



Fortress Biotech

CORPORATE PRESENTATION

November 2019

Forward Looking Statements

This presentation may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. As used below and throughout this presentation, the words “we”, “us” and “our” may refer to Fortress individually or together with one or more partner companies, as dictated by context. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock price. Factors that could cause actual results to differ materially from those currently anticipated include: risks related to our growth strategy; risks relating to the results of research and development activities; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; uncertainties relating to preclinical and clinical testing; our dependence on third party suppliers; our ability to attract, integrate, and retain key personnel; the early stage of products under development; our need for and continued access to additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as may be required by law. The information contained herein is intended to be reviewed in its totality, and any stipulations, conditions or provisos that apply to a given piece of information in one part of this presentation should be read as applying *mutatis mutandis* to every other instance of such information appearing herein.

Fortress Biotech Programs*

Commercial	Late Clinical	Early Clinical	Preclinical
Targadox	Cosibelimab	MB-102	ATVS-001 Gene Therapy
Ximino	MB-107	CK-101	AAV-ATP7A Gene Therapy
Exelderm	CAEL-101	MB-101	Anti-GITR
Ceracade	CUTX-101	MB-106	Anti-CAIX
Luxamend	CEVA-101	MB-103	CK-103
	IV Tramadol	MB-108	CEVA-102
	Triplex	MB-104	ConVax
		MB-105	

Rare Diseases

Vaccines

Pain

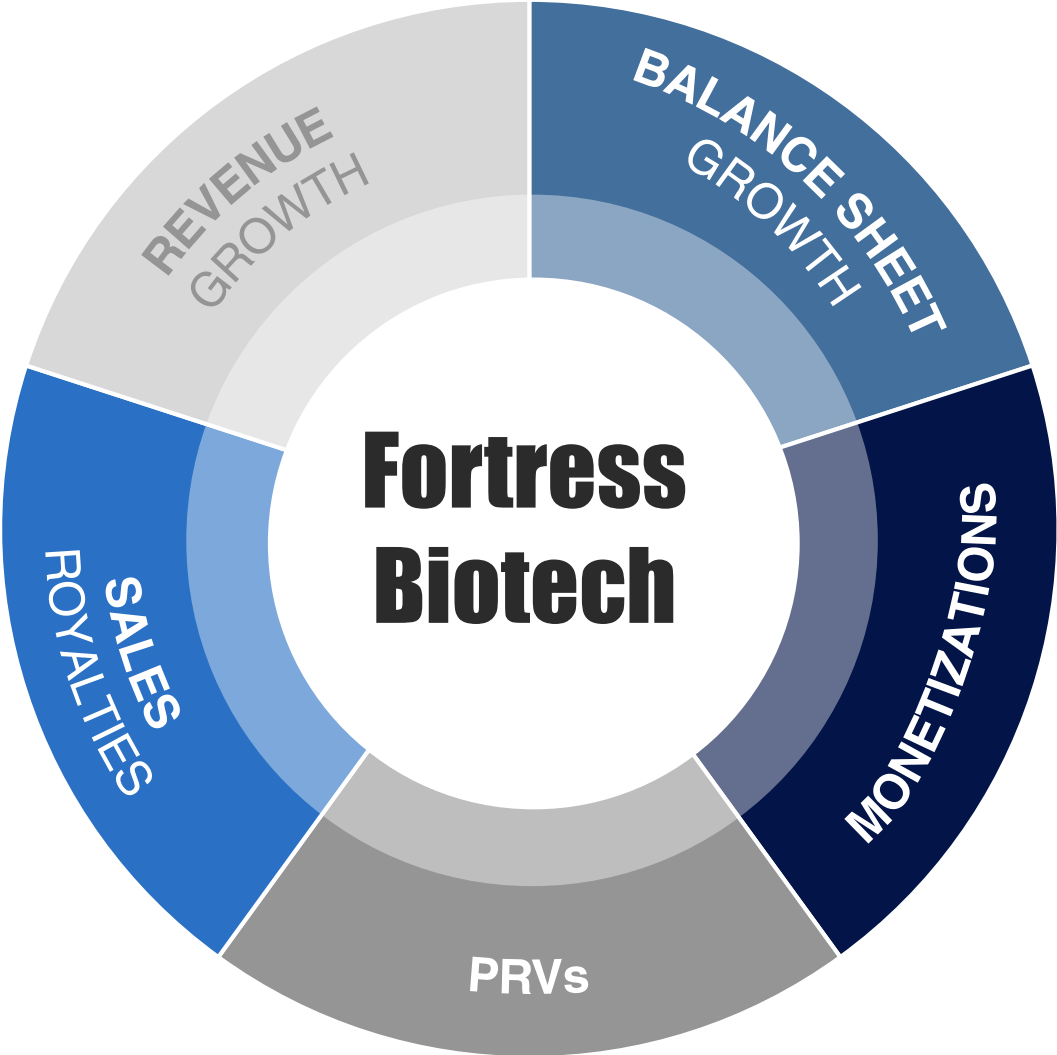
Gene Therapy

Traumatic Brain Injury

Oncology/ Hematology

Dermatology

Generating Shareholder Value



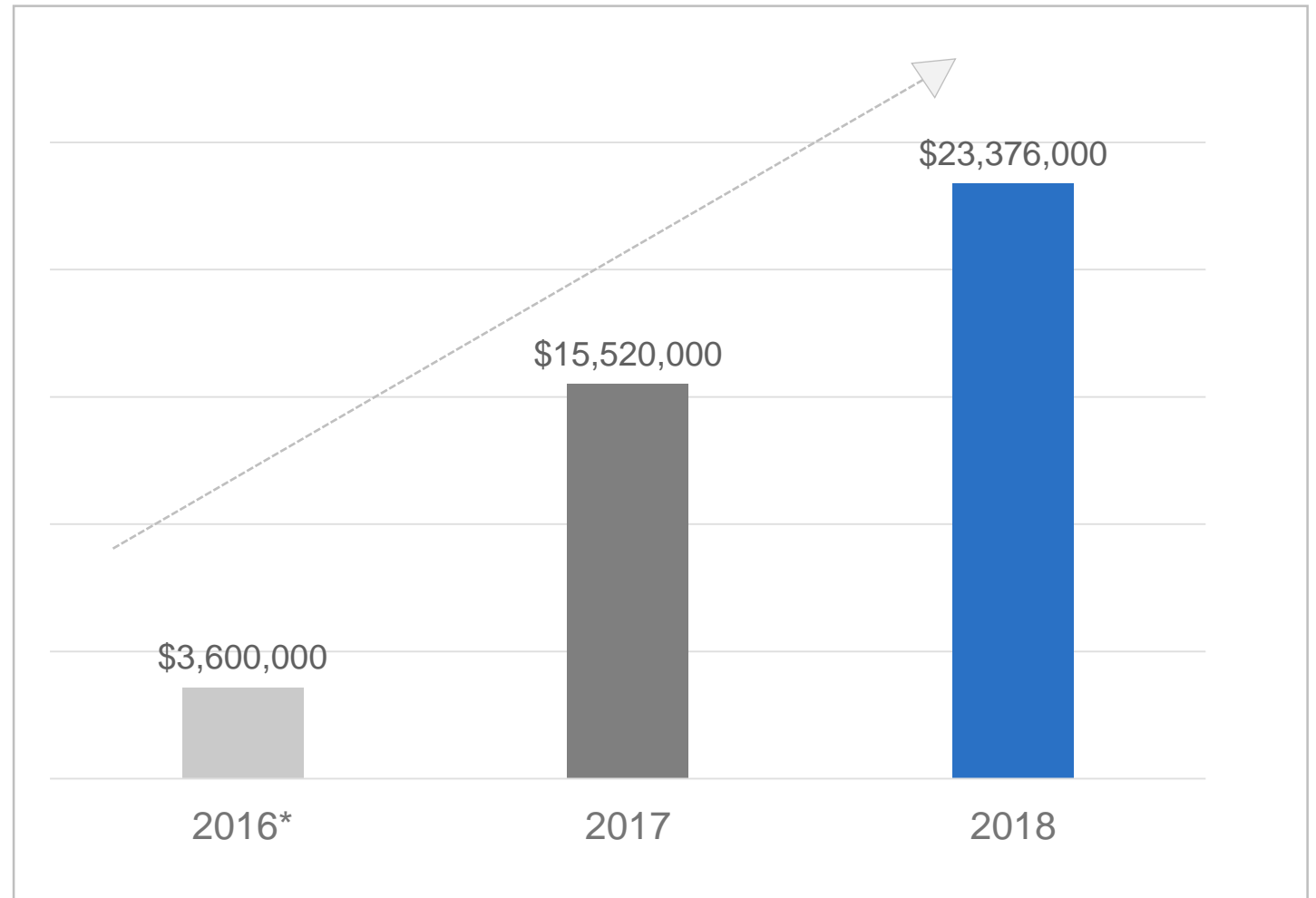
Creating value
in five ways

Dermatology Product Revenue Growth

Expect to in-license 1 to 3 new products in 2019

Reaching >70%

of market via top 5,000
prescribing dermatologists



Strategy

To build a pipeline of both development-stage / commercial-stage assets and leverage the most efficient course to move products forward with our partners.

Identify



Develop



Monetize

How We Do It

Aim to increase the intrinsic value and decrease the overall risk of Fortress

Development Team

- 10+ Business Development Professionals
- 30+ Manufacturing Professionals¹
- 25+ MDs and PhDs¹

Programs

- Current portfolio includes: 5 revenue-generating dermatology products
- 25+ development-stage biotech product candidates¹

Secret Sauce

- De-risked assets
- High value / need
- Low acquisition cost
- Known buyers

Management Profiles

Lindsay Rosenwald, MD

Chairman, President, and CEO



Michael S. Weiss

Co-Vice Chairman of the Board, Strategic Development



Eric K. Rowinsky, MD

Co-Vice Chairman of the Board



Robyn Hunter

Chief Financial Officer



George C. Avgerinos PhD

Senior Vice President, Operations



Near-term Monetization Opportunities



Contingent Acquisition By Cipla

- Upon FDA approval and other conditions¹
- \$180 Million aggregate cash purchase; \$166M net of fees (est. \$13.92/share)¹; *FBIO 29% or eligible to receive ~\$48M of the distribution net of fees*
- Potential additional payments pursuant to Contingent Value Rights; *CVR payout of 10-20% of gross profits*²
- FBIO stands to realize ~\$48M in addition to value of CVRs



Contingent Exclusive Acquisition Option Granted To Alexion (Jan. 2019)

- Alexion purchased minority stock position in Caelum for \$30M, with additional \$30M in funding due upon achievement of development milestones
- Additionally, up to \$500M payable to Caelum shareholders in connection with Alexion option exercise:
 - \$150M - \$200M upfront
 - Up to \$325M in contingent milestone payments
- FBIO owns ~40% of Caelum and is eligible to receive ~43% of upfront and milestone proceeds

Near-term Value Creating Pipeline Assets

Candidate*	Indication	Phase 1	Phase 2	Phase 3	Next Milestone	Partnership % / Royalty†	Potential Peak Sales Revenue^
IV Tramadol	Moderate to moderately severe post-operative pain				File NDA by year-end 2019	29% Avenue** 10-20% CVR Royalty on gross profits****	~\$790M
MB-107 Gene Therapy	XSCID				Initial meeting with FDA 4Q19; Transfer STJ IND to MBIO 1Q20	30% Mustang 4.5% Royalty	~\$200M
CUTX-101 copper histidinate	Menkes disease				File NDA 2021	89% Cyprium 4.5% Royalty	~\$175M
CK-101 Mut.-EGFR Inh.	EGFR+ NSCLC				Initiate Reg. Study 2020	32% Checkpoint 4.5% Royalty	\$300M - \$600M
COSIBELIMAB Anti-PD-L1 mAb	recurrent or metastatic cancers				P1 Reg. Enabling expansion cohorts ongoing; potential to support 1 or more BLA filings	32% Checkpoint 4.5% Royalty	\$300M - \$500M (initial indication CSCC)
CAEL-101 mAb 11-1F4	amyloid light chain amyloidosis				Initiate Phase 2/3 Study 2020	43% Caelum***	

† Estimated as of 6-30-2019

*Includes product candidates in development at Fortress, at its majority-owned and majority-controlled partners and at entities in which it holds minority ownership positions.

**FBIO is eligible to receive ~29% of the proceeds upon the second-stage closing of the InvaGen transaction net of fees, and currently owns 23% of Avenue's issued and outstanding capital stock.

***FBIO is eligible to receive ~43% of the proceeds from an Alexion acquisition option exercise, and currently owns ~40% of Caelum's issued and outstanding capital stock.

****FBIO receives ~1/3 of the CVR Royalty on gross profits

^Based on internal forecasts

Registration-enabling

MB-107*

XSCID “Bubble Boy” Disease



Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Market \$200M / year

Status Registration-enabling Phase 2

Next Steps Initial meeting with FDA, Q4 2019;
Transfer St. Jude IND to MBIO, Q1 2020

Royalty to FBIO 4.5%, with PRV ~\$75M to ~\$110M

- Lentiviral vector gene therapy
- ~1 in 225k newborns per year (U.S.)
- ~400 patients living with XSCID post-transplant in the US and ~650 patients living with XSCID post-transplant in high and mid-income ex-U.S. countries
- RMAT Designation granted by FDA in August 2019
- Published clinical results demonstrate**:
 - Multilineage engraftment of transduced cells
 - Reconstitution of functional T cells and B cells
 - Normalization of NK-cell counts

*Product candidate in development at Mustang Bio, Inc., an entity which was founded by Fortress and in which Fortress still maintains a large ownership position.

**Mamcarz E et al. *N Engl J Med.* 2019; 380: 1525-1534

CUTX-101

Menkes Disease



Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Market	Estimated Peak Sales of \$175M
Status	Phase 3 enrollment complete
Next Steps	File NDA in 2021
Royalty to FBIO	4.5%, with PRV ~\$75M to ~\$110M

- FDA granted Orphan Drug and Fast Track designations
- Would be the first FDA approved therapy in this indication
- Eligible for Rare Pediatric Disease Priority Review Voucher (valuation range ~\$75M to \$110M)

CK-101*

Third-Gen EGFR Inhibitor



Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Market \$6b+ / year

Status Phase 1

Next Data Clinical update expected by YE 2019

Next Steps Initiate registration trial in 2020

Royalty to FBIO 4.5%

- Irreversible inhibitor against selective mutations of EGFR
- Potential to be effective in NSCLC patients with susceptible mutations as a monotherapy or in combination with anti-tumor immune potentiating therapies
- Interim P1 data presented at 2018 World Conference on Lung Cancer
- Potential emerging safety differentiation vs TAGRISSO®

*Product candidate in development at Checkpoint Therapeutics, Inc., an entity which was founded by Fortress and in which Fortress still maintains a large ownership position.

COSIBELIMAB*

Anti-PD-L1



Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Market PD-L1 mAbs: \$40b+ / year

Status Registration-enabling Phase 1

Next Data 2H 2020

Next Steps Complete enrollment in 2020

Royalty to FBIO 4.5%

- Fully human IgG1 monoclonal antibody
- Potential therapy for lung cancer, endometrial cancer, colorectal cancer and cutaneous squamous cell carcinoma
- Potentially differentiated vs marketed PD-(L)1s
- Interim P1 data showed efficacy in multiple tumor types w/ well tolerated safety profile
- Enrolling cohorts intended to support potential BLA submissions
- Exploring possible partnerships and collaborations

IV Tramadol*

Post-operative pain management

Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Market Estimated Peak Sales of \$790M**

Status Announced Positive Topline Data from 2nd Pivotal Phase 3 Trial

Next Steps File NDA by year-end 2019

Royalty to FBIO CVRs worth 10-20% of gross profits**

*Product candidate in development at Avenue Therapeutics, Inc., an entity which was founded by Fortress and in which Fortress still maintains a large minority ownership position

**Based on internal forecasts Fortress to receive ~1/3 of CVR royalty

- Uniquely positioned to address need for new post-operative pain therapies amid opioid crisis
- Potential to replace conventional narcotics in wide range of patients
- Two-stage acquisition agreement with Cipla minimizes dilution and provides substantial upside to shareholders; First stage closed in February 2019
- Strong IP position on proprietary dosing regimen expected to protect exclusivity in the U.S. until 2036

CAEL-101*

AL Amyloidosis



Fortress Biotech Near-Term Value Creating Pipeline Assets

Est. Patient Population

30k to 45k patients in U.S. and EU

Status

Phase 1 Complete

Next Data

2021

Next Steps

Phase 2/3 study initiation 2020

- Granted Orphan Drug designation
- No FDA, EMEA, or PMDA approved therapies in this indication
- ~30k - 45k patients in U.S. and EU
- ~4.5k newly-diagnosed patients (U.S.) per year
- Potentially understated market size given AL Amyloidosis often misdiagnosed

*Product candidate in development at Caelum Biosciences, Inc., an entity which was founded by Fortress and in which Fortress still maintains a large minority ownership position.

Top-tier Academic & Commercial Partners



Potential Near-term Value-Creating Events for FBIO Shareholders

IV Tramadol¹ & Cipla

- FBIO eligible to receive up to \$48M in contingent acquisition of Avenue
- CVR Payout of 10-20% of gross profits²
- NDA Filing anticipated by year-end 2019

CAEL-101¹ & Alexion

- Eligible to receive 43% of up to \$500M (upfront and sales milestones) in event of Alexion exercise of contingent option
- Initiate pivotal trial in 1H20

Journey Medical

- Generated \$23.5M in net revenue in 2018, \$5.5M in cash
- Generated \$14.3M in net revenue in the first half of 2019
- Expected to in-license 1 to 3 new products in 2019

MB-107¹

- Initial meeting with FDA Q4 2019
- IND transfer from St. Jude to MBIO expected Q1 2020

Cosibelimab and CK-101¹

- Complete enrollment in cosibelimab registration-enabling expansion cohorts 2020
- CK-101 data read out, Initiate global registration study for treatment of lung cancer

PRVs (Priority Review Vouchers)

- Filing for 3 PRVs anticipated (CUTX-101, MB-107 and CEVA-101)¹
- Data over last 24 months suggests these PRVs may be worth ~\$75M to ~\$110M, each

FORTRESS BIOTECH

Financial Snapshot

NASDAQ

FBIO

Shares outstanding as of 9/30/19:

70,335,534

Market Cap as of 10/31/19:

~\$99.2 million

Consolidated cash as of 9/30/19:

\$156.0 million¹

FBIO standalone cash as of 09/30/19:

\$55.9 million²

Value of FBIO ownership of public partner companies as of 10/31/19:

~\$77.7 million³

¹ Consolidated cash, cash equivalents, short-term investments (certificates of deposit) and restricted cash

² Fortress' cash, cash equivalents, short-term investments (certificates of deposit) and restricted cash (excludes public partner companies)

³ Approximate value of Fortress' holdings in ATXI, CKPT and MBIO

