

ENZON PHARMACEUTICALS INC

Form 425

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Filed by Enzon Pharmaceuticals, Inc.  
Subject Company: Enzon Pharmaceuticals, Inc.  
NPS Pharmaceuticals, Inc.  
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The following materials were distributed by Enzon Pharmaceuticals, Inc. ("Enzon") to attendees of the CIBC World Markets 1st Annual Convertible Conference held on May 29, 2003, in New York, New York to discuss the proposed business combination between Enzon and NPS Pharmaceuticals, Inc.

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## Safe Harbor

### Cautionary Statement For The Purpose Of The Safe Harbor Provisions Of The Private Securities Litigation Reform Act Of 1995

This presentation contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The forward-looking statements contained in this presentation include statements about future financial and operating results and the proposed NPS/Enzon merger. These statements are not guarantees of future performance, involve certain risks, uncertainties and assumptions that are difficult to predict, and are based upon assumptions as to future events that may not prove accurate. Therefore, actual outcomes and results may differ materially from what is expressed herein. For example, if either of the companies do not receive required stockholder or governmental approvals or fail to satisfy other conditions to closing, the transaction will not be consummated. In any forward-looking statement in which NPS or Enzon expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the statement or expectation or belief will result or be achieved or accomplished. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the risk that the NPS and Enzon businesses will not be integrated successfully; costs related to the proposed merger, failure of the NPS or Enzon stockholders to approve the proposed merger; and other economic, business, competitive and/or regulatory factors affecting NPS' and Enzon's businesses generally as set forth in NPS' and Enzon's filings with the SEC, including their Annual Reports on Form 10-K for their respective most recent fiscal years, especially in the Management's Discussion and Analysis section, their most recent Quarterly Reports on Form 10-Q and their Current Reports on Form 8-K. NPS and Enzon are under no obligation to (and expressly disclaim any such obligation to) update or alter their forward-looking statements whether as a result of new information, future events or otherwise.

## Safe Harbor continued

### Additional Information And Where To Find It

In connection with the proposed NPS/Enzon merger, NPS, Enzon and Momentum Merger Corporation (which will be renamed by NPS and Enzon in connection with the proposed merger) have filed a joint proxy statement/prospectus with the Securities and Exchange Commission (the "SEC") in connection with the proposed merger. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS BECAUSE IT CONTAINS IMPORTANT INFORMATION ABOUT THE TRANSACTION. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus (when it is available) and other documents filed by NPS and Enzon with the SEC at the SEC's web site at [www.sec.gov](http://www.sec.gov) or by contacting NPS at 801-583-4939 and through NPS's website at [www.npsp.com](http://www.npsp.com), or by contacting Enzon at 908-541-8678 and through Enzon's website at [www.enzon.com](http://www.enzon.com).

NPS and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of NPS and Enzon in connection with the transaction described herein. Information regarding the special interests of these directors and executive officers in the transaction described is included in the joint proxy statement/prospectus described above. Additional information regarding these directors and executive officers is also included in NPS's proxy statement for its 2002 Annual Meeting of Stockholders, which was filed with the SEC on or about April 19, 2002. This document is available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) or by contacting NPS at 801-583-4939 and through NPS's website at [www.npsp.com](http://www.npsp.com)

Enzon and its directors and executive officers also may be deemed to be participants in the solicitation of proxies from the stockholders of Enzon and NPS in connection with the proposed merger transaction. Information regarding the special interests of these directors and executive officers in the transaction is included in the joint proxy statement/prospectus described above. Additional information regarding these directors and executive officers is also included in Enzon's proxy statement for its 2002 Annual Meeting of Stockholders, which was filed with the SEC on or about October 28, 2002. This document is available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) or by contacting Enzon at 908-541-8678.

## Our Mutual Goal

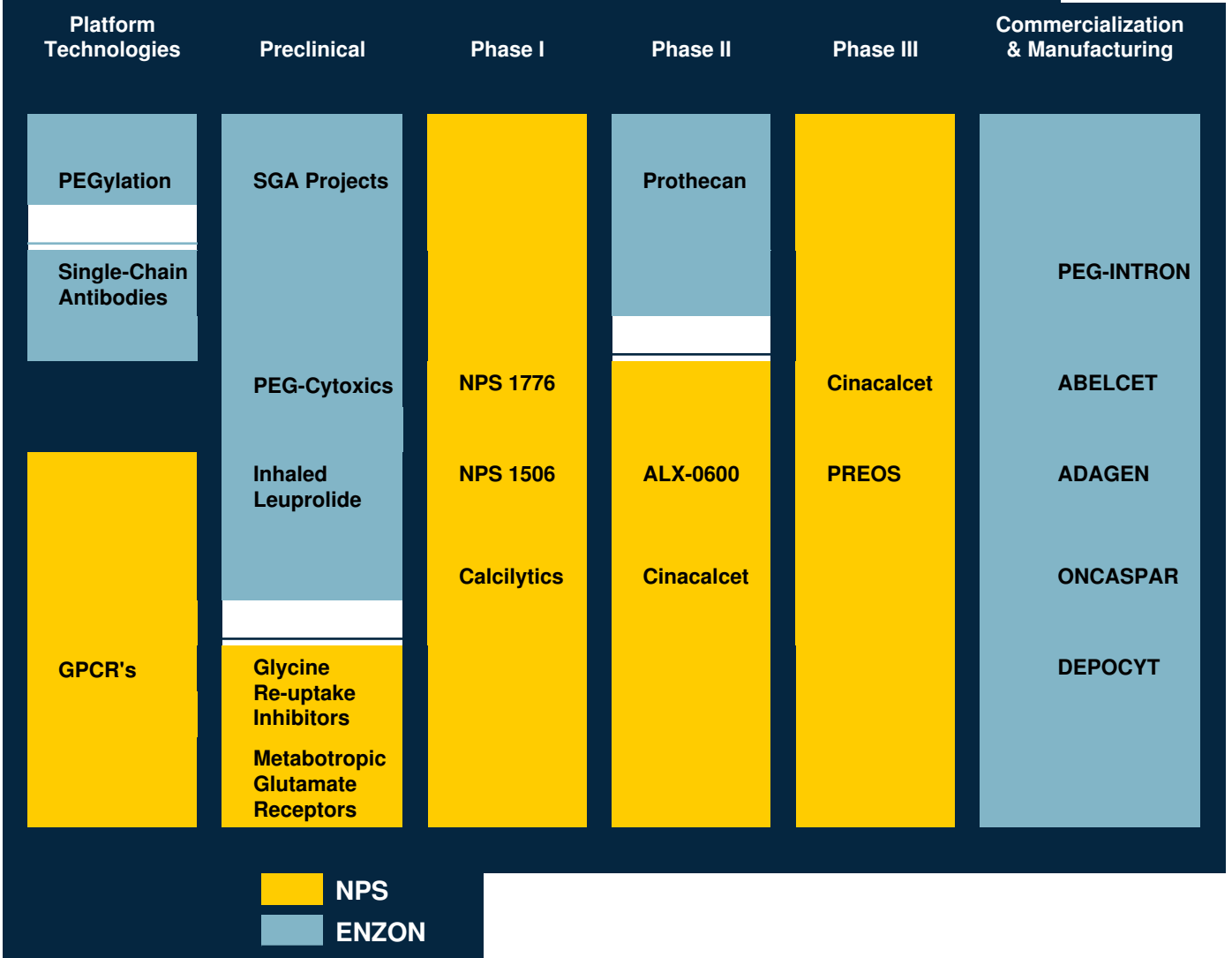
### **To Build a Sustainable Top-Tier Biotech Based On:**

A deep, diversified and sustainable pipeline

A clearly defined pathway to profitability

A fully integrated infrastructure and stable financial position

# A Fully Integrated Biotechnology Leader



## Synergies Expand and Accelerate Value Creation

### Expand pipeline development

e.g., CNS product opportunities

### Accelerate program development

e.g., ALX-0600 for multiple indications

### Leverage financial strength and commercial capacity

e.g., in-license products and technologies, and optimize PREOS partnership



## Transaction Specifics

### Summary

Stock for stock exchange

Timing

Joint proxy filed in March

Expected shareholder vote in July\*

### New Company Structure:

Hunter Jackson, Executive Chairman of the Board

Arthur Higgins, Chief Executive Officer

Board Split: 6 from NPS, 4 from Enzon

Management drawn from both companies

\*Subject to stockholder and regulatory approvals and other customary closing conditions

# The New Entity

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## The Merger Creates a Top-Tier Biotech

Management with a proven record of building businesses

Drug discovery and development expertise

Manufacturing capacity and experience

Commercial infrastructure

Strong, dependable revenues

## Post Merger Strengths

### Fully integrated:

From drug discovery through manufacturing and commercialization

### Innovative and robust pipeline:

~\$150M R&D budget \*

Phase III: 2 programs

Phase II: 3 programs

>10 early stage programs

Multiple platform technologies

\*Based upon 2003 pro-forma financials

## Post Merger Strengths

### Solid financial infrastructure:\*

Revenue of ~\$170-180M from 5 marketed products

>\$300 million cash (at closing)

Solid cash flow

### Significant partnerships validate R&D strengths:

Amgen

Janssen

MicroMet

AstraZeneca

Kirin

Nektar

GSK

Schering-  
Plough

SkyePharma

\*Based upon 2003 pro-forma financials

## Post-Merger Metrics

### Comparable Company Analysis<sup>(a)</sup>

Company	Market Value	2003 Est.		Products	
		Revenue	R&D	Marketed	Phase III
Millennium	\$2,152.2	\$402.5	\$496.5	2	--
Celgene	\$1,942.9	\$171.0	\$ 89.8	1	1
Amylin	\$1,334.2	\$ 49.4	\$111.8	0	1
Neurocrine	\$1,297.1	\$ 92.0	\$110.5	0	1
ICOS	\$1,055.7	\$105.5	\$157.5	1	1
<b>Enzon/NPS</b>		<b>~\$175.0</b>	<b>&gt;\$150.0</b>	<b>5</b>	<b>2</b>

*(a) Projected Financial Information as per Wall Street equity research and calendarized to reflect 12/31 year end*

# Pipeline, Products & Technologies

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## Product Pipeline & Marketed Products

Product	Preclinical/ Research	Phase I	Phase II	Phase III	Marketed	Partner
PEG-INTRON						Schering-Plough
ABELCET						Proprietary
ADAGEN						Proprietary
ONCASPAR						Proprietary
DEPOCYT						Proprietary
Cinacalcet HCl						Amgen/Kirin
PREOS						Proprietary
PROTHECAN						Proprietary
ALX-0600						Proprietary
Cinacalcet HCl						Amgen/Kirin
NPS 1776						Proprietary
NPS 1506						Proprietary
Calcilytics						GSK
PEG-Cytotoxics						Proprietary
Gly-T Inhibitors						Janssen
mGluRs						AstraZeneca
SCA□s						Micromet
Inhaled Leuprolide						Nektar

= Enzon

= NPS



## 5 Marketed Products

PEG-INTRON<sup>®</sup>

ABELCET<sup>®</sup>

ONCASPAR<sup>®</sup>

DEPOCYT<sup>®</sup>

ADAGEN<sup>®</sup>

## PEG-INTRON

HCV □ an under-treated epidemic

Est. 4 Million U.S./4 Million EU

Re-treatment patients

~200,000 patients

Maintenance therapy

CO-PILOT study ongoing

Geographic & indication  
expansion

Japan □ Est. 2 million infected

Oncology/HIV

## PEG-INTRON: A Strong Revenue Base

U.S. Prescription data supports strong demand

Roche's entry has expanded the market

Japan represents significant upside beginning in 2005

Solid intellectual property position

Potential for price increases and expanded indications

Market leader and formulation of choice

Amphotericin B lipid complex with reduced nephrotoxicity

Focused on market expansion through 3-step strategy:

- Reinforce product attributes through existing and new clinical data

- Maximize pricing flexibility

- Sales force execution

ABELCET compares favorably across all classes

## Additional Marketed Products

### ONCASPAR (pegylated asparaginase)

Indicated for acute lymphoblastic leukemia

Stable sales growth

### DEPOCYT (cytarabine liposome injection)

Treatment of neoplastic meningitis

Significant growth potential

### ADAGEN (pegylated bovine ADA)

ADA deficient SCIDS (Bubble Boy Disease)

Lifetime therapy for limited population

## 2 Phase III Clinical Products

PREOS

Cinacalcet HCl

**PREOS**  
**(Intact Human Parathyroid  
Hormone)**

Stimulates natural bone  
growth, with potential for:

- Stronger, healthier bones
- A lower risk of fracture

Recent PaTH data support  
Phase II results and  
possible PREOS and  
bisphosphonate  
combination

## PREOS

Expect to compete in a large and growing market

Pivotal Phase III study to be completed in  
September 2003

FDA submission targeted for mid-2004

Launch anticipated by late 2005

Combined company more able to aggressively  
execute development program and negotiate an  
optimal partnership



## Cinacalcet HCl

Novel treatment for  
hyperparathyroidism (HPT)

Market opportunity (U.S.)

Primary HPT  
500,000 patients

Secondary HPT  
280,000 dialysis patients

Secondary HPT  
800,000 predialysis patients

## Cinacalcet HCl

Phase III clinical endpoints have been met

Amgen confirms 2H 03 NDA filing

First-in-class molecule in a growing market

Potential for significant royalty stream

## Product Pipeline & Marketed Products

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ADAGEN						Proprietary
ONCASPAR						Proprietary
DEPOCYT						Proprietary
Cinacalcet HCl						Amgen/Kirin
PREOS						Proprietary
PROTHECAN						Proprietary
ALX-0600						Proprietary
Cinacalcet HCl						Amgen/Kirin
NPS 1776						Proprietary
NPS 1506						Proprietary
Calcilytics						GSK
PEG-Cytotoxics						Proprietary
Gly-T Inhibitors						Janssen
mGluRs						AstraZeneca
SCA□s						Micromet
Inhaled Leuprolide						Nektar

= Enzon

= NPS

# Operational Overview

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## Combined Management Team Includes:

**Hunter Jackson, Ph.D. (NPS)**

Executive Chairman

**Arthur J. Higgins (Enzon)**

President and Chief Executive Officer

**Kenneth J. Zuerblis (Enzon)**

Executive Vice President, Finance, Chief Financial Officer and Secretary

**Ulrich Grau, Ph.D. (Enzon)**

Executive Vice President and President of Research and Development

**David L. Clark (NPS)**

Executive Vice President, Corporate Communications and Investor Relations

**Thomas B. Marriott, Ph.D. (NPS)**

Executive Vice President, Development

## Locations

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## Selected Pro-Forma Financials

### Pro-Forma Operating Summary

*(US\$ in millions)*

Year Ending December 31,  
2002

Pro Forma 2002

#### Product Revenues:

Sales	\$ 31.5
Royalties	\$ <u>82.6</u>
	\$ 114.1 *

\*(Current estimated 2003 revenues ~\$170-\$180M)

#### Expenses:

SG&A	\$ 48.0
R&D	\$ 102.0

**Long-Term Convertible Debt** \$ 400.0

**Ending Cash Balance** \$ 380.0

## Expected Milestones and News Flow


**Type**

2003

2004

Clinical Data	Phase III Cinacalcet HCl data in secondary HPT
Regulatory	File Cinacalcet HCl NDA
Clinical Data	PREOS 2-year rat toxicology study data
Clinical Data	PREOS TOP Study completed
Clinical Data	Phase IIa results from PROTHECAN
Clinical Data	Initiate additional PII/III ALX-0600 (SBS)
Market Data	HCV maintenance studies
Regulatory	File PREOS NDA
Regulatory	Prothecan Phase III program
Clinical Data	Cinacalcet HCl approval

 = NPS

 = Enzon



## Synergies Expand and Accelerate Value Creation

### Expand pipeline development

e.g., CNS product opportunities

### Accelerate program development

e.g., ALX-0600 for multiple indications

### Leverage financial strength and commercial capacity

e.g., in-license products and technologies, and optimize PREOS partnership

## 2007 Where We're Going

Strong revenues to sustain and support a strong, balanced clinical pipeline

R&D budget > \$180M

EBITDA > \$100M

Industry leading growth rate

