less than or greater than pro rata basis, in any voluntary prepayment of Term Loans and (y) on a pro rata basis or less than a pro rata basis (but not greater than a pro rata basis) in any mandatory prepayment of Term Loans under Section 2.05(2)(a), (b) or (d), in each case, as specified in the applicable Incremental Amendment,

(VI) shall be denominated in Dollars or, subject to the consent of the Administrative Agent (not to be unreasonably withheld, conditioned or delayed), another currency as determined by the Borrower and the applicable Incremental Term Lenders,

(VII) shall not at any time be guaranteed by any Person other than the Guarantors, and

(VIII) the obligations in respect thereof shall not be secured by any property or assets other than the Collateral;

(b) [reserved]; and

(c) the Applicable Rate and fees applicable to the Incremental Term Loans of each Class shall be determined by the Borrower and the applicable Incremental Term Lenders and shall be set forth in each applicable Incremental Amendment; *provided*, *however*, that with respect to Incremental Term Loans that are secured by the Collateral and rank equal in priority of right of security (but without regard to the control of remedies) with the Obligations under this Agreement (but without regard to the control of remedies), the Effective Yield applicable to such Incremental Term Loans shall not be greater than the Effective Yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to Closing Date Term Loans (but calculated without regard to the PIK Interest Election) *plus* 50 basis points per annum unless the Applicable Rate with respect to the Closing Date Term Loans is increased so as to cause the Effective Yield then applicable under this Agreement with respect to the Closing Date Term Loans to equal the Effective Yield then applicable to such Incremental Term Loans *minus* 50 basis points per annum (the "**MFN Provision**").

(6) Incremental Amendment; Use of Proceeds; No Lender Obligated. Commitments in respect of Incremental Term Loans shall become Commitments, under this Agreement pursuant to an amendment (an "**Incremental Amendment**") to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower, each Incremental Lender providing such Incremental Commitments and the Administrative Agent.

Notwithstanding anything to the contrary in Section 10.01 (a) each Incremental Amendment may, without the consent of any other Loan Party, Agent or Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.14, including to effect technical and corresponding amendments to this Agreement and the other Loan Documents and (b) at the option of the Borrower in consultation with the Administrative Agent, incorporate terms that would be favorable to existing Lenders of the applicable Class or Classes for the benefit of such existing Lenders of the

applicable Class or Classes (including to the extent necessary or advisable to allow any Class of Incremental Commitments to be a Term Loan Increase), in each case under this clause (b), so long as the Administrative Agent reasonably agrees that such modification is favorable to the applicable Lenders. At its option, the Administrative Agent may elect to require the direction of the Required Lenders in connection with the making of any determination or agreement to be made by the Administrative Agent contemplated by the foregoing sentence. In connection with any Incremental Amendment, the Borrower shall, if reasonably requested by the Administrative Agent, deliver customary reaffirmation agreements and/or such amendments to the Collateral Documents as may be reasonably requested by the Administrative Agent in order to ensure that such Incremental Loans are provided with the benefit of the applicable Loan Documents. The Borrower may use the proceeds (if any) of the Incremental Loans for any purpose not prohibited by this Agreement. No Lender shall be obligated to provide any Incremental Commitments or Incremental Loans unless it so agrees.

This Section 2.14 shall supersede any provisions in Section 2.12, 2.13 or 10.01 to the contrary. For the avoidance of doubt, any of the provisions of this Section 2.14 may be amended with the consent of the Required Lenders (or the applicable Required Facility Lenders, if applicable).

Section 2.15 [Reserved].

Section 2.16 Extensions of Loans.

(1) Extension Offers. Pursuant to one or more offers (each, an "**Extension Offer**") made from time to time by the Borrower to all Lenders holding Loans or Commitments of a particular Class with a like Maturity Date, the Borrower may extend such Maturity Date and otherwise modify the terms of such Loans or Commitments pursuant to the terms set forth in an Extension Offer (each, an "**Extension**," and each group of Loans or Commitments so extended, as well as any Loans of the same Class not so extended, each being a separate "**tranche**" for purposes of this Section 2.16). Each Extension Offer will specify the minimum amount of Loans or Commitments with respect to which an Extension Offer may be accepted, which will be an integral multiple of $500,000 and an aggregate principal amount that is not less than $1,000,000, or if less, (a) the aggregate principal amount of such Loans outstanding or (b) such lesser minimum amount as is approved by the Administrative Agent, such consent not to be unreasonably withheld, conditioned or delayed. Extension Offers will be made on a *pro rata* basis to all Lenders holding Loans or Commitments with a like Maturity Date. If the aggregate outstanding principal amount of such Loans (calculated on the face amount thereof) or Commitments in respect of which Lenders have accepted an Extension Offer exceeds the maximum aggregate principal amount of Loans or Commitments offered to be extended pursuant to such Extension Offer, then the Loans or Commitments of such Lenders will be extended ratably up to such maximum amount based on the respective principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Extension Offer. There is no requirement that any Extension Offer or Extension Amendment (defined as follows) be subject to any "most favored nation" pricing provisions or any financial ratio tests. The terms of an Extension Offer shall be determined by the Borrower, and Extension

Offers may contain one or more conditions to their effectiveness, including a condition that a minimum amount of Loans or Commitments of any or all applicable tranches be tendered; *provided* that, to the extent the terms and conditions of any Extension Offer include the Loans that are the subject of such Extension Offer being extended in an aggregate principal amount that constitutes a discount to the par value thereof, the amount of Indebtedness able to be incurred under this Agreement shall be reduced by the amount of such discount.

(2) Extension Amendments. The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents (each, an "**Extension Amendment**") as may be necessary or appropriate in order to effect the provisions of this Section 2.16, establish new tranches in respect of Extended Loans and Extended Commitments and such amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such Extended Loans and Extended Commitments. An Extension Amendment may (a) extend or add "call protection" to any existing Class of Term Loans, including by amendments to Section 2.18, (b) amend the schedule of amortization payments relating to any existing tranche of Term Loans, including by amendments to Section 2.07 (*provided* that any such amendment shall not decrease the dollar amount of any amortization payment to any Lender that would have otherwise been payable to such Lender prior to the effectiveness of the applicable Extension Amendment) and (c) to the extent the Borrower requests to make such Extended Loans part of another Class of Term Loans then existing, make other amendments to the terms of any such existing Term Loans, in the case of each clause (a), (b) and (c), so that such Extended Loans and the applicable existing Term Loans form the same Class of Term Loans; *provided* that such amendments are not adverse to the existing Term Loan Lenders (as determined in good faith by the Borrower) and no Event of Default under Section 8.01(1) or Section 8.01(6) shall have occurred and be continuing or result therefrom. This Section 2.16 supersedes any provision(s) in Section 2.13 or 10.01 to the contrary. Except (1) as otherwise set forth in an Extension Offer, there will be no conditions to the effectiveness of an Extension Amendment and (2) upon the effectiveness of an Extension Amendment, no Event of Default pursuant to Section 8.01(1) or Section 8.01(6) shall have occurred and be continuing. Extensions will not constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement. Any Lender of an existing Class of Term Loans that elects not to participate in Extended Loans or Extended Commitments of such Class of Term Loans shall be referred to herein as a "**Non-Extended Lender**".

(3) Terms of Extension Offers and Extension Amendments. The terms of any Extended Loans and Extended Commitments will be set forth in an Extension Offer and as agreed between the Borrower and the Extending Lenders accepting such Extension Offer; *provided* that:

(a) the aggregate principal amount of Extended Loans or Extended Commitments shall not exceed the aggregate principal amount of the Loans or Commitments that are the subject of such Extension Offer, *plus* accrued interest, fees, premiums (if any) and penalties thereon and fees and expenses incurred in connection with such Extension Offer;

(b) the final maturity date of such Extended Loans and Extended Commitments will be no earlier than the Latest Maturity Date applicable to the Loans or Commitments subject to such Extension Offer;

(c) the Weighted Average Life to Maturity of any Extended Loans that are Term Loans will be no shorter than the remaining Weighted Average Life to Maturity of the Term Loans subject to such Extension Offer;

(d) any Extended Loans that are Term Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than a pro rata basis) in any mandatory repayments or prepayments of the Term Loans of the same priority in the waterfall in Section 8.03 (in each case, other than pursuant to a refinancing) and may participate on a pro rata basis or less than pro rata basis (but not greater than pro rata basis) in any voluntary prepayments of the Term Loans of the same priority in the waterfall in Section 8.03;

(e) such Extended Loans and Extended Commitments are not secured by any assets or property that does not constitute Collateral and may not be secured on a senior basis to the existing Term Loans;

(f) such Extended Loans and Extended Commitments are not guaranteed by any Subsidiary of the Borrower other than a Subsidiary Guarantor; and

(g) the covenants and events of default applicable to Extended Loans or Extended Commitments are substantially identical to, or, taken as a whole, no more favorable to the Lenders providing such Extended Loans or Extended Commitments than, those applicable to the Loans or Commitments subject to such Extension Offer, as determined in good faith by a Responsible Officer of the Borrower in its reasonable judgment; *provided* that this clause (g) will not apply:

(A) if an Extension Offer is made with respect to all the Loans or Commitments of a particular Class and all such Loans or Commitments are accepted in such Extension Offer and amended pursuant to the applicable Extension Amendment or

(B) to any of the following:

(1) terms addressed in the preceding clauses (a) through (f),

(2) interest rate, fees, funding discounts and other pricing terms,

(3) redemption, prepayment or other premiums, and

(4) covenants and events of default applicable only to periods after the Latest Maturity Date at the time of incurrence of such Indebtedness.

Any Extended Loans will constitute a separate tranche of Term Loans from the Term Loans held by Lenders that did not accept the applicable Extension Offer.

(4) Required Consents. No consent of any Lender or any other Person will be required to effectuate any Extension, other than the consent of the Administrative Agent (such consent not to be unreasonably withheld, delayed or conditioned), the Borrower and the applicable Extending Lender. The transactions contemplated by this Section 2.16 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Loans on such terms as may be set forth in the relevant Extension Offer) will not require the consent of any other Lender or any other Person, and the requirements of any provision of this Agreement or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Section 2.16 will not apply to any of the transactions effected pursuant to this Section 2.16.

Section 2.17 Defaulting Lenders.

(1) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(a) Waivers and Amendments. That Defaulting Lender's right to approve or disapprove of any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 10.01.

(b) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise), shall be applied at such time or times as may be determined by the Administrative Agent as follows:

(i) first, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder;

(ii) second, as the Borrower may request (so long as no Default or Event of Default under Section 8.01(1) or Section 8.01(6) has occurred and is continuing), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent;

(iii) third, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement;

(iv) fourth, to the payment of any amounts owing to the Lenders, as a result of any judgment of a court of competent jurisdiction obtained by any Lender, against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement;

(v) fifth, so long as no Default or Event of Default has occurred and is continuing under Section 8.01(1) or Section 8.01(6), to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and

(vi) sixth, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (i) such payment is a payment of the principal amount of any Loans in respect of which that Defaulting Lender has not fully funded its appropriate share and (ii) such Loans were made at a time when the conditions set forth in Section 4.02 or Section 4.03, as applicable, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of that Defaulting Lender.

Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.17(1)(b) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(2) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders, whereupon that Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; *provided*, *further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Section 2.18 Call Protection.

(1) In the event that all or any portion of the Closing Date Term Loans are repaid, prepaid or accelerated for any reason, including as a result of any mandatory prepayments, voluntary prepayments, payments made following acceleration of the Closing Date Term Loans or after an Event of Default or any prepayment made pursuant to Section 3.07 (other than mandatory prepayments pursuant to Section 2.05(2)(a) or (b) or amortization payments pursuant to Section 2.07) the Borrower shall pay to the Administrative Agent, for the benefit of Lenders holding such Closing Date Term Loans as an inducement for making the Closing Date Term Loans (and not as a penalty) an amount equal to the Prepayment Premium, which Prepayment Premium shall be fully earned, and due and payable, on the date of such payment or prepayment, or on the date such payment or prepayment is required to be made, as applicable, and non-refundable when made.

(2) If the Closing Date Term Loans are accelerated or otherwise become due prior to their maturity date, in each case, as a result of an Event of Default (including upon the occurrence of a bankruptcy or insolvency event (including the acceleration of claims by operation of law)), the amount of principal of and premium on the Closing Date Term Loans that becomes due and payable shall equal 100% of the principal amount of the Closing Date Term Loans plus the Prepayment Premium in effect on the date of such acceleration or such other prior due date, as if such acceleration or other occurrence were a voluntary prepayment of the Closing Date Term Loans accelerated or otherwise becoming due.

(3) Without limiting the generality of the foregoing, it is understood and agreed that if the Closing Date Term Loans are accelerated or otherwise become due prior to their maturity date, in each case, in respect of any Event of Default (including upon the occurrence of a bankruptcy or insolvency event (including the acceleration of claims by operation of law)), the Prepayment Premium applicable with respect to a voluntary prepayment of the Closing Date Term Loans will also be due and payable on the date of such acceleration or such other prior due date as though the Closing Date Term Loans were voluntarily prepaid as of such date and shall constitute part of the Obligations, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Lender's lost profits as a result thereof. The Borrower expressly agrees (to the fullest extent it may lawfully do so) that: (A) the Prepayment Premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the Prepayment Premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between the Lenders and the Borrower giving specific consideration in this transaction for such agreement to pay the Prepayment Premium; (D) the Borrower shall be estopped hereafter from claiming differently than as agreed to in this Section 2.18; (E) the agreement to pay the Prepayment Premium is a material inducement to the Lenders holding Closing Date Term Loan Commitments to provide the Closing Date Term Loan Commitments and the Closing Date Term Loans; and (F) if the Closing Date Term Loans are accelerated (or automatically accelerate) and become due prior to their stated maturity as a result of an Event of Default during the times specified above in this paragraph (an "**Acceleration Event**"), (x) the Lenders holding Closing Date Term Loans shall be entitled to the payment of the Prepayment Premium that would have been due had a prepayment occurred with respect to the aggregate principal amount of the Closing Date Term Loans so accelerated at the time of such Acceleration Event (the "**Acceleration Applicable Premium Amount**"), (y) the Acceleration Applicable Premium Amount shall automatically become earned, due and payable to the Lenders upon the occurrence of such Acceleration Event and (z) the Acceleration Applicable Premium Amount shall be presumed to be the liquidated damages sustained by the Lenders as the result of such Acceleration Event.

ARTICLE III

Taxes, Increased Costs Protection and Illegality

Section 3.01 Taxes.

(1) Except as required by applicable Law, any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made free and clear of and without deduction or withholding for any Taxes.

(2) If any Loan Party or any other applicable withholding agent (including, for the avoidance of doubt, the Administrative Agent, if applicable) is required by applicable Law (as determined in the good faith discretion of such Loan Party or other withholding agent) to make any deduction or withholding on account of any Taxes from any such payment under any of the Loan Documents:

(a) the applicable Loan Party shall notify the Administrative Agent in writing of any such requirement or any change in any such requirement as soon as practicable;

(b) the applicable Loan Party or other applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay any amounts deducted or withheld to the relevant Governmental Authority;

(c) if the Tax in question is a Non-Excluded Tax, the sum payable shall be increased by such Loan Party to the extent necessary to ensure that, after the making of any required deduction or withholding for Non-Excluded Taxes (including any deductions or withholdings for Non-Excluded Taxes or Other Taxes attributable to any payments required to be made under this Section 3.01), the Lender or the Agent (as applicable) receives on the due date a sum equal to what it would have received had no such deduction or withholding been required or made; and

(d) within thirty (30) days after paying any sum from which any Loan Party is required by Law to make any deduction or withholding, and within thirty (30) days after the due date of payment of any Tax which any Loan Party is required by this Section 3.01 to pay, the Borrower shall deliver to the Administrative Agent evidence reasonably satisfactory to the Administrative Agent of such deduction or withholding and of the remittance thereof to the relevant Governmental Authority.

(3) Status of Lender. Each Lender shall, at such times as are reasonably requested by the Borrower or the Administrative Agent, provide the Borrower and the Administrative Agent with any properly completed and executed documentation prescribed by applicable Laws or reasonably requested by the Borrower or the Administrative Agent certifying as to any entitlement of such Lender to an exemption from, or reduction in, withholding Tax with respect to any payments to be made to such Lender under any Loan Document. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the

Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Each such Lender shall, whenever a lapse in time or change in circumstances renders such documentation (including any specific documentation required below in this Section 3.01(3)) obsolete, expired or inaccurate in any respect, deliver promptly to the Borrower and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the Borrower or the Administrative Agent) or promptly notify the Borrower and Administrative Agent of its inability to do so. Notwithstanding anything to the contrary herein, the completion, execution and submission of such documentation shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

Notwithstanding any other provision of this Section 3.01, a Lender shall not be required to deliver any form that such Lender is not legally eligible to deliver.

(4) In addition to the payments by a Loan Party required by Section 3.01(2), the Loan Parties shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law or at the option of the Administrative Agent timely reimburse it for the payment of any Other Taxes.

(5) The Loan Parties shall, jointly and severally, indemnify a Lender or Agent (each a "**Tax Indemnitee**"), within ten (10) days after written demand therefor, for the full amount of any Non-Excluded Taxes paid or payable by such Tax Indemnitee or required to be withheld or deducted from a payment to such Tax Indemnitee attributable to any payment under or with respect to any Loan Document (including Non-Excluded Taxes imposed on or attributable to amounts payable under this Section 3.01), and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered by the Tax Indemnitee or by the Administrative Agent on its own behalf or on behalf of another Tax Indemnitee shall be conclusive absent manifest error.

(6) If and to the extent that a Tax Indemnitee, in its sole discretion (exercised in good faith), determines that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), then such Tax Indemnitee shall pay to the relevant Loan Party the amount of such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses of the Tax Indemnitee (including any Taxes imposed with respect to such refund), and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), *provided* that the Loan Party, upon the request of the Tax Indemnitee, agrees to repay the amount paid over by the Tax Indemnitee (*plus* any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Tax Indemnitee to the extent the Tax Indemnitee is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (6), in no event will the Tax Indemnitee be required to pay any amount to a Loan

Party pursuant to this paragraph (6) the payment of which would place the Tax Indemnitee in a less favorable net after-Tax position than the Tax Indemnitee would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require a Tax Indemnitee to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(7) The agreements in this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, or the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(8) Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Non-Excluded Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Non-Excluded Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.07(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (8).

Section 3.02 Illegality. If any Lender reasonably determines that any Change in Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to Term SOFR, or to determine or charge interest rates based upon Term SOFR, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the U.S. money market, then, on written notice thereof by such Lender to the Borrower through the Administrative Agent, (1) any obligation of such Lender to make or continue SOFR Loans or to convert Base Rate Loans to SOFR Loans shall be suspended, and (2) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to Term SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be reasonably determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower in writing that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (a) the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation

of SOFR Loans and shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all SOFR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate) and (b) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Term SOFR component of the Base Rate with respect to any Base Rate Loans, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Term SOFR component, thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon Term SOFR. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

Section 3.03 Alternate Rate of Interest.

(a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 3.03:

(i) if the Administrative Agent determines (which determination shall be conclusive absent manifest error) prior to the commencement of any Interest Period for a SOFR Loan, that adequate and reasonable means do not exist for ascertaining Term SOFR or the Term SOFR (including because the Term SOFR Reference Rate is not available or published on a current basis) for such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that prior to the commencement of any Interest Period for a SOFR Loan, Term SOFR for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans (or its Loan) included in such Loan for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders in accordance with Section 10.01 as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, any Committed Loan Notice that requests the conversion of any Loans to or continuation of any Loans as, a SOFR Loan shall be ineffective. Furthermore, if any SOFR Loan is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 3.03(a), then until (x) the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist and (y) the Borrower delivers a new Committed Loan Notice that requests the conversion of any Loans, any SOFR Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, a Base Rate Loan.

(b) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (A) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such

Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (B) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.

(c) Benchmark Replacement Conforming Changes. Notwithstanding anything to the contrary herein or in any other Loan Document, in connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent (at the direction of the Required Lenders) will have the right in consultation with the Borrower to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) Notice; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to this Section 3.03. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, the Borrower or any Lender (or group of Lenders) pursuant to this Section 3.03, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.03.

(e) Unavailability of Tenor of Benchmark. At any time (including in connection with the implementation of a Benchmark Replacement) (A) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (1) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent (at the direction of the Required Lenders) in consultation with Borrower or (2) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be

representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Administrative Agent in consultation with the Borrower may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (B) if a tenor that was removed pursuant to clause (A) above either (1) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (2) is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for a Benchmark (including a Benchmark Replacement), then the Administrative Agent in consultation with the Borrower may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a SOFR Loan, or conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request in respect of a SOFR Loan into a request for a Borrowing of or conversion to Base Rate Loans. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of Base Rate, based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate.

Section 3.04 Increased Cost and Reduced Return; Capital Adequacy; Reserves.

(1) Increased Costs Generally. If any Change in Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(b) subject any Lender or the Administrative Agent to any Tax of any kind whatsoever with respect to this Agreement or any SOFR Loan made by it, or change the basis of taxation of payments to such Lender in respect thereof (except for Non-Excluded Taxes). Taxes described in paragraphs (3) through (5) of the definition of Excluded Taxes, or Connection Income Taxes); or

(c) impose on any Lender any other condition, cost or expense affecting this Agreement or SOFR Loans made by such Lender that is not otherwise accounted for in the definition of "Term SOFR" or this clause (c);

and the result of any of the foregoing shall be to increase the cost to such Lender or Administrative Agent of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to Term SOFR (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or Administrative Agent, or to reduce the amount of any sum received or receivable by such Lender or Administrative Agent hereunder

(whether of principal, interest or any other amount) then, from time to time within fifteen (15) days after demand by such Lender or Administrative Agent setting forth in reasonable detail such increased costs (with a copy of such demand to the Administrative Agent), the Borrower will pay to such Lender or Administrative Agent such additional amount or amounts as will compensate such Lender or Administrative Agent for such additional costs incurred or reduction suffered; *provided* that such amounts shall only be payable by the Borrower to the applicable Lender or Administrative Agent under this Section 3.04(1) so long as it is such Lender's or Administrative Agent's general policy or practice to demand compensation in similar circumstances under comparable provisions of other financing agreements.

(2) Capital Requirements. If any Lender reasonably determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by it, to a level below that which such Lender or such Lender's holding company, as the case may be, could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time upon demand of such Lender setting forth in reasonable detail the charge and the calculation of such reduced rate of return (with a copy of such demand to the Administrative Agent), the Borrower will pay to such Lender additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered; *provided* that such amounts shall only be payable by the Borrower to the applicable Lender under this Section 3.04(2) so long as it is such Lender's general policy or practice to demand compensation in similar circumstances under comparable provisions of other financing agreements.

(3) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (1) or (2) of this Section 3.04 and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender, as the case may be, the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

Section 3.05 Funding Losses. Upon written demand of any Lender (with a copy to the Administrative Agent) from time to time, which demand shall set forth in reasonable detail the basis for requesting such amount, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense (excluding loss of anticipated profits or margin) actually incurred by it as a result of:

(1) any continuation, conversion, payment or prepayment of any SOFR Loan on a day prior to the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(2) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any SOFR Loan on the date or in the amount notified by the Borrower; or

(3) any assignment of a SOFR Loan on a day prior to the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 3.07; including, if applicable, any loss or expense (excluding loss of anticipated profits or margin) actually incurred by reason of the liquidation or reemployment of funds obtained by it to maintain such SOFR Loan or from fees payable to terminate the deposits from which such funds were obtained.

Notwithstanding the foregoing, no Lender may make any demand under this Section 3.05 with respect to the Floor.

Section 3.06 Matters Applicable to All Requests for Compensation.

(1) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or the Borrower is required to pay any Non-Excluded Taxes or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender such designation or assignment (a) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (b) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender in any material economic, legal or regulatory respect. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(2) Suspension of Lender Obligations. If any Lender requests compensation by the Borrower under Section 3.04, the Borrower may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender to make or continue SOFR Loans from one Interest Period to another Interest Period, or to convert Base Rate Loans into SOFR Loans until the event or condition giving rise to such request ceases to be in effect (in which case the provisions of Section 3.06(3) shall be applicable); *provided* that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(3) Conversion of SOFR Loans. If any Lender gives notice to the Borrower (with a copy to the Administrative Agent) that the circumstances specified in Section 3.02, 3.03 or 3.04 hereof that gave rise to the conversion of such Lender's SOFR Loans no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when SOFR Loans made by other Lenders, as applicable, are outstanding, such Lender's Base Rate Loans shall be automatically converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding SOFR Loans to the extent necessary so that, after giving effect thereto, all Loans of a given Class held by the Lenders of such Class holding SOFR Loans and by such Lender are held pro rata (as to principal amounts, interest rate basis, and Interest Periods) in accordance with their respective Pro Rata Shares.

(4) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of Sections 3.01 or 3.04 shall not constitute a waiver of such Lender's right to demand such compensation.

Section 3.07 Replacement of Lenders under Certain Circumstances If (1) any Lender requests compensation under Section 3.04 or ceases to make SOFR Loans as a result of any condition described in Section 3.02 or Section 3.04, (2) the Borrower is required to pay any Non-Excluded Taxes or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 or 3.04, (in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(1)), (3) any Lender is a Non-Consenting Lender or Non-Extended Lender, (4) any Lender becomes a Defaulting Lender or (5) any other circumstance exists hereunder that gives the Borrower the right to replace a Lender as a party hereto, then the Borrower may, at its sole expense and effort, upon written notice to such Lender and the Administrative Agent:

(a) require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.07), all of its interests, rights and obligations under this Agreement (or, with respect to clause (3) above, all of its interests, rights and obligations with respect to the Class of Loans or Commitments that is the subject of the related consent, waiver, or amendment, as applicable) and the related Loan Documents to one or more Eligible Assignees that shall assume such obligations (any of which assignee may be another Lender, if a Lender accepts such assignment), *provided* that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.07(b)(iv);

(ii) such Lender shall have received payment of an amount equal to the applicable outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05 and any Prepayment Premium pursuant to Section 2.18 that would otherwise be owed in connection therewith) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) such Lender being replaced pursuant to this Section 3.07 shall (i) execute and deliver an Assignment and Assumption with respect to all, or a portion, as applicable, of such Lender's Commitment and outstanding Loans and (ii) deliver any Term Notes evidencing such Loans to the Borrower (or a lost or destroyed note indemnity in lieu thereof); *provided* that the failure of any such Lender to execute an Assignment and Assumption or deliver such Term Notes shall not render such sale and purchase (and the corresponding assignment) invalid and upon payment to the Lender being replaced of the amounts set forth in clause (ii) (and the payment to the Administrative Agent set forth in clause (i)) such assignment shall be recorded in the Register and the Term Notes shall be deemed to be canceled upon such failure;

(iv) the Eligible Assignee shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Loans and Commitments, except with respect to indemnification and confidentiality provisions under this Agreement, which shall survive as to such assigning Lender;

(v) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(vi) such assignment does not conflict with applicable Laws; and

(vii) if the Administrative Agent is a Lender hereunder, the Lender that acts as Administrative Agent cannot be replaced in its capacity as Administrative Agent other than in accordance with Section 9.11, or

(b) terminate the Commitment of such Lender and repay all Obligations of the Borrower owing to such Lender relating to the Loans held by such Lender as of such termination date (including any Prepayment Premium pursuant to Section 2.18 that would otherwise be owed in connection therewith); *provided* that in the case of any such termination of the Commitment of a Non-Consenting Lender such termination shall be sufficient (together with all other consenting Lenders) to cause the adoption of the applicable consent, waiver or amendment of the Loan Documents and such termination shall, with respect to clause (3) above, be in respect of all of its interests, rights and obligations with respect to the Class of Loans or Commitments that is the subject of the related consent, waiver and amendment.

In the event that (i) the Borrower or the Administrative Agent has requested that the Lenders consent to a departure or waiver of any provisions of the Loan Documents or agree to any amendment thereto, (ii) the consent, waiver or amendment in question requires the agreement of each Lender, all affected Lenders or all the Lenders or all affected Lenders with respect to a certain Class or Classes of the Loans/Commitments and (iii) the Required Lenders or Required Facility Lenders, as applicable, have agreed to such consent, waiver or amendment, then any Lender who does not agree to such consent, waiver or amendment shall be deemed a "**Non-Consenting Lender**."

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 3.08 Survival. All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment, satisfaction or discharge of all other Obligations under this Agreement and resignation of the Administrative Agent.

ARTICLE IV

Conditions Precedent

Section 4.01 Conditions to Effective Date. The commitment of each Lender to provide the Closing Date Term Loan Commitments and the Second Out Term Loan Commitments is subject to the satisfaction (or waiver by the Required Lenders) of the following conditions precedent (and the date of such satisfaction (or waiver by the Required Lenders), the "**Effective Date**"):

(1) The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or copies in .pdf format unless otherwise specified, each properly executed, as applicable, by a Responsible Officer of the signing Loan Party:

(a) executed counterparts of this Agreement, which shall be in form and substance reasonably satisfactory to the Administrative Agent and the Lenders;

(b) except with respect to any Loan Party formed, incorporated or organized under the Laws of Iceland or Luxembourg, a recent certificate of good standing, certificate of status, certificate of compliance or analogous certificate for each Loan Party, customary certificates with regard to the Organizational Documents, and resolutions or other actions, incumbency certificates or other certificates of Responsible Officers of each Loan Party evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party or is to be a party on the Effective Date;

(c) a customary legal opinion from each of:

(i) Gibson Dunn & Crutcher LLP, counsel to the Loan Parties;

(ii) Arendt & Medernach SA, counsel to the Loan Parties; and

(d) with respect to any Loan Party formed, incorporated or organized under the Laws of Luxembourg, (i) a copy of the organizational document of such Loan Party, (ii) copies of the resolutions of the board of managers or directors (as applicable) (a) approving and authorizing the execution, delivery and performance of the Loan Documents to which it is a party and authorizing a specified person or persons to execute the Loan Documents to which it is a party on its behalf, (b) authorizing a specified person or persons to execute the Loan Documents to which it is a party on its behalf and (c) authorizing a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Loan Documents to which it is a party, (iii) a certificate (a) confirming that guaranteeing or securing, as appropriate, the Commitments would not cause any

guarantee, security or similar limit binding on it to be exceeded, (b) confirming that it rents its own premises and is not subject to the law of 31 December 1999 related to the domiciliation of companies, as amended, as applicable, (c) attaching an electronic copy of a certificate of non registration of a judicial decision or an administrative dissolution without liquidation *(certificat de non inscription d'une decision judiciaire ou de dissolution administrative sans liquidation*) issued by the Luxembourg Insolvency Register (*Registre de l'insolvabilité*) in respect of it dated no earlier than one Business Day prior to the Effective Date and (d) certifying that as of the date of the certificate that, (A) it is not subject to bankruptcy (*faillite*), administrative dissolution without liquidation procedure (*procedure de dissolution administrative sans liquidation*), suspension of payments (*sursis de paiement*), voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*) or amicable (out-of-court), reorganization proceedings (including any request to appoint a conciliator), judicial reorganization proceedings (including by way of mutual or collective agreement or transfer of assets or activities by court order), restructuring, any proceedings and measures under the Luxembourg law of 7 August 2023 on business preservation and modernization of bankruptcy law (B) it is not in a state of cessation of payments (*cessation de payments*) and has not lost its commercial creditworthiness (*ébranlement de crédit*), (C) no application has been made by it or, as far as it is aware, by any other entitled person for the appointment of a *conciliator, commissaire, juge-commissaire, liquidateur, curateur* or similar officer pursuant to any insolvency or similar proceedings, (D) to the best of its knowledge, no petition for the opening of such proceedings has been presented by it or by any other person entitled to do so, (E) it has not been subject to conservatory measures such as attachment order (*saisie conservatoire*) or garnishment (*saisie attribution* or *saisie arrêt*) which would have a Material Adverse Effect, and (F) no application has been made by it for a voluntary or judicial winding-up or liquidation, and (e) certifying that each copy document relating to it specified in this Section 4.01 is correct, complete and in full force and effect as of the Effective Date.

(2) The Administrative Agent and the Lenders shall have received at least three (3) Business Days before the Effective Date from the Borrower in addition to all documentation and other information in respect of each Loan Party reasonably determined by the Administrative Agent or the Lenders to be required by applicable regulatory authorities required under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers, that has been reasonably requested by the Administrative Agent or the Lenders in writing by it at least ten (10) Business Days prior to the Effective Date.

(3) The Administrative Agent and the Lenders shall have received a certification by a Responsible Officer of the Borrower that (i) the representations and warranties contained in Article V hereof are true and correct in all material respects on and as of the Effective Date; *provided* that to the extent such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided*, *further*, that to the extent that such representations and warranties are qualified by or subject to a "material adverse effect", "material adverse change", "materiality" or similar term or qualification, they shall be true and correct in all respects and (ii) no Default or Event of Default has occurred and is continuing or would result from the consummation of the Transactions on the Effective Date.

(4) The Lenders shall have received a counterpart to the Closing Payment Letter signed by the Borrower.

(5) The Administrative Agent and the Collateral Agent shall have received a counterpart to the Agency Fee Letter signed by the Borrower.

(6) The Administrative Agent shall have a received a customary process agent letter, in form and substance reasonably acceptable to the Administrative Agent, whereby the Borrower irrevocably appoints Alvotech USA, Inc. as its process agent for the purposes of the Loan Documents.

(7) All fees required to be paid on the Effective Date pursuant to any Closing Payment Letter shall have been paid in full in cash substantially concurrently with the effectiveness of this Agreement.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Effective Date specifying its objection thereto. The Required Lenders shall notify the Administrative Agent when all conditions precedent in this Section 4.01 have been satisfied.

Section 4.02 Conditions to Closing Date Term Loan Borrowings on Closing Date. The obligation of each Lender to make the Closing Date Term Loans on the Closing Date is subject to satisfaction (or waiver by the Required Lenders) of the following conditions precedent:

(1) The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or copies in .pdf format unless otherwise specified, each properly executed, as applicable, by a Responsible Officer of the signing Loan Party:

(a) a Committed Loan Notice;

(b) executed counterparts of the Guaranty (in the case of the Borrower and each other Guarantor) and each other Loan Document (other than the Collateral Documents) required to be delivered on the Closing Date, in each case, which shall be in form and substance reasonably satisfactory to the Administrative Agent and the Lenders;

(c) except as otherwise contemplated in Section 6.15 and subject to the time limitations in Schedule 6.15, each Collateral Document set forth on Schedule 4.02 required to be executed on the Closing Date as indicated on such schedule, duly executed by each Loan Party that is party thereto, together with:

(i) subject to the Collateral and Guarantee Requirement, certificates, if any, representing the Pledged Collateral referred to therein, and to the extent certificated, accompanied by undated stock or note powers executed in blank; and

(ii) evidence that all UCC-1 financing statements (or equivalent forms) in all jurisdictions in which the Administrative Agent reasonably determines registration is necessary to perfect or render opposable to third parties the Liens intended to be created by the Loan Documents and to satisfy the Collateral and Guarantee Requirement shall have been made, or arrangements for the filing thereof in a manner reasonably satisfactory to the Administrative Agent shall have been made; and

(iii) subject to the Collateral and Guarantee Requirement, (x) all notices, acknowledgements, confirmations, and other deliverables under the Collateral Documents governed by the Laws of Iceland, duly signed and delivered to the relevant party, (y) mortgage certificates, transcripts of books of chattel, or other evidence, to the extent satisfactory to the Collateral Agent, that the Lien created over Iceland Manufacturing Facility and other assets pursuant to publicly registered Collateral Documents in Iceland, have been duly registered (*Icelandic: ☑ingl☒st*) with the competent District Commissioner (*Icelandic: s☒slumannsembætti*), without remarks;

(d) with respect to any Loan Party formed, incorporated or organized under the Laws of Iceland, (i) a copy of the constitutional documents of such Loan Party, (ii) copies of the resolutions of the board of directors (x) approving the terms of, and the transactions contemplated by, the Loan Documents to which it is a party and resolving that it execute, deliver and perform the Loan Documents to which it is a party, (y) authorizing a specified person or persons to execute the Loan Documents to which it is a party on its behalf, and (z) authorizing a specified person or persons, on its behalf, to sign and/or dispatch all documents, notices and deliverables to be signed and/or dispatched by it under or in connection with the Loan Documents to which it is a party, (iii) a resolution signed by all the holders of the issued shares in the relevant Loan Party, made in accordance with Article 70a of the Icelandic Private Limited Companies Act or Article 95a of the Icelandic Public Limited Companies Act, as applicable, together with any board and auditor/expert reports required thereunder.

(e) except with respect to any Loan Party formed, incorporated or organized under the Laws of Iceland or Luxembourg, a recent certificate of good standing, certificate of status, certificate of compliance or analogous certificate for each Loan Party, customary certificates with regard to the Organizational Documents, and resolutions or other actions, incumbency certificates or other certificates of Responsible Officers of each Loan Party evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party or is to be a party on the Closing Date;

(f) a customary legal opinion from each of:

(i) Gibson Dunn & Crutcher LLP, counsel to the Loan Parties;

(ii) Arendt & Medernach SA, counsel to the Loan Parties; and

(iii) BBA//Fjedco, counsel to the Loan Parties.

(g) with respect to any Loan Party formed, incorporated or organized under the Laws of Luxembourg, (i) a copy of the organizational document of such Loan Party, (ii) copies of the resolutions of the board of managers or directors (as applicable) (a) approving and authorizing the execution, delivery and performance of the Loan Documents to which it is a party and authorizing a specified person or persons to execute the Loan Documents to which it is a party on its behalf, (b) authorizing a specified person or persons to execute the Loan Documents to which it is a party on its behalf and (c) authorizing a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Loan Documents to which it is a party, (iii) a certificate (a) confirming that guaranteeing or securing, as appropriate, the Commitments would not cause any guarantee, security or similar limit binding on it to be exceeded, (b) confirming that it rents its own premises and is not subject to the law of 31 December 1999 related to the domiciliation of companies, as amended, as applicable, (c) attaching an electronic copy of a certificate of non registration of a judicial decision or an administrative dissolution without liquidation *(certificat de non inscription d'une decision judiciaire ou de dissolution administrative sans liquidation*) issued by the Luxembourg Insolvency Register (*Registre de l'insolvabilité*) in respect of it dated no earlier than one Business Day prior to the Closing Date and (d) certifying that as of the date of the certificate that, (A) it is not subject to bankruptcy (*faillite*), administrative dissolution without liquidation procedure (*procedure de dissolution administrative sans liquidation*), suspension of payments (*sursis de paiement*), voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*) or amicable (out-of-court), reorganization proceedings (including any request to appoint a conciliator), judicial reorganization proceedings (including by way of mutual or collective agreement or transfer of assets or activities by court order), restructuring, any proceedings and measures under the Luxembourg law of 7 August 2023 on business preservation and modernization of bankruptcy law (B) it is not in a state of cessation of payments (*cessation de payments*) and has not lost its commercial creditworthiness (*ébranlement de crédit*), (C) no application has been made by it or, as far as it is aware, by any other entitled person for the appointment of a *conciliator, commissaire, juge-commissaire, liquidateur, curateur* or similar officer pursuant to any insolvency or similar proceedings, (D) to the best of its knowledge, no petition for the opening of such proceedings has been presented by it or by any other person entitled to do so, (E) it has not been subject to conservatory measures such as attachment order (*saisie conservatoire*) or garnishment (*saisie attribution* or *saisie arrêt*) which would have a Material Adverse Effect, and (F) no application has been made by it for a voluntary or judicial winding-up or liquidation, and (e) certifying that each copy document relating to it specified in this Section 4.02 is correct, complete and in full force and effect as of the Closing Date; and

(h) a solvency certificate from a Financial Officer of the Borrower (after giving effect to the Transactions) substantially in the form attached hereto as Exhibit I.

(2) The Closing Date Refinancing shall have occurred or shall occur substantially simultaneous with the borrowings of the Closing Date Term Loans on the Closing Date.

(3) The Administrative Agent and the Lenders shall have received at least three (3) Business Days before the Closing Date from the Borrower in addition to all documentation and other information in respect of each Loan Party reasonably determined by the Administrative Agent or the Lenders to be required by applicable regulatory authorities required under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers, that has been reasonably requested by the Administrative Agent or the Lenders in writing by it at least ten (10) Business Days prior to the Closing Date.

(4) The Administrative Agent and the Lenders shall have received a certification by a Responsible Officer of the Borrower that (i) the representations and warranties contained in Article V hereof are true and correct in all material respects on and as of the Closing Date; *provided* that to the extent such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided*, *further*, that to the extent that such representations and warranties are qualified by or subject to a "material adverse effect", "material adverse change", "materiality" or similar term or qualification, they shall be true and correct in all respects and (ii) no Default or Event of Default has occurred and is continuing or would result from the consummation of the Transactions on the Closing Date.

(5) All fees and closing payments required to be paid on the Closing Date pursuant to any Loan Document or as otherwise agreed in writing (including fees, charges and disbursements of counsel), and reasonable and documented out-of-pocket expenses required to be paid on the Closing Date to the extent invoiced at least two (2) Business Days prior to the Closing Date, shall have been paid in full in cash substantially concurrently with the borrowing of the Closing Date Term Loans (which amounts may, at the option of the Borrower, be offset against the proceeds of the Closing Date Term Loans).

(6) The Existing Mortgage shall have been amended to extend the maturity thereof to the date that is at least 91 days after the Maturity Date.

(7) The Effective Date shall have occurred.

(8) The Closing Date shall have occurred on or prior to July 23, 2024.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.02, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto. The Required Lenders shall notify the Administrative Agent when all conditions precedent in this Section 4.02 have been satisfied.

Section 4.03 Conditions to Second Out Term Loan Borrowings on Second Out Closing Date. The obligation of each Lender to make the Second Out Term Loans on the Second Out

Closing Date is subject to satisfaction (or waiver by the Second Out Term Lenders) of the following:

(1) The conditions in Section 4.02 shall have been satisfied (or waived by the Required Lenders).

(2) The full funding of the Closing Date Term Loan Commitments shall have occurred or shall occur substantially simultaneous with the borrowings of the Second Out Term Loans.

(3) The Borrower shall have delivered a Committed Loan Notice with respect to the Second Out Term Loans in an aggregate principal amount not to exceed the lesser of (a) the Second Out Term Loan Commitments and (b) the aggregate principal amount (together with any accrued and unpaid interest and fees) of the ~~2022 Convertible Notes and the~~ Aztiq Convertible Notes that have not have been converted or equitized prior to the Second Out Closing Date and ~~remains~~remain outstanding as of the Second Out Closing Date ~~(after giving effect to the payments contemplated by clause (5) below)~~.

(4) [***].

(5) The Second Out Closing Date Refinancing shall have occurred or shall occur substantially simultaneous with the borrowings of the Second Out Term Loans on the Second Out Closing Date.

(6) The Administrative Agent and the Lenders shall have received a certification by a Responsible Officer of the Borrower that (i) the representations and warranties contained in Article V hereof are true and correct in all material respects on and as of the Second Out Closing Date; *provided* that to the extent such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided*, *further*, that to the extent that such representations and warranties are qualified by or subject to a "material adverse effect", "material adverse change", "materiality" or similar term or qualification, they shall be true and correct in all respects and (ii) no Default or Event of Default has occurred and is continuing or would result from the consummation of the Transactions on the Second Out Closing Date.

(7) All fees and closing payments required to be paid on the Second Out Closing Date pursuant to any Loan Document or as otherwise agreed in writing (including fees, charges and disbursements of counsel), and reasonable and documented out-of-pocket expenses required to be paid on the Second Out Closing Date to the extent invoiced at least two (2) Business Days prior to the Second Out Closing Date, shall have been paid in full in cash substantially concurrently with the borrowing of the Second Out Term Loans (which amounts may, at the option of the Borrower, be offset against the proceeds of the Second Out Term Loans).

(8) [***].

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.03, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Second Out Closing Date specifying its objection thereto. The Second Out Term Lenders shall notify the Administrative Agent when all conditions precedent in this Section 4.03 have been satisfied.

ARTICLE V

Representations and Warranties

The Borrower represents and warrants to the Administrative Agent and the Lenders, on each of the Effective Date ~~and~~, the Closing Date, the Second Out Closing Date and, to the extent required by an Extension Amendment, Incremental Amendment or other amendment hereto as set forth therein:

Section 5.01 Existence, Qualification and Power; Compliance with Laws. Each Loan Party and each of its respective Material Subsidiaries:

(1) is a Person duly incorporated, formed or organized, validly existing and in good standing (to the extent such concept exists) under the Laws of the jurisdiction of its incorporation, formation or organization;

(2) has all corporate or other organizational power and authority to (a) own or lease its assets and carry on its business as currently conducted and (b) in the case of the Loan Parties, execute, deliver and perform its obligations under the Loan Documents to which it is a party;

(3) is duly qualified and in good standing (to the extent such concept exists) under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business as currently conducted requires such qualification;

(4) is in compliance with all applicable Laws, orders, writs, injunctions and orders; and

(5) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted, including the production, marketing, offering for sale, selling and importing any biosimilar-based products;

except in each case referred to in the preceding clauses (1) (other than with respect to the good standing of a Person other than the Borrower), (2)(a), (3), (4) and (5), to the extent that failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.02 Authorization; No Contravention.

(1) The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is a party have been duly authorized by all necessary corporate or other organizational action.

(2) None of the execution, delivery and performance by each Loan Party of each Loan Document to which such Person is a party will:

(a) contravene the terms of any of such Person's Organizational Documents or any shareholders' agreement, unanimous shareholders' agreement or sole shareholder declaration by which such Loan Party is bound;

(b) result in any breach or contravention of, or the creation of any Lien upon any of the property or assets of such Person or any of the Subsidiaries (other than as permitted by Section 7.01) under (i) any Contractual Obligation in excess of the Threshold Amount to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan party or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or its property is subject; or

(c) violate any applicable Law;

except with respect to any breach, contravention or violation (but not creation of Liens) referred to in the preceding clauses (b) and (c), to the extent that such breach, contravention or violation would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.03 Governmental Authorization. No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, except for:

(1) filings and registrations necessary to perfect the Liens on the Collateral granted by the Loan Parties in favor of the Secured Parties;

(2) the approvals, consents, exemptions, authorizations, actions, notices and filings that have been duly obtained, taken, given or made and are in full force and effect (except to the extent not required to be obtained, taken, given or made or in full force and effect pursuant to the Collateral and Guarantee Requirement);

(3) any filings to be made under the relevant securities laws applicable to the Borrower by reason of the public listing of its shares; and

(4) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain or make would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.04 Binding Effect. This Agreement and each other Loan Document has been duly executed and delivered by each Loan Party that is party hereto or thereto, as applicable. Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, except as such enforceability may be limited by Debtor Relief Laws, Foreign Legal Reservations and by general principles of equity and principles of good faith and fair dealing.

Section 5.05 No Material Adverse Effect. Since the Effective Date, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

Section 5.06 Litigation. Except as set forth on Schedule 5.06, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, overtly threatened in writing, at law, in equity, in arbitration or before any Governmental Authority by or against the Borrower or any of its Subsidiaries that would reasonably be expected to have a Material Adverse Effect.

Section 5.07 Labor Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (1) there are no strikes or other labor disputes against the Borrower its Subsidiaries pending or, to the knowledge of the Borrower, overtly threatened in writing and (2) hours worked by and payment made based on hours worked to employees of each of the Borrower or its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Laws dealing with wage and hour matters.

Section 5.08 Ownership of Property; Liens. Each Loan Party and each of its respective Subsidiaries has good and valid record title in fee simple to, or valid leasehold interests in, or easements or other limited property interests in, all real property necessary in the ordinary conduct of its business, free and clear of all Liens except for Liens permitted by Section 7.01 and except where the failure to have such title or other interest would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 5.09 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) each Loan Party and each of its Subsidiaries and their respective operations and properties is in compliance with all applicable Environmental Laws; (b) each Loan Party and each of its Subsidiaries has obtained and maintains all Environmental Permits required to conduct their operations; (c) none of the Loan Parties or any of their respective Subsidiaries has become subject to any pending or, to the knowledge of the Borrower, threatened in writing Environmental Claim or Environmental Liability; and (d) none of the Loan Parties or any of their respective Subsidiaries or, to the knowledge of the Borrower, any of their predecessors or any third party has treated, stored, transported or Released Hazardous Materials in violation of applicable Environmental Laws or in a manner that would reasonably be expected to give rise to an Environmental Liability at or from

any real estate or facility currently or, to the knowledge of the Borrower, formerly owned, leased or operated by any of the Loan Parties or any of their respective Subsidiaries.

Section 5.10 Taxes. Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Loan Party and each of its Subsidiaries has timely filed all Tax returns and reports required to be filed, and have timely paid all Taxes (including satisfying its withholding tax obligations) levied or imposed on their properties, income or assets, which are due and payable, except those Taxes which are being contested in good faith by appropriate actions diligently taken and for which adequate reserves have been provided in accordance with IFRS.

Section 5.11 ERISA Compliance.

(1) Except as would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Plan is in compliance with the applicable provisions of ERISA, the Code and other federal or state Laws.

(2)

(a) No ERISA Event has occurred or is reasonably expected to occur;

(b) no Pension Plan has failed to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Pension Plan;

(c) none of the Loan Parties or any of their respective ERISA Affiliates has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 et seq. or 4243 of ERISA with respect to a Multiemployer Plan;

(d) none of the Loan Parties or any of their respective ERISA Affiliates has engaged in a transaction that is subject to Sections 4069 or 4212(c) of ERISA; and

(e) neither any Loan Party nor any ERISA Affiliate has been notified in writing by the sponsor of a Multiemployer Plan that such Multiemployer Plan is insolvent or has been determined to be in endangered or critical status and no such Multiemployer Plan is expected to be insolvent or in endangered or critical status,

except, with respect to each of the foregoing clauses of this Section 5.11(2), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(3) Except where noncompliance or the incurrence of an obligation would not reasonably be expected to result in a Material Adverse Effect, (a) each Foreign Plan has been maintained in substantial compliance with its terms and with the requirements of applicable Laws, and (b) none of the Borrower or Loan Parties has incurred any financial obligation in connection with the termination of or withdrawal from any Foreign Plan.

Section 5.12 Subsidiaries.

(1) As of the Closing Date, after giving effect to the Transactions all of the outstanding Equity Interests in the Borrower and its Subsidiaries have been validly issued and are fully paid and (if applicable) non-assessable, and all Equity Interests that constitute Collateral owned by the Borrower or any Subsidiary Guarantor in any of their respective Subsidiaries are owned free and clear of all Liens of any Person (subject to Liens permitted by Section 7.01).

(2) As of the Effective Date, Schedule 5.12 sets forth:

(a) the name and jurisdiction of organization of each Subsidiary;

(b) the ownership interests of any Subsidiary of the Borrower in each Subsidiary, including the percentage of such ownership; and

(c) the Equity Interests of each Subsidiary described in clause (b) that are required to be pledged on the Closing Date after giving effect to the Transactions pursuant to the Collateral and Guarantee Requirement.

Section 5.13 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged nor will it engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System of the United States), or extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Borrowings will be used for any purpose that violates Regulation U.

(b) No Loan Party is required to be registered as an "investment company" under the Investment Company Act of 1940.

Section 5.14 Disclosure. As of each of the Effective Date and the Closing Date, none of the written information and written data heretofore or contemporaneously furnished in writing by or on behalf of the Borrower or any Subsidiary Guarantor to any Agent or any Lender on or prior to the Effective Date or the Closing Date in connection with the Transactions, when taken as a whole, when furnished, contains any material misstatement of fact or omits to state any material fact necessary to make such written information and written data taken as a whole, in the light of the circumstances under which it was delivered, not materially misleading (after giving effect to all modifications and supplements to such written information and written data, in each case, furnished after the date on which such written information or such written data was originally delivered and prior to the Effective Date or the Closing Date); it being understood that for purposes of this Section 5.14, such written information and written data shall not include any projections, *pro forma* financial information, financial estimates, forecasts and forward-looking information or information of a general economic or general industry nature.

Section 5.15 Intellectual Property; Licenses, etc. The Borrower and its Subsidiaries have good and marketable title to, or a valid license or right to use, all patents, patent rights,

trademarks, servicemarks, trade names, copyrights, technology, software, know-how database rights and other Intellectual Property rights (collectively, "**IP Rights**") that to the knowledge of the Borrower are reasonably necessary for the operation of their respective businesses as currently conducted, except where the failure to have any such rights, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrower, the operation of the respective businesses of the Borrower or any Subsidiary of the Borrower as currently conducted does not infringe upon, dilute, misappropriate or violate any IP Rights held by any Person except for such infringements, dilutions, misappropriations or violations, individually or in the aggregate, that would not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any IP Rights is pending or, to the knowledge of the Borrower, threatened in writing against any Loan Party or Subsidiary, that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

Section 5.16 Solvency. On ~~the~~each of the Closing Date and the Second Out Closing Date, after giving effect to the Transactions, the Borrower and its Subsidiaries, on a consolidated basis, are Solvent.

Section 5.17 Anti-Terrorism Laws. No Loan Party is in material violation of any applicable Anti-Money Laundering Laws or any requirement of law relating to terrorism or money laundering enforced or administered by any Governmental Authority ("**Anti-Terrorism Laws**"), including Executive Order No. 13224, effective September 24, 2001 (the "**Executive Order**"), and USA PATRIOT Act. The use of proceeds of the Loans will not violate the Trading With the Enemy Act (50 U.S.C. §§ 1-44, as amended) or any applicable foreign asset control regulations of the United States Treasury Department (31 C.F.R. Subtitle B, Chapter V).

Section 5.18 Collateral Documents.

(a) Except as otherwise contemplated hereby or under any other Loan Documents and subject to limitations set forth in the Collateral and Guarantee Requirement, the provisions of the Collateral Documents, together with such filings and other actions required to be taken hereby or by the applicable Collateral Documents (including the delivery to Collateral Agent of any Pledged Collateral required to be delivered pursuant hereto or the applicable Collateral Documents), are effective to create in favor of the Collateral Agent for the benefit of the Secured Parties a legal, valid, perfected and enforceable Lien with the priority set forth in any Applicable Intercreditor Agreement (subject only to Liens permitted by Section 7.01) on all right, title and interest of the respective Loan Parties in the Collateral described therein.

(b) Notwithstanding anything herein (including this Section 5.18) or in any other Loan Document to the contrary, no Loan Party makes any representation or warranty as to (A) the priority, perfection or the enforceability of, any pledge of or security interest in any Equity Interests of any Foreign Subsidiary or as to the rights and remedies of the Agents or any Lender with respect thereto, under foreign Law or as limited by the Foreign Legal Reservations, (B) the pledge or creation of any security interest, or the effects of perfection or non-perfection, the priority or the enforceability of any pledge of or security interest to the extent such pledge, security interest, perfection or priority is not required pursuant to the Collateral and Guarantee

Requirement and the Agreed Security Principles, (C) any Excluded Assets or (D) any loss of perfection or priority that results from the failure of the Administrative Agent or the Collateral Agent (or its designee) to (x) maintain possession of Collateral actually delivered to it and pledged under the Collateral Documents or (y) file Uniform Commercial Code amendments (or equivalent filings in any jurisdiction) relating to a Loan Party's change of name or jurisdiction of formation (but solely to the extent that the Borrower has timely provided the Collateral Agent written notice of such change of name or jurisdiction of formation thereof in accordance with the Loan Documents, and the Collateral Agent notifies the Borrower in writing that it will be responsible for filing such amendments (it being understood and acknowledged by the Borrower and the Lenders that the Collateral Agent has no obligation, express or implied, to assume such responsibility at any time)) and continuation statements or to take any other action within its sole control with respect to the Collateral and except as to Collateral consisting of real property to the extent that such losses are covered by a lender's title insurance policy and such insurer has not denied coverage.

Section 5.19 Use of Proceeds. The Borrower has used the proceeds of the Loans issued hereunder only in compliance with (and not in contravention of) each Loan Document.

Section 5.20 Sanctions. None of the Borrower, any Subsidiary nor, to the knowledge of the Borrower, any director, officer, employee, or agent of the Borrower or any Subsidiary is in violation of Sanctions or is a Sanctioned Person. The Borrower shall not use the proceeds of the Loans, directly or, indirectly, to fund, finance or facilitate activities of or with any Sanctioned Person, or in any country or territory that, at the time of such financing is, or whose government is, the subject or target of any applicable comprehensive Sanctions (as of the date of this Agreement the Crimea, Zaporizhzhia and Kherson regions of Ukraine, Cuba, Iran, North Korea, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic and Syria), or in any other manner that would result in a violation of applicable Sanctions by any Person that is a party to this Agreement, except to the extent licensed by OFAC or otherwise authorized under U.S. or other applicable law.

Section 5.21 Anti-Corruption Laws. None of the Borrower, any Subsidiary nor, to the knowledge of the Borrower, any director, officer, employee, or agent of the Borrower or any Subsidiary makes, offers, promises, or authorizes, and no part of the proceeds of the Loans will be used directly or, indirectly, for any unlawful payments to any governmental official or employee, political party, official of a political party, candidate for political office, or any other Person acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in each case in violation of any applicable Anti-Corruption Laws (any such unlawful payment, offer, promise, or authorization an "**Anti-Corruption Prohibited Activity**").

Section 5.22 No Default. On ~~the~~each of the Closing Date and the Second Out Closing Date, after giving effect to the Transactions, no Default has occurred and is continuing or would result from the consummation of the Transactions.

Section 5.23 Centre of Main Interest. With respect to any Loan Party existing under Luxembourg law, its head office (*administration centrale*) and its place of effective management (*siège de direction effective*) are located at its registered office (*siège statutaire*) in Luxembourg.

In addition, for the purpose of the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**Insolvency Regulation**"), its center of main interest (*centre des intérêts principaux*) is located at its registered office (*siège statutaire*) in Luxembourg and it has no "establishment" (as this term is used in article 2(10) of the Insolvency Regulation) in any other jurisdiction.

ARTICLE VI

Affirmative Covenants

From and after the Effective Date and for so long as the Termination Conditions have not been satisfied, the Borrower shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02 and 6.03) cause each of its Subsidiaries to:

Section 6.01 Financial Statements. Deliver to the Administrative Agent for prompt further distribution by the Administrative Agent to each Lender each of the following:

(1) as soon as available, but in any event within 90 days after the end of each Fiscal Year, commencing with the Fiscal Year ending on December 31, 2024, a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such Fiscal Year, and the related consolidated statements of income or operations, stockholders' equity and cash flows for such Fiscal Year, together with related notes thereto and management's discussion and analysis describing results of operations in the form customarily prepared by management of the Borrower, setting forth in each case in comparative form the figures for the previous Fiscal Year, in reasonable detail and all prepared in accordance with IFRS, audited and accompanied by a report and opinion of any independent registered public accounting firm of nationally recognized standing or another accounting firm reasonably acceptable to the Administrative Agent, which report and opinion (a) will be prepared in accordance with generally accepted auditing standards and (b) will not be subject to any qualification as to the scope of such audit or be subject to any explanatory statement (other than an "emphasis of matter" paragraph) as to the Borrower's ability to continue as a "going concern" or like qualification (other than as may be required as a result of (i) the impending maturity of any Indebtedness or (ii) an actual or potential breach of any financial or liquidity covenant); *provided* that so long as the Borrower is a public filer with the SEC, upon written notice to the Administrative Agent, such 90 day period may be extended in accordance with any grace periods provided by the SEC with respect to delivery of such financial statements described in this Section 6.01(1);

(2) as soon as available, but in any event within 60 days after the end of each Fiscal Quarter (other than the last Fiscal Quarter of each Fiscal Year), commencing with the Fiscal Quarter ending on June 30, 2024, a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such Fiscal Quarter, and the related (a) consolidated statement of income or operations for the portion of the Fiscal Year then ended, and (b) consolidated statement of cash flows for the portion of the Fiscal Year then ended, setting forth, in each case of the preceding clauses (a) and (b), in comparative form the figures for the corresponding portion of the previous Fiscal Year), accompanied by an Officer's Certificate stating that such financial statements fairly present in all material respects the financial condition, results of

operations and cash flows of the Borrower and its Subsidiaries in accordance with IFRS, subject to normal year-end adjustments and the absence of footnotes, together with (on a semi-annual basis) management's discussion and analysis describing results of operations in the form customarily prepared by management of the Borrower; *provided* that so long as the Borrower is a public filer with the SEC, upon written notice to the Administrative Agent, such 60 day period may be extended in accordance with any grace periods provided by the SEC with respect to delivery of such financial statements described in this Section 6.01(2);

(3) quarterly, upon request of the Administrative Agent (for the benefit of all the Lenders and not any one Lender individually), at a time mutually agreed with the Borrower that is promptly after the delivery of the information required pursuant to Sections 6.01(1) or (2) above, as applicable, commencing with the Fiscal Quarter ending September 30, 2024, to participate in a conference call for Lenders to discuss the financial position and results of operation of the Borrower and its Subsidiaries for the most recently ended Fiscal Quarter for which financial statements have been delivered; *provided* that so long as the Borrower is a public filer with the SEC, the obligations under this paragraph shall be satisfied by public investor or similar earnings release calls; and

Notwithstanding the foregoing, the obligations referred to in Section 6.01(1) or Section 6.01(2) may be satisfied with respect to financial information of the Borrower and its Subsidiaries by furnishing (A) the applicable financial statements of any Parent Company or (B) such Parent Company's Form 20-F, 10-K, 10-Q, or a Report of Foreign Private Issuer on Form 6-K, as applicable, filed with the SEC (and the public filing of such report with the SEC shall constitute delivery under this Section 6.01); *provided* that with respect to each of the preceding clauses (A) and (B), to the extent such information is in lieu of information required to be provided under Section 6.01(1) (it being understood that such information may be audited at the option of the Borrower), such materials are accompanied by a report and opinion of any independent registered public accounting firm of nationally recognized standing or another accounting firm reasonably acceptable to the Administrative Agent, which report and opinion (x) shall be prepared in accordance with generally accepted auditing standards and (y) shall not be subject to any qualification as to the scope of such audit or be subject to any explanatory statement (other than an "emphasis of matter" paragraph) as to the Borrower's ability to continue as a "going concern" or like qualification (other than as may be required as a result of (i) the impending maturity of any Indebtedness or (ii) an actual or potential breach of any financial or liquidity covenant).

Any financial statements required to be delivered pursuant to Sections 6.01(1) or 6.01(2) shall not be required to contain all purchase accounting adjustments relating to any transaction(s) permitted hereunder to the extent it is not practicable to include any such adjustments in such financial statements. The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Section 6.01.

Each Lender and the Administrative Agent hereby acknowledges and agrees that the Borrower and its Subsidiaries may be required to restate historical financial statements as the

result of the implementation of changes in IFRS, or the respective interpretation thereof, and that such restatements will not result in a Default or an Event of Default under the Loan Documents.

Section 6.02 Certificates; Other Information. Deliver to the Administrative Agent for prompt further distribution by the Administrative Agent to each Lender:

(1) no later than five (5) days after the delivery of the financial statements referred to in Sections 6.01(1) and (2) (commencing with the Fiscal Quarter ending September 30, 2024), a duly completed Compliance Certificate signed by a Financial Officer of the Borrower;

(2) promptly after the same are publicly available, copies of all annual, regular, periodic and special reports, proxy statements and registration statements which the Borrower or any Subsidiary files with the SEC or with any Governmental Authority that may be substituted therefor or with any securities exchange or commission, as the case may be (other than amendments to any registration statement (to the extent such registration statement, in the form it became effective, is delivered to the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statement on Form S-8), and in any case not otherwise required to be delivered to the Administrative Agent pursuant to any other clause of this Section 6.02;

(3) promptly after the furnishing thereof, copies of any notices of default to any holder of any class or series of debt securities of any Loan Party having an aggregate outstanding principal amount greater than the Threshold Amount, so long as the aggregate outstanding principal amount thereunder is greater than the Threshold Amount and not otherwise required to be furnished to the Administrative Agent pursuant to any other clause of this Section 6.02;

(4) promptly, such additional information regarding the business and financial affairs of any Loan Party or any Material Subsidiary, or compliance with the terms of the Loan Documents, as the Required Lenders may from time to time on its own behalf or on behalf of any Lender reasonably request in writing from time to time; and

(5) together with the delivery of the Compliance Certificate with respect to the financial statements referred to in Section 6.01(1), a report setting forth the information required by Sections 1(a), (e) and (f), Section 2(a) and Section 9 of the Perfection Certificate (or confirming that there has been no change in such information since the later of the Closing Date or the last such report).

Documents required to be delivered pursuant to Section 6.01 or Section 6.02 may be delivered electronically and if so delivered, shall be deemed to have been delivered to the Administrative Agent and Lenders on the date (a) on which the Borrower posts such documents, or provides a link thereto, on the Borrower's (or any Parent Company's) website on the Internet at the website address listed on Schedule 10.02 hereto (or as such address may be updated from time to time in accordance with Section 10.02); or (b) on which such documents are posted on the Borrower's behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); *provided* that (i) upon written

request by the Administrative Agent, the Borrower will deliver paper copies of such documents to the Administrative Agent for further distribution by the Administrative Agent to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent in writing of the posting of any such documents or link and, upon the Administrative Agent's request, provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent may make available to the Lenders materials or information provided by or on behalf of the Borrower hereunder (collectively, the "**Borrower Materials**") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak, Debt X or another similar electronic system (the "**Platform**") and (b) certain of the Lenders may have personnel who do not wish to receive any information with respect to the Borrower, its Subsidiaries or their respective securities that is not Public-Side Information, and who may be engaged in investment and other market-related activities with respect to such Person's securities. The Borrower hereby agrees that (i) all Borrower Materials that are to be made available to Public Lenders will be clearly and conspicuously marked "PUBLIC" which, at a minimum, means that the word "PUBLIC" will appear prominently on the first page thereof; (ii) by marking Borrower Materials "PUBLIC," the Borrower will be deemed to have authorized the Administrative Agent and the Lenders to treat such Borrower Materials as containing only Public-Side Information (*provided*, *however*, that to the extent such Borrower Materials constitute Information, they will be treated as set forth in Section 10.09); (iii) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information"; and (iv) the Administrative Agent will treat the Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated as "Public Side Information." Notwithstanding the foregoing, the Borrower shall be under no obligation to mark the Borrower Materials "PUBLIC."

Anything to the contrary notwithstanding, nothing in this Agreement will require the Borrower or any Subsidiary to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter, or provide information (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure is prohibited by Law or binding agreement or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 6.03 Notices. Promptly after a Responsible Officer obtains actual knowledge thereof, notify the Administrative Agent in writing of:

(1) the occurrence of any Default or Event of Default; and

(2) (a) any dispute, litigation, investigation or proceeding between any Loan Party and any arbitrator or Governmental Authority, (b) the filing or commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or its Subsidiary or (c) the occurrence of any ERISA Event or any other event or occurrence, in any such case referred to in clauses (a), (b) or (c) of this Section 6.03(2), has resulted or would reasonably be expected to result in a Material Adverse Effect;

Each notice pursuant to this Section 6.03 shall be accompanied by a written statement of a Responsible Officer of the Borrower (a) that such notice is being delivered pursuant to Section 6.03(1) or (2) (as applicable) and (b) setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto.

Section 6.04 Payment of Obligations. Timely pay, discharge or otherwise satisfy, as the same shall become due and payable, all of its obligations and liabilities in respect of Taxes imposed upon it or upon its income or profits or in respect of its property, except, in each case, to the extent (1) any such Tax is being contested in good faith and by appropriate actions for which appropriate reserves have been established in accordance with IFRS or (2) the failure to pay or discharge the same would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

Section 6.05 Preservation of Existence, etc.

(1) Preserve, renew and maintain in full force and effect its legal existence under the Laws of the jurisdiction of its organization; and

(2) take all reasonable action to obtain, preserve, renew and keep in full force and effect its rights, licenses, permits, privileges, franchises, and IP Rights material to the conduct of its business,

except in the case of clauses (1) or (2) of this Section 6.05 to the extent (other than with respect to the preservation of the existence of the Borrower set forth in clause (1)) that failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or to the extent such non-compliance is in connection with a merger, amalgamation, consolidation, liquidation, dissolution or disposition permitted by Article VII.

Section 6.06 Maintenance of Properties. Except if the failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, maintain, preserve and protect all of its material tangible properties and equipment used in the operation of its business in reasonably good working order, repair and condition, ordinary wear and tear excepted and casualty or condemnation excepted.

Section 6.07 Maintenance of Insurance. Maintain with insurance companies that the Borrower believes (in the good faith judgment of its management) are financially sound and reputable at the time the relevant coverage is placed or renewed, insurance with respect to the Borrower's and its Subsidiaries' properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types

and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons engaged in the same or similar businesses as the Borrower and its Subsidiaries in the good faith determination of the management of the Borrower) as are customarily carried under similar circumstances by such other Persons in the good faith determination of the management of the Borrower, and will furnish to the Lenders, upon written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried*; provided* that, notwithstanding the foregoing, in no event will the Borrower or any Subsidiary be required to obtain or maintain insurance that is more restrictive than what is consistent with past practice (other than business interruption insurance with respect to the Iceland Manufacturing Facility, which shall be obtained by the Borrower or the applicable Subsidiary no later than 12 months following the Closing Date (or such later date as the Administrative Agent (acting on the request of the Required Lenders) may reasonably agree) and shall provide coverage in such amounts as are reasonable and customary for similarly situated Persons engaged in the same or similar businesses as the Borrower and its Subsidiaries in the good faith determination of the management of the Borrower and in any event reasonably acceptable to the Administrative Agent acting at the direction of the Required Lenders). Each such policy of insurance will, as appropriate in the applicable jurisdiction and subject to the Agreed Security Principles, (i) name the Collateral Agent, on behalf of the Secured Parties, as an additional insured thereunder as its interests may appear or (ii) in the case of each casualty insurance policy, contain an additional loss payable clause or endorsement that names the Collateral Agent, on behalf of the Secured Parties, as the lender loss payee or loss payee thereunder; *provided* that to the extent that the requirements of this Section 6.07 are not satisfied on the Closing Date, the Borrower may satisfy such requirements within 90 days of the Closing Date (or such later date as the Administrative Agent (acting on the request of the Required Lenders) may reasonably agree).

Section 6.08 Compliance with Laws. Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or to its business or property (including ERISA, the USA PATRIOT Act, applicable Sanctions and Anti-Corruption Laws), except if the failure to comply therewith would not reasonably be expected individually or in the aggregate to have a Material Adverse Effect.

Section 6.09 Books and Records. Maintain proper books of record and account, in which entries that are full, true and correct in all material respects shall be made of all material financial transactions and matters involving the assets and business of the Borrower or such Subsidiary, as the case may be (it being understood and agreed that certain Foreign Subsidiaries may maintain individual books and records in conformity with generally accepted accounting principles in their respective countries of organization and that such maintenance shall not constitute a breach of the representations, warranties or covenants hereunder).

Section 6.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants

(subject to such accountants' customary policies and procedures), all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower*; provided* that only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 6.10 and the Administrative Agent shall not exercise such rights more often than one (1) time during any calendar year absent the existence of an Event of Default; *provided*, *further*, that when an Event of Default exists, the Administrative Agent (or any of its representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Borrower the opportunity to participate in any discussions with the Borrower's independent public accountants. For the avoidance of doubt, this Section 6.10 is subject to the last paragraph of Section 6.02. The Lenders shall indemnify the Administrative Agent for all costs, fees and expenses incurred by the Administrative Agent under this Section 6.10 whether or not the Borrower is required to reimburse the Administrative Agent for such costs, fees and expenses. Notwithstanding anything to the contrary, nothing in this Agreement will require the Borrower or any of its Affiliates to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter, or provide information (i) that constitutes non-financial trade secrets or proprietary information, (ii) in respect of which disclosure is prohibited by law or contract, or (iii) that upon reasonable advice of counsel is subject to attorney-client or similar privilege or constitutes work product, as determined by Borrower with the advice of counsel.

Section 6.11 Covenant to Guarantee Obligations and Give Security. At the Borrower's expense, subject to the provisions of the Collateral and Guarantee Requirement and any applicable limitation in any Collateral Document, take all action necessary or reasonably requested by the Administrative Agent or the Collateral Agent to ensure that the Collateral and Guarantee Requirement continues to be satisfied, including:

(1) (x) upon (i) the formation or acquisition of any new direct or indirect Material Subsidiary (other than any Excluded Subsidiary) by any Loan Party, (ii) any Subsidiary (other than any Excluded Subsidiary) becoming a Material Subsidiary or (iii) an Excluded Subsidiary that is a Material Subsidiary ceasing to be an Excluded Subsidiary but continuing as a Subsidiary of the Borrower, (y) upon the acquisition of any material assets (other than Excluded Assets) by the Borrower or any Subsidiary Guarantor or (z) with respect to any Subsidiary at the time it becomes a Loan Party, for any material assets (other than Excluded Assets) held by such Subsidiary (in each case, other than assets constituting Collateral under a Collateral Document that becomes subject to the Lien created by such Collateral Document upon acquisition thereof (without limitation of the obligations to perfect such Lien)):

(a) within 90 days (or such greater number of days specified below) after such formation or acquisition or, in each case, such longer period as the Administrative Agent (acting at the direction of the Required Lenders) may agree cause such Material Subsidiary required to become a Guarantor under the Collateral and Guarantee Requirement to execute the Guaranty (or a joinder thereto) and other documentation the Administrative Agent may

reasonably request from time to time in order to carry out more effectively the purposes of the Guaranty and the Collateral Documents and

(A) within 90 days after such formation or acquisition, cause each such Material Subsidiary that is required to become a Subsidiary Guarantor pursuant to the Collateral and Guarantee Requirement to duly execute and deliver to the Collateral Agent supplements to the Security Agreement, a counterpart signature page to the Intercompany Subordination Agreement, Intellectual Property Security Agreements and other security agreements and documents necessary to satisfy the Collateral and Guarantee Requirement, as reasonably requested by and in form and substance reasonably satisfactory to the Collateral Agent (consistent with the Security Agreement, Intellectual Property Security Agreements and other Collateral Documents in effect on the Closing Date), in each case granting and perfecting Liens required by the Collateral and Guarantee Requirement;

(B) within 90 days after such formation or acquisition, cause each such Material Subsidiary that is required to become a Guarantor pursuant to the Collateral and Guarantee Requirement to deliver any and all certificates representing Equity Interests (to the extent certificated) that are required to be pledged pursuant to the Collateral and Guarantee Requirement, accompanied by undated stock powers or other appropriate instruments of transfer executed in blank and a joinder to the Intercompany Subordination Agreement substantially in the form of Annex I thereto with respect to the intercompany Indebtedness held by such Material Subsidiary;

(C) within 90 days after such formation or acquisition, take and cause (i) the applicable Material Subsidiary that is required to become a Guarantor pursuant to the Collateral and Guarantee Requirement, (ii) to the extent applicable, each direct or indirect parent of such applicable Material Subsidiary and in each case, to take customary action(s) (including the filing of Uniform Commercial Code financing statements (or equivalent forms) and delivery of stock and membership interest certificates to the extent certificated) as may be necessary in the reasonable opinion of the Administrative Agent to vest in the Collateral Agent (or in any representative of the Collateral Agent designated by it) valid and perfected (subject to Liens permitted by Section 7.01) Liens required by the Collateral and Guarantee Requirement, enforceable against all third parties in accordance with their terms, except as such enforceability may be limited by Debtor Relief Laws, Foreign Legal Reservations and by general principles of equity (regardless of whether enforcement is sought in equity or at law); and

(D) within 90 days after the reasonable request therefor by the Administrative Agent (or such longer period as the Administrative Agent (acting at the direction of the Required Lenders) may agree), deliver to the Administrative Agent a signed copy of a customary Opinion of Counsel, addressed to the Administrative Agent and the Lenders, of counsel for the Loan Parties reasonably

acceptable to the Administrative Agent as to such matters set forth in this Section 6.11(1) as the Administrative Agent may reasonably request (with such opinion being consistent with the Opinion of Counsel delivered to the Administrative Agent on the Effective Date or the Closing Date, as applicable);

provided that actions relating to Liens on real property are governed by Section 6.11(2) and not this Section 6.11(1).

(2) Material Real Property.

(a) Notice.

(i) Within 90 days (or such longer period as the Collateral Agent (acting at the direction of the Required Lenders) may agree), after the formation or acquisition of a Material Subsidiary that is required to become a Subsidiary Guarantor under the Collateral and Guarantee Requirement, the Borrower will, or will cause such Material Subsidiary to, furnish to the Collateral Agent a description of any Material Real Property (other than any Excluded Asset(s)) owned by such Material Subsidiary.

(ii) Within 90 days (or such longer period as the Collateral Agent (acting at the direction of the Required Lenders) may agree), after the acquisition of any Material Real Property (other than any Excluded Asset(s)) by a Loan Party, after the Closing Date, the Borrower will, or will cause such Loan Party to, furnish to the Collateral Agent a description of any such Material Real Property.

(b) Mortgages. The Borrower will, or will cause the applicable Loan Party to, provide the Collateral Agent with (x) in the case of Material Real Property that is not located in the United States, such security documents with respect thereto reasonably requested by the Collateral Agent, subject to the Agreed Security Principles, and (y) in the case of Material Real Property that is located in the United States, a Mortgage with respect to any such Material Real Property that is the subject of a notice delivered pursuant to Section 6.11(2)(a), within 90 days of the formation or acquisition of such Material Subsidiary or the acquisition of such Material Real Property (or such longer period as the Collateral Agent (acting at the direction of the Required Lenders) may agree), together with:

(i) evidence that counterparts of the Mortgages have been duly executed, acknowledged and delivered and are in form suitable for filing or recording in all filing or recording offices that the Collateral Agent may deem reasonably necessary or desirable in order to create, except to the extent otherwise provided hereunder, including subject to Liens permitted by Section 7.01, a valid and subsisting perfected Lien on such Material Real Property in favor of the Collateral Agent for the benefit of the Secured Parties and that all filing and recording taxes and fees have been paid or otherwise provided for in a manner reasonably satisfactory to the Collateral Agent;

(ii) fully paid American Land Title Association Lender's Extended Coverage title insurance policies or the equivalent or other form available in each

applicable jurisdiction (the "**Mortgage Policies**") in form and substance, with endorsements, including zoning endorsements, available in the applicable jurisdiction and in amounts, reasonably acceptable to the Collateral Agent (not to exceed the fair market value of the real properties covered thereby), issued, coinsured and reinsured (as applicable) by title insurers reasonably acceptable to the Collateral Agent, insuring the Mortgages to be valid subsisting Liens on the property described therein, subject only to Liens permitted by Section 7.01 or such other Liens that do not have a material adverse impact on the use or value of the Mortgaged Properties, and providing for such other affirmative insurance (including endorsements for future advances under the Loan Documents) and such coinsurance and direct access reinsurance as the Collateral Agent may reasonably request and is available in the applicable jurisdiction and with respect to any property located in a state in which a zoning endorsement is not available, a zoning compliance letter from the applicable municipality or a zoning report from Planning and Zoning Resources Corporation (or other similar company reasonably acceptable to the Collateral Agent), in each case to be reasonably satisfactory to the Collateral Agent;

(iii) customary Opinions of Counsel for the applicable Loan Parties in states in which such Material Real Properties are located, with respect to the enforceability and perfection of the Mortgage(s) and any related fixture filings, the authorization, execution and delivery of the Mortgages and such other matters as the Collateral Agent may reasonably request, in form and substance reasonably satisfactory to the Collateral Agent;

(iv) American Land Title/American Congress on Surveying and Mapping surveys for each Material Real Property or existing surveys together with customary no change affidavits, in each case certified to the Collateral Agent if deemed necessary by Collateral Agent in its reasonable discretion, sufficient for the title insurance company issuing a Mortgage Policy to remove the standard survey exception and issue standard survey related endorsements;

(v) a completed "Life-of-Loan" Federal Emergency Management Agency standard flood hazard determination with respect to each Material Real Property (where applicable) containing improved land addressed to the Collateral Agent and otherwise in compliance with the Flood Insurance Laws, and if any such Material Real Property is located in an area determined by the Federal Emergency Management Agency (or any successor agency) to be a special flood hazard area, the Borrower's duly executed acknowledgement of receipt of written notification from the Collateral Agent about special flood hazard area status and flood disaster assistance and evidence of compliance with the Flood Insurance Requirements; and

(vi) as promptly as practicable after the reasonable request therefor by the Collateral Agent, available environmental assessment reports and reliance letters (if any) that have been prepared in connection with such formation or acquisition of any Material Subsidiary or acquisition of any Material Real Property.

(3) To the extent required by the Collateral and Guarantee Requirements, the Borrower will, or will cause the applicable Loan Party to, enter into deposit account control agreement, securities account control agreement or other control agreements or control arrangements for the benefit of the Secured Parties (subject to appropriate "springing" features if such other Indebtedness is an asset-based lending facility).

Section 6.12 Compliance with Environmental Laws. Except, in each case, to the extent that the failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (1) comply, and take all reasonable actions to cause any lessees and other Persons operating or occupying its properties to comply, with all applicable Environmental Laws and Environmental Permits (including any cleanup, removal or remedial obligations required by Environmental Law or Governmental Authorities) and (2) obtain and renew all Environmental Permits required to conduct its operations or in connection with its properties.

Section 6.13 Further Assurances and Post-Closing Covenant. Subject to the provisions of the Collateral and Guarantee Requirement and any applicable limitations in any Collateral Document and in each case at the expense of the Borrower, promptly upon reasonable request from time to time by the Administrative Agent or the Collateral Agent or as may be required by applicable Laws (a) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Collateral Document or other document or instrument relating to any Collateral, and (b) do, execute, acknowledge, deliver, record, re-record, file and re-file any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent or Collateral Agent may reasonably request from time to time in order to carry out more effectively the purposes of the Collateral Documents and to satisfy the Collateral and Guarantee Requirement.

Section 6.14 Use of Proceeds. The proceeds of the Closing Date Term Loans will be used on the Closing Date (i) to consummate the Closing Date Refinancing ~~(*provided* that not more than $50,000,000 of the proceeds of the Closing Date Term Loans shall be used to prepay, repay, redeem, repurchase, defease, discharge, refinance or terminate the 2022 Convertible Notes and the Aztiq Convertible Notes)~~, (ii) to pay the applicable Transaction Expenses and (iii) to the extent any such proceeds remain after the foregoing uses, for general corporate purposes not prohibited by the terms of this Agreement. The proceeds~~, if any,~~ of the Second Out Term Loans will be used on the Second Out Closing Date ~~for the prepayment, repayment, redemption, repurchase, defeasance, discharge, refinancing or termination of the 2022 Convertible Notes and the Aztiq Convertible Notes.~~to consummate the Second Out Closing Date Refinancing and to pay the applicable Transaction Expenses.

Section 6.15 Post-Closing Obligations. Each of the Loan Parties shall satisfy the requirements set forth on Schedule 6.15 on or before the date specified for such requirement or such later date to be determined by the Administrative Agent.

Section 6.16 Accounting Changes. The Borrower shall, and shall cause its Subsidiaries to, maintain their Fiscal Year as in effect on the Effective Date; *provided*, *however*, that the Borrower may, upon written notice to the Administrative Agent, change its Fiscal Year to any

other Fiscal Year reasonably acceptable to the Administrative Agent, in which case, the Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary to reflect such change in Fiscal Year.

Section 6.17 Nature of Business. The Borrower shall and shall cause its Subsidiaries to, engage in material lines of business substantially the same as those lines of business conducted by the Borrower and its Subsidiaries on the Effective Date or any business(es) or any other activities that are reasonably similar, ancillary, incidental, complimentary or related to, or a reasonable extension, development or expansion of, the business conducted or proposed to be conducted by the Borrower and its Subsidiaries on the Effective Date.

Section 6.18 Guarantor Coverage Requirement. The Borrower shall ensure that within 30 days (or such later date as may be agreed by the Administrative Agent (acting at the direction of the Required Lenders)) of the delivery of any Compliance Certificate to the Administrative Agent, (a) from and after the first date Adjusted EBITDA of the Borrower and its Subsidiaries for any Test Period is equal to or greater than $15,000,000, the aggregate Adjusted EBITDA attributable to the Loan Parties (calculated on the same basis as Consolidated EBITDA (but on an unconsolidated basis) and excluding goodwill, intra-group items and Investments in Subsidiaries and, in the case of the denominator for the purposes of any such calculation, excluding Subsidiaries constituting Excluded Subsidiaries as a result of clauses (2) or (3) of the definition of "Excluded Subsidiaries") is no less than 85.0% of the Adjusted EBITDA of the Borrower and its Subsidiaries on a consolidated basis for the four consecutive Fiscal Quarters ending on the last day of the most recently ended Test Period on or prior to such date of determination (calculated on a pro forma basis), (b) the aggregate Total Assets attributable to the Loan Parties (calculated on the same basis as Total Assets (but on an unconsolidated basis) and excluding goodwill, intra-group items and Investments in Subsidiaries and, in the case of the denominator for the purposes of any such calculation, excluding Subsidiaries constituting Excluded Subsidiaries as a result of clauses (2) or (3) of the definition of "Excluded Subsidiaries") is no less than 85.0% of the Total Assets of the Borrower and its Subsidiaries on a consolidated basis for the four consecutive Fiscal Quarters ending on the last day of the most recently ended Test Period on or prior to such date of determination (calculated on a pro forma basis) and (c) the aggregate revenues attributable to the Loan Parties (calculated on the same basis as consolidated revenues (but on an unconsolidated basis) and excluding goodwill, intra-group items and Investments in Subsidiaries and, in the case of the denominator for the purposes of any such calculation, excluding Subsidiaries constituting Excluded Subsidiaries as a result of clauses (2) or (3) of the definition of "Excluded Subsidiaries") is no less than 85.0% of the consolidated revenues of the Borrower and its Subsidiaries on a consolidated basis for the four consecutive Fiscal Quarters ending on the last day of the most recently ended Test Period on or prior to such date of determination (calculated on a pro forma basis).

Section 6.19 Anti-Terrorism Law; Anti-Money Laundering; Anti-Corruption Laws.

(1) Borrower shall not:

(A) Directly or indirectly (i) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to

the Executive Order or any other Anti-Terrorism Law in violation of any applicable Anti-Terrorism Law or applicable Sanctions, (ii) transact business with or for the benefit of any Sanctioned Person in violation of applicable Sanctions, or (iii) otherwise engage in or conspire to engage in any transaction that violates or attempts to violate, any of the material prohibitions set forth in any applicable Anti-Terrorism Law or applicable Sanctions;

(B) Directly or indirectly undertake any Anti-Corruption Prohibited Activity;

(C) Act in any manner that would constitute a violation of any applicable Anti-Money Laundering Laws; and

(D) (i) Repay the Loans, in whole or in part, using funds or properties of the Borrower or any Subsidiaries that are, to the knowledge of the Borrower, derived from transactions or dealings with any Sanctioned Person or, the property of any Sanctioned Person or the product of a violation of Sanctions or any Anti-Corruption Prohibited Activity or (ii) to the knowledge of the Borrower, permit any Sanctioned Person to have any direct or indirect interest, in the Borrower or any of Subsidiaries, with the result that the investment in the Borrower or any of Subsidiaries (whether directly or indirectly) or the Loans made by the Lenders would be in violation of any applicable Sanctions; and

(2) Each Loan Party will maintain in effect and enforce policies and procedures, as applicable, that are reasonably designed to ensure compliance by the Loan Parties and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws, Anti-Money Laundering Laws, and applicable Sanctions.

Section 6.20 Centre of Main Interest. With respect to any Loan Party existing under Luxembourg law, its head office (*administration centrale*) and its place of effective management (*siège de direction effective*) shall be located at its registered office (*siège statutaire*) in Luxembourg. In addition, for the purpose of the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "Insolvency Regulation"), its center of main interest (*centre des intérêts principaux*) shall be located at its registered office (*siège statutaire*) in Luxembourg and it shall have no "establishment" (as this term is used in article 2(10) of the Insolvency Regulation) in any other jurisdiction.

ARTICLE VII

~~Section 6.21 Delivery of Conversion and Redemption Notices. The Borrower shall, not later than [***] days after the Effective Date, deliver conversion notices, prepayment notices, repayment notices and/or redemption notices, as applicable, to the holders, respectively, of (i) the Senior Bonds, (ii) the 2022 Convertible Bonds, (iii) the Aztiq Convertible Bonds and (iv) the~~

~~Factoring Facility, to fully redeem or convert, as applicable, the total outstanding indebtedness under each of the foregoing on or before the Closing Date.~~

~~ARTICLE VII~~

9. **Negative Covenants**

From and after the Closing Date and for so long as the Termination Conditions are not satisfied:

Section 7.01 Liens. The Borrower shall not, nor shall the Borrower permit any Subsidiary to, directly or indirectly, create, incur or assume any Lien (except any Permitted Lien(s)) on any asset or property of the Borrower or any Subsidiary, or any income or profits therefrom. The expansion of Liens by virtue of accretion or amortization of original issue discount, the payment of dividends in the form of Indebtedness, and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies will not be deemed to be an incurrence of Liens for purposes of this Section 7.01.

Section 7.02 Indebtedness.

(a) The Borrower shall not, nor shall the Borrower permit any Subsidiary to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (collectively, "**incur**" and collectively, an "**incurrence**") with respect to any Indebtedness (including Acquired Indebtedness); *provided* that the Borrower may incur Indebtedness (including Acquired Indebtedness and the issuance of shares of Disqualified Stock), and any Subsidiary may incur Indebtedness (including Acquired Indebtedness and the issuance of shares of Disqualified Stock), in each case, in an unlimited amount if (any Indebtedness incurred pursuant to the following clauses (A), (B) and (C), "**Permitted Ratio Debt**"):

(A) with respect to Indebtedness secured by Liens on any or all of the Collateral on a *pari passu* basis with the Liens on the Collateral that secure the Obligations, the First Lien Net Leverage Ratio for the Test Period preceding the date on which such Indebtedness is incurred (without netting any cash received from such incurrence) would be no greater than either (x) 3.50 to 1.00 or (y) to the extent such Indebtedness is incurred in connection with a Permitted Acquisition, the First Lien Net Leverage Ratio (determined on a pro forma basis after giving effect to such Permitted Acquisition) for the Test Period most recently ended preceding the date of such incurrence immediately prior to giving effect to such incurrence;

(B) with respect to Indebtedness constituting Junior Lien Debt secured by Liens on any or all of the Collateral that secures the Obligations, the Secured Net Leverage Ratio for the Test Period preceding the date on which such Indebtedness is incurred (without netting any cash received from such incurrence) would be no greater than either (x) 5.00 to 1.00 or (y) to the extent such

Indebtedness is incurred in connection with a Permitted Acquisition, the Secured Net Leverage Ratio (determined on a pro forma basis after giving effect to such Permitted Acquisition) for the Test Period most recently ended preceding the date of such incurrence would be no greater than the Secured Net Leverage Ratio immediately prior to giving effect to such incurrence;

(C) with respect to Indebtedness that is not secured, either (x) the Total Net Leverage Ratio for the Test Period preceding the date on which such Indebtedness is incurred (without netting any cash received from such incurrence) would not exceed 5.00 to 1.00 (including in connection with an acquisition or other Investment permitted under this Agreement) or (y) to the extent such Indebtedness is incurred in connection with a Permitted Acquisition, the Total Net Leverage Ratio (determined on a pro forma basis after giving effect to such Permitted Acquisition) for the Test Period most recently ended preceding the date of such incurrence would be no greater than the Total Net Leverage Ratio immediately prior to giving effect to such incurrence;

in each case, determined on a pro forma basis; *provided further* that Permitted Ratio Debt (other than Permitted Ratio Debt assumed in connection with a Permitted Acquisition (and not incurred in contemplation thereof)) shall be subject to the following requirements (the following sub-clauses (1), (2), (3), (4) and (5) below, collectively, the "**Specified Debt Requirements**"):

(1) the terms of any such Indebtedness (excluding, for the avoidance of doubt, interest rates (including through fixed interest rates), interest margins, rate floors, fees, funding discounts, original issue discounts and prepayment or redemption premiums and terms which shall be determined by the Borrower) shall, at the option of the Borrower, to the extent not consistent with the Closing Date Term Loans existing on the date that the applicable Indebtedness is incurred (a) be not materially more restrictive to the Borrower when taken as a whole (as determined by the Borrower in good faith) than the terms of the Closing Date Term Loans except, in the case of this clause (a), with respect to covenants and other terms applicable only to periods after the Latest Maturity Date in effect immediately prior to the incurrence of the Indebtedness or (b) if the foregoing clause (a) is not satisfied, be reasonably satisfactory to the Administrative Agent (*provided* that, at the Borrower's election, to the extent any term or provision is added for the benefit of the lenders under any such applicable Indebtedness that constitutes a term loan or notes, no consent shall be required from the Administrative Agent or any Lender to the extent that such term or provision is also added, or the features of such term or provision are provided, for the benefit of the Closing Date Term Lenders (and, for the avoidance of doubt, such term shall be deemed reasonably satisfactory to the Administrative Agent);

(2) such Indebtedness shall (i) not mature earlier than the Original Term Loan Maturity Date and (ii) have a Weighted Average Life to Maturity not shorter than the remaining Weighted Average Life to Maturity of the Closing Date Term Loans outstanding on the date of incurrence of such Indebtedness;

(3) no Subsidiary that does not constitute a Loan Party may incur Permitted Ratio Debt if, on a pro forma basis after giving effect thereto, the aggregate outstanding principal amount and liquidation preference of Permitted Ratio Debt incurred by Subsidiaries that do not constitute Loan Parties would exceed the Non-Loan Party Cap;

(4) any mandatory prepayments of (a) any Permitted Ratio Debt in the form of term loans or notes, as applicable, that is secured by Liens on the Collateral that rank junior to the Liens on the Collateral that secure the Obligations or is not secured may not be made except to the extent that prepayments of such debt are not prohibited hereunder and to the extent required hereunder or pursuant to the terms of any Permitted Ratio Debt that is secured on a pari passu basis with the Obligations under this Agreement, first made or offered to the holders of the Closing Date Term Loans (*provided* that, for the avoidance of doubt, mandatory prepayments may be made in connection with any refinancing of Permitted Ratio Debt permitted hereunder) and (b) any Permitted Ratio Debt that is secured by the Collateral on a pari passu basis with the Obligations under this Agreement in respect of events described in Section 2.05(2)(a), (b) and (c)(i) may be made on a pro rata basis or less than a pro rata basis (but not greater than a pro rata basis (*provided* that mandatory prepayments may be made on a greater than a pro rata basis with respect to repayments made in connection with any refinancing of any Permitted Ratio Debt permitted hereunder) with the Term Loans; and

(5) (a) the MFN Provision shall apply to any Permitted Ratio Debt that is secured by the Collateral on a pari passu basis with the Obligations under this Agreement as if such Permitted Ratio Debt was an Incremental Term Loan (for the avoidance of doubt, whether or not such Permitted Ratio Debt is in the form of loans or notes (including whether or not such loans or notes are broadly distributed or widely syndicated)) and (b) the ROFO Provision shall apply to any Permitted Ratio Debt as if such Permitted Ratio Debt was an Incremental Term Loan (for the avoidance of doubt, whether or not such Permitted Ratio Debt is in the form of loans or notes (including whether or not such loans or notes are broadly distributed or widely syndicated));

provided that the Specified Debt Requirements above shall not prohibit the inclusion of customary terms for "bridge" facilities or facilities funded into customary escrow arrangements, including customary mandatory prepayment, repurchase or redemption provisions.

(b) the foregoing clause (a) shall not apply to the following:

(1) Indebtedness of the Borrower and of its Subsidiaries under the Loan Documents (including Incremental Loans and Extended Loans);

(2) [reserved];

(3) the incurrence of Indebtedness by the Borrower and any Subsidiary in existence on the Effective Date or the Closing Date listed on Schedule 7.02 (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders) (excluding Indebtedness described in the preceding clause (1) and clause (25) below);

(4) Indebtedness (including Capitalized Lease Obligations, Purchase Money Obligations and Existing Equipment Financings) incurred or issued by the Borrower or any other Loan Party and Preferred Stock issued by any Subsidiary, to finance the purchase, lease, expansion, construction, installation, replacement, repair or improvement of property (real or personal), equipment or other assets, including assets that are used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets in an aggregate principal amount, together with any Refinancing Indebtedness in respect thereof and all other Indebtedness or Preferred Stock incurred or issued and outstanding under this clause (4), and any Refinancing Indebtedness of the Indebtedness referred to in this clause (4), at such time not to exceed $200,000,000;

(5) Indebtedness incurred by the Borrower or any Subsidiary (a) constituting reimbursement obligations with respect to letters of credit, bank guarantees, banker's acceptances, completion guarantees warehouse receipts, or similar instruments issued or entered into, or relating to obligations or liabilities incurred, in the ordinary course of business or consistent with industry practice, including in respect of workers' compensation claims, performance, completion, bid, appeal or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance, unemployment insurance or other social security legislation or other Indebtedness with respect to reimbursement-type obligations regarding workers' compensation claims, performance, completion or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or (b) as an account party in respect of letters of credit, bank guarantees or similar instruments in favor of suppliers, trade creditors or other Persons issued or incurred in the ordinary course of business or consistent with industry practice;

(6) the incurrence of Indebtedness arising from agreements of the Borrower or any Subsidiary providing for (x) indemnification or adjustment of purchase price or similar obligation, (y) Earnouts, or (z) any promissory note or notes or similar seller financing issued by Borrower or a Subsidiary, in each case, incurred or assumed in connection with the acquisition or

disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; *provided* that any payments of interest in respect of any such notes or financing under clause (z) shall not be cash-pay;

(7) the incurrence of Indebtedness of the Borrower owing to a Subsidiary (or to any Parent Company which is substantially contemporaneously transferred to the Borrower or any Subsidiary); *provided* that any such Indebtedness for borrowed money owing to a Subsidiary that is not a Guarantor is expressly subordinated in right of payment to the Loans pursuant to the Intercompany Subordination Agreement; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event that results in any such Subsidiary ceasing to be a Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Borrower or another Subsidiary or any collateral pledge of such Indebtedness constituting a Permitted Lien) will be deemed, in each case, to be an incurrence of such Indebtedness (to the extent such Indebtedness is then outstanding) not permitted by this clause (7);

(8) the incurrence of Indebtedness of a Subsidiary owing to the Borrower or another Subsidiary (or to any Parent Company which is substantially contemporaneously transferred to the Borrower or any Subsidiary) to the extent permitted by Section 7.05; *provided* that any such Indebtedness for borrowed money incurred by a Guarantor and owing to a Subsidiary that is not a Guarantor is expressly subordinated in right of payment to the Guaranty of the Loans of such Guarantor pursuant to the Intercompany Subordination Agreement; *provided*, *further*, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Subsidiary ceasing to be a Subsidiary or any such subsequent transfer of any such Indebtedness (except to the Borrower or a Subsidiary or any collateral pledge of such Indebtedness constituting a Permitted Lien) will be deemed, in each case, to be an incurrence of such Indebtedness (to the extent such Indebtedness is then outstanding) not permitted by this clause (8);

(9) the issuance of shares of Preferred Stock or Disqualified Stock of a Subsidiary issued to the Borrower or a Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event that results in any such Subsidiary that holds such Preferred Stock or Disqualified Stock ceasing to be a Subsidiary or any other subsequent transfer of any such shares of Preferred Stock or Disqualified Stock (except to the Borrower or another Subsidiary or any collateral pledge of such Indebtedness constituting a Permitted Lien) will be deemed, in each case, to be an issuance of such shares of Preferred Stock or Disqualified Stock (to the extent such Preferred Stock is then outstanding) not permitted by this clause (9);

(10) the incurrence of Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes) in respect of Hedge Agreements designed to hedge against fluctuations in interest rates, foreign exchange rates or commodities pricing risks incurred in the ordinary course of business;

(11) [reserved];

(12) the incurrence of Indebtedness of the Borrower and Indebtedness or Preferred Stock of the Borrower or any Subsidiary in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness and Preferred Stock then outstanding and incurred or issued, as applicable, pursuant to this clause (12), together with any Refinancing Indebtedness in respect thereof, does not exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 30.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries at any one time outstanding (with such amount reduced by any amounts then outstanding and incurred pursuant to Section 2.14(4)(c)(I)) *plus*, without duplication, in the event of any extension, replacement, refinancing, renewal or defeasance of any such Indebtedness, an amount equal to the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and any defeasance costs and any fees and expenses (including original issue discount, upfront fees or similar fees) incurred in connection with the issuance of such new Indebtedness or the extension, replacement, refunding, refinancing, renewal or defeasance of such Indebtedness; *provided* that (i) such Indebtedness incurred by a Loan Party under this clause (12) may only be secured if secured by a Lien on the Collateral that is junior to the Liens securing the Obligations or may be unsecured and (ii) no Subsidiary that does not constitute a Loan Party may incur Indebtedness under this clause (12) in excess of the Non-Loan Party Cap;

(13) the incurrence by the Borrower or any Subsidiary of Refinancing Indebtedness that serves to Refinance any Indebtedness permitted under clause (3) above, this clause (13) and clause (14), or any successive Refinancing Indebtedness with respect to any of the foregoing; *provided* that such Indebtedness shall continue to constitute a usage of the applicable clause;

(14) (a) Indebtedness assumed by the Borrower or any Subsidiary in connection with a Permitted Acquisition or any other similar Investment permitted hereunder (in each case, only to the extent not incurred in contemplation thereof); and (b) Acquired Indebtedness and Indebtedness, Disqualified Stock or Preferred Stock of Persons that are acquired by the Borrower or any Subsidiary or merged into, amalgamated or consolidated with the Borrower or a Subsidiary in accordance with the terms of this Agreement, in each case in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness and Preferred Stock then outstanding and assumed pursuant to this clause (14), together with any Refinancing Indebtedness in respect thereof, does not exceed $10,000,000 plus the amount of Capitalized Lease Obligations assumed in connection with (and not incurred in contemplation of) a Permitted Acquisition or any other similar Investment permitted hereunder at any one time outstanding; it being understood that with respect to assumed Indebtedness incurred under this clause (14), such Indebtedness is only the obligation of the Person and/or Person's Subsidiaries that are acquired or that acquire the relevant assets and such Indebtedness was not created in contemplation of such acquisition;

(15) the incurrence of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business or consistent with industry practice;

(16) the incurrence of Indebtedness of the Borrower or any Subsidiary supported by letters of credit or bank guarantees permitted hereunder, in each case, in a principal amount not in excess of the stated amount of such letters of credit or bank guarantees;

(17) (a) the incurrence of any guarantee by the Borrower or a Subsidiary of Indebtedness or other obligations of the Borrower or any Subsidiary so long as the incurrence of such Indebtedness or other obligations incurred by the Borrower or such Subsidiary is otherwise permitted by this Section 7.02, or (b) any co-issuance by the Borrower or any Subsidiary of any Indebtedness or other obligations of the Borrower or any Subsidiary so long as the incurrence of such Indebtedness or other obligations by the Borrower or such Subsidiary was otherwise permitted under this Section 7.02;

(18) the incurrence of Indebtedness issued by the Borrower or any Subsidiary to future, present or former employees, directors, officers, members of management and consultants thereof, their respective Controlled Investment Affiliates or Immediate Family Members and permitted transferees thereof, in each case to finance the purchase or redemption of Equity Interests of the Borrower or any Parent Company to the extent described in Section 7.05(b)(4);

(19) customer deposits and advance payments received in the ordinary course of business or consistent with industry practice from customers for goods and services purchased in the ordinary course of business or consistent with industry practice;

(20) the incurrence of (a) Indebtedness owed to banks and other financial institutions incurred in the ordinary course of business or consistent with industry practice in connection with ordinary banking arrangements to manage cash balances of the Borrower and its Subsidiaries and (b) Indebtedness in respect of Cash Management Services, including Cash Management Obligations; in each case, other than any receivables financing or factoring facilities;

(21) Indebtedness incurred by the Borrower or any Subsidiary in connection with discounted bills of exchange or the discounting of receivables for credit management purposes, in each case incurred or undertaken in the ordinary course of business or consistent with industry practice on arm's-length commercial terms; in each case, other than any receivables financing or factoring facilities;

(22) the incurrence of Indebtedness of the Borrower or any Subsidiary consisting of (a) the financing of insurance premiums or (b) take-or-pay obligations contained in supply arrangements in each case, incurred in the ordinary course of business or consistent with industry practice;

(23) the incurrence of Indebtedness by the Borrower or any Subsidiary in connection with any joint venture arrangements and similar binding arrangements, in each case, in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness then outstanding and incurred or issued, as applicable, pursuant to this clause (23), together with any Refinancing Indebtedness in respect of any of the foregoing, does not exceed $25,000,000;

(24) [reserved];

(25) the incurrence of Indebtedness pursuant to an asset-based or other revolving credit facility in an amount not to exceed $100,000,000; *provided* that such facility (i) may not be guaranteed by Non-Loan Parties, or secured by assets that do not constitute Collateral, (ii) must be on terms (x) not materially more restrictive to the Borrower when taken as a whole (as determined by the Borrower in good faith) than the terms of the Closing Date Term Loans except with respect to covenants and other terms applicable by nature of the facility being an asset-based or other revolving credit facility or (y) if clause (x) is not satisfied, be reasonably satisfactory to the Administrative Agent and (iii) subject to an Applicable Intercreditor Agreement (which if such facility is an asset-based facility, must reflect a customary "split lien" collateral structure and, if such facility is a non-asset-based revolving credit facility, then such facility may be secured on a pari passu basis with the Liens that secure the Closing Date Term Loans);

(26) the incurrence of Indebtedness attributable to (but not incurred to finance) the exercise of appraisal rights or the settlement of any claims or actions (whether actual, contingent or potential) with respect to the Transactions or any acquisition (by merger, consolidation or amalgamation or otherwise) in accordance with the terms hereof;

(27) the incurrence of Indebtedness representing deferred compensation to employees of any Parent Company, the Borrower or any Subsidiary, including Indebtedness consisting of obligations under deferred compensation or any other similar arrangements incurred in connection with the Transactions, any investment or any acquisition (by merger, consolidation or amalgamation or otherwise) permitted under this Agreement;

(28) guarantees incurred in the ordinary course of business or consistent with industry practice in respect of obligations to suppliers, customers, franchisees, lessors, licensees, sublicensees and distribution partners;

(29) the incurrence of Indebtedness by Subsidiaries that are not Loan Parties (i) in an amount outstanding any time not to exceed the Non-Loan Party Cap or (ii) in the form of ordinary course working capital lines of credit or local lines of credit that is non-recourse to any Loan Party and is not secured by assets constituting Collateral, together with any Refinancing Indebtedness in respect thereof;

(30) [reserved];

(31) the incurrence of Indebtedness arising out of any Sale-Leaseback Transaction in an amount not to exceed $50,000,000;

(32) Convertible Indebtedness in an amount not to exceed $100,000,000; *provided* that the ROFO Provision shall apply to the issuance of any Convertible Indebtedness in a private placement as if such Convertible Indebtedness was an Incremental Term Loan;

(33) the incurrence of Indebtedness arising out of any Permitted Receivables Facility in an amount not to exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 20.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries;

(34) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (1) through (33) above.

For purposes of determining compliance with this Section 7.02:

(1) in the event that an item of Indebtedness or Preferred Stock (or any portion thereof) at the time of incurrence meets the criteria of more than one of the categories of Permitted Indebtedness or Preferred Stock described in clauses (1) through (33) above, the Borrower, in its sole discretion, may divide and classify, such item of Indebtedness or Preferred Stock (or any portion thereof) in more than one of the types of Indebtedness or Preferred Stock described in Section 7.02(b) and will only be required to include the amount and type of such Indebtedness or Preferred Stock (or a portion thereof) in such of the above clauses as determined by the Borrower at such time; *provided* that all Indebtedness incurred hereunder on the Closing Date or the Second Out Closing Date will, at all times, be treated as incurred ~~on the Closing Date~~ under Section 7.02(b)(1);

(2) [reserved];

(3) the principal amount of Indebtedness outstanding under any clause of this Section 7.02 will be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness;

(4) in the event an item of Indebtedness or Preferred Stock (or any portion thereof) is incurred or issued pursuant to a fixed dollar Basket under Section 7.02(b) on the same date that an item of Indebtedness or Preferred Stock (or any portion thereof) is incurred or issued under an applicable incurrence test available under Section 7.02(b), then the applicable incurrence test under Section 7.02(b) will be calculated with respect to such incurrence under such incurrence test without regard to any incurrence under a fixed dollar Basket then available under Section 7.02(b); *provided* that unless the Borrower elects otherwise, the incurrence of Indebtedness or Preferred Stock will be deemed incurred or issued first under the then available incurrence test under Section 7.02(b) to the extent permitted with the balance incurred under a then available fixed dollar Basket under Section 7.02(b); and

(5) guarantees of, or obligations in respect of letters of credit relating to, Indebtedness that are otherwise included in the determination of a particular amount of Indebtedness will not be included in the determination of such amount of Indebtedness; *provided* that the incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was incurred in compliance with this Section 7.02.

The accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness or Preferred Stock and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies, in each case, will not be deemed to be an incurrence of Indebtedness or Preferred Stock for purposes of this Section 7.02. Any Indebtedness incurred to refinance Indebtedness or Preferred Stock incurred pursuant to clauses (3), (4), (12), (13), (14) and (25) of Section 7.02(b) will be permitted to include additional Indebtedness or Preferred Stock incurred to pay accrued but unpaid interest and dividends and premiums, defeasance costs and fees and expenses incurred in connection with such refinancing and, without duplication, any other Incremental Amounts.

For purposes of determining compliance with any Dollar denominated restriction on the incurrence of Indebtedness or issuance of Preferred Stock, the Dollar equivalent principal amount of Indebtedness or Preferred Stock denominated in a foreign currency will be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness or Preferred Stock was incurred, in the case of term debt, or first committed or first incurred (whichever yields the lower Dollar equivalent), in the case of revolving credit debt; *provided* that if such Indebtedness or Preferred Stock is issued to Refinance other Indebtedness or Preferred Stock denominated in a foreign currency, and such refinancing would cause the applicable Dollar denominated (or the applicable growth component with respect to such Basket, if greater) restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar denominated restriction will be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness or Preferred Stock does not exceed (i) the principal amount of such Indebtedness or Preferred Stock (as applicable) being refinanced *plus* (ii) the aggregate amount of accrued but unpaid interest, fees, underwriting discounts, defeasance costs, premiums (including tender premiums) and other costs and expenses (including OID, upfront fees or similar fees) incurred in connection with such refinancing and, without duplication, any other Incremental Amounts.

The principal amount of any Indebtedness or Preferred Stock incurred to refinance other Indebtedness or Preferred Stock, if incurred in a different currency from the Indebtedness or Preferred Stock, as applicable, being refinanced, will be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness or Preferred Stock is denominated that is in effect on the date of such refinancing. The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date will be the principal amount thereof that would be shown on a balance sheet of the Borrower dated such date prepared in accordance with IFRS.

Section 7.03 Fundamental Changes. The Borrower shall not, nor shall the Borrower permit any Subsidiary to, consolidate, amalgamate or merge with or into or wind up into another Person, or liquidate or dissolve or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person (other than as part of the Transactions), including by an allocation of assets among newly divided limited liability companies pursuant to a "plan of division" under the Delaware Limited Liability Company Act, except that:

(1) Subject to Section 3.03(a) of the Security Agreement, any Subsidiary may merge, amalgamate or consolidate with the Borrower (including a merger, amalgamation or consolidation, the purpose of which is to reorganize or continue the Borrower into a new jurisdiction); *provided* that:

(a) the Borrower shall be the continuing or surviving Person, and

(b) such merger, amalgamation or consolidation does not result in the Borrower ceasing to be formed, incorporated or organized under the Laws of Luxembourg (unless formed, incorporated or organized in the United States, any state thereof or the District of Columbia).

(2)

(a) (i) any Subsidiary that is not a Loan Party may amalgamate, merge or consolidate with or into any other Subsidiary that is not a Loan Party and (ii) any Subsidiary that is a Loan Party may merge or consolidate with a Subsidiary that is not a Loan Party so long as the resulting Investment in such Non-Loan Party Subsidiary, if newly made, would otherwise constitute a Permitted Investment;

(b) any Subsidiary may amalgamate, merge or consolidate with or into any other Subsidiary that is a Loan Party; *provided* that a Loan Party shall be the continuing or surviving Person or the resulting Investment in the continuing or surviving Person, if newly made, would otherwise constitute a Permitted Investment;

(c) any merger, amalgamation or consolidation the sole purpose of which is to reincorporate or reorganize or continue a Loan Party in another jurisdiction in the United States will be permitted, and

(d) any Subsidiary may liquidate or dissolve or change its legal form if the Borrower determines in good faith that such action is in the best interests of the Borrower and its Subsidiaries and is not materially disadvantageous to the Lenders;

provided that in the case of this Section 7.03(2), (x) no Event of Default shall have occurred and be continuing or result therefrom or, in the case of a Permitted Acquisition or similar committed investment, no Event of Default under Section 8.01(1) or Section 8.01(6) shall have occurred and be continuing or result therefrom and (y) the Person who receives the assets of such dissolving or

liquidated Subsidiary that is a Guarantor shall be a Loan Party or such disposition shall otherwise be permitted under Section 7.05 or would otherwise constitute a Permitted Investment;

(3) any Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or another Subsidiary; *provided* that if the transferor in such a transaction is a Loan Party, then (x) the transferee must be a Loan Party or (y) to the extent constituting an Investment, such Investment must be a Permitted Investment in a Subsidiary which is not a Loan Party;

(4) so long as no Event of Default shall have occurred and be continuing or result therefrom or, in the case of a Permitted Acquisition or similar committed investment, no Event of Default under Section 8.01(1) or Section 8.01(6) shall have occurred and be continuing or result therefrom, the Borrower may amalgamate, merge or consolidate with (or dispose of all or substantially all of its assets to) any other Person; *provided* that:

(i) (a) the Borrower shall be the continuing or surviving corporation or (b) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Borrower (or, in connection with a disposition of all or substantially all of the Borrower's assets, is the transferee of such assets) (any such Person, a "**Successor Borrower**"): the Successor Borrower will:

(A) be an entity formed, incorporated, organized or existing under the Laws of Luxembourg or the United States, any state thereof or the District of Columbia;

(B) expressly assume all the obligations of the Borrower under this Agreement and the other Loan Documents to which the Borrower is a party pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent and the Borrower; and

(C) deliver to the Administrative Agent (I) an Officer's Certificate stating that such merger, amalgamation or consolidation or other transaction and such supplement to this Agreement or any Loan Document (as applicable) satisfies the requirements under this Section 7.03(4) and (II) an Opinion of Counsel including customary organization, due execution, no conflicts and enforceability opinions (similar in scope and substance to the opinions delivered to the Administrative Agent on the Effective Date or the Closing Date, as applicable) to the extent reasonably requested by the Administrative Agent;

(ii) substantially contemporaneously with such transaction (or at a later date as may be agreed by the Administrative Agent),

(A) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, will by a supplement to the Guaranty (or in another form reasonably satisfactory to the Administrative Agent and the

Borrower) reaffirm its Guaranty of the Obligations (including the Successor Borrower's obligations under this Agreement),

(B) each Loan Party, unless it is the other party to such merger, amalgamation or consolidation, will, by a supplement to the Security Agreement (or in another form reasonably satisfactory to the Administrative Agent), confirm its grant or pledge thereunder, and

(C) if reasonably requested by the Administrative Agent, each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation, will, by an amendment to or restatement of the applicable Mortgage (or other instrument reasonably satisfactory to the Collateral Agent and the Borrower), confirm that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement;

(iii) [reserved]; and

(iv) the Administrative Agent shall have received at least three (3) Business Days prior to such transaction all documentation and other information in respect of the Successor Borrower required under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act; *provided further* that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, the Borrower under this Agreement;

(5) [reserved];

(6) any Subsidiary may amalgamate, merge or consolidate with (or dispose of all or substantially all of its assets to) any other Person in order to effect a Permitted Investment or other investment permitted pursuant to Section 7.05 so long as no Event of Default shall have occurred and be continuing or result therefrom or, in the case of a Permitted Acquisition or similar committed investment, no Event of Default under Section 8.01(1) or Section 8.01(6) shall have occurred and be continuing or result therefrom; *provided further*, that the continuing or surviving Person will be a Loan Party, in each case, which together with each of its Subsidiaries, will have complied with the applicable requirements of Section 6.11;

(7) a merger, amalgamation, dissolution, liquidation, consolidation or disposition, the purpose of which is to effect a disposition permitted pursuant to Section 7.04 (other than under clause (c) of the definition of "Asset Sale") will be permitted;

(8) subject to Section 3.03(a) of the Security Agreement, the Borrower may (a) convert into a corporation, partnership, limited partnership, limited liability company or trust organized or existing under the laws of the jurisdiction of organization of the Borrower or the laws of a jurisdiction in the United States and (b) change its name;

(9) the Loan Parties and their respective Subsidiaries may consummate the Transactions; and

(10) the commencement of any proceedings against any Subsidiary under Debtor Relief Laws to the extent such proceedings do not constitute an Event of Default under Section 8.01(6) will be permitted.

Notwithstanding anything in this Section 7.03 and subject to the Collateral and Guarantee Requirement, in the event a Loan Party changes its (i) name as it appears in official filings in its jurisdiction of incorporation, organization or formation or (ii) chief place of business or chief executive office, each Loan Party shall within sixty (60) days (or such longer time period as may be agreed by the Collateral Agent) after any such change, give the Collateral Agent written notice of such change.

Section 7.04 Asset Sales. The Borrower shall not, nor shall the Borrower permit any Subsidiary to, consummate any Asset Sale unless:

(1) the Borrower or such Subsidiary, as the case may be, receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise in connection with such Asset Sale) at least equal to the fair market value (measured at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of, and

(2) except in the case of a Permitted Asset Swap, at least 75.0% of the consideration for such Asset Sale, together with all other Asset Sales since the Closing Date (on a cumulative basis), received by the Borrower or a Subsidiary, as the case may be, and to the extent the consideration received in connection with the consummation of such Asset Sale or Asset Sales exceeds the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 15.0% of Adjusted EBITDA) as of the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries and is in the form of cash or Cash Equivalents; *provided* that each of the following will be deemed to be cash or Cash Equivalents for purposes of this clause (2):

(a) any liabilities (as shown on the Borrower's or any Subsidiary's most recent balance sheet or in the footnotes thereto or if incurred or accrued subsequent to the date of such balance sheet, such liabilities that would have been reflected on the Borrower's or a Subsidiary's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Borrower) of the Borrower or any Subsidiary, other than liabilities that are by their terms subordinated in right of payment to the Obligations, that are (i) assumed by the transferee of any such assets (or a third party in connection with such transfer) or (ii) otherwise cancelled or terminated in connection with the transaction with such transferee (other than intercompany debt owed to the Borrower or a Subsidiary);

(b) any securities, notes or other obligations or assets received by the Borrower or any Subsidiary from such transferee or in connection with such Asset Sale (including earnouts and similar obligations) that are converted by the Borrower or a Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash

Equivalents (to the extent of the cash or Cash Equivalents received) within one hundred eighty (180) days following the closing of such Asset Sale;

(c) any Designated Non-Cash Consideration received by the Borrower or any Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 15.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries on the date of the receipt of such Designated Non-Cash Consideration (or, at the Borrower's option, at the time of contractually agreeing to such Asset Sale), with the fair market value of each item of Designated Non-Cash Consideration being measured, at the Borrower's option, either at the time of contractually agreeing to such Asset Sale or at the time received and, in either case, without giving effect to any subsequent change(s) in value; or

(d) [reserved]; and

(3) the Net Proceeds of such Asset Sale shall be applied and/or reinvested as (and to the extent) required by Section 2.05(2)(b).

To the extent any Collateral is disposed of as expressly permitted by this Section 7.04 to any Person other than a Loan Party, such Collateral shall automatically be sold free and clear of the Liens created by the Loan Documents, and, if requested by the Administrative Agent, upon the certification by the Borrower that such disposition is permitted by this Agreement, the Administrative Agent and the Collateral Agent shall be authorized to take any actions deemed appropriate in order to effect the foregoing.

In addition, none of the Borrower or any Subsidiary shall enter into any Sale-Leaseback Transaction unless (1) at the time of the consummation thereof no Event of Default has occurred and is continuing and (2) such Sale-Leaseback Transaction is conducted as an arm's-length basis and is for fair market value of the applicable property as determined by a Responsible Officer of the Borrower in good faith.

Notwithstanding anything to the contrary in this Agreement or any other Loan Document, none of the Borrower nor any of its Subsidiaries shall assign, sell, dispose or otherwise transfer ownership (including by way of Asset Sale, making an Investment, through a Sale-Leaseback Transaction or otherwise, whether or not otherwise permitted by this Agreement) of, or an exclusive license, sublicense, lease or sublease for, any Material Intellectual Property, Material Real Property (including, for the avoidance of doubt, the Iceland Manufacturing Facility) or Material Contract to any Affiliate of the Borrower that is not a Loan Party (or shall become a Loan Party in connection with such transaction), nor shall it cause or permit any Affiliate of the Borrower that is not a Loan Party (or shall become a Loan Party in connection with such transaction) to own or hold any title or exclusive rights to any Material Intellectual Property, Material Real Property (including, for the avoidance of doubt, the Iceland Manufacturing Facility) or Material Contract; *provided* that the foregoing shall not prohibit any licensing or sublicensing of Proprietary Rights or collaboration agreements, strategic alliances or similar

arrangements in respect of Proprietary Rights, in each case, for the development or commercialization of Proprietary Rights in the ordinary course of business and on an arm's length basis that, at the time of such license, sublicense, collaboration agreement, strategic alliance or similar arrangement, does not materially and adversely affect the Borrower's and its Subsidiaries' business, condition (financial or otherwise) or prospects, taken as a whole.

Section 7.05 Restricted Payments. (a) The Borrower shall not, nor shall the Borrower permit any Subsidiary to, directly or indirectly:

(A) declare or pay any dividend or make any payment or distribution on account of the Borrower's or any Subsidiary's Equity Interests (in each case, solely in such Person's capacity as holder of such Equity Interests), including any dividend or distribution payable in connection with any merger, amalgamation or consolidation, other than:

(1) dividends, payments or distributions payable solely in Equity Interests (other than Disqualified Stock) of the Borrower or a Parent Company or in options, warrants or other rights to purchase such Equity Interests; or

(2) dividends, payments or distributions by a Subsidiary so long as, in the case of any dividend, payment or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a wholly owned Subsidiary, the Borrower or a Subsidiary receives at least its pro rata share of such dividend, payment or distribution in accordance with its Equity Interests in such class or series of securities or such other amount to which it is entitled pursuant to the terms of such Equity Interest;

(B) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Borrower or any Parent Company, including in connection with any merger, amalgamation or consolidation, in each case held by Persons other than the Borrower or a Subsidiary;

(C) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case, prior to any scheduled repayment, sinking fund payment or final maturity, any unsecured Indebtedness, Subordinated Indebtedness, any Second Out Term Loans or any Junior Lien Debt constituting Indebtedness for borrowed money (and excluding intercompany Indebtedness among the Borrower and its Subsidiaries) ("**Restricted Junior Debt**") (*provided* that no portion of any "split lien" asset-based revolving credit facility permitted to be incurred under clause (25) of Section 7.02(b) shall constitute "Restricted Junior Debt") and any such payment, redemption, repurchase, defeasance, acquisition or retirement for value, a "**Restricted Junior Debt Payment**"), other than:

(i) Indebtedness permitted under clauses (7), (8) and (9) of Section 7.02(b); or

(ii) the payment, redemption, repurchase, defeasance, acquisition or retirement for value of Restricted Junior Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such payment, redemption, repurchase, defeasance, acquisition or retirement; or

(D) make any Restricted Investment;

(all such payments and other actions set forth in clauses (A) through (D) above being collectively referred to as "**Restricted Payments**");

(b) The provisions of Section 7.05(a) will not prohibit:

(1) the payment of any dividend or other distribution or the consummation of any irrevocable redemption within sixty (60) days after the date of declaration of the dividend or other distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or other distribution or redemption payment would have complied with the provisions of this Section 7.05;

(2) (a) the redemption, repurchase, defeasance, discharge, retirement or other acquisition of (i) any Equity Interests of the Borrower, any Subsidiary or any Parent Company, including any accrued and unpaid dividends thereon ("**Treasury Capital Stock**") or (ii) Indebtedness, in each case, made (x) in exchange for, or out of the proceeds of, a sale or issuance (other than to the Borrower or a Subsidiary) of Equity Interests of the Borrower or any Parent Company (to the extent such Equity Interests or proceeds therefrom are contributed to the Borrower) (in each case, other than Disqualified Stock) and (y) within one hundred twenty (120) days of such sale or issuance ("**Refunding Capital Stock**"), and

(i) (b) the declaration and payment of dividends on Treasury Capital Stock out of the proceeds of a sale or issuance (other than to a Subsidiary of the Borrower or to an employee stock ownership plan or any trust established by the Borrower or any Subsidiary) of Refunding Capital Stock made within one hundred twenty (120) days of such sale or issuance;

(3) the principal payment on, defeasance, redemption, repurchase, exchange or other acquisition or retirement of:

(a) Restricted Junior Debt of the Borrower or a Subsidiary Guarantor made by exchange for, or out of the proceeds of the sale, issuance or incurrence of, new Restricted Junior Debt of the Borrower or a Subsidiary Guarantor or Disqualified Stock of the Borrower or a Subsidiary Guarantor; *provided* such new Restricted Junior Debt shall mature no earlier, and not have a shorter weighted average life, than the Indebtedness being

refinanced or exchanged and such newly issued Restricted Junior Debt otherwise satisfies the requirements set forth in the definition of "Refinancing Indebtedness";

(b) Disqualified Stock of the Borrower or a Subsidiary Guarantor made by exchange for, or out of the proceeds of the sale, issuance or incurrence of Disqualified Stock of the Borrower or a Subsidiary Guarantor, made within one hundred twenty (120) days of such sale, issuance or incurrence if such newly issued Disqualified Stock otherwise satisfies the requirements set forth in the definition of Refinancing Indebtedness;

(c) Disqualified Stock of a Subsidiary that is not a Subsidiary Guarantor made by exchange for, or out of the proceeds of the sale or issuance of, Disqualified Stock of a Subsidiary that is not a Subsidiary Guarantor, made within one hundred twenty (120) days of such sale or issuance that, in each case, is and such newly issued Disqualified Stock otherwise satisfies the requirements set forth in the definition of Refinancing Indebtedness; and

(d) any Restricted Junior Debt or Disqualified Stock that constitutes Acquired Indebtedness;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) (including related stock appreciation rights or similar securities) of the Borrower or any Parent Company held by any future, present or former employee, director, officer, member of management or consultant (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower, any of its Subsidiaries or any Parent Company pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, or any equity subscription or equity holder agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by the Borrower or any Parent Company in connection with any such repurchase, retirement or other acquisition); *provided* that the aggregate amount of Restricted Payments made under this clause (4), together with payments permitted pursuant to clause (15) below, does not exceed $25,000,000 in any Fiscal Year with unused amounts in any calendar year being carried over to the next two succeeding calendar years; *provided*, *further*, that each of the amounts in any calendar year under this clause (4) may be increased by an amount not to exceed:

(a) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Borrower and, to the extent contributed to the Borrower, the cash proceeds from the sale of Equity Interests of any Parent Company, in each case to any future, present or former employees, directors, officers, members of management or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any

permitted transferees thereof) of the Borrower, any of its Subsidiaries or any Parent Company that occurs after the Closing Date, to the extent the cash proceeds from the sale of such Equity Interests and Not Otherwise Applied; *plus*

(b) the amount of any cash bonuses otherwise payable to members of management, employees, directors or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower, any of its Subsidiaries or any Parent Company that are foregone in exchange for the receipt of Equity Interests of the Borrower or any Parent Company pursuant to any compensation arrangement, including any deferred compensation plan; *plus*

(c) the cash proceeds of life insurance policies received by the Borrower or its Subsidiaries (or by any Parent Company to the extent contributed to the Borrower) after the Closing Date; *minus*

(d) the amount of any Restricted Payments previously made with the cash proceeds described in clauses (a), (b) and (c) of this clause (4);

provided that the Borrower may elect to apply all or any portion of the aggregate increase contemplated by clauses (a), (b) and (c) above in any calendar year; *provided further* that cancellation of Indebtedness owing to the Borrower or any Subsidiary from any future, present or former employees, directors, officers, members of management, or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower, any Parent Company or any Subsidiary in connection with a repurchase of Equity Interests of the Borrower or any Parent Company will not be deemed to constitute a Restricted Payment for purposes of this Section 7.05 or any other provision of this Agreement;

(5) [reserved];

(6) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock issued by the Borrower or any Subsidiary after the Closing Date in accordance with Section 7.02 in an amount equal to the regularly scheduled coupon payments on such Designated Preferred Stock;

(7) i) payments made or expected to be made by the Borrower or any Subsidiary in respect of withholding or similar taxes payable with respect to payments to any future, present or former employee, director, officer, member of management or consultant (or their respective Controlled Investment Affiliates or Immediate Family Members or permitted transferees) of the Borrower, any Subsidiary or any Parent Company,

(b) any repurchases or withholdings of Equity Interests in connection with the exercise of stock options, warrants or similar rights if such Equity Interests represent a portion of the exercise of, or withholding obligations with respect to, such options, warrants or similar rights or required withholding or similar taxes, and

(c) loans or advances to officers, directors, employees, managers, consultants and independent contractors of the Borrower, any Subsidiary or any Parent Company in connection with such Person's purchase of Equity Interests of the Borrower or any Parent Company; *provided* that no cash is actually advanced pursuant to this clause (c) other than to pay taxes due in connection with such purchase, unless immediately repaid;

(8) [reserved];

(9) Restricted Payments in an amount that does not exceed the aggregate amount of Excluded Contributions;

(10) Restricted Payments made with the Available Amount; *provided* that (i) Restricted Payments (other than Restricted Investments) may not be made in reliance on clause (1) of the definition of "Available Amount", (ii) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (iii) immediately prior to such Restricted Payment and after giving *pro forma* effect thereto and the application of the net proceeds therefrom, (A) with respect to Restricted Payments (other than Restricted Investments), the Total Net Leverage Ratio for the Test Period immediately preceding such Restricted Payment shall be no greater than 4.00 to 1.00 and (B) with respect to Restricted Investments, the Total Net Leverage Ratio for the Test Period immediately preceding such Restricted Investment shall be no greater than 4.50 to 1.00;

(11) Restricted Payments set forth in clauses (A), (B) or (C) of the definition thereof in an aggregate amount taken together with the outstanding amount of all other Restricted Payments made pursuant to this clause (11) not to exceed (as of the date any such Restricted Payment is made) an amount not to exceed the greater of (i) $30,000,000 and (ii) 3.0% of Total Assets (or after the Adjusted EBITDA Grower Trigger Date, 15.0% of Adjusted EBITDA) as of (or for) the most recently ended Test Period (calculated on a pro forma basis) of the Borrower and its Subsidiaries; *provided* that (i) no Event of Default will have occurred and be continuing at the time of making any Restricted Payment and (ii) with respect to Restricted Payments set forth in clauses (A) and (B) of the definition thereof, immediately prior to such Restricted Payment and after giving pro forma effect thereto and the application of the net proceeds therefrom, the Total Net Leverage Ratio for the Test Period immediately preceding such Restricted Payment shall be no greater than 4.50 to 1.00;

(12) any Restricted Payment made in connection with the Transactions and the fees and expenses related thereto;

(13) the repurchase, redemption, defeasance, acquisition, or retirement for value of any Restricted Junior Debt from Excluded Proceeds (except to the extent included in the calculation of Available Amount);

(14) the declaration and payment of dividends or distributions by the Borrower or any Subsidiary to, or the making of loans or advances to, the Borrower or any Parent Company in amounts required for any Parent Company to pay in each case without duplication:

(a) franchise, excise and similar taxes, and other fees, taxes and expenses, in each case, require to maintain their corporate or other legal existence;

(b) (i) payment of expenses and indemnities (but not any fees) pursuant to the Management Services Agreement provided on behalf of, employees, directors, officers, members of management and consultants of any Parent Company attributable to the ownership of the Borrower and (ii) payments not prohibited under Section 7.06(b)(3);

(c) non-income taxes and general corporate or other operating, administrative, compliance and overhead costs and expenses (including customary, ordinary course salary or other compensation payable to the members of the board of directors of any Parent Company (to the extent such compensation relates solely to such Person's role at such Parent Company) and expenses relating to auditing and other accounting matters) of any Parent Company attributable to the ownership of the Borrower and its Subsidiaries; provided that no management, monitoring, consulting, transaction, advisory and other fees shall be payable to any Parent Company or any director, officer or member of management thereof pursuant to this clause (d);

(d) fees and expenses (including ongoing compliance costs and listing expenses) related to any equity or debt offering of a Parent Company (whether or not consummated);

(e) amounts that would be permitted to be paid directly by the Borrower or its Subsidiaries under Section 7.06(b) (other than clause 2(a) thereof);

(f) Restricted Payments that are purchases of Receivables Assets pursuant to a Receivables Repurchase Obligation in connection with a Permitted Receivables Facility and the payment or distribution of Limited Originator Recourse and Receivables Fees;

(g) to any Parent Company to finance Investments or other acquisitions or investments otherwise permitted to be made pursuant to this Section 7.05 if made by the Borrower; *provided* that:

(i) such Restricted Payment must be made within one hundred twenty (120) days of the closing of such Investment, acquisition or investment,

(ii) such Parent Company must, promptly following the closing thereof, cause (A) all property acquired (whether assets or Equity Interests) to be contributed to the capital of the Borrower or another Loan Party (which, for the

avoidance of doubt, shall not be designated as Excluded Contributions) or (B) the merger, amalgamation, consolidation or sale of the Person formed or acquired into the Borrower or another Loan Party (to the extent not prohibited by Section 7.03) in order to consummate such Investment, acquisition or investment,

(iii) such Parent Company and its Affiliates (other than the Borrower or any Subsidiary) receives no consideration or other payment in connection with such transaction except to the extent the Borrower or a Subsidiary could have given such consideration or made such payment in compliance with this Agreement,

(iv) any property received by the Borrower may not increase amounts available for Restricted Payments with the Available Amount or increase any other basket hereunder which would otherwise increase based on the amount of cash or property contributed to the equity capital of the Borrower or its Subsidiaries; and

(v) to the extent constituting an Investment, such Investment will be deemed to be made by the Borrower or such Subsidiary pursuant to another provision of this Section 7.05 (other than pursuant to clause (9) of this Section 7.05(b)) or pursuant to the definition of "Permitted Investments" (other than clause (9) thereof);

(15) payments pursuant to and in accordance with stock option plans or other equity or benefit plans for management or employees of the Borrower and its Subsidiaries in effect from time to time, together with payments permitted pursuant to clause (4) above, not exceeding $25,000,000 in any Fiscal Year;

(16) cash payments, or loans, advances, dividends or distributions to any Parent Company to make payments, in lieu of issuing fractional shares in connection with share dividends, share splits, reverse share splits, mergers, consolidations, amalgamations or other business combinations and in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Borrower, any Subsidiary or any Parent Company;

(17) [reserved];

(18) making payments for the benefit of the Borrower or any Subsidiary to the extent such payments could have been made by the Borrower or any Subsidiary because such payments (a) would not otherwise be Restricted Payments and (b) would be permitted by Section 7.06;

(19) payments and distributions to dissenting stockholders pursuant to applicable law pursuant to or in connection with (a) a consolidation, amalgamation, merger or transfer of all or substantially all of the assets of the Borrower and its Subsidiaries taken as a whole that complies with the terms of this Agreement or (b) any other transaction that complies with the terms of this Agreement;

(20) Restricted Payments (other than Restricted Investments), so long (x) after giving pro forma effect thereto and the application of the net proceeds therefrom, the Total Net

Leverage Ratio for the Test Period immediately preceding such Restricted Payment would be no greater than 3.50 to 1.00 and (y) immediately after giving effect thereto no Event of Default shall have occurred and be continuing;

(21) the making of cash payments in connection with (a) the Closing Date Refinancing and ~~,~~the Second Out Closing Date Refinancing and (b) any conversion of Convertible Indebtedness of the Borrower or any Subsidiary in an aggregate amount since the Closing Date not to exceed the sum of (i) the principal amount of such Convertible Indebtedness plus (ii) any payments received by the Borrower or any Subsidiary pursuant to the exercise, settlement or termination of any related Permitted Bond Hedge Transaction;~~,~~and

(22) any payments in connection with (i) a Permitted Bond Hedge Transaction and (ii) the settlement of any related Permitted Warrant Transaction (I) by delivery of shares of the Borrower's Capital Stock (other than Disqualified Stock) upon settlement thereof or (II) by (A) set-off against the related Permitted Bond Hedge Transaction or (B) payment of an early termination amount thereof in common equity upon any early termination thereof.

provided that for purposes of clauses (7) and (14) above, taxes will include all interest and penalties with respect thereto and all additions thereto.

(c) For purposes of determining compliance with this Section 7.05, in the event that any Restricted Payment or Investment (or any portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (22) of Section 7.05(b) or one or more of the clauses contained in the definition of "Permitted Investments" at the time of making such Restricted Payment, the Borrower will be entitled to divide or classify, in whole or in part, in its sole discretion, such Restricted Payment or Investment (or any portion thereof) among such clauses (1) through (22) of Section 7.05(b) or one or more clauses contained in the definition of "Permitted Investments," in any manner that otherwise complies with this Section 7.05.

The amount of all Restricted Payments (other than cash) will be the fair market value on the date the Restricted Payment is made, or at the Borrower's election, the date a commitment is made to make such Restricted Payment, of the assets or securities proposed to be transferred or issued by the Borrower or any Subsidiary, as the case may be, pursuant to the Restricted Payment.

For the avoidance of doubt, this Section 7.05 will not restrict the making of any AHYDO Payment with respect to, and required by the terms of, any Indebtedness of the Borrower or any Subsidiary permitted to be incurred under this Agreement.

Notwithstanding anything herein or in any other Loan Document to the contrary, in no event may any Restricted Junior Debt Payments (including scheduled payments of principal) be made hereunder (including with Declined Proceeds) other than (x) with respect to regularly scheduled payments of interest or (y) pursuant to Section 7.05(b)(13).

Notwithstanding anything herein or any other Loan Document to the contrary, the "general" Restricted Payment capacity hereunder shall be zero; *provided* that, for the avoidance of doubt, usage of the Available Amount and/or Section 7.05(b)(10) shall not be considered "general" Restricted Payment capacity.

Section 7.06 Transactions with Affiliates.

(a) The Borrower shall not, nor shall the Borrower permit any Subsidiary to, directly or indirectly, make any payment to, or sell, lease, transfer, license, assign or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Borrower (each of the foregoing, an "**Affiliate Transaction**") involving aggregate payments or consideration in excess of $2,500,000, unless (A) such Affiliate Transaction is on terms, taken as a whole, that are not materially less favorable to the Borrower or the relevant Subsidiary than those that would have been obtained at such time in a comparable transaction by the Borrower or such Subsidiary with a Person other than an Affiliate of the Borrower on an arm's-length basis and (B) with respect to any such Affiliate Transaction entered into after the Effective Date, the Borrower delivers to the Administrative Agent with respect to any Affiliate Transaction or series of related Affiliate Transactions requiring aggregate payments or consideration in excess of $5,000,000, (x) a resolution adopted by the majority of the Board of Directors approving such Affiliate Transaction and set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (A) above and (y) other than with respect to an Approved Affiliate Agreement, a summary thereof and any such other information reasonably requested by the Administrative Agent or the Required Lenders relating to such Affiliate Transaction.

(b) The foregoing restriction will not apply to the following:

(1) (a) transactions between or among the Borrower and one or more Subsidiaries or between or among Subsidiaries or, in any case, any entity that becomes a Subsidiary as a result of such transaction and (b) any merger, consolidation or amalgamation of the Borrower and any Parent Company; *provided* that such merger, consolidation or amalgamation of the Borrower is otherwise in compliance with the terms of this Agreement and effected for a *bona fide* business purpose;

(2) Restricted Payments permitted by Section 7.05 (including any transaction specifically excluded from the definition of the term "Restricted Payments," including pursuant to the exceptions contained in the definition thereof and the parenthetical exclusions of such definition but, for the avoidance of doubt, not including any Permitted Investment), other than Section 7.05(b)(14)(e);

(3)

(a) so long as no Event of Default under Section 8.01(1) and Section 8.01(6) shall have occurred and be continuing or would result therefrom, the payment of (A) management, consulting, monitoring, transaction, advisory and other fees, indemnities and expenses (including any unpaid management, consulting, monitoring, transaction, advisory and other fees, indemnities and expenses accrued in any prior year) and any termination fees pursuant to the Management Services Agreement or (B) other payments or distributions to equityholders otherwise permitted pursuant to Section 7.05(b), other than Section 7.05(b)(14)(e);

(b) the payment of indemnification and similar amounts to, and reimbursement of expenses to, the Sponsor and its officers, directors, employees and Affiliates, in each case, approved by, or pursuant to arrangements approved by, the Board of Directors,

(c) payments, loans, advances or guarantees (or cancellation of loans, advances or guarantees) to future, present or former employees, officers, directors, managers, consultants or independent contractors or guarantees in respect thereof for bona fide business purposes or in the ordinary course of business or consistent with industry practice,

(d) any subscription agreement or similar agreement pertaining to the repurchase of Equity Interests pursuant to put/call rights or similar rights with current, former or future officers, directors, employees, managers, consultants and independent contractors of the Borrower, any Subsidiary or any Parent Company and

(e) any payment of (i) compensation or other employee compensation or (ii)benefit plan or arrangement, any health, disability or similar insurance plan which covers current, former or future officers, directors, employees, managers, consultants and independent contractors of the Borrower, any Subsidiary or any Parent Company; *provided* that the payments in clause (i) shall be subject to Section 7.06(a)(A);

(4) the payment of fees and compensation paid to, and indemnities and reimbursements and employment and severance arrangements provided to, or on behalf of or for the benefit of, present, future or former employees, directors, officers, members of management or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) of the Borrower, any Parent Company or any Subsidiary;

(5) [reserved];

(6) the existence of, the transactions pursuant to, or the performance by the Borrower or any Subsidiary of its obligations under the terms of, any agreement as in effect as of the Effective Date or the Closing Date and set forth on Schedule 7.06 (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders), or any amendment thereto or waiver, modification, termination or replacement thereof that is permitted by Section 6.20.

(7) the existence of, or the performance by the Borrower or any Subsidiary of its obligations under the terms of, any equity holders agreement or the equivalent (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Effective Date and any amendment thereto and, similar agreements or arrangements that it may enter into thereafter; *provided* that the existence of, or the performance by the Borrower or any Subsidiary of obligations under any future amendment to any such existing agreement or arrangement or under any similar agreement or arrangement entered into after the Effective Date will be permitted by this clause (7) to the extent that the terms of any such amendment or new agreement or arrangement are not otherwise materially disadvantageous in the good faith judgment of the Board of Directors of the Borrower, when taken as a whole, as compared to the original agreement or arrangement in effect on the Effective Date;

(8) the Transactions and the payment of all fees and expenses related to the Transactions, including Transaction Expenses;

(9) [reserved];

(10) the issuance, sale or transfer of Equity Interests (other than Disqualified Stock) of the Borrower or any Parent Company to any Person and the granting and performing of customary rights (including registration rights) in connection therewith, and any contribution to the capital of the Borrower;

(11) [reserved];

(12) [reserved];

(13) payments with respect to Indebtedness, Disqualified Stock and other Equity Interests (and cancellation of any thereof) of the Borrower, any Parent Company and any Subsidiary and Preferred Stock

(and cancellation of any thereof) of any Subsidiary to any future, current or former employee, director, officer, member of management or consultant (or their respective Controlled Investment Affiliates or Immediate Family Members or permitted transferees) of the Borrower, any of its Subsidiaries or any Parent Company pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any equity subscription or equity holder agreement that are, in each case, approved by the Borrower in good faith; and any employment agreements, severance arrangements, stock option plans and other compensatory arrangements (and any successor plans thereto) and any supplemental executive retirement benefit plans or arrangements with any such employees, directors, officers, members of management or consultants (or their respective Controlled Investment Affiliates or Immediate Family Members or any permitted transferees thereof) that are, in each case, approved by the Borrower in good faith;

(14) [reserved];

(15) [reserved];

(16) payments by the Borrower (and any Parent Company) and its Subsidiaries pursuant to any tax sharing agreements among the Borrower (and any Parent Company) and its Subsidiaries; *provided* that in each case (i) the amount of such payments in any taxable year does not exceed the amount that the Borrower and its Subsidiaries would be permitted to pay pursuant to Section 7.05(b)(14)(a), (b) and (d) and (ii) any amounts paid pursuant to this Section 7.06(b)(16) shall reduce the amounts permitted to be paid under Section 7.05(b)(14)(a), (b) and (d);

(17) [reserved];

(18) [reserved];

(19) the payment of reasonable out-of-pocket costs and expenses relating to registration rights and indemnities provided to equity holders of the Borrower or any Parent Company pursuant to the equity holders agreement or the registration rights agreement entered into on or after the Closing Date;

(20) transactions permitted by, and complying with, Section 7.03 solely for the purpose of (a) [reserved], (b) forming a holding company or (c) reincorporating the Borrower in a new jurisdiction;

(21) transactions undertaken in good faith (as determined by the Board of Directors or certified by senior management of the Borrower in an Officer's Certificate) for the purposes of improving the consolidated

tax efficiency of the Borrower and its Subsidiaries and not for the purpose of circumventing Articles VI and VII of this Agreement; so long as such transactions, when taken as a whole, do not result in a Material Adverse Effect on the guarantee of the Obligations by the Loan Parties or the Liens on the Collateral granted by the Loan Parties in favor of the Secured Parties, when taken as a whole, in each case, as determined in good faith by the Board of Directors or certified by senior management of the Borrower in an Officer's Certificate;

(22) transactions with a Person that is an Affiliate of the Borrower solely because the Borrower or any Subsidiary owns, directly or indirectly, Equity Interests in such Person;

(23) subject to the final paragraph in Section 7.04 hereof and clause (m) of the definition of "Asset Sale", non-exclusive licenses or sublicenses by the Borrower or any Subsidiary of Intellectual Property in the ordinary course of business;

(24) transactions consummated in connection with a Permitted Receivables Facility; and

(25) payments in respect of (a) the Obligations or (b) other Indebtedness of the Borrower and its Subsidiaries held by any Parent Company; *provided* that such Obligations were acquired by a Parent Company in compliance herewith.

Section 7.07 Burdensome Agreements.

(a) The Borrower shall not, nor shall the Borrower permit any Subsidiary Guarantor or is required to become a Guarantor to, directly or indirectly, create or otherwise cause to exist or become effective any consensual encumbrance or consensual restriction (other than this Agreement or any other Loan Document) on the ability of the Borrower or any such Subsidiary Guarantor to Guaranty the Obligations or create, incur or cause to exist or become effective Liens on property of such Person for the benefit of the Secured Parties with respect to the Obligations under the Loan Documents to the extent such Lien is required to be given to the Secured Parties pursuant to the Loan Documents; *provided* that any dividend or liquidation priority between or among classes or series of Capital Stock, and the subordination of any Obligation (including the application of any remedy bars thereto) to any other Obligation will not be deemed to constitute such an encumbrance or restriction.

(b) Section 7.07(a) will not apply to any encumbrances or restrictions existing under or by reason of:

(i) encumbrances or restrictions in effect on the Effective Date or the Closing Date, including pursuant to the Loan Documents and any Hedge Agreements, Hedging Obligations and the related documentation and any definitive documentation in

respect of the Indebtedness set forth on Schedule 7.02 (as such schedule may be modified or supplemented by the Borrower on or prior to the Closing Date with the reasonable consent of the Administrative Agent acting at the direction of the Required Lenders);

(ii) [reserved];

(iii) Purchase Money Obligations and Capitalized Lease Obligations that impose restrictions of the nature discussed in clause (a) above on the property so acquired;

(iv) applicable Law or any applicable rule, regulation or order;

(v) any agreement or other instrument of a Person, or relating to Indebtedness or Equity Interests of a Person, acquired by or merged, amalgamated or consolidated with and into the Borrower or any Subsidiary, or any other transaction entered into in connection with any such acquisition, merger, consolidation or amalgamation in existence at the time of such acquisition or at the time it merges, amalgamates or consolidates with or into the Borrower or any Subsidiary or assumed in connection with the acquisition of assets from such Person (but, in any such case, not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person so acquired and its Subsidiaries, or the property or assets of the Person so acquired and its Subsidiaries or the property or assets so acquired;

(vi) contracts or agreements for the sale or disposition of assets, including any restrictions with respect to a Subsidiary of the Borrower pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary;

(vii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business or consistent with industry practice or arising in connection with any Liens permitted by Section 7.01;

(viii) restrictions in Permitted Existing Licenses;

(ix) provisions in joint venture agreements and other similar agreements (including equity holder agreements) relating to such joint venture or its members or entered into in the ordinary course of business or consistent with industry practice;

(x) customary provisions contained in leases, sub-leases, licenses, sublicenses, Equity Interests or similar agreements, including with respect to Proprietary Rights;

(xi) are encumbrances or restrictions effected in connection with a Permitted Receivables Facility that, in the reasonable determination of the Borrower

made in good faith, is necessary or advisable to effect such Permitted Receivables Facility;

(xii) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Borrower or any Subsidiary is a party entered into in the ordinary course of business or consistent with industry practice; *provided* that such agreement prohibits the encumbrance of solely the property or assets of the Borrower or such Subsidiary that are the subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Borrower or such Subsidiary or the assets or property of another Subsidiary;

(xiii) customary provisions restricting subletting or assignment of any lease governing a leasehold interest of any Subsidiary;

(xiv) customary provisions restricting assignment of any agreement;

(xv) restrictions arising in connection with cash or other deposits permitted under Section 7.01 and any other agreement or instrument governing any Indebtedness or Preferred Stock permitted to be incurred or issued pursuant to Section 7.02 entered into after the Closing Date that contains encumbrances and restrictions that either (i) are no more restrictive in any material respect, taken as a whole, with respect to any Subsidiary than (A) the restrictions contained in the Loan Documents as of the Closing Date or (B) those encumbrances and other restrictions that are in effect on the Closing Date with respect to that Subsidiary pursuant to agreements in effect on the Closing Date, (ii) are not materially more disadvantageous, taken as a whole, to the Lenders than is customary in comparable financings for similarly situated issuers or (iii) will not materially impair the Borrower's ability to make payments on the Obligations when due, in each case in the good faith judgment of the Borrower;

(xvi) (i) Indebtedness permitted to be incurred pursuant to Section 7.02(b)(4) and any Refinancing Indebtedness in respect of the foregoing and (ii) agreements entered into in connection with any Sale-Leaseback Transaction entered into in the ordinary course of business or consistent with industry practice;

(xvii) customary restrictions and conditions contained in documents relating to any Lien so long as (i) such Lien is a Permitted Lien and such restrictions or conditions relate only to the specific asset subject to such Lien and (ii) such restrictions and conditions are not created for the purpose of avoiding the restrictions imposed by this Section 7.07;

(xviii) subject to the final paragraph in Section 7.04 hereof and clause (m) of the definition of "Asset Sale", licenses or covenants with respect to Intellectual Property granted in the ordinary course of business;

(xix) any encumbrances or restrictions of the type referred to in clause (a) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xiii) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Borrower, no more restrictive in any material respect with respect to such encumbrance and other restrictions, taken as a whole, than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing;

(xx) existing under, by reason of or with respect to Refinancing Indebtedness; *provided* that the encumbrances and restrictions contained in the agreements governing that Refinancing Indebtedness are, in the good faith judgment of the Borrower, not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced; and

(xxi) applicable law or any applicable rule, regulation or order in any jurisdiction where Indebtedness, Disqualified Stock or Preferred Stock of Foreign Subsidiaries permitted to be incurred pursuant to Section 7.02 is incurred.

Section 7.08 Modification of Terms of Restricted Junior Indebtedness. The Borrower shall not, nor shall the Borrower permit any Subsidiary to, amend, modify or change in any manner materially adverse to the interests of the Lenders, any term or condition of any Restricted Junior Debt (other than as a result of any Refinancing Indebtedness in respect thereof) without the written consent of the Administrative Agent acting at the direction of the Required Lenders (which consent shall not to be unreasonably withheld, conditioned or delayed); *provided*, *however*, that no amendment, modification or change of any term or condition of any Restricted Junior Debt permitted by the Applicable Intercreditor Agreement or any subordination provisions set forth in the applicable Restricted Junior Debt or any other stand-alone subordination agreement in respect thereof shall be deemed to be materially adverse to the interests of the Lenders.

Section 7.09 [Reserved].

Section 7.10 Liquidity Covenant. The Borrower shall not permit Liquidity at the end of any Fiscal Quarter ending after the Closing Date to be less than $25,000,000.

Section 7.11 Use of Proceeds. The Borrower shall not use the proceeds of the Loans, directly or indirectly, (a) to fund, finance or facilitate activities of or with any Sanctioned Person, or in any country or territory that, at the time of such financing is, or whose government is, the subject or target of any applicable comprehensive Sanctions (as of the date of this Agreement the Crimea, Zaporizhzhia and Kherson regions of Ukraine, Cuba, Iran, North Korea, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic and Syria), or in any other manner that would result in a violation of applicable Sanctions by any Person that is a party to

this Agreement, except to the extent licensed by OFAC or otherwise authorized under U.S. or other applicable law, or (b) for the purpose of any Anti-Corruption Prohibited Activity.

ARTICLE VIII

Events of Default and Remedies

Section 8.01 Events of Default. Each of the events referred to in clauses (1) through (11) of this Section 8.01 shall constitute an "Event of Default":

(1) Non-Payment. The Borrower fails to pay (a) when and as required to be paid herein, any amount of principal of any Loan or (b) within five (5) Business Days after the same becomes due, any interest on any Loan or any fee, closing payment, premium or any other amount payable hereunder or with respect to any other Loan Document; or

(2) Specific Covenants. The Borrower or any other Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.01 (and such failure continues for ten (10) Business Days), Section 6.03(1) or Section 6.05(1) (solely with respect to the Borrower, other than in a transaction permitted under Section 7.03 or 7.04), Section 6.21, or Article VII (other than in Section 7.10); or

(3) Other Defaults. (a) Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(1) or (2) above) contained in any Loan Document to be performed or observed by such Loan Party and such failure continues for thirty (30) days after receipt by the Borrower of written notice thereof from the Administrative Agent or (b) the Borrower fails to perform or observe the covenant contained in Section 7.10; *provided* that in the case of this clause (b) an Event of Default shall not occur until the expiration of the Cure Deadline without the consummation of the Cure Right; or

(4) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by the Borrower or any Subsidiary Guarantor herein, in any other Loan Document, or in any document required to be delivered in connection herewith or therewith shall be untrue in any material respect when made or deemed made and such failure continues for thirty (30) days after receipt by the Borrower of written notice thereof from the Administrative Agent; or

(5) Cross-Default and Cross-Acceleration. Any Loan Party or any Subsidiary:

(a) fails to make any payment beyond the applicable grace period, if any, whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise, in respect of any Indebtedness (other than Indebtedness hereunder) having an aggregate outstanding principal amount (individually or in the aggregate with all other Indebtedness as to which such a failure shall exist) of not less than the Threshold Amount; or

(b) fails to observe or perform any other agreement or condition relating to any such Indebtedness referred to in the foregoing clause (a), or any other event occurs (other

than, with respect to Indebtedness consisting of Hedging Obligations, termination events or equivalent events pursuant to the terms of such Hedging Obligations and not as a result of any default thereunder by the Borrower, or any Subsidiary Guarantor or any Subsidiary) with respect to such Indebtedness, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; *provided* that (A) such failure is unremedied and not waived by the holders of such Indebtedness prior to any termination of the Commitments or acceleration of the Loans pursuant to Section 8.02, (B) this clause (5)(b) shall not apply to any Indebtedness if the sole remedy of the holder thereof in the event of the non-payment of such Indebtedness or the non-payment or non-performance of obligations related thereto is to convert such Indebtedness into Equity Interests (other than Disqualified Stock) and cash in lieu of fractional shares and (C) this clause (5)(b) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness; or

(6) Insolvency Proceedings, etc. The Borrower or any Material Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, interim receiver, trustee, assignee, monitor, sequestrator, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver or similar officer for it or for all or any material part of its property (and, with respect to any Loan Party formed, incorporated or organized under the Laws of Luxembourg, excluding, for the avoidance of doubt, any *conciliateur d'entreprise, mandataire ad hoc; mandataire de justice* or other similar officers); or any receiver (including *administrateur provisoire*), interim receiver, trustee, assignee, monitor, sequestrator, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 consecutive calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) consecutive calendar days, or an order for relief is entered in any such proceeding; or

(7) Judgments. There is entered against any Loan Party or any Subsidiary a final judgment and order for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer has been notified of such judgment or order and has not denied coverage thereof) and such judgment or order shall not have been satisfied, vacated, discharged or stayed or bonded pending an appeal for a period of sixty (60) consecutive calendar days; or

(8) ERISA. (a) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan, (b) the Borrower or any Subsidiary Guarantor or any of their respective ERISA Affiliates fails to pay when due, after the expiration of any applicable grace period, any

installment payment with respect to its Withdrawal Liability under Section 4201 of ERISA under a Multiemployer Plan or (c) with respect to a Foreign Plan a termination, withdrawal or noncompliance with applicable Law or plan terms except, with respect to each of the foregoing clauses of this Section 8.01(8), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; or

(9) Invalidity of Loan Documents. Any material provision of the Loan Documents, taken as a whole, at any time after its execution and delivery, and for any reason, other than (a) as expressly permitted by any Loan Documents (including as a result of a transaction permitted under Section 7.03 or 7.04), (b) as a result of acts or omissions by an Agent or any Lender or (c) due to the satisfaction in full of the Termination Conditions, ceases to be in full force and effect (subject to the Foreign Legal Reservations); or any Loan Party contests in writing the validity or enforceability of the Loan Documents, taken as a whole (other than as a result of the satisfaction of the Termination Conditions), or any Loan Party denies in writing that it has any or further liability or obligation under the Loan Documents, taken as a whole (other than as a result of the satisfaction of the Termination Conditions), or purports in writing to revoke or rescind the Loan Documents, taken as a whole, prior to the satisfaction of the Termination Conditions; or

(10) Collateral Documents. Any Collateral Document with respect to a material portion of the Collateral for any reason (other than pursuant to the terms hereof or thereof including as a result of a transaction not prohibited under this Agreement) ceases to create, a valid and perfected Lien with the priority required by the Applicable Intercreditor Agreement (or other applicable Loan Document) on and security interest in any material portion of the Collateral, subject to Liens permitted under Section 7.01, except to the extent that (i) any such perfection or priority is not required pursuant to the Collateral and Guarantee Requirement and the Agreed Security Principles or (ii) the loss thereof results from the failure of the Administrative Agent or the Collateral Agent (or its designee) to (a) maintain possession of Collateral actually delivered to it and pledged under the Collateral Documents or (b) file Uniform Commercial Code amendments (or equivalent filings in any jurisdiction) relating to a Loan Party's change of name or jurisdiction of formation (but solely to the extent that the Borrower has timely provided the Collateral Agent written notice of such change of name or jurisdiction of formation thereof in accordance with the Loan Documents, and the Collateral Agent notifies the Borrower that it will be responsible for filing such amendments) and continuation statements or to take any other action within its sole control with respect to the Collateral and except as to Collateral consisting of real property to the extent that such losses are covered by a lender's title insurance policy and such insurer has not denied coverage; or

(11) Subordination Provisions. Any material provision of any agreement, document or instrument governing the subordination of any Subordinated Indebtedness having an aggregate outstanding principal amount (individually or in the aggregate with all other Subordinated Indebtedness as to which such a failure shall exist) of not less than the Threshold Amount cease to be in full force and effect other than (a) as expressly permitted by any Loan Documents, (b) as a result of acts or omissions by an Agent or any Lender or (c) due to the satisfaction in full of the Termination Conditions; or

(12) Change of Control. There occurs any Change of Control.

Section 8.02 Remedies upon Event of Default. (a) If any Event of Default occurs and is continuing (other than an Event of Default under Section 8.01(3)(b) unless the condition in the proviso contained therein has been satisfied), the Administrative Agent may with the consent of the Required Lenders and shall, at the request of the Required Lenders, take any or all of the following actions:

(1) declare the Commitments of each Lender to be terminated, whereupon such Commitments will be terminated;

(2) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts and premiums (including the Prepayment Premium) owing or payable under any Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and

(3) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable Law;

provided that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code, any other Debtor Relief Law or any other event described in Section 8.01(6), the Commitments of each Lender will automatically terminate and the unpaid principal amount of all outstanding Loans and all interest, premiums (including the Prepayment Premium) and other amounts as aforesaid will automatically become due and payable without further act of the Administrative Agent or any Lender.

(b) Notwithstanding the foregoing or anything in the Loan Documents to the contrary, at the direction of the Required Lenders, the Administrative Agent may, in exercising remedies, take any and all necessary and appropriate action to effectuate a credit bid of all Loans (or any lesser amount thereof) for the Borrower's assets in a bankruptcy, foreclosure or other similar proceeding, forbear from exercising remedies upon an Event of Default, or in a bankruptcy proceeding, enter into a settlement agreement on behalf of all Lenders; *provided* that each Lender has the ability to participate pro rata in any equity or debt financing or backstop being provided by any other Lender to the extent a credit bid, settlement agreement or other action is being taken for collective action purposes under this Section 8.02(b).

Section 8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable as set forth in the proviso to Section 8.02), subject to the Applicable Intercreditor Agreement then in effect, any amounts received on account of the Obligations will be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and all other amounts (other than principal and interest, but including Attorney Costs

payable under Section 10.04, 10.05 and amounts payable under Article III) payable to the Administrative Agent and Collateral Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, premium (including the Prepayment Premium), indemnities and other amounts (other than principal and interest, but including Attorney Costs payable under Section 10.04 and amounts payable under Article III and the Closing Payment Letter) payable to the Lenders holding Closing Date Term Loan Commitments or Closing Date Term Loans, ratably among them in proportion to the amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Closing Date Term Loans, ratably among the Lenders holding Closing Date Term Loans in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Closing Date Term Loans, ratably among the Secured Parties in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest, but including Attorney Costs payable under Section 10.04 and amounts payable under Article III and the Closing Payment Letter) payable to the Lenders holding Second Out Term Loan Commitments or Second Out Term Loans, ratably among them in proportion to the amounts described in this clause Fifth payable to them;

Sixth, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Second Out Term Loans, ratably among the Lenders holding Second Out Term Loans in proportion to the respective amounts described in this clause Sixth payable to them;

Seventh, to payment of that portion of the Obligations constituting unpaid principal of the Second Out Term Loans, ratably among the Secured Parties in proportion to the respective amounts described in this clause Seventh held by them;

Eighth, to the payment of all other Obligations of the Loan Parties that are due and payable to the Administrative Agent and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Obligations owing to the Administrative Agent and the other Secured Parties on such date; and

Last, the balance, if any, after all of the Obligations have been paid in full, to the Borrower or as otherwise required by Law.

Section 8.04 Right to Cure.

(1) Notwithstanding anything to the contrary contained in Section 8.01(2), in the event that the Borrower fails to comply with the requirement of the Liquidity Covenant, the Sponsor or any other Person designated by the Borrower shall have the right at any time during the period beginning at the start of the last Fiscal Quarter of the applicable Test Period and

ending on or prior to the 10th Business Day after the date on which financial statements with respect to the Test Period in which such covenant is being measured are required to be delivered pursuant to Section 6.01 (such date, the "**Cure Deadline**"), to make a direct or indirect equity investment in the Borrower in cash in the form of common Equity Interests (or other Qualified Equity Interests reasonably acceptable to the Administrative Agent) (the "**Cure Right**"), and upon the receipt by the Borrower of net cash proceeds pursuant to the exercise of the Cure Right (the "**Cure Amount**"), the Liquidity Covenant shall be recalculated, giving effect to the cash received in an amount equal to such Cure Amount.

(2) If, after the receipt of the Cure Amounts and the recalculations pursuant to clause (1) above, the Borrower shall then be in compliance with the requirements of the Liquidity Covenant during such Test Period, the Borrower shall be deemed to have satisfied the requirements of the Liquidity Covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Default that had occurred shall be deemed cured; *provided* that (i) the Cure Right may be exercised on no more than five (5) occasions, (ii) in each four Fiscal Quarter period, there shall be at least two Fiscal Quarters in respect of which no Cure Right is exercised, (iii) the Cure Right shall not be exercised in consecutive Fiscal Quarters, (iv) with respect to any exercise of the Cure Right, the Cure Amount shall be no greater than the amount required to cause the Borrower to be in pro forma compliance with the Liquidity Covenant (such amount, the "**Necessary Cure Amount**") (*provided* that if the Cure Right is exercised prior to the date financial statements are required to be delivered for such Fiscal Quarter then the Cure Amount shall be equal to the amount reasonably determined by the Borrower in good faith that is required for purposes of complying with the Liquidity Covenant for such Fiscal Quarter (such amount, the "**Expected Cure Amount**"), (v) subject to clause (3) below, all Cure Amounts shall be disregarded for purposes of determining any baskets or financial ratio or test calculations (other than with respect to the Liquidity Covenant), with respect to the covenants contained in the Loan Documents and (vi) there shall be no pro forma or other reduction in Indebtedness (by netting or otherwise) with the proceeds of any Cure Amount for determining compliance with the Liquidity Covenant for the Fiscal Quarter for which such Cure Amount is deemed applied unless such proceeds are actually applied to prepay Indebtedness, in which case, such reduction in Indebtedness may only be reflected in Fiscal Quarters subsequent to the Test Period with respect to which the applicable Cure Amount is exercised.

(3) Notwithstanding anything herein to the contrary, (A) to the extent that the Expected Cure Amount is (i) greater than the Necessary Cure Amount, then such difference may be used for the purposes of determining any baskets (other than any previously contributed Cure Amounts), with respect to the covenants contained in the Loan Documents or the Available Amount or (ii) *less* than the Necessary Cure Amount, then not later than the applicable Cure Deadline, the Borrower must receive a direct or indirect equity investment in cash in the form of common Equity Interests (or other Qualified Equity Interests reasonably acceptable to the Administrative Agent), which cash proceeds received by Borrower shall be equal to the shortfall between such Expected Cure Amount and such Necessary Cure Amount and (B) prior to the Cure Deadline the Lenders shall not be permitted to exercise any rights then available as a result

of an Event of Default under Section 8.02 on the basis of a breach of the Liquidity Covenant so as to enable the Borrower to consummate its Cure Right as permitted under this Section 8.04.

ARTICLE IX

Administrative Agent and Other Agents

Section 9.01 Appointment and Authorization of the Administrative Agent.

(1) Each Lender hereby irrevocably appoints GLAS USA to act on its behalf as the Administrative Agent and GLAS Americas to act on its behalf as the Collateral Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent and Collateral Agent to take such actions on its behalf and to exercise such rights, remedies and powers as are delegated to the Administrative Agent and Collateral Agent by the terms hereof or thereof (including any subordination and intercreditor agreements), together with such rights, actions and powers as are reasonably incidental thereto. The provisions of this Article IX (other than Sections 9.09, 9.11, 9.12 and 9.16) are solely for the benefit of the Administrative Agent, Collateral Agent and the Lenders; the Loan Parties shall not have rights as a third-party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent or Collateral Agent.

(2) The Administrative Agent shall also act as the "Collateral Agent" under the Loan Documents, and each of the Lenders hereby irrevocably appoints and authorizes the Administrative Agent to act as the Collateral Agent of (and, in such capacity, to hold any security interest created by the Collateral Documents for and on behalf of or in trust for) such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations, and to take all other actions, exercise all powers and perform such duties as are delegated to the Collateral Agent under the Collateral Documents, together with such powers and discretion as are reasonably incidental thereto. The Collateral Agent (and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent and/or Collateral Agent pursuant to Section 9.07 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof), or for exercising any rights and remedies with respect thereto), shall be entitled to the benefits of all provisions of this Article IX (including Section 9.07, as though such co-agents, sub-agents and attorneys-in-fact were the Collateral Agent under the Loan Documents) and Article X as if set forth in full herein with respect thereto. Without limiting the generality of the foregoing, the Lenders hereby expressly authorize the Administrative Agent and Collateral Agent to execute any and all documents (including releases) with respect to the Collateral and the rights of the Secured Parties with respect thereto (including any Applicable Intercreditor Agreement), as contemplated by and in accordance with the provisions of this Agreement and the Collateral Documents and acknowledge and agree that any such action by the Administrative Agent, the Collateral Agent or their respective sub-agent(s) shall bind the Lenders and the other Secured Parties.

Section 9.02 Rights as a Lender. Any Lender that is also serving as an Agent (including as Administrative Agent or Collateral Agent) hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include each Lender (if any) serving as an Agent hereunder in its individual capacity. Any such Person serving as an Agent and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not an Agent hereunder and without any duty to account therefor to the Lenders. The Lenders acknowledge that, pursuant to such activities, any Agent or its Affiliates may receive information regarding any Loan Party or any of its Affiliates (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that no Agent shall be under any obligation to provide such information to them.

Section 9.03 Exculpatory Provisions. None of the Agents (including the Administrative Agent, Collateral Agent and their respective Agent-Related Persons) shall have any duties or responsibilities except those expressly set forth in this Agreement and in the other Loan Documents. Without limiting the generality of the foregoing, none of the Agents (including the Administrative Agent, Collateral Agent and their respective Agent-Related Persons):

(1) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing and without limiting the generality of the foregoing, the use of the term "agent" herein and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law and instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties; additionally, each Lender agrees that it will not assert any claim against any Agent based on an alleged breach of fiduciary duty by any Agent in connection with this Agreement and/or the transactions contemplated hereby;

(2) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law;

(3) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of their Affiliates that is communicated to or obtained by any Person serving as an Agent or any of their Affiliates in any capacity;

(4) shall be obligated for the calculation of any premium, penalty, or break funding payment;

(5) money held by any Agent in trust hereunder need not be segregated from other funds except to the extent required by law;

(6) shall be under any liability for interest of any money received by such Agent hereunder except as otherwise agreed in writing; and

(7) shall have any duty to take any action if such action would (i) subject such Agent to any Tax in any jurisdiction where it is not then subject to a Tax or (ii) require such Agent to qualify to do business in any jurisdiction for which such Agent is not already qualified.

No Agent nor any of their Agent-Related Persons shall be liable for any action taken or not taken (including (i) the making of (or omitting to make) any determination, calculations, selection, request, appointment, instruction, direction, election or providing any approval or consent to enter into any amendments, modifications or supplements or otherwise in connection with any provisions of the Loan Documents, (ii) the sending (or failure to send) any notice or the revocation (or failure to revoke) any notice, (iii) the exercise (or failure to exercise) of voting rights or powers, (iv) the filing or recording of any agreement, document or instrument (or the failure to file or records any agreement, document or instrument), (v) the exercise of any rights and remedies (and all actions incidental or related thereto), (vi) releasing, subordinating, and/or terminating any Lien or (vii) exercising any powers as the attorney-in-fact for any Loan Party) by it (x) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (y) in the absence of its own gross negligence or willful misconduct as determined by the final and non-appealable judgment of a court of competent jurisdiction (*provided*, that no action taken or not taken in accordance with clause (x) of this sentence, shall be deemed to constitute gross negligence or willful misconduct), in each case, in connection with its duties expressly set forth herein. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge of any Default or Event of Default unless and until written notice (conspicuously identified as a "notice of default") describing such Default or Event of Default in sufficient detail is given to the Administrative Agent or Collateral Agent, as applicable, by the Borrower or a Lender and expressly stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders. The Administrative Agent and Collateral Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or such number or percentage of the Lenders as shall be necessary under the circumstances as provided for herein or in the other Loan Documents); *provided* that unless and until the Administrative Agent or Collateral Agent, as applicable, shall have received such direction, the Administrative Agent and Collateral Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default, in its sole discretion.

None of the Administrative Agent, the Collateral Agent or any Agent-Related Person shall be liable or responsible for, or have any duty to ascertain or inquire into, (i) any recital, statement, warranty or representation made in or in connection with this Agreement or any other

Loan Document, (ii) the contents of any certificate, report, instrument, statement or other document referred to or provided for in, or delivered to the Agents or Lenders hereunder or pursuant to the Loan Documents or in connection herewith or in connection with the Loan Documents or the transactions contemplated herein or therein, (iii) the performance or observance of any of the covenants, agreements, obligations, provisions or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the value, validity, enforceability, effectiveness, execution, collectability, sufficiency or genuineness of this Agreement, any other Loan Document or any other agreement, certificate, instrument or document, or the creation, attachment, perfection and/or priority of any Lien created or purported to be created in the Collateral by the Collateral Documents and/or the filing of financing statements, continuation and/or amendment of any financing statements filed to perfect the Liens in the applicable Collateral, (v) the value or the sufficiency of any Collateral, (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or Collateral Agent, (vii) the inspection of the properties, books or records of any Loan Party or any Affiliate thereof, (viii) the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, (ix) the use of the proceeds of the Loans, or (x) to make any disclosures with respect to the foregoing or otherwise relating to any Loan Party unless expressly required herein. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding of Loans or the component amounts thereof. Additionally, neither the Administrative Agent nor the Collateral Agent shall be responsible or have any liability for, or have any duty to (i) ascertain, inquire into, monitor or enforce compliance with the provisions hereof relating to Disqualified Institutions, Defaulting Lenders, Approved Funds, Affiliates of a Lender, Eligible Assignee, Affiliates of a Disqualified Institution, Affiliates of a Borrower, SPC, or Assignee Group (or otherwise determine whether a Person qualifies as a Disqualified Institution, Defaulting Lender, Approved Fund, Affiliate of a Lender, Eligible Assignee, Affiliate of a Disqualified Institution, Affiliate of a Borrower, SPC or Assignee Group) or (ii) inquire into, monitor or enforce compliance with Section 10.07(b)(v) or Section 10.07(d). Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant qualifies as a Disqualified Institution, Defaulting Lender, Approved Fund, Affiliate of a Lender, Eligible Assignee, Affiliate of a Disqualified Institution, Affiliate of a Borrower, SPC or Assignee Group and shall be permitted to treat each Lender, Participant, or prospective Lender or prospective Participant as if it is not a Disqualified Institution, Defaulting Lender, Approved Fund, Affiliate of a Lender, Eligible Assignee, Affiliate of a Disqualified Institution, Affiliate of a Borrower, SPC or Assignee Group unless and until it receives written notice of the same from Required Lenders or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information to any Disqualified Institution, Defaulting Lender, Approved Fund, Affiliate of a Lender, Eligible Assignee, Affiliate of a Disqualified Institution, Affiliate of a Borrower, SPC or Assignee Group. For the avoidance of doubt, neither the Administrative Agent nor Collateral Agent shall be obligated to calculate or confirm the calculations of the Liquidity Covenant or in any of the financial statements of the Loan Parties. Notwithstanding any other provision of this Agreement or any other Loan Document, nothing in this Agreement or any other Loan Document shall require the Collateral

Agent to file financing statements or continuation statements, or be responsible for maintaining the security interests in the Collateral (except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder or under any other Loan Document), and such responsibility shall be solely that of the Borrower.

The duties of the Administrative Agent and Collateral Agent shall be mechanical and administrative in nature; neither the Administrative Agent nor the Collateral Agent shall have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender; and nothing in this Agreement or in any other Loan Document, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent or Collateral Agent any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein or therein. Each Lender hereunder authorizes and instructs the Administrative Agent and Collateral Agent to execute and perform its obligations hereunder and under each other Loan Document.

Section 9.04 Lack of Reliance on the Administrative Agent. Each Lender expressly acknowledges that neither the Agents nor any Agent-Related Person have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent to any Lender. Independently and without reliance upon the Administrative Agent, Collateral Agent or any Agent-Related Person, each Lender and the holder of each Term Note, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition, affairs, business, operations, property, financial and other condition and creditworthiness of the Borrower and its Subsidiaries in connection with the making and the continuance of the Loans and the taking or not taking of any action in connection herewith and (ii) its own appraisal of the creditworthiness of the Borrower and its Subsidiaries, based on such documents and information as such Lender has deemed appropriate, and, except as expressly provided in this Agreement, the Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter. The Administrative Agent and Collateral Agent shall not be (i) responsible to any Lender or any other Secured Party for (A) any recitals, statements, information, representations or warranties herein or in any other Loan Document or other document, certificate, requests, instruments, statement or other writing delivered in connection herewith, with the Loan Documents or the transactions contemplated herein or referenced or provided for herein or in the other Loan Documents, (B) the execution, effectiveness, value, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of this Agreement or any other Loan Document or the financial condition of the Borrower or any of its Subsidiaries or (C) the attachment, creation and/or perfection of the Liens granted or purported to be granted in the Collateral pursuant to the Collateral Documents, the filing of financing statements or the continuation and/or amendment of any financing statements filed to perfect the Liens in the applicable Collateral, (ii) required to make (or otherwise be responsible to the Lenders and the other Secured Parties for making) any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement or any other Loan Document, or the financial condition of the

Borrower or any of its Subsidiaries or the existence or possible existence of any Default or Event of Default, (iii) required to calculate, or be responsible for the calculation, verification or confirmation of, the Prepayment Premium or Make-Whole Premium, or (iv) ascertain, inquire into, monitor or enforce, compliance with the provisions of Section 2.05(1)(e). Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent and Collateral Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent, Collateral Agent or any Agent-Related Person.

Section 9.05 Certain Rights of the Administrative Agent. The Administrative Agent and Collateral Agent may request instructions from the Required Lenders (or such greater percentage of Lenders required) prior to taking any action or entering into any amendments, modifications or supplements, making any determination (including as to whether any agreement, document or instrument is in form and substance satisfactory to such Agent), making any calculation (which shall be computed by the Required Lenders), sending any notice, revoking any notice, making a selection, request, election or appointment (including failing to make a selection, request, election or appointment), exercising any voting rights or powers (including failing to exercise any voting rights or powers), exercising any rights and remedies (and all actions incidental or related thereto), releasing, subordinating and/or terminating any Lien, exercising any powers as the attorney-in-fact for any Loan Party, providing any consent, approval, instruction or direction (including failing to provide any consent, approval, instruction or direction) or making (or failing to make) any filing or recording in connection with this Agreement or any of the other Loan Documents and may refrain (and shall incur no liability from so refraining) from taking or omitting to take any act or making any such determination, calculation, selection, request, exercising such voting rights or powers or providing such notice, approval or consent or entering into any amendments, modifications or supplements until it receives such instruction (or calculation, as applicable) from the Required Lenders (or such number or percentage of the Lenders as shall be necessary under the circumstances as provided for herein or in the other Loan Documents) and such additional indemnity from the Lenders, in each case, as it deems reasonably appropriate (and until such instructions and indemnity, as applicable, are received, the Administrative Agent and/or the Collateral Agent shall act, or refrain from acting, as it deems advisable in its sole discretion) and neither the Administrative Agent nor Collateral Agent shall incur liability to any Lender, any other Secured Party or any Borrower or Loan Party by reason of so refraining. Without limiting the immediately preceding sentence, in no event shall the Administrative Agent be required to (A) reallocate payments in accordance with Section 2.17(1)(b) without receiving direction from the Required Lenders, (B) approve the form of financial statements of the Borrower or any Opinion of Counsel without receiving direction from the Required Lenders, or (C) enter into any extension or amendment without receiving direction from the requisite percentage of the applicable Lenders. The Administrative Agent and Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with the request of the Required Lenders (or such number or percentage of the Lenders as shall be necessary under the circumstances as provided for herein or in the other Loan Documents), and

such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent or Collateral Agent as a result of the Administrative Agent or Collateral Agent, as the case may be, acting or refraining from acting hereunder or under any other Loan Document in accordance with the instructions of the Required Lenders (or such greater percentage of Lenders required). Notwithstanding any other provisions set forth in this Agreement or any other Loan Documents, neither the Administrative Agent nor the Collateral Agent shall be required to take any action that is in its opinion contrary to applicable Law (including, for the avoidance of doubt, any action that may be in violation of the automatic stay under the Bankruptcy Code or any other Debtor Relief Law (or any similar laws)) or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of the Bankruptcy Code or any other Debtor Relief Law (or any similar laws) or the terms of any of the Loan Documents that would in its reasonable opinion subject it or any of its officers, employees or directors to personal liability. Each Lender, by delivering its signature page to this Agreement or an Assignment and Assumption and/or funding its Loans, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by the Administrative Agent and/or Collateral Agent, Required Facility Lenders, Required Lenders or Lenders, as applicable, on the Effective Date, the Closing Date or the Second Out Closing Date, as applicable, or as of the date of funding such Loan.

Section 9.06 Reliance by the Administrative Agent. The Administrative Agent and Collateral Agent shall be entitled to rely upon, and shall be fully protected in relying upon (and shall not be liable for so relying upon), any communication, request, instrument, note, consent, affidavit, letter, writing, resolution, notice, statement, certificate, e-mail or other electronic message, order, internet or intranet website posting, or other document (or writing), conversation or telephone message signed, sent or made (or authenticated) by (or, in the case of a conversation, with) any Person that the Administrative Agent and/or Collateral Agent believed to be the proper Person, and, with respect to all legal matters (including all duties and obligations of Administrative Agent and Collateral Agent hereunder and under the other Loan Documents) pertaining to this Agreement and any other Loan Document and its duties hereunder and thereunder, upon advice of legal counsel, independent accountants and other experts and professional advisors selected by the Administrative Agent or Collateral Agent, as applicable. The Administrative Agent may deem and treat the payee of any Term Note as the owner thereof for all purposes unless a written notice of assignment, negotiation, transfer thereof shall have been filed with the Administrative Agent. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender, unless the Administrative Agent shall have received written notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts or

professional advisors selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants, professional advisors or experts.

Section 9.07 Delegation of Duties. The Administrative Agent and Collateral Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Documents by or through any one or more of its agents, sub agents and/or attorneys in fact appointed by the Administrative Agent and/or Collateral Agent. The Administrative Agent, the Collateral Agent and any such agent, sub agent or attorney in fact may perform any and all of its duties and exercise its rights and powers as are delegated to the Administrative Agent and/or Collateral Agent, as applicable, together with such rights and powers as are reasonably incidental thereto, by or through their respective Agent-Related Persons. The exculpatory and indemnification provisions of this Article shall apply to any such agent, sub agent or attorney in fact and to the Agent-Related Persons of the Administrative Agent and Collateral Agent and any such agent, attorney in fact or sub agent. Neither the Administrative Agent nor Collateral Agent shall be responsible for the negligence or misconduct of any agents, sub agents, attorney in fact or any of their respective Agent-Related Persons selected by it with reasonable care.

Section 9.08 Indemnification. Whether or not the transactions contemplated hereby are consummated, to the extent the Administrative Agent, Collateral Agent or any other Agent-Related Person (solely to the extent any such Agent-Related Person was performing services on behalf of the Administrative Agent and/or Collateral Agent) (each, an "**Agent Indemnitee**") is not timely reimbursed and indemnified by the Borrower, the Lenders will timely reimburse and indemnify and hold harmless the Administrative Agent, Collateral Agent or any other Agent-Related Person (solely to the extent any such Agent-Related Person was performing services on behalf of the Administrative Agent and/or Collateral Agent or otherwise acting in a capacity as a sub-agent for purposes of this Agreement or any other Loan Document) in proportion to their respective Pro Rata Share for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred at any time by the Administrative Agent, Collateral Agent or any other Agent-Related Person (solely to the extent any such Agent-Related Person was performing services on behalf of the Administrative Agent and/or Collateral Agent) in performing its duties hereunder or under any other Loan Document or in any way relating to or arising out of this Agreement or any other Loan Document (including any indemnification provided by the Administrative Agent or Collateral Agent under any Loan Document); *provided* that no Lender shall be liable to an Agent Indemnitee for any portion of such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent Indemnitee's gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision). In the case of any investigation, litigation or proceeding giving rise to any Indemnified Liabilities, this Section 9.08 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall timely reimburse the Administrative Agent and/or Collateral Agent, as applicable, upon demand for its Pro Rata Share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by the Administrative Agent and/or Collateral Agent, as applicable, in

connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein or in any Loan Document, or in connection with any transaction contemplated hereunder, or in connection with any action taken or omitted to be taken by Administrative Agent, Collateral Agent or Agent-Related Person, as applicable, under or in connection with any of the foregoing including exercising any of the Agents' powers, rights, and remedies and performing their duties hereunder and thereunder (or omitting to do the same), in each case, to the extent that the Administrative Agent and/or Collateral Agent, as applicable, is not timely reimbursed for such expenses by or on behalf of the Borrower; *provided* that such reimbursement by the Lenders shall not affect the Borrower's continuing reimbursement obligations with respect thereto; *provided*, *further*, that the failure of any Lender to indemnify or reimburse the Administrative Agent or Collateral Agent shall not relieve any other Lender of its obligation in respect thereof. The undertaking in this Section 9.08 shall survive termination of the Loan Documents and Aggregate Commitments, the payment of all other Obligations and the resignation of the Administrative Agent and Collateral Agent. If any indemnity furnished to the Administrative Agent or the Collateral Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished.

Section 9.09 The Administrative Agent and Collateral Agent in Their Individual Capacities. With respect to its obligation to make Loans under this Agreement, the Administrative Agent and Collateral Agent shall have the rights and powers specified herein for a "Lender" and may exercise the same rights and powers as though it were not performing the duties specified herein; and the term "Lender," "Required Lenders" or any similar terms shall, unless the context clearly indicates otherwise, include the Administrative Agent and Collateral Agent in their respective individual capacities. The Administrative Agent and Collateral Agent and their respective affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, investment banking, trust or other business with, or provide debt financing, equity capital or other services (including financial advisory services) to any Loan Party or any Affiliate of any Loan Party (or any Person engaged in a similar business with any Loan Party or any Affiliate thereof) as if they were not performing the duties specified herein, and may accept fees and other consideration from any Loan Party or any Affiliate of any Loan Party for services in connection with this Agreement and otherwise without having to account for the same to the Lenders. The Lenders acknowledge that, pursuant to such activities, any Agent or its Affiliates may receive information regarding any Loan Party or any of its Affiliates (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that no Agent shall be under any obligation to provide such information to them.

Section 9.10 [Reserved].

Section 9.11 Resignation by the Administrative Agent. The Administrative Agent may resign from the performance of all its respective functions and duties hereunder or under the

other Loan Documents at any time by giving thirty (30) days' prior written notice to the Lenders (which, for purposes of this Section 9.11 shall include the Administrative Agent's capacity as Collateral Agent, unless otherwise stated). The Administrative Agent may be removed as the Administrative Agent at the reasonable request of the Required Lenders. If the Administrative Agent is a Defaulting Lender, the Borrower may remove the Defaulting Lender from such role upon fifteen (15) days' prior written notice to the Lenders.

Upon any such notice of resignation by, or notice of removal of, the Administrative Agent, the Required Lenders shall appoint a successor Administrative Agent hereunder or thereunder who shall be a commercial bank, trust company or other financial institution reasonably acceptable to the Borrower, which acceptance shall not be unreasonably withheld, conditioned or delayed (*provided* that the Borrower's approval shall not be required if an Event of Default under Section 8.01(1) or Section 8.01(6) has occurred and is continuing).

If a successor Administrative Agent shall not have been so appointed within such thirty (30) day period, the Administrative Agent may (but shall not be obligated to) appoint a successor Administrative Agent who shall serve as Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above.

If no successor Administrative Agent has been appointed pursuant to the foregoing by the 30th day after the date such notice of resignation was given by the Administrative Agent or such notice of removal was given by the Required Lenders or the Borrower, as applicable, the Administrative Agent's resignation or removal shall nonetheless become effective and the Required Lenders shall thereafter perform all the duties of the Administrative Agent hereunder or under any other Loan Document until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above. The retiring Administrative Agent and Collateral Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed; *provided* that (i) in its capacity as Collateral Agent, the retiring Administrative Agent may appoint a successor Collateral Agent and (ii) the provisions of this Article IX and Sections 10.04 and 10.05 shall continue in effect for the benefit of such Administrative Agent and Collateral Agent in respect of any actions taken or omitted to be taken by it in connection with holding such collateral security) and all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly (except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent and/or Collateral Agent), until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section 9.11.

Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired or removed) Administrative Agent and Collateral Agent (other than any rights to indemnity payments or other amounts owed to the retiring or removed

Administrative Agent and Collateral Agent prior to the effectiveness of such removal or resignation), the terms "Administrative Agent" and "Collateral Agent" shall mean such successor agent effective upon such appointment and approval, and the retiring (or retired or removed) Administrative Agent and Collateral Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 9.11) without any other or future act or deed on the part of such former Administrative Agent or Collateral Agent or any of the parties to this Agreement or any holders of the Loans. Any successor Administrative Agent appointed pursuant to this Section 9.11 shall, upon its acceptance of such appointment, become the successor Collateral Agent for all purposes hereunder unless otherwise agreed.

The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the resignation or removal of the Administrative Agent and Collateral Agent hereunder, the provisions of this Article IX and Sections 10.04 and 10.05 shall continue in effect for the benefit of such Administrative Agent and Collateral Agent, their respective sub-agents and their respective Agent-Related Persons in respect of any actions taken or omitted to be taken by any of them while Administrative Agent was acting as Administrative Agent and Collateral Agent was acting as Collateral Agent, as applicable.

Upon a resignation or removal of the Administrative Agent pursuant to this Section 9.11, the Administrative Agent (i) shall continue to be subject to Section 10.09 and (ii) shall remain indemnified to the extent provided in this Agreement and the other Loan Documents and the provisions of this Article IX (and the analogous provisions of the other Loan Documents) shall continue in effect for the benefit of such Administrative Agent and Collateral Agent for all of its actions and inactions while serving as the Administrative Agent and/or Collateral Agent.

Section 9.12 Collateral Matters. Each of the Lenders and the other Secured Parties hereby irrevocably authorize and instruct the Administrative Agent and the Collateral Agent (or its designee) to take the actions to be taken by them as set forth in Sections 7.04 and 10.24.

Each Lender hereby agrees, that, except as otherwise set forth herein, any action taken by the Required Lenders (or such greater percentage of Lenders required) in accordance with the provisions of this Agreement or the Collateral Documents, and the exercise by the Required Lenders (or such greater percentage of Lenders required) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. The Collateral Agent is hereby authorized on behalf of all of the Lenders, without the necessity of any notice to or further consent from any Lender, from time to time prior to an Event of Default (but shall have no obligation), to take any action with respect to any Collateral or Collateral Documents which may be necessary to perfect and maintain perfected the security interest in and liens upon the Collateral granted pursuant to the Collateral Documents.

Upon request by the Administrative Agent or the Collateral Agent at any time, the Lenders will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 9.12. In each case as specified in and subject to the

provisions of this Section 9.12, the applicable Agent will (and each Lender irrevocably authorizes the applicable Agent to), at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release or subordination of such item of Collateral from the assignment and security interest granted under the Collateral Documents, or to evidence the release of such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.12.

The Collateral Agent shall have no obligation whatsoever to the Lenders or to any other Person to assure that the Collateral exists or is owned by any Loan Party or is cared for, protected or insured or that the Liens granted to the Collateral Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Collateral Agent in this Section 9.12, Section 10.24 or in any of the Collateral Documents; it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Collateral Agent shall have no duty unless and until expressly directed by Required Lenders and until the Collateral Agent receives such direction, the Collateral Agent may act in any manner it may deem appropriate, in its sole discretion and that the Collateral Agent shall have no duty or liability whatsoever to the Lenders, except for its gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision). The Agents shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence or collectability of the Collateral, the existence, priority or perfection of the Agents' Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Agents be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral, Liens therein or financing statements filed in connection therewith. The Collateral Agent shall not be under any obligation to insure any of the Collateral, to require any other person to maintain any insurance, to verify any person or third party's obligation to arrange or maintain insurance or to otherwise monitor the status or sufficiency of any insurance on any collateral (including flood insurance). The Collateral Agent shall not be responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy of any insurance on any Collateral. Where the Collateral Agent is named on any insurance policy as a loss payee or an insured party, it shall not be responsible for any loss which may be suffered by reason of, directly or indirectly, its failure to notify the insurers of any material fact relating to the Collateral, the risk assumed by the insurers or any insurers or any other information of any kind.

In the event that, following a foreclosure in respect of any Mortgaged Property, the Collateral Agent acquirers title to any portion of such Mortgaged Property or takes any managerial action of any kind in regard thereto in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Collateral Agent's sole discretion may cause the Collateral Agent to be considered an "owner or operator" under the provisions of CERCLA or otherwise cause the Agent to incur liability under CERCLA or any other Federal, state or local law, the Collateral Agent reserves the right, instead of taking such action, to either resign as Collateral Agent or arrange for the transfer of the title or control of the assets to a court-

appointed receiver. The Collateral Agent reserves the right to conduct an environmental audit prior to foreclosing on any real estate Collateral or Mortgage.

Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Administrative Agent, the Collateral Agent and each Secured Party hereby agree that (i) no Secured Party (other than the Agents) shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder and under any of the Loan Documents may be exercised solely by the Administrative Agent or the Collateral Agent, as applicable, for the benefit of the Secured Parties in accordance with the terms hereof and thereof, and (ii) in the event of a foreclosure or similar enforcement action by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition (including pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code or any other Debtor Relief Law with similar effect), the Collateral Agent (or any Lender, except with respect to a "credit bid" pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code or any other Debtor Relief Law with similar effect), may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of Secured Parties (but not any Lender or the Lenders in its or their respective individual capacities) shall be entitled, upon instructions from Required Lenders, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale or disposition, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

Section 9.13 [Reserved].

Section 9.14 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise (a) to file a verified statement pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure that, in its sole opinion, complies with such rule's disclosure requirements for entities representing more than one creditor; (b) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent and Collateral Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Administrative Agent and the Collateral Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent and Collateral Agent hereunder) allowed in such judicial proceeding; and (c) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, interim receiver, receiver and manager, assignee, trustee, liquidator, monitor, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to

make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agents and their respective agents and counsel, and any other amounts due the Administrative Agent and Collateral Agent hereunder.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

To the extent that the payment of any such compensation, expenses, disbursements and advances of the Administrative Agent or Collateral Agent and/or their respective agents and counsel, and any other amounts due to the Administrative Agent and Collateral Agent under Sections 2.09 and 10.05 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be paid out of, any and all distributions, dividends, money, securities and other properties and/or amounts that the Lenders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Section 9.15 Appointment of Supplemental Administrative Agents.

(1) It is the purpose of this Agreement and the other Loan Documents that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as agent or trustee in such jurisdiction. It is recognized that in case of litigation under this Agreement or any of the other Loan Documents, and in particular in case of the enforcement of any of the Loan Documents, or in case the Administrative Agent or Collateral Agent deems that by reason of any present or future Law of any jurisdiction it may not exercise any of the rights, powers or remedies granted herein or in any of the other Loan Documents or take any other action which may be desirable or necessary in connection therewith, the Administrative Agent and Collateral Agent are hereby authorized to appoint an additional individual or institution selected by the Administrative Agent and/or Collateral Agent (as applicable) in its sole discretion as a separate trustee, co-trustee, administrative agent, collateral agent, administrative sub-agent or administrative co-agent (any such additional individual or institution being referred to herein individually as a "**Supplemental Administrative Agent**" and collectively as "**Supplemental Administrative Agents**").

(2) In the event that the Administrative Agent or Collateral Agent appoints a Supplemental Administrative Agent with respect to any Collateral, (i) each and every right, power, privilege or duty expressed or intended by this Agreement or any of the other Loan Documents to be exercised by or vested in or conveyed to the Administrative Agent and/or Collateral Agent with respect to such Collateral shall be exercisable by and vest in such Supplemental Administrative Agent to the extent, and only to the extent, necessary to enable such Supplemental Administrative Agent to exercise such rights, powers and privileges with respect to such Collateral and to perform such duties with respect to such Collateral, and every

covenant and obligation contained in the Loan Documents and necessary to the exercise or performance thereof by such Supplemental Administrative Agent shall run to and be enforceable by either the Administrative Agent, the Collateral Agent or such Supplemental Administrative Agent, and (ii) the provisions of this Article IX and of Sections 10.04 and 10.05 that refer to the Administrative Agent and/or Collateral Agent shall inure to the benefit of such Supplemental Administrative Agent and all references therein to the Administrative Agent and Collateral Agent shall be deemed to be references to the Administrative Agent, Collateral Agent or such Supplemental Administrative Agent, as the context may require.

(3) Should any instrument in writing from any Loan Party be reasonably required by any Supplemental Administrative Agent so appointed by the Administrative Agent or Collateral Agent for more fully and certainly vesting in and confirming to him or it such rights, powers, privileges and duties, the Borrower shall, or shall cause such Loan Party to, execute, acknowledge and deliver any and all such instruments reasonably acceptable to it promptly upon request by the Administrative Agent and/or Collateral Agent. In case any Supplemental Administrative Agent, or a successor thereto, shall die, become incapable of acting, resign or be removed, all the rights, powers, privileges and duties of such Supplemental Administrative Agent, to the extent permitted by Law, shall vest in and be exercised by the Administrative Agent and/or Collateral Agent (as applicable) until the appointment of a new Supplemental Administrative Agent.

Section 9.16 Intercreditor Agreements. Notwithstanding anything to the contrary in this Agreement or in any other Loan Document: (a) the Liens granted to the Collateral Agent in favor of the Secured Parties pursuant to the Loan Documents and the exercise of any right related to any Collateral shall be subject, in each case, to the terms of any Applicable Intercreditor Agreement, (b) in the event of any conflict between the express terms and provisions of this Agreement or any other Loan Document, on the one hand, and of any Applicable Intercreditor Agreement, on the other hand, the terms and provisions of such Applicable Intercreditor Agreement shall control, and (c) each Lender (and, by its acceptance of the benefits of any Collateral Document, each other Secured Party) hereunder authorizes and instructs the Administrative Agent and Collateral Agent to execute and perform its obligations under any Applicable Intercreditor Agreement (and any amendments, restatements, supplements or other modifications thereto approved in accordance with the terms thereof) on behalf of such Lender, and such Lender agrees to be bound by the terms thereof.

Section 9.17 Erroneous Payments.

(1) If the Administrative Agent notifies a Lender or any Person who has received funds on behalf of a Lender (any such Lender, Secured Party or other recipient, individually and collectively, a "**Payment Recipient**") that the Administrative Agent has determined in its sole discretion that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any transmitted or received funds, whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, an "**Erroneous Payment**")

and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent pending its return or repayment as contemplated below in this Section 9.17 and held in trust for the benefit of the Administrative Agent, such Payment Recipient shall promptly, but in no event later than two (2) Business Days thereafter (or such later date as the Administrative Agent may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative agent in accordance with banking industry rules on interbank compensation from time to time in effect and (ii) to the extent permitted by applicable law, such Payment Recipient shall not assert any right or claim to the Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including, without limitation, waiver of any defense based on "discharge for value" or any similar theory or doctrine. A notice of the Administrative Agent to any Payment Recipient under this clause (1) shall be conclusive, absent manifest error.

(2) Without limiting immediately preceding clause (1), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (an "**Erroneous Payment Notice**"), (y) that was not preceded or accompanied by an Erroneous Payment Notice, or (z) that such Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then such Payment Recipient shall be on notice, in each such case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, (i) it shall promptly (and, in all events, within one (1) Business Day of its knowledge of such error) notify the Administrative Agent of such occurrence, (ii) upon demand from the Administrative Agent, such Payment Recipient shall promptly, but in all events no later than one (1) Business Day thereafter (or such later date as the Administrative Agent may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect and (iii) clause (1)(ii) above shall apply to each Payment Recipient with respect to each such payment described in clause (2)(i) above, *mutatis mutandis*.

(3) The Borrower and each other Loan Party hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason (and without limiting the Administrative Agent's rights and remedies under this Section 9.17), the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party.

(4) In addition to any rights and remedies of the Administrative Agent provided by law, Administrative Agent shall have the right, with respect to any Erroneous Payment for which a demand has been made in accordance with this Section 9.17 and which has not been returned to the Administrative Agent, to set off and appropriate and apply against such amount any and all amounts owing to such Lender under any Loan Document, or otherwise payable or distributable by the Administrative agent to such Lender under any Loan Document with respect to any payment of principal, interest, fees or other amounts. The Administrative Agent agrees promptly to notify the Lender after any such setoff and application made by Administrative Agent; *provided* that, the failure to give such notice shall not affect the validity of such setoff and application.

(5) Each party's obligations under this Section 9.17 shall survive the resignation or replacement of the Administrative Agent, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

Section 9.18 Agent's Discretion. Notwithstanding anything else to the contrary in this Agreement or any other Loan Document, whenever reference is made in this Agreement or any other Loan Document to any discretionary action by, any consent, designation, specification, requirement or approval of or satisfaction with, any notice, request or other communication from, any selection, determination or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by any Administrative Agent or the Collateral Agent or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction, acceptance or approval or other exercise of discretion, rights or remedies to be made (or not to be made) by any Administrative Agent or the Collateral Agent, such provision shall refer to such Administrative Agent or the Collateral Agent exercising each of the foregoing at the direction of the Required Lenders or the Required Facility Lenders, as applicable, and any reference in the Loan Documents to (i) any Administrative Agent or Collateral Agent, as the case may be, acting reasonably, (ii) a matter being in the reasonable opinion of any Administrative Agent or the Collateral Agent, (iii) any Administrative Agent's or the Collateral Agent's approval or consent not being unreasonably withheld, conditioned or delayed or (iv) any document, report, confirmation or evidence being required to be reasonably satisfactory to any Administrative Agent or the Collateral Agent, are to be construed, unless otherwise specified in the relevant Loan Document, as the Administrative Agent or the Collateral Agent, as the case may be, acting on the instructions of the Required Lenders (and the Lenders hereby agree to act reasonably in circumstances where the Administrative Agent or the Collateral Agent would otherwise be required to act reasonably if this Section 9.18 did not apply). Where the Administrative Agent or the Collateral Agent is obliged to consult with any Guarantor under the terms of the Loan

Documents, unless otherwise specified, the Required Lenders must instruct the Administrative Agent or the Collateral Agent, as applicable, to consult with such Guarantor(s) in accordance with the terms of the relevant Loan Document and the Administrative Agent and/or the Collateral Agent, as applicable, must carry out that consultation in accordance with the instructions it receives from the Required Lenders or the Required Facility Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in any other Loan Document), as the case may be. Neither the Administrative Agent nor the Collateral Agent, as the case may be, shall be under any obligation to determine the reasonableness of such circumstances or whether in giving such instructions, the Required Lenders or Required Facility Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in any other Loan Document, as applicable) are acting in a reasonable manner; provided, that the foregoing shall not apply to the following: (i) whether any item or sum of money has been delivered to or received by any Administrative Agent or the Collateral Agent, (ii) the appointment of any sub-agent or attorney-in-fact by any Administrative Agent or the Collateral Agent pursuant to this Article IX or the resignation or removal of any Administrative Agent or the Collateral Agent otherwise in accordance with this Article IX, (iii) any matter pertaining to compliance by any Administrative Agent or the Collateral Agent with its internal policies, any law applicable to it, including without limitation, the PATRIOT Act or any matter relating to the reimbursement of fees or expenses of or indemnification of any Administrative Agent or the Collateral Agent, (iv) subject to Section 9.12, the making of any filings, registrations or recordings or holding any pledged collateral in each case as the Collateral Agent may deem appropriate in connection with the perfection of the Liens granted in respect of the Collateral (for the avoidance of doubt, the Collateral Agent will take any such action if requested by the Required Lenders), (v) releases or documentation to be executed by the Collateral Agent in accordance with Section 9.12 or (vi) any matter or action relating to or requiring determination with respect to the daily ordinary course administration of the Loan Documents, including but not limited to (A) the posting of any documents and notices to the Lenders or the Borrower, including with respect to the use of the Platform, (B) the maintenance of the Register, the calculation, processing and payment of any principal, interest or fees, whether optional or mandatory in nature and the determination of the Applicable Rate or any component definition thereof, (C) the processing of any assignments or consents by any Administrative Agent otherwise permitted by Section 10.07, (D) any matter with respect to any fees payable to any Administrative Agent or the Collateral Agent for its own account and (E) any Administrative Agent's discretion to waive or refuse to waive any processing and recordation fee pursuant to Section 10.07; provided, further, that in each case, any Administrative Agent or the Collateral Agent may at its sole discretion elect to seek the instruction of the Required Lenders or the Required Facility Lenders, as applicable, and any Administrative Agent or the Collateral Agent shall be fully justified in failing or refusing to take any such action if it shall not have received written instruction, advice or concurrence from the Required Lenders or the Required Facility Lenders, as applicable (or such other number or percentage of the Lenders as shall be expressly provided for herein or in any other Loan Document) in respect of such actions.

Section 9.19 Certain ERISA Matters . (1) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender

party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, funding of, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(i) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (ii) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (ii) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84- 14 and (iv) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(2) In addition, unless either (1) sub-clause (a) in the immediately preceding clause (1) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (d) in the immediately preceding clause (1), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

ARTICLE X

Miscellaneous

Section 10.01 Amendments, etc.

(1) Except as otherwise set forth in this Agreement, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (with a copy to the Administrative Agent) (other than with respect to (x) any amendment or waiver with respect to the Agency Fee Letter or the Closing Payment Letter which shall only require consent of the parties thereto or (y) with respect to any amendment or waiver contemplated in clauses (h), which shall only require the consent of the Lenders expressly set forth therein and not the Required Lenders), (or by the Administrative Agent at the direction of the Required Lenders) and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and the Administrative Agent hereby agrees to acknowledge any such waiver, consent or amendment that otherwise satisfies the requirements of this Section 10.01 as promptly as possible; and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided* that:

(a) the consent of each affected Lender shall be required to extend or increase the Commitment of such Lender (it being understood that a waiver of any condition precedent set forth in Section 4.01, Section 4.02 or Section 4.03 or the waiver of any Default, Event of Default, mandatory prepayment or mandatory reduction of the Commitments shall not constitute an extension or increase of any Commitment of any Lender);

(b) the consent of each affected Lender shall be required to postpone any date scheduled for, or reduce the amount of, or change the form or currency of, any payment of principal or interest (including the modification or extension of any applicable grace period hereunder) under Section 2.07 or 2.08 (other than pursuant to Section 2.08(2)), any payment of fees, closing payments or premiums hereunder or under any Loan Document with respect to payments to such Lender, or change the MFN Provision, it being understood that the amendment or waiver of any Default, Event of Default or mandatory prepayment shall not constitute a postponement of any date scheduled for, or a reduction in the amount of, any payment of principal, interest, fees, closing payments or premiums;

(c) the consent of each affected Lender shall be required to reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (I) of the proviso immediately succeeding clause (i) of this Section 10.01(1)) any fees, closing payments, premiums or other amounts payable hereunder or under any other Loan Document to such Lender (it being understood that any change to the definition of First Lien Net Leverage Ratio, Secured Net Leverage Ratio, Total Net Leverage Ratio, Adjusted EBITDA or in the component definitions thereof shall not constitute a reduction in the rate of interest); *provided* that notwithstanding the foregoing only the consent of (A) the Required Lenders shall be necessary to amend the definition of "Default Rate" and (B) the Required Lenders' consent will be necessary to waive any obligation of the Borrower to pay interest at the Default Rate;

(d) except as contemplated by clause (C) in the second proviso immediately succeeding clause (i) of this Section 10.01(1), no amendment, waiver or consent shall (x) change any provision of this Section 10.01 without the written consent of each Lender, (y) change the definition of "Required Lenders", "Required Facility Lenders" or any other provision specifying the number of Lenders or portion of the Loans or Commitments required to take any action under the Loan Documents, without the written consent of each Lender or (z) change the definition of "Pro Rata Share" without the written consent of each Lender directly and adversely affected thereby;

(e) no amendment, waiver or consent shall release (other than in a transaction permitted under Section 7.03 or Section 7.04 as in effect on the Effective Date) all or substantially all or (other than in a transaction permitted under Section 7.03 or Section 7.04) a material portion of the Collateral in any transaction or series of related transactions, without the written consent of each Lender;

(f) no amendment, waiver or consent shall release (other than in a transaction permitted under Section 7.03 or Section 7.04 as in effect on the Effective Date) all or substantially all or (other than in a transaction permitted under Section 7.03 or Section 7.04) a material portion of the aggregate value of the Guaranty, without the written consent of each Lender;

(g) no amendment, waiver or consent shall change the pro rata sharing of payments among Lenders pursuant to Section 2.13 or Section 8.03 or the order of distribution among Lenders pursuant to Section 8.03 or any other provision of this Agreement requiring pro rata treatment of the Loans or the Lenders, in each case without the written consent of each Lender;

(h) no amendment, waiver or consent shall amend, waive or otherwise modify any term or provision (including the availability and conditions to funding and the rate of interest applicable thereto) which directly affects Lenders of one Facility and does not directly affect Lenders under any other Facility, in each case, without the written consent of (i) the Required Facility Lenders under such applicable Facility and (ii) to the extent otherwise required under this Section 10.01, each (or each affected) Lender, as applicable, under such applicable Facility;

(i) except as otherwise expressly permitted under this Agreement as in effect on the Effective Date, no amendment, waiver or consent shall subordinate (x) the Collateral Agent's security interest on all, substantially all or a material portion of the Collateral to a security interest securing any other Indebtedness in any transaction or series of related transactions or (y) any Loans in contractual right of payment to any other Indebtedness in any transaction or series of related transactions, in either case without the written consent of each Lender directly and adversely affected thereby (unless pursuant to any transaction or series of related transactions the participation in which is offered in a bona fide offer in good faith to all affected Lenders on a ratable basis with the same terms and economics (including customary backstop or arrangement fees));

(j) the consent of each Lender shall be required to amend, waive or otherwise modify any provision of this Agreement in a manner which results in postponing or extending the date for payment of principal or interest by more than thirty (30) days after the date such payment would otherwise be due;

(k) the consent of each Lender shall be required to authorize the incurrence of additional Indebtedness (other than any Indebtedness that would be permitted to be incurred pursuant to the terms hereof on the Effective Date) under the Loan Documents for the purpose of influencing the voting threshold for any amendment requiring the consent of the Lenders (including Affiliates or related Persons) comprising more than the "Required Lenders" or where the affirmative consent of Required Lenders could not have been achieved but for the issuance of such additional Indebtedness or any related transactions;

(l) no amendment, waiver or consent shall change (i) the Guarantor Coverage Requirement or (ii) the proviso of Section 8.2(b) or the cross-reference thereto under Section 10.8(b)(iv), in each case, without the written consent of each Lender; or

(m) the consent of each Lender shall be required to amend, waive or otherwise modify any provision of this Agreement, including Section 10.07, as in effect on the Effective Date to allow for the Sponsor, the Borrower or their respective Affiliates to be assigned Loans or Commitments or to engage in open market or non-pro rata purchases of Loans and Commitments of any Class;

provided that:

(I) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent under this Agreement or any other Loan Document; and

(II) Section 10.07(g) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification;

provided further that. notwithstanding the foregoing:

(A) no Defaulting Lender shall have any right to approve or disapprove of any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders, the Required Lenders or the Required Facility Lenders may be effected with the consent of the applicable Lenders other than Defaulting Lenders) (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded in calculating the Required Lenders and the Required Facility Lenders);

(B) no Lender consent is required to effect any amendment or supplement to any Applicable Intercreditor Agreement (i) that is for the purpose

of adding the holders of any Permitted Indebtedness that is secured Indebtedness (or a Debt Representative with respect thereto) as parties thereto, as expressly contemplated by the terms of such Applicable Intercreditor Agreement, as applicable (it being understood that any such amendment, modification or supplement may make such other changes to the Applicable Intercreditor Agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and *provided* that such other changes are not adverse, in any material respect, to the interests of the Lenders) or (ii) that is expressly contemplated by any Applicable Intercreditor Agreement; *provided further* that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Collateral Agent hereunder or under any other Loan Document without the prior written consent of the Administrative Agent or the Collateral Agent, as applicable;

(C) this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrower (i) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and the accrued interest and fees in respect thereof and (ii) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders or Required Facility Lenders;

(D) any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans or Commitments of a particular Class (but not the Lenders holding Loans or Commitments of any other Class) may be effected by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section 10.01 if such Class of Lenders were the only Class of Lenders hereunder at the time; and

(E) the Borrower and the Administrative Agent may, without the input or consent of the other Lenders, (i) effect changes to any Mortgage or any other Collateral Document as may be necessary or appropriate in the opinion of the Collateral Agent and (ii) effect changes to this Agreement that are necessary and appropriate to effect the offering process set forth in Section 2.05(1)(e).

(2) [Reserved].

(3) In addition, notwithstanding anything to the contrary in this Section 10.01,

(a) the Guaranty, the Collateral Documents, intercreditor agreements, and related documents executed by the Borrower or any of its Subsidiaries in connection with this Agreement and the other Loan Documents may be, amended, restated, amended and restated,

modified, supplemented or otherwise waived with the consent of the Administrative Agent at the request of the Borrower without the need to obtain the consent of any other Lender if such amendment, modification or waiver is delivered in order (i) to comply with local Law or advice of local counsel, (ii) to cure ambiguities or defects, so long as, in each case, the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment, (iii) to cause the Guaranty, Collateral Documents or other document to be consistent with this Agreement and the other Loan Documents (including by adding additional parties as contemplated herein or therein) so long as, in each case, the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment, or (iv) to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties or protect any security interest for benefit of the Secured Parties or to otherwise enhance the rights or benefits of any Lender under any Loan Document; and

(b) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to cure any obvious error, or any error or omission of a technical or immaterial nature, or any ambiguity, omission, defect or inconsistency so long as, in each case, the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment; and

(c) technical and conforming modifications to the Loan Documents may be made with the consent of the Borrower and the Administrative Agent (and no other Person) to the extent necessary to (i) to integrate any Extended Loans, (ii) [reserved], (iii) to increase the interest rates (including any interest rate margins or interest rate floors), fees and other amounts payable to any Class or Classes of Lenders hereunder, (iv) increase, expand and/or extend the call protection provisions and effect the "most favored nation" provisions benefiting any Class or Classes of Lenders hereunder (including, for the avoidance of doubt, the provisions of Sections 2.18) and/or (v) modify any other provision hereunder or under any other Loan Document in a manner more favorable to the then-existing Lenders or Class or Classes of Lenders, in each case in connection with the issuance or incurrence of any Indebtedness permitted hereunder, where the terms of any such Indebtedness are more favorable to the lenders thereof than the corresponding terms applicable to other Loans or Commitments then existing hereunder, and it is intended that one or more then-existing Classes of Loans or Commitments under this Agreement share in the benefit of such more favorable terms in order to comply with the provisions hereof relating to the incurrence of such Indebtedness; *provided* that the consent of the Lenders or the Required Lenders, as the case may be, shall not be required to make any such changes necessary to be made in connection with any Extension or Incremental Amendment and otherwise to effect the provisions of Section 2.14 or Section 2.16, as applicable; and

(d) (x) in connection with any amendment, waiver or consent under this Agreement or any other Loan Document, the parties hereto agree that all matters that require the consent of the Required Lenders shall be submitted, upon reasonable advance notice, to the vote of all Lenders to participate in such vote and each consenting Lender shall be entitled to participate in its proportionate share of all amendment, restatement, supplement, forbearance, waiver or similar fees or other consideration, if any, payable by the Borrower or any of its Affiliates to the Required Lenders and/or Lenders generally, in respect of such amendment, waiver or consent and (y) except as set forth in Section 2.14(3)(b), in connection with any amendment or modification to this Agreement that results in the opportunity to increase the Commitments or Obligations hereunder, all Lenders shall be offered the opportunity to participate, subject to not less than five (5) Business Days' notice, on a pro rata basis on identical terms and pricing (excluding customary administrative agency fees payable to the Administrative Agent in consideration for administrative services), in connection with any such increase in the Commitments or Obligations hereunder.

Section 10.02 Notices and Other Communications; Facsimile Copies.

(1) General. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

(a) if to the Borrower , the Administrative Agent or the Collateral Agent, to the address, facsimile number or electronic mail address specified for such Person on Schedule 10.02; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next succeeding Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (2) below shall be effective as provided in such subsection (2).

(2) Electronic Communication. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender, as applicable, has notified the Administrative Agent in writing that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

(3) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next succeeding Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described and subject to the terms set forth in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(4) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent, the Collateral Agent or any of their respective Agent-Related Persons (collectively, the "**Agent Parties**") have any liability to the Borrower, any Lender, or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Agent Parties' transmission of Borrower Materials through the Platform or the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Agent Party; *provided*, *however*, that in no event shall any Agent Party have any liability to the Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(5) Change of Address. Each Loan Party and the Administrative Agent and the Collateral Agent may change its respective address or facsimile for notices and other communications hereunder by written notice to the other parties hereto. Each other Lender may change its address or facsimile for notices and other communications hereunder by written notice to the Borrower, the Administrative Agent and the Collateral Agent. In addition, each Lender agrees to notify the Administrative Agent and the Collateral Agent in writing from time to time to ensure that the Administrative Agent and the Collateral Agent have on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public

Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information (within the meaning of applicable securities Laws) with respect to the Borrower or any of its Subsidiaries or any of their respective securities.

(6) Reliance by the Administrative Agent and Collateral Agent. The Administrative Agent, the Collateral Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify and hold harmless the Administrative Agent, the Collateral Agent, each Lender and the Agent-Related Persons of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower.

Section 10.03 No Waiver; Cumulative Remedies. No failure by any Lender, the Administrative Agent or the Collateral Agent, to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 or the Collateral Agent in accordance with the Security Agreement (and the other applicable Loan Documents), in each case, for the benefit of all the Secured Parties; *provided*, *however*, that the foregoing shall not prohibit (a) the Administrative Agent or the Collateral Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent or Collateral Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 10.10 (subject to the terms of Section 2.13), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and *provided*, *further*, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to

Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

Section 10.04 Costs and Expenses. The Borrower agrees (a) to pay or reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent (promptly following a written demand therefor, together with backup documentation supporting such reimbursement request) incurred in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated thereby are consummated), and the consummation and administration of the transactions contemplated hereby and thereby, and, in the case of Attorney Costs, limited to Milbank LLP, as counsel to the Administrative Agent and the Collateral Agent and as counsel to the Lenders and, if necessary, one local counsel in each relevant material jurisdiction for the Administrative Agent and the Collateral Agent and one local counsel in each relevant material jurisdiction for the Lenders (including Loyens & Loeff Luxembourg S.À R.L. and LOGOS SLF.), and (b) upon presentation of a summary statement, together with any supporting documentation reasonably requested by the Borrower, to pay or reimburse the Administrative Agent, the Collateral Agent and the other Lenders, taken as a whole, promptly following a written demand therefor for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement of any rights or remedies under this Agreement or the other Loan Documents (including all such costs and expenses incurred during any legal proceeding, including any proceeding under any Debtor Relief Law, and including all Attorney Costs of one counsel to the Administrative Agent and Collateral Agent and one local counsel in each relevant material jurisdiction for the Administrative Agent and Collateral Agent, and one counsel for the Lenders taken as a whole (and, if necessary, one local counsel for the Lenders in any relevant material jurisdiction and solely in the case of a conflict of interest, one additional counsel in each relevant material jurisdiction to each group of affected Lenders similarly situated taken as a whole)). The agreements in this Section 10.04 shall survive the termination of the Aggregate Commitments and repayment of all other Obligations. All amounts due under this Section 10.04 shall be paid promptly following receipt by the Borrower of an invoice relating thereto setting forth such expenses in reasonable detail.

Section 10.05 Indemnification by the Borrower. The Borrower shall indemnify and hold harmless the Agent Indemnitees, each Lender and their respective Related Persons (collectively, the "**Lender Indemnitees**"; together with the Agent Indemnitees, collectively, the "**Indemnitees**") from and against any and all losses, claims, damages, liabilities or expenses (including Attorney Costs and Environmental Liabilities) to which any such Indemnitee may become subject arising out of, resulting from or in connection with (but limited, in the case of legal fees and expenses, to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to the Agent Indemnitees taken as a whole (and if reasonably necessary, a single local counsel for all Agent Indemnitees taken as a whole in each relevant jurisdiction, and solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to each group of affected Agent Indemnitees similarly situated taken as a whole) and one counsel to Lender Indemnitees taken as a whole (and, if reasonably necessary, a single local counsel for all Lender Indemnitees taken as a whole in each relevant jurisdiction, and

solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to each group of affected Lender Indemnitees similarly situated taken as a whole)) any (i) actual or threatened claim, litigation, investigation, proceeding or Environmental Liabilities relating to the Transactions or (ii) to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents, in connection with the transactions contemplated hereunder, the Loans or the use, or proposed use of the proceeds therefrom, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, litigation, investigation or proceeding), and regardless of whether any Indemnitee is a party thereto (all the foregoing, collectively, the "**Indemnified Liabilities**"); *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or expenses resulted from (x) the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Indemnified Persons as determined by a final, non-appealable judgment of a court of competent jurisdiction, (y) a material breach of any obligation under any Loan Document by such Indemnitee or any of its Related Indemnified Persons as determined by a final, non-appealable judgment of a court of competent jurisdiction or (z) any dispute solely among Indemnitees other than any claims against an Indemnitee in its capacity or in fulfilling its role as an administrative agent or any similar role under any Loan Document and other than any claims arising out of any act or omission of the Borrower or any of their Affiliates (as determined by a final, non-appealable judgment of a court of competent jurisdiction). To the extent that the undertakings to indemnify and hold harmless set forth in this Section 10.05 may be unenforceable in whole or in part because they are violative of any applicable law or public policy, the Borrower shall contribute the maximum portion that they are permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by the Indemnitees or any of them. No Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement (except to the extent such damages are found in a final non-appealable judgment of a court of competent jurisdiction to have resulted from the willful misconduct, bad faith or gross negligence of such Indemnitee), nor shall any Indemnitee or any Loan Party have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Loan Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date) (other than, in the case of any Loan Party, in respect of any such damages incurred or paid by an Indemnitee to a third party for which such Indemnitee is otherwise entitled to indemnification pursuant to this Section 10.05). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 10.05 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, its directors, stockholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder or under any of the other Loan Documents is consummated. All amounts due under Section 10.04 and this Section 10.05 shall be paid within twenty (20) Business Days after written demand therefor. The agreements in this Section 10.05 shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations. This Section 10.05 shall not apply to Taxes, except any Taxes that represent losses or damages arising from any non-Tax claim. Notwithstanding the

foregoing, each Indemnitee shall be obligated to refund and return promptly any and all amounts paid by the Borrower under this Section 10.05 to such Indemnitee for any such fees, expenses or damages to the extent such Indemnitee is not entitled to payment of such amounts in accordance with the terms hereof.

Section 10.06 Marshaling; Payments Set Aside. None of the Administrative Agent or any Lender shall be under any obligation to marshal any assets in favor of the Loan Parties or any other party or against or in payment of any or all of the Obligations. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, *plus* interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

Section 10.07 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not, except as permitted by Section 7.03, assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder (including to existing Lenders and their Affiliates) except (i) to an Eligible Assignee, (ii) by way of participation in accordance with the provisions of Section 10.07(d), (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 10.07(f), or (iv) to an SPC in accordance with the provisions of Section 10.07(g) (and any other attempted assignment or transfer by any party hereto (other than the replacement of the Administrative Agent pursuant to Article IX above) shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 10.07(d) and, to the extent expressly contemplated hereby, Related Persons of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section 10.07, the aggregate amount of the Commitment or, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent shall not be less than $1,000,000 (or an integral multiple of $1,000,000 in excess thereof), unless each of the Administrative Agent and the Borrower otherwise consents in writing; *provided*, *however*, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by Section 10.07(b)(i)(B) and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed) shall be required unless (1) an Event of Default under Section 8.01(1) or Section 8.01(6) has occurred and is continuing at the time of such assignment determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent, (2) in respect of an assignment to any Person in its capacity as (x) trustee or custodian holding assets for the satisfaction of the obligations of any Lender (or any Affiliate of such Lender) to any counterparty to a reinsurance arrangement or (y) counterparty to a reinsurance arrangement with any Lender (or any Affiliate of such Lender) or (3) in respect of an assignment of all or a portion of the Loans, such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; *provided* that, the Borrower shall be deemed to have consented to any assignment of all or a portion of the Term Loans unless it shall have objected thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice from the assigning Lender of a failure to respond to such request for assignment; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund with respect to a Lender; *provided* that, no consent of the

Administrative Agent shall be required for an assignment (i) of all or a portion of the Loans pursuant to Section 10.07(g);

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption via an electronic settlement system acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually), and shall pay to the Administrative Agent a processing and recordation fee of $3,500 (which fee (x) may be waived or reduced in the sole discretion of the Administrative Agent and (y) shall not apply to any assignment made to an Affiliate or Approved Fund of any Lender). The Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and all documentation and other information reasonably requested by the Administrative Agent or otherwise required under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act. Each assignee Lender shall be required to represent in the Assignment and Assumption that it is not a Disqualified Institution or an Affiliate of a Disqualified Institution.

(v) Each Loan Party hereby expressly accepts and confirms, for the purposes of article 1278 and article 1281 of the Luxembourg Civil Code, that notwithstanding any assignment, transfer and/or novation permitted under, and made in accordance with, the provisions of this Agreement, any Lien provided pursuant to a Collateral Document subject to Luxembourg law shall be preserved, for the purposes of Luxembourg law, for the benefit of any new Lender.

(vi) No Assignments to Certain Persons. No such assignment shall be made (A) to the Borrower or any of its Subsidiaries, (B) to any Affiliate of the Borrower, (C) to a natural person or (D) to any Disqualified Institution.

This Section 10.07(b) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis among such Facilities.

In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or sub participations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable Pro Rata Share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this

paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section 10.07, from and after the date of recordation thereof by the Administrative Agent, specified in each Assignment and Assumption, (x) the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and (y) the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, 10.04 and 10.05 with respect to facts and circumstances occurring prior to the effective date of such assignment), but shall in any event continue to be subject to Section 10.09. Upon request, and the surrender by the assigning Lender of its Term Note, the Borrower (at its expense) shall execute and deliver a Term Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.07(d).

(c) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices located in the United States a copy of each Assignment and Assumption delivered to it, and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of (and related interest amounts on) the Loans, owing to each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agents and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding written notice to the contrary. The Register shall be available for inspection by the Borrower, any Agent and, with respect to its own Loans, any Lender, at any reasonable time and from time to time upon reasonable prior written notice. This Section 10.07(c) and Section 2.11 shall be construed so that all Loans are at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any related Treasury regulations (or any other relevant or successor provisions of the Code or of such Treasury regulations).

(d) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, the Borrower or any Affiliate or Subsidiary of the Borrower or a Disqualified Institution) (each, a "**Participant**") in all or a portion of such Lender's rights or obligations under this Agreement (including all or a portion of its Commitment or the Loans owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Document; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 (other than clauses (d) and (i) thereof) that directly affects such Participant. Subject to subsection (e) of this Section 10.07, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01 (subject to the requirements of Section 3.01 (including subsections (2), (3) and (4), as applicable as though it were a Lender, it being understood that documentation required under subsection (3) shall be delivered to the participating Lender)), 3.04 and 3.05 (through the applicable Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section 10.07. To the extent permitted by applicable Law, each Participant also shall be entitled to the benefits of Section 10.10 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 2.13 as though it were a Lender. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 3.01(8) with respect to any payments made by such Lender to its Participant(s).

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation shall (acting solely for this purpose as a non-fiduciary agent of the Borrower) maintain a register complying with the requirements of Sections 163(f), 871(h) and 881(c)(2) of the Code and the Treasury regulations issued thereunder on which is entered the name and address of each Participant and the principal amounts of (and stated interest on) each Participant's interest in the Loans or other obligations under this Agreement (the "**Participant Register**"). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender and the Borrower shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary; *provided* that no Lender shall have the obligation to disclose all or a portion of the Participant Register (including the identity of the Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or other obligations under any Loan Document) to any Person except to the extent such disclosure is necessary to establish that any such commitments, loans, letters of credit or other obligations are in registered form under Section 5f.103-1(c) of the Treasury regulations and Section 1.163-5(b) of the proposed Treasury regulations. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Term Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank; *provided* that no such pledge or assignment shall release

such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower (an "**SPC**") the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; *provided* that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof and (iii) such SPC and the applicable Loan or any applicable part thereof shall be appropriately reflected in the Participant Register. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrower under this Agreement (including its obligations under Section 3.01, 3.04 or 3.05), except to the extent such increase or change to the obligations of the Borrower results from a Change in Law that occurs after such grant of an option to an SPC or exercise of an option by the SPC (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the Lender hereunder. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Borrower and the Administrative Agent and with the payment of a processing fee of $3,500 (which fee (x) may be waived or reduced in the sole discretion of the Administrative Agent and (y) shall not apply to any assignment made to any existing Lender, any Affiliate of any Lender or any Approved Fund of any Lender), assign all or any portion of its right to receive payment with respect to any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(h) [Reserved].

(i) [Reserved].

(j) [Reserved].

(k) [Reserved].

(l) [Reserved].

(m) Notwithstanding anything to the contrary contained herein, without the consent of the Borrower or the Administrative Agent, (1) any Lender may in accordance with applicable Law create a security interest in all or any portion of the Loans owing to it and the Term Note, if any, held by it and (2) any Lender that is a Fund may create a security interest in

all or any portion of the Loans owing to it and the Term Note, if any, held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities; *provided* that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 10.07, (i) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (ii) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise.

(n) Notwithstanding the foregoing, no Disqualified Institution that purports to become a Lender hereunder (notwithstanding the provisions of this Agreement that prohibit Disqualified Institutions from becoming Lenders) shall be entitled to any of the rights or privileges enjoyed by the other Lenders with respect to voting, information and lender meetings. In addition, if any assignment or participation is made to any Disqualified Institution without the Borrower's express prior written consent (which consent shall state expressly that the Borrower acknowledges that the assignee Lender is a Disqualified Institution) in violation of clause (v) of Section 10.07(b), the Borrower may, in addition to any other rights and remedies that it may have against such Disqualified Institution, at its sole expense and effort, upon written notice to the applicable Disqualified Institution and the Administrative Agent, (A) in the case of outstanding Term Loans held by Disqualified Institutions, purchase or prepay such Term Loan by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such Term Loans, in each case *plus* accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and/or (B) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in Section 10.07), all of its interest, rights and obligations under this Agreement to one or more Eligible Assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case *plus* accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

(o) The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans or Commitments, or disclosure of confidential information, to any Disqualified Institution.

Section 10.08 Credit Bidding.

(a) Each Lender hereby irrevocably authorizes the Administrative Agent, based upon the instruction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner

purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral:

(i) at any sale thereof conducted under the provisions of the Bankruptcy Code (including Sections 363, 1123 or 1129 of the Bankruptcy Code) or any applicable bankruptcy, insolvency, reorganization or other similar law (whether domestic or foreign, and including any Debtor Relief Law) now or hereafter in effect, or

(ii) at any sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law.

(b) In connection with any such credit bid and purchase:

(i) the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase);

(ii) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles;

(iii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale,

(iv) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.12), subject to the pro rata treatment requirements of Section 8.02(b),

(v) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/

or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action; and

(vi) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Parties pro rata and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (b)(iii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

Section 10.09 Confidentiality. Each of the Agents and the Lenders agrees to maintain the confidentiality of the Information in accordance with its customary procedures (as set forth below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, members, directors, officers, employees, legal counsel, independent auditors, professionals and other experts or agents, trustees, advisors and representatives, financing sources and existing and prospective investors, including in any Approved Fund (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential, with such Affiliate being responsible for such Person's compliance with this Section 10.09; *provided*, *however*, that such Agent or Lender, as applicable, shall be principally liable to the extent this Section 10.09 is violated by one or more of its Affiliates or any of its or their respective employees, directors or officers), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners); *provided*, *however*, that each Agent and each Lender agrees to seek confidential treatment with respect to any such disclosure, (c) to the extent required by applicable laws or regulations or by any subpoena or otherwise as required by applicable Law or regulation or as requested by a Governmental Authority; *provided* that such Agent or such Lender as applicable, agrees (x) that it will notify the Borrower as soon as practicable in the event of any such disclosure by such Person (except in connection with any request as part of any audit or regulatory examination) unless such notification is prohibited by law, rule or regulation and (y) to seek confidential treatment with respect to any such disclosure, (d) to another party hereto and or any other Secured Party, (e) subject to an agreement containing confidentiality provisions at least as restrictive as those of this Section 10.09, to (i) any assignee of or Participant in, or any potential or prospective assignee of or Participant in, any of its rights or obligations under this Agreement or any Eligible Assignee (or its agent) or prospective

Eligible Assignee or (ii) with the prior consent of the Borrower, any actual or prospective direct or indirect counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower or any of their Subsidiaries or any of their respective obligations; *provided* that (i) such disclosure shall be made subject to the acknowledgment and acceptance by such prospective Lender, swap or derivative counterparty Participant or Eligible Assignee that such Information is being disseminated on a confidential basis (on substantially the terms set forth in this paragraph or as is otherwise reasonably acceptable to the Borrower, including as set forth in any confidential information memorandum or other marketing materials) in accordance with market standards for dissemination of such type of information which shall in any event require "click through" or other affirmative action on the part of the recipient to access such confidential information and (ii) to the extent such disclosure is provided by a Lender, no such disclosure shall be made to any person that is at such time a Disqualified Institution, (f) for purposes of establishing a "due diligence" defense, (g) with the consent of the Borrower, (h) to the extent such Information (x) becomes publicly available other than as a result of a breach by any Person of this Section 10.09 or any other confidentiality provision in favor of any Loan Party, (y) becomes available to any Agent or any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower or any Subsidiary thereof, and which source is not known by such Agent, such Lender or the applicable Affiliate to be subject to a confidentiality restriction in respect thereof in favor of the Borrower or any Affiliate of the Borrower or (z) is independently developed by the Agents, the Lenders or their respective Affiliates, in each case, so long as not based on information obtained in a manner that would otherwise violate this Section 10.09, (i) in order to enforce its respective rights under any Loan Document in any action or proceeding or (j) on a confidential basis to any rating agency, market data collectors or quotation services.

For purposes of this Section 10.09, "**Information**" means all information received from any Loan Party or any Subsidiary thereof relating to any Loan Party or any Subsidiary or Affiliate thereof or their respective businesses, other than any such information that is available to any Agent or any Lender on a nonconfidential basis prior to disclosure by any Loan Party or any Subsidiary thereof; it being understood that all information received from the Borrower or any Subsidiary or Affiliate thereof after the Effective Date shall be deemed confidential unless such information is clearly identified at the time of delivery as not being confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 10.09 shall be considered to have complied with its obligation to do so in accordance with its customary procedures if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each Agent and each Lender acknowledges that (a) the Information may include trade secrets, protected confidential information, or material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of such information and (c) it will handle such information in accordance with applicable Law, including applicable foreign and United States federal and state securities Laws, and to preserve its trade secret or confidential character.

The respective obligations of the Agents and the Lenders under this Section 10.09 shall survive, to the extent applicable to such Person, (x) the payment in full of the Obligations and the termination of this Agreement, (y) any assignment of its rights and obligations under this Agreement and (z) the resignation or removal of any Agent.

Section 10.10 Setoff. Subject to Section 10.19, if an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent (as directed by the Required Lenders), to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency, other than any Trust Funds) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of any Loan Party against any and all of the obligations of such Loan Party then due and payable under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document; *provided* that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.17 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, and the Secured Parties, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender under this Section 10.10 are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify the Borrower and the Administrative Agent in writing promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

Section 10.11 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If any Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by an Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof and (c) amortize, prorate, allocate and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

Section 10.12 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof.

Except as provided in Sections 4.01 and 10.18, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging (including in .pdf format) means shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.13 Electronic Execution of Assignments and Certain Other Documents. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption, any Loan Document or in any amendment or other modification hereof or thereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.14 Survival of Representations and Warranties. Subject to Section 1.02(9), all representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Term Loan borrowing, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

Section 10.15 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 10.16 GOVERNING LAW.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

(b) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK CITY IN THE BOROUGH OF MANHATTAN AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH PARTY HERETO AGREES THAT THE AGENTS AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY COLLATERAL DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

(c) EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY COURT REFERRED TO IN PARAGRAPH (b) OF THIS SECTION 10.16. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

Section 10.17 WAIVER OF RIGHT TO TRIAL BY JURY. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN

DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.17.

Section 10.18 Binding Effect. This Agreement shall become effective when it shall have been executed by the Borrower and the Administrative Agent and the Administrative Agent shall have been notified by each Lender that each such Lender has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, each Agent and each Lender and their respective successors and assigns.

Section 10.19 Lender Action. Each Lender agrees that it shall not take or institute any actions or proceedings, judicial or otherwise, for any right or remedy against any Loan Party under any of the Loan Documents (including the exercise of any right of setoff, rights on account of any banker's lien or similar claim or other rights of self-help), or institute any actions or proceedings, or otherwise commence any remedial procedures, with respect to any Collateral or any other property of any such Loan Party, without the prior written consent of the Administrative Agent. The provision of this Section 10.19 are for the sole benefit of the Lenders and Agents and shall not afford any right to, or constitute a defense available to, any Loan Party.

Section 10.20 Use of Name, Logo, etc. Each Loan Party consents to the publication in the ordinary course by the Administrative Agent or any Lender of customary advertising material relating to the financing transactions contemplated by this Agreement using such Loan Party's name, product photographs, logo or trademark; provided that any such material shall be provided to the Borrower for its review a reasonable period of time in advance of publication. Such consent shall remain effective until revoked by such Loan Party in writing to the Administrative Agent or such Lender, as applicable.

Section 10.21 USA PATRIOT Act. Each Lender that is subject to the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and regulations pertaining to beneficial ownership of legal entity customers.

Section 10.22 Service of Process. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY

PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 10.23 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that (i) (A) the arranging and other services regarding this Agreement provided by the Agents and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Agents and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each Agent and Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) none of the Agents nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agents, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Agents nor any Lender has any obligation to disclose any of such interests to the Borrower or any of its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agents, or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 10.24 Release of Collateral and Guarantee Obligations; Subordination of Liens.

(a) The Lenders hereby:

(i) irrevocably agree that the Liens granted to the Collateral Agent by the Loan Parties on any Collateral shall be automatically released;

(A) in full, as set forth in clause (b) below,

(B) upon the sale or other transfer of such Collateral (including as part of or in connection with any other sale or other transfer permitted hereunder) to any Person other than another Loan Party, to the extent such sale, transfer or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Loan Party upon its reasonable request without further inquiry and without incurring any liability therefor);

(C) to the extent such Collateral is comprised of property leased to a Loan Party by a Person that is not a Loan Party, upon termination or expiration of such lease;

(D) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with Section 10.01), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the Guaranty (in accordance with the second succeeding sentence);

(E) as required by the Collateral Agent to effect any sale, transfer or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Collateral Documents; and

(F) to the extent such Collateral otherwise becomes Excluded Assets.

Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Loan Documents.

(ii) Additionally, the Lenders hereby irrevocably agree that the Guarantors shall be released from the Guaranties upon consummation of any transaction permitted hereunder resulting in such Subsidiary ceasing to constitute a Subsidiary, or otherwise becoming an Excluded Subsidiary.

(iii) The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this Section 10.24, all without the further consent or joinder of any Lender; *provided* that, upon request by the Administrative Agent or Collateral Agent (and, in each case, prior to the Administrative Agent and Collateral Agent being required to execute and deliver (or file and/or record) such instruments, documents or agreements or otherwise comply with this sentence), the Borrower shall be required to deliver a certificate to the Administrative Agent and Collateral Agent confirming that such sale or transfer of Collateral is permitted under the Loan Documents (in the case of clause (a)(i)(B) of this Section 10.24(a)) or such release of a Guarantor is permitted under the Loan Documents (in the case of clause (a)(i)(E) of this Section 10.24(a)), and the Administrative Agent and Collateral Agent shall be permitted to rely upon such certificate without incurring any liability therefor. Any representation, warranty or covenant contained in any Loan Document relating to any such released Collateral or Guarantor shall no longer be deemed to be repeated.

(b) Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations (other than any contingent obligations not then due) have been paid in full and all Commitments have terminated, upon request of the Borrower, the Administrative Agent or Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to release its security

interest in all Collateral, and to release all obligations under any Loan Document, whether or not on the date of such release there may be any contingent obligations not then due. Any such release of Obligations shall be deemed subject to the provision that such Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(c) Notwithstanding anything to the contrary contained herein or in any other Loan Document, upon request of the Borrower in connection with any Permitted Lien specified in clause (7) of the definition thereof securing obligations in respect of Indebtedness, Disqualified Stock or Preferred Stock permitted to be incurred pursuant to clause (4) of Section 7.02(b) in any Collateral, the Administrative Agent or Collateral Agent, as applicable, shall (without notice to, or vote or consent of, any Secured Party) take such actions as shall be required to subordinate the Lien on any Collateral to any such Permitted Lien to be senior to the Liens in favor of the Collateral Agent.

Section 10.25 Judgment Currency. If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Agreement or any other Loan Document, it is necessary to convert a sum due hereunder or under any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower in respect of any such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "**Judgment Currency**") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "**Agreement Currency**"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrower in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under applicable Law).

Section 10.26 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto

acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(1) the application of any Write-Down and Conversion Powers by an applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(2) the effects of any Bail-In Action on any such liability, including, if applicable:

(a) a reduction in full or in part or cancellation of any such liability;

(b) a conversion of all or a portion of such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(c) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any applicable Resolution Authority.

Section 10.27 Acknowledgement Regarding any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedging Contracts or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States): In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the

Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

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EXHIBIT B

[***]

EXHIBIT C

[***]

Amended and Restated Transition Services Agreement

between

Alvotech

and

Aztiq Consulting ehf.

This Amended and Restated Transition Services Agreement (the "**Agreement**") is made on 4 December 2024 and effective as of 1 December 2024 (the "**Amendment Date**")

Between:

(1) **Aztiq Consulting ehf.,** a company incorporated in Iceland with registered number 620921-0920 and whose registered office is at Smaratorg 3, 201 Kopavogur, Iceland ("**Aztiq**"); and

(2) **Alvotech**, a public limited liability 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 registered with the Luxembourg Trade and Companies' Register under number B258.884 ("**Alvotech**"),

(each an "**Party**", and together the "**Parties**").

RECITALS

(A) The Parties have entered into a Transition Services Agreement (the "**Original Agreement**") dated 16 September 2022 (the "**Effective Date**") as Alvotech has executed a business combination transaction in June 2022 with a public company listed on Nasdaq as a result of which Alvotech has become a publicly traded company in the United States and Iceland.

(B) As a result of becoming a publicly traded company, Alvotech has become, subject to reporting requirements of the U.S. Securities Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules adopted, and to be adopted, by the SEC and Nasdaq, as well as rules and regulations applicable to Alvotech as a result of its admission to trading on First North Iceland. Alvotech's management and other personnel are expected to devote a substantial amount of time to these initiatives, and expect these rules and regulations to substantially increase legal and financial compliance costs and to make some activities more time consuming and costly.

(C) In the past, certain employees of the Aztiq Group have provided various forms of administrative and legal support to the Alvotech Group, and, in light of its public listing, Alvotech desires that these individuals continue to support the Alvotech Group on an interim, transitional basis.

(D) The Parties have agreed that Aztiq will provide certain services to the Alvotech Group on such interim, transitional basis under the terms and conditions of the Original Agreement.

(E) The Parties have further agreed that the Original Agreement shall be amended by this Agreement to reflect the amendment to Schedule 1B - List of Aztiq Personnel - providing Services and the associated reduction in the Service Fee.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. **Definitions and Interpretation**

1.1 In this Agreement, including in its Recitals, the following expressions have the following meanings:

"**1993 Law**" means the Luxembourg Law of 5 April 1993 on the financial sector, as amended; "**Adhoc Services**" has the meaning given to it in Clause 2.1;

"**Alvotech Group**" means Alvotech and any subsidiary undertaking of Alvotech, in each case whether direct or indirect;

"**Amendment Date**" has the meaning given in the preamble;

"**Applicable Laws**" means any applicable statutes, laws, ordinances, orders, judgments, decrees, rules or regulations issued by any Governmental Entity, and any judicial or administrative interpretation of any of these;

"**Aztiq Group**" means Aztiq and any group undertaking of Aztiq, in each case whether direct or indirect;

"**Business Day**" means a day (other than a Saturday or Sunday or a public holiday) when commercial banks are open for ordinary banking business in Luxembourg, Iceland and the United States of America;

"**Contract Years**" means the successive twelve (12) month periods during the Term, with the first such period commencing on the Effective Date;

"**Controller**" has the meaning given to it in the GDPR;

"**Data Protection Authority**" means a Supervisory Authority as defined in the GDPR; "**Data Protection Impact Assessment**" has the meaning given to it in the GDPR;

"**Data Protection Laws**" means: (a) the GDPR, Directive 2002/58/EC and Directive 2009/136/EC, together with any national complementing or implementing laws in any Member State of the European Union (including but not limited to the Luxembourg law of 1st August 2018 on the organization of the National Commission for Data Protection and the general regime on data protection, as may be amended or replaced); and (b) any equivalent legislation, or legislation dealing with the same subject matter, anywhere in the world;

"**Data Subject(s)**" has the meaning given to it in the GDPR; "**Effective Date**" has the meaning given in the preamble;

"**GDPR**" means the General Data Protection Regulation (EU) 2016/679, together with any national implementing or supplementing laws in any Member State of the European Union;

"**Governmental Entity**" means:

(a) any supra-national, national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof) or any quasi-governmental or private body exercising any regulatory, importing or other governmental or quasi-governmental authority, including the European Union and any tax authority; and

(b) any governmental regulatory authority or agency responsible for the grant of approval, clearance, qualification, licensing or permitting of any aspect of research, development, manufacture, marketing, distribution or sale of medicinal products, including the European Medicines Agency (or their successors);

"**Group**" means:

(a) in respect of Alvotech, the Alvotech Group; and

(b) in respect of Aztiq, the Aztiq Group;

"**Insider List**" has the meaning given to it in Clause 10.11; "**Insolvency Event**" in respect of a Party means that such Party:

(a) is dissolved or has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(b) is unable or admits inability to pay its debts as they fall due or is deemed to or declared to be unable to pay its debts under applicable law, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(c) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (d) of this definition of the term "Insolvency Event" above);

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(d) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

(i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

(ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

(e) seeks or becomes subject to a “suspension of payments", "moratorium of any indebtedness", “winding up”, "insolvency, "reorganisation", “administration” or “dissolution” including, without limitation, any procedure or proceeding in relation to an entity becoming bankrupt (*faillite*), insolvency, voluntary or judicial liquidation, composition with creditors (*concordat préventif de la faillite*), moratorium or reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), general settlement with creditors, reorganisation or any other similar proceedings affecting the rights of creditors generally under Luxembourg law, and shall be construed so as to include any equivalent or analogous liquidation or reorganization proceedings.

“**Intellectual Property Rights**” means: (a) patents, utility models and rights in inventions; (b) Trade Marks; (c) copyrights (including rights in software), database rights, rights in designs and semiconductor topography rights; (d) rights in each of know-how, confidential information and trade secrets; (e) any other intellectual property rights; and (f) all rights or forms of protection having equivalent or similar effect to the rights referred to in paragraphs (a) to (e), in each case anywhere in the world, whether unregistered or registered (including, in each case, applications, rights to apply and rights to claim priority) and including all divisionals, continuations, continuations-in-part, reissues, extensions, re-examinations and renewals;

“**Losses**” means any losses, damages, claims, liabilities, costs and expenses (including reasonable attorneys’ and other legal fees);

“**MAR**” means the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended;

“**Personal Data**” has the meaning given to it in the GDPR; “**Personal Data Breach**” has the meaning

given to it in the GDPR; “**Processing**” has the meaning given to it in the GDPR; “**Processor**” has the

meaning given to it in the GDPR;

“**Relevant Personal Data**” means Personal Data that are processed for the purposes of providing or receiving the Services and described in Schedule 3;

“**Service Fees**” means the fees described in Clause 4.1;

“**Services**” means the Standard Services and Adhoc Services as described in Schedule 1; “**Standard Services**” has the meaning

given to it in Clause 2.1;

“**Subprocessor**” means a third party engaged by a Processor to process any Relevant Personal Data, subject to the provisions of Schedule 2;

“**Tax**” means all forms of taxation and statutory and governmental, state, provincial, local governmental or municipal charges, duties, contributions and levies in the nature of tax and

withholdings and deductions for or on account of tax, in each case of any jurisdiction and whenever imposed and all related penalties, charges, costs and interest;

"**Term**" has the meaning given to it in Clause 9.1;

"**Trade Marks**" means trade marks, service marks, trade names, domain names, rights in logos and rights in each of get-up and trade dress; and

"**VAT**" means:

(a) any Tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(b) any other Tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such Tax referred to in paragraph (a) above, or imposed elsewhere.

1.2 In this Agreement:

(a) any reference to any agreement is to be construed as a reference to such agreement as it may be amended, supplemented, modified or extended from time to time, whether before or after the date hereof;

(b) a reference to a person or persons is, where relevant, deemed to be a reference to or to include their respective successors, permitted assignees or transferees, as appropriate;

(c) reference to clauses and annexes are references to, respectively, clauses of and annexes to this Agreement and reference to this Agreement includes its annexes;

(d) a reference to a law or regulation or any provisions thereof is to be construed as a reference to such law, regulation or provisions as the same may have been, or may from time to time hereafter be, amended or re-enacted; and

(e) words denoting the singular include the plural and vice versa;

(f) words denoting a gender also include the other gender;

(g) words denoting persons include bodies corporate, partnerships, associations and any other organised groups of persons or entities whether incorporated or not;

(h) clause headings are for ease of reference only and shall not affect interpretation

2. **Services and Service Standards**

2.1 Aztiq shall provide, or procure the provision of, the standard services (the "**Standard Services**") to the Alvotech Group during the Term in accordance with the terms and conditions of this Agreement.

2.2 In addition to the Standard Services there may be adhoc services requested by the senior management of the Alvotech Group ("**Adhoc Services**" and together with the Standard Services, the "**Services**").

2.3 For the avoidance of doubt, no services will be rendered which are subject to the 1993 Law or which would otherwise require a licence in Luxembourg.[1]

2.4 Aztiq shall at all times act with reasonable and professional skill, diligence and care in its provision or procurement of the Services and shall perform, or procure the performance of, the Services in compliance with all Applicable Laws.

[1] **Arendt Note**: To be determined whether additional jurisdictions are to be included.

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3. **Project management, Co-operation and Delegation**

3.1 Aztiq is hereby expressly authorized by the Alvotech Group, and the Alvotech Group hereby expressly delegate any rights, powers and obligations to take all actions necessary or desirable for the performance and satisfaction of all Services to be provided to the Alvotech Group hereunder, provided that the Services provided under this Agreement are under the supervision of the senior management of the Alvotech Group.

3.2 Aztiq shall for all purposes herein be deemed to be an independent contractor and shall unless otherwise expressly provided herein or authorised by Alvotech have no authority to represent the Alvotech Group in any way or otherwise be deemed an agent of the Alvotech Group.

3.3 During the Term, the Alvotech Group shall use best efforts to cooperate with Aztiq and provide such information and assistance, on a timely basis, as may be reasonably required by Aztiq to enable it to provide the Services.

3.4 In the event that in the course of providing the Services, Aztiq must act for and/or on behalf of Alvotech, only the Aztiq persons listed in Schedule 1B or any other person as may be agreed between the Parties from time to time shall be authorized to act for and on behalf of Alvotech.

4. **Service Fees and Payment**

4.1 Subject to Clause 4.2 below, the total fees for the Services shall be as follows:

(a) for the performance of the Standard Services in Schedule 1, a monthly fee of an amount of USD 12,500as of the Amendment Date (the "**Monthly Fee**"); and

(b) Adhoc Services will be renumerated by means of a separate fee letter.

4.2 In the event that any of the personnel who Aztiq deploys to assist in the provision of the Services on the date of this Agreement cease to be engaged by Aztiq and/or Aztiq is not able to provide the Services to the standard required by this Agreement, the Parties agree that the fees payable in Clause 4.1 above shall be reduced and the Parties shall agree in good faith the size of such reduction.

4.3 The Parties shall review in good faith at least once per Contract Year whether the Services are still required and whether the Services can be amended or terminated. Furthermore, the parties shall review in good faith at least once per Contract Year whether the Monthly Fee is appropriate and that the Agreement remains on an arm's length basis.

4.4 Except as expressly provided in this Clause 4 and subject to Clause 5, the Service Fees shall be the only amounts payable by the Alvotech Group in relation to the provision of the Services and shall be invoiced to Alvotech Group on a quarterly basis in arrears.

4.5 The Service Fees are expressed exclusive of any VAT. If any VAT is chargeable on any Service made by Aztiq to the Alvotech Group under this Agreement, it will be payable in addition to it.

4.6 All amounts payable by the Alvotech Group under this Agreement shall be paid without any set- off, deduction, withholding or counterclaim, except as required by Applicable Law.

4.7 The Service Fees shall be due and payable by the Alvotech Group thirty (30) days after its receipt of the relevant invoice from Aztiq.

4.8 If the Alvotech Group fails to make any payment of an undisputed amount due to Aztiq under this Agreement by the due date for payment, the Alvotech Group shall pay to Aztiq interest at the rate of two (2) per cent per annum above the base rate from time to time of HSBC Bank Plc calculated on a daily basis for the period from the due date for payment up to and including the date of actual payment (both before and after any judgment).

5. **Costs**

5.1 The Alvotech Group shall bear, and shall reimburse Aztiq for:

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(a) all reasonable out-of-pocket expenses properly incurred by the Aztiq for or on behalf of the Alvotech Group or at the Alvotech Group's written request or direction;

(b) all reasonable out-of-pocket expenses properly incurred by the Aztiq relating or incidental to the provision of Services;

(c) all reasonable fees, charges and expenses charged to the Aztiq (if any) by professional, technical, consultancy or support service providers engaged by the Alvotech Group or at the request of the Alvotech Group, in accordance with the relevant agreed terms of engagement or appointment; and

(d) all travel cost associated with the Services.

6. **Intellectual Property**

6.1 All Intellectual Property Rights created by, or on behalf of, Aztiq in the provision of the Services shall vest in Aztiq automatically, except for any Intellectual Property Rights that are specifically developed by Aztiq for Alvotech or any other member of the Alvotech Group as a service deliverable or as part of a service deliverable (e.g. source code) under any of the Services, which shall be owned Alvotech and Aztiq hereby assigns (by way of present and future assignment) to Alvotech any such Intellectual Property Rights which vest in Aztiq automatically.

6.2 Aztiq hereby grants to Alvotech a royalty-free, non-exclusive, non-transferable, non- sublicensable (except to other members of the Alvotech Group) licence to use the Intellectual Property Rights owned by Aztiq that are used in connection with the provision of the Services only to the extent necessary for, and for the sole purpose of, the receipt of the relevant Services during the Term.

6.3 Alvotech hereby grants to Aztiq a royalty-free, non-exclusive, non-transferable, non- sublicensable (except to other members of the Aztiq Group) licence to use the Intellectual Property Rights owned by Alvotech which are used in connection with the provision of the Services, only to the extent necessary for, and for the sole purpose of, the provision of the relevant Services during the Term.

6.4 Save as expressly provided in this Clause 6, no Party nor the other members of its Group shall acquire, nor be granted, any rights to use the Intellectual Property Rights of any other Party or the other members of its Group by virtue of this Agreement.

7. **Data Protection**

7.1 The Parties agree and undertake to comply with the data protection measures as described in **Schedules 2 and 3**.

8. **Liability**

8.1 Nothing in this Agreement shall limit or exclude a Party's liability for:

(a) gross negligence and wilful misconduct;

(b) fraud or fraudulent misrepresentation; or

(c) any other liability which cannot be limited or excluded by Applicable Law.

8.2 Except as provided in Clause 8.1, neither:

(a) Party shall have any liability to the other Party for any indirect, consequential or special losses or punitive damages;

(b) of the Alvotech Group shall have any liability to Aztiq under or in connection with this Agreement for any of the following:

(i) loss of, or damage to, goodwill or reputation;

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(ii) loss of anticipated savings or loss of opportunity;

(iii) loss of profits or revenue;

(iv) loss of sales or business;

(v) loss of agreements or contracts; or

(vi) wasted management, operational or other time; and

(c) Aztiq shall have any liability to the Alvotech Group under or in connection with this Agreement for any of the following:

(i) loss of, or damage to, goodwill or reputation;

(ii) loss of anticipated savings or loss of opportunity;

(iii) loss of profits or revenue;

(iv) loss of sales or business;

(v) loss of agreements or contracts; or

(vi) wasted management, operational or other time;

in each case, whether that liability arises in contract or tort (including negligence), for breach of statutory duty or otherwise.

8.3 Except as provided in Clause 8.1 and subject to Clause 8.2, the Alvotech Group's aggregate liability under or in connection with this Agreement shall be limited in each Contract Year to the total Service Fees paid or payable by the Service Recipient in the immediately preceding Contract Year.

8.4 Except as provided in Clause 8.1 and subject to Clauses 8.2(a) and 8.5, Aztiq's aggregate liability under or in connection with this Agreement shall be limited in each Contract Year to the total Service Fees paid or payable by the Service Recipient in the immediately preceding Contract Year.

8.5 Except as provided in Clause 8.1, Aztiq's liability under or in connection with this Agreement shall be reduced to the extent that its failure or delay in performing the Services is caused by the Alvotech Group's breach of its obligations under this Agreement.

9. **Term and Termination**

9.1 This Agreement commences on its execution and, unless terminated earlier in accordance with its terms, will continue until 23:59:59 CET on the third anniversary of the Effective Date (the "**Term**"), if not terminated earlier by the Parties in accordance with Clause 9.2.

9.2 The Parties shall review in good faith at least once per Contract Year whether the Services are still required and whether the Agreement should be amended or terminated.

9.3 Alvotech shall have the right to terminate this Agreement in its sole discretion for any reason by giving Aztiq sixty (60) day notice in writing.

9.4 Aztiq may terminate this Agreement on written notice to Alvotech if:

(a) the Alvotech Group fails to pay any undisputed Service Fees that have not been paid by the due date within thirty (30) days of its receipt of a notice from Aztiq given after that due date that requires those Service Fees to be paid;

(b) the Alvotech Group is in material breach of this Agreement and that breach is not capable of remedy or, if capable of remedy, has not been remedied within sixty (60) days of a notice from Aztiq requiring it to be remedied; or

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(c) Alvotech is subject to an Insolvency Event.

9.5 On termination or expiry of this Agreement for any reason, Aztiq shall provide to Alvotech for up to ninety (90) days reasonable access to its personnel that have provided the Services, copies of all documentation, data and information that relate to the provision of the Services and that are reasonably requested by Alvotech and all other reasonable assistance as is reasonably requested by Alvotech, in each case to enable Alvotech to smoothly transfer and take on the Services themselves, or engage a third party provider to do so.

9.6 On expiry or termination of this Agreement, any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after expiry or termination of this Agreement shall remain in full force and effect, including this Clause 9.6 and Clauses 6, 7, 8, 10, 13, 15 and 19.

9.7 Expiry or termination of this Agreement for any reason, shall not affect the accrued rights, remedies, obligations or liabilities of either of the Parties existing at expiry or termination.

10. Confidentiality and Inside Information

10.1 Save as expressly provided in this Clause 10, each Party undertakes that at any and all times it shall treat, and shall procure that the other members of its respective Group shall treat, all Confidential Information of the other Party as confidential and shall not disclose any such Confidential Information to any person, except as expressly permitted by this Clause 10, and shall not use such Confidential Information for any purposes other than the exercise of its rights or the performance of its obligations under this Agreement or to obtain advice, or support its arguments, in respect of any dispute under or in connection with this Agreement (the "**Permitted Purpose**").

10.2 For the purpose of this Clause 10;

(a) "**Confidential Information**" of a Party means:

(i) all information (however recorded or preserved) of a confidential nature disclosed by that Party or by any other member of its Group or its or their employees, officers, representatives, advisers, contractors or consultants (each, a "**Representative**") to the other Party or its Representatives either before or after the date of this Agreement in connection with this Agreement, including any information that would be regarded as confidential by a reasonable business person, including:

(A) patent and patent applications;

(B) trade secrets;

(C) proprietary and confidential information, ideas, techniques, sketches, drawings, works of authorship, models, inventions, know-how, processes, apparatuses, equipment, algorithms, software programs, software source documents, and formulae related to the current, future, and proposed products and services of that Party, including without limitation that Party's information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, suppliers, customer lists, investors, employees, business and contractual relationships, business forecasts, sales and merchandising, marketing plans and information that Party provides regarding third parties;

(D) the status, expectations and results of clinical trials, regulatory approvals and other information regarding products or product candidates; and

(E) financial and related information, including but not limited to information regarding estimates or actual numbers of sales, revenues, costs, market sizes and market opportunities.

provided that Confidential Information shall not include information that is:

(i) at the time of disclosure available in the public domain (other than as a result of a breach by the Receiving Party or its Representatives of this Clause 10 or any other agreement between the Parties or any of their Group members);

(ii) already in the lawful possession of the Receiving Party on a non-confidential basis (as evidenced by written records) at the date of the disclosure;

(iii) independently developed by the Receiving Party without reference to or use of the Disclosing Party's Confidential Information (as evidenced by written records); or

(iv) or becomes available to the Receiving Party on a non-confidential basis from a third party who, to the Receiving Party's knowledge, is not in breach of any obligation of confidentiality or prohibition on disclosure in disclosing such information to the Receiving Party;

(b) the "**Receiving Party**" means the Party that receives Confidential Information of the other Party; and

(c) the "**Disclosing Party**" means the Party by, or on behalf of which, Confidential Information is disclosed.

10.3 The Receiving Party may disclose, or permit the disclosure of the Disclosing Party's Confidential Information with the prior written consent of the Disclosing Party. Alvotech may also disclose, or permit the disclosure of Aztiq's Confidential Information provided that such Confidential Information is disclosed:

(a) in good faith to Alvotech's Representatives, in each case provided that:

(i) the disclosure is limited to the Confidential Information that the relevant Representative strictly needs to know for the Permitted Purpose;

(ii) Alvotech informs its Representatives of the confidential nature of the Confidential Information (including where such Confidential Information constitutes a trade secret) and the requirements of this Clause 10 prior to the disclosure; and

(iii) Alvotech:

(A) shall at all times be responsible for any breach of the terms of this Clause 10 by any person(s) to whom it has disclosed Aztiq's Confidential Information as if such person(s) were each a Party to this Agreement; and

(B) shall procure that each such person who receives such Confidential Information of Aztiq adheres to the requirements of this Clause 10;

(b) to the extent required by and in accordance with any Applicable Law, court order or any requirement of a Governmental Entity or stock exchange or securities exchange, in each case, provided that the Receiving Party gives as much prior written notice of such disclosure as possible to the Disclosing Party and takes into account the reasonable requests of the Disclosing Party in relation to the form, timing and content of such disclosure.

10.4 The provisions of this Clause 10 shall continue to apply after the termination or expiry of this Agreement for twenty-four (24) months.

10.5 On termination of this Agreement, each Party shall promptly:

(a) Return or delete (at its discretion) all records, documents and materials (including all copies) in its possession and control containing, reflecting, incorporating or based on the Confidential Information of the other Party;

(b) erase all Confidential Information of the other Party from its computer systems (to the extent possible); and

(c) certify in writing (email being sufficient) to the other Party that it has complied with the requirements of this Clause 10,

provided that each Party may retain documents and materials containing, reflecting, incorporating or based on any Confidential Information of the other Party to the extent required by Applicable Law or any Governmental Entity or to the extent required to be kept for compliance with any internal bona fide document retention or corporate governance policies or practice.

10.6 All Confidential Information is and shall remain the property of the Disclosing Party. Each Party reserves all rights in its Confidential Information. No rights or obligations in respect of a Party's Confidential Information other than those expressly stated in this Agreement are granted to the other Party or implied from this Agreement.

10.7 Except as expressly stated in this Agreement, no Party makes any express or implied warranty, undertaking or representation as to the accuracy or completeness of its Confidential Information.

10.8 In addition to above, Aztiq acknowledges that some or all of the Confidential Information belonging to Alvotech Group is or may contain "**Inside Information**" determined according to Article 7 of the MAR and that the use and disclosure of such information may be regulated or prohibited by Applicable Law including the MAR

10.9 In addition to above, Aztiq acknowledges that some or all of the Confidential Information belonging to Alvotech Group is or may contain material nonpublic information, and that the use and disclosure of such information, including trading on the basis of such material nonpublic information, may be regulated or prohibited by Applicable Law including the United States securities laws and regulations.

10.10 Aztiq expressly acknowledges that Alvotech shall not be liable for any misuse or unlawful disclosure of such Inside Information by Aztiq Group or its Representatives.

10.11 According to Article 18 of the MAR, Alvotech is responsible of drawing and promptly updating a list of all persons having access to Inside Information ("**Insider List**"), which should be available for delivery upon the request of a competent authority as soon as possible. In this respect, Aztiq expressly accepts that its Representatives listed in Schedule 1B may be included on the Insider List if required by the MAR or other Applicable Laws and undertakes to inform Alvotech of its Representatives who possess any Inside Information in due course, if requested by Alvotech.

10.12 In addition, Alvotech has the responsibility and shall take all reasonable steps to ensure that any person included on the Insider List, acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of Inside Information as mentioned in Article 18 of the MAR. The personal statement acknowledging the above shall be collected by Aztiq Group and promptly delivered to Alvotech.

11. **Severability**

If one or more of the provisions of this Agreement is or becomes invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected and any invalid

provision shall be deemed to be severable. Each of the Parties agrees in such case to use its best efforts to negotiate in good faith a legally valid and economically equivalent replacement provision.

12. **Amendments**

This Agreement may only be amended or supplemented by a written agreement signed by all of the Parties.

13. **Remedies and Waivers**

13.1 No waiver of any right under this Agreement shall be effective unless in writing. Unless expressly stated otherwise, a waiver shall be effective only in the circumstances for which it is given.

13.2 No delay or omission by any Party in exercising any right or remedy provided by law or under this Agreement shall constitute a waiver of such right or remedy.

13.3 The single or partial exercise of a right or remedy under this Agreement shall not preclude any other nor restrict any further exercise of any such right or remedy.

13.4 The rights and remedies provided in this Agreement are cumulative and do not exclude any rights or remedies provided by law except as otherwise expressly provided.

14. **Costs and Expenses**

Each Party shall bear its own costs, fees and expenses incurred in connection with the preparation, negotiation, execution and performance of this Agreement.

15. **Notices**

15.1 All notices and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of delivery if delivered personally to the party to whom notice is to be given, or (ii) on the first (1st) Business Day after delivery to an international courier service, if properly addressed and all costs prepaid, to the parties as follows:

i. Alvotech:

Name: Alvotech

Address: 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg For the attention of: The Board of Directors

Email address: [***]

with a copy to [***]

ii. Aztiq:

Name: Aztiq Consulting ehf.

Address: Smaratorg 3, 201 Kopavogur, Iceland For the attention of: [***]

Email address: [***]

with a copy to: [***]

15.2 A Party shall notify the other Party in writing of any change to its details in accordance with the provisions of this Clause 15.

16. **Entire Agreement**

This Agreement contains the entire understanding of the Parties hereto with respect to the

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subject matter contained herein and supersedes all prior agreements with respect hereto between the Parties.

17. **Assignment and Subcontracting**

17.1 No Party may assign, transfer, create any trust over, charge or otherwise encumber or deal in any other manner with all or any of its rights and obligations under this Agreement (including any cause of action arising in connection with it) without obtaining:

(a) in the case of Alvotech, the prior written consent of Aztiq; and

(b) in the case of Aztiq, the prior written consent of Alvotech,

in each case, such consent not to be unreasonably withheld or delayed.

17.2 Aztiq may not sub-contract all or any of its obligations under this Agreement without obtaining the prior written consent of Alvotech (not to be unreasonably withheld or delayed) and provided that Aztiq shall remain responsible and liable for the provision of the Services notwithstanding any sub-contracting.

18. **Counterparts**

This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, all of which shall together constitute one instrument.

19. **Governing Law and Jurisdiction**

This Agreement shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg. The Parties irrevocably agree that any disputes arising out of or in connection with this Agreement shall be submitted exclusively to the courts of the City of Luxembourg, Grand Duchy of Luxembourg.

The Parties have executed this Agreement in counterparts, each Party acknowledging receipt of one copy on the date first above written.

[Remainder of page remains intentionally blank and signature page follows]

[Signature page - Share Transfer Agreement]

Aztiq Consulting ehf. **Alvotech**

_____/s/ Arni Hardarson /s/ Tanya Zharov

By: Arni Hardarson

Title: authorized signatory

By: Tanya Zharov

Title: authorized signatory

Schedule 1 List of Services to be provided by Aztiq

Schedule 1B – List of Aztiq Personnel

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Schedule 2 Data Protection

Schedule 3 Data Processing Description

INSIDER TRADING POLICY

ALVOTECH

Société anonyme
Registered office: 9, rue de Bitbourg L-1273 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 258884 (the "**Company**")

INTRODUCTION

Article 1

This document sets out the Company's insider trading policy.

DEFINITIONS AND INTERPRETATION

Article 2

1.1 In this policy the following definitions shall apply:

Article	An article of this policy.
Board	The Company's board of directors.
Chairman	The executive chairman of the Board.
Company	Alvotech
Company Group	The Company and its Subsidiaries collectively or, where the context so requires, any of them individually.
Company Security	A security, derivative or other financial instrument issued by or relating to the Company, including: **a.** Shares; **b.** options, futures, swaps, forward rate agreements and other derivative contracts relating to Shares; and **d.** debt instruments of the Company.
Compliance Officer	The Company's compliance officer.
Director	A member of the Board.
Inside Information	Material non-public information relating to the Company or the Company Group.
Person	Any Director, employee or officer of the Company Group and Person Closely Associated.

Person Closely Associated:	**a.** A spouse, or a partner considered to be equivalent to a spouse in accordance with national law; **b.** a dependent child, in accordance with national law; **c.** a relative who has shared the same household for at least one year on the date of the transaction concerned; or **d.** a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point a), b) or c), which is directly or indirectly controlled by such person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such persons
Share	Share in the Company's capital, irrespective of its class.
Subsidiary	An entity under the Company's control within the meaning of Article 1711-1 of the Luxembourg law of August 10, 1915 on commercial companies, as amended.
Trading Window	Following the completion of the second full business day following an earnings release by the Company with respect to the preceding financial period until the last calendar day of the last month of the then current financial quarter.

1.2 References to "**transactions**" in Company Securities include sales, purchases or other acts consisting of or aimed at acquiring or disposing of such Company Securities (either directly or indirectly and for one's own account or the account of another person), but exclude the grant or exercise of options for, or other rights to acquire, Company Securities under any equity or incentive plan established by the Company (provided that subsequent transactions in Company Securities acquired pursuant to the exercise of such options or rights shall be subject to this policy).

1.3 References to statutory provisions are to those provisions as they are in force from time to time.

1.4 Terms that are defined in the singular have a corresponding meaning in the plural.

1.5 Words denoting a gender include each other gender.

1.6 Except as otherwise required by law, the terms "written" and "in writing" include the use of electronic means of communication.

PROHIBITIONS

Article 3

1.1 Without prejudice to the relevant restrictions and prohibitions under applicable law concerning insider trading and market manipulation, Persons are prohibited from:

a. directly or indirectly conducting or recommending a transaction in Company Securities when the Person has knowledge of Inside Information, subject to the exceptions provided for by applicable law, including if it concerns a transaction conducted in discharge of an enforceable obligation that already existed at the time the Person became acquainted with such Inside Information (and in those cases only with the prior written approval of the Compliance Officer);

b. engaging in hedging transactions, including transactions involving options, puts, calls, prepaid variable forward contracts, equity swaps, collars and exchange funds or other derivatives, that are designed to hedge or speculate on any change in the market value of Company Securities;

c. selling Company Securities within six months after having purchased such Company Securities (which period, in case of the purchase of an option right, includes the period during which the Person holds the option right together with the period the Person holds the Share(s) upon the exercise of the option right), unless such sale is to cover the exercise price or taxes resulting from delivery of Shares pursuant to an equity or incentive plan established by the Company; and

d. purchasing or writing options on Company Securities or short-selling Company Securities.

1.2 Each Person shall provide his or her full cooperation to the Compliance Officer in any inquiry in relation to such Person as referred to in Article 7.3, including by providing (or instructing and authorising his or her bank, investment manager, broker or other institution where his or her securities account(s) is/are being administered to provide) the Compliance Officer with any information as may reasonably be requested by the Compliance Officer.

1.3 Each Person shall take note of, and shall comply with, the requirements under applicable law concerning the notification and disclosure of his or her actual and deemed shareholdings (or other voting and economic interests) in the Company, net and gross short positions in relation to the Company, and transactions conducted in Company Securities. If any Person is in doubt as to his or her notification and disclosure obligations in this respect, he or she should consult the Compliance Officer.

1.4 Persons are also prohibited from directly or indirectly conducting or recommending a transaction in the securities of another company or corporation, if the Person learns in the course of his or her position with the Company Group material non-public information, or otherwise confidential information, about such other company or corporation that is likely to affect the value of those securities, provided that a Director may disclose such information to his or her affiliates so long as such affiliates have established their own insider trading controls and procedures in compliance with applicable U.S. federal securities laws.

1.5 The U.S. federal securities laws do not recognize any mitigating circumstances to insider trading. In addition, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct. In some circumstances, Persons may need to forgo a planned transaction even if they planned it before

becoming aware of the material non-public information.

1.6 For the avoidance of doubt, this policy shall not apply to any such entity that engages in the investment of securities in the ordinary course of its business (e.g., an investment fund or partnership or family office) if such entity has established its own insider trading controls and procedures in compliance with applicable securities laws.

TRADING WINDOW

Article 4

1.1 Subject to Articles 3.1 and 5.1, transactions by Persons in Company Securities are only permitted:

a. during a Trading Window; or

b. outside a Trading Window for reasons of exceptional personal hardship and subject to prior review by the Compliance Officer, provided that, if the Compliance Officer wishes to trade outside a Trading Window, such trade shall be subject to prior review by the Chairman.

1.2 At times the Company may determine that Persons are not permitted to conduct transactions in Company Securities even during a Trading Window. No reasons may be provided and the closing of a Trading Window itself may constitute Inside Information that should not be communicated.

1.3 The restrictions in this Article 4 do not apply to:

a. transactions in Company Securities conducted by Persons pursuant to a pre-arranged plan under Article 6;

b. the acceptance of Company Securities under an equity or incentive plan established by the Company; and

c. the exercise of options for or the exercise of similar rights to Company Securities under an equity or incentive plan established by the Company, provided there is no sale of Company Securities in connection with such exercise, including sales to cover the exercise price or taxes.

PRE-CLEARANCE

Article 5

1.1 All transactions in Company Securities (including the creation or modification of a pre- arranged trading plan) by Persons must be pre-cleared by the Compliance Officer at least two trading days in advance of the proposed transaction, provided that, if the Compliance Officer wishes to perform such a transaction, this shall be subject to pre-clearance by the Chairman. Pre-cleared transactions not completed within five trading days shall again require pre- clearance under the previous sentence.

1.2 Pre-clearance under Article 5.1 may be delayed or denied at the discretion of the Compliance Officer or the Chairman, as applicable, without providing any reason for such decision.

1.3 Notwithstanding the pre-clearance process under this Article 5, it is each Person's responsibility to determine whether he or she is in possession of Inside Information, and neither an open Trading Window nor pre-clearance of a transaction absolves the Person from the general prohibition of trading on Inside Information.

PRE-ARRANGED TRADING PLAN

Article 6

1.1 Performing transactions in Company Securities under a pre-arranged trading plan is not deemed a violation of this policy, even if the Person is in possession of Inside Information at the time such a transaction is executed under such plan, provided that such plan meets the following conditions:

a. the Person must enter into a binding contract or written plan with a licensed brokerage firm or other fiduciary that holds discretionary authority over the plan;

b. the plan specifies the amount, price and date on which Company Securities are to be purchased or sold (or a formula for making such determinations);

c. the plan is established (or modified) at a time when the Person does not possess Inside Information and a Trading Window is open;

d. the plan prohibits the Person from later asserting any influence over any person who exercises discretion as to how, when or whether to effect the transactions under such plan;

e. the plan allows for the cancellation of a transaction and/or suspension of the plan upon notice and request by the Company to the Person if the proposed transaction fails to comply with applicable laws or would create material adverse consequences for the Company;

f. the plan may be terminated by the Person at any time subject to prior consultation with the Compliance Officer or, if the Person is the Compliance Officer, the Chairman, provided that if a plan is terminated by a Person, the Person is not permitted to enter into a new plan for 60 days;

g. the plan and any modifications thereof are approved by the Compliance Officer or, if the Person is the Compliance Officer, the Chairman, which approval may be delayed or denied at his or her sole discretion without providing any reason for such decision; and

h. the first transaction under the plan occurs after a waiting period of 30 calendar days.

1.2 Transactions in Company Securities by a Person pursuant to an approved pre-arranged trading plan as described in Article 6.1 will not require pre-clearance under Article 5 at the time of the transaction. Notwithstanding any pre-clearance of a trading plan, neither the Company, nor the Directors or other officers of the Company assume liability for the consequences of any transaction made pursuant to such plan.

COMPLIANCE OFFICER

Article 7

1.1 The Compliance Officer shall be appointed and dismissed by the Board.

1.2 The Compliance Officer shall have the duties and powers conferred on him by this policy and such other duties and powers as the Board may confer on him from time to time.

1.3 The Compliance Officer may hold an inquiry, or procure an inquiry to be held, into the transactions in Company Securities conducted by, at the instruction of, or for the benefit of any Person. The Compliance Officer shall report the outcome of such an inquiry in writing to the Chairman. The Chairman shall report his or her findings and conclusions concerning the inquiry in writing to the Person concerned.

AMENDMENTS AND DEVIATIONS

Article 8

Pursuant to a resolution to that effect, the Board may amend or supplement this policy, subject to ongoing compliance with applicable law and stock exchange requirements.

GOVERNING LAW AND JURISDICTION

Article 9

This policy shall be governed by and shall be construed in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute arising in connection with this policy shall be submitted to the exclusive jurisdiction of the competent court in Luxembourg, Grand Duchy of Luxembourg.

Approved by the Board of Directors of Alvotech S.A. in a meeting on 28 November, 2023.

Exhibit 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

I, Robert Wessman, certify that:

1. I have reviewed this annual report on Form 20-F of Alvotech;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2025

/s/ Robert Wessman
Robert Wessman
Chief Executive Officer

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

I, Joel Morales, certify that:

1. I have reviewed this annual report on Form 20-F of Alvotech;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the period covered by the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2025

/s/ Joel Morales_ _____
Joel Morales
Chief Financial Officer

Exhibit 13.1

Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Robert Wessman, Chief Executive Officer of Alvotech (the "Company"), and Joel Morales, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Annual Report on Form 20-F for the period ended December 31, 2024, to which this Certification is attached as Exhibit 13.1 (the "Annual Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act, and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

In Witness Whereof, the undersigned have set their hands hereto as of the 26 day of March, 2025.

/s/ Robert Wessman /s/ Joel Morales

Robert Wessman Joel Morales

Chief Executive Officer Chief Financial Officer

This certification accompanies the Form 20-F to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Alvotech under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 20-F), irrespective of any general incorporation language contained in such filing.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-266881 on Form S-8 and Registration Statement Nos. 333-266136, 333-273262, 333-275111 and 333-281684 on Form F-3 of our reports dated March 26, 2025, relating to the financial statements of Alvotech and the effectiveness of Alvotech's internal control over financial reporting appearing in this Annual Report on Form 20-F for the year ended December 31, 2024.

[/s/ Deloitte ehf.]

Kópavogur, Iceland

March 26, 2025