

MEDIA RELEASE

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Sandoz strengthens its balance sheet by issuing new bonds to repay spin-off term loans, and signs new USD 2 billion revolving credit facility

- New USD 2.0 billion multi-currency revolving credit facility (RCF) in place to further strengthen Sandoz balance sheet and liquidity
- New facility replaces initial and unutilized USD 1.25 billion RCF, in place since spin-off in 2023
- Dual-tranche CHF 400m and single-tranche EUR 500 million bonds issued
- Proceeds used to fully repay USD 750 million equivalent in USD and EUR term loans and extend debt maturities to 2035, while reducing overall interest expenses

Basel, March 31, 2025 – Sandoz (SIX:SDZ/OTCQX:SDZNY), the global leader in generic and biosimilar medicines, today announced that it has fully repaid USD 750 million equivalent in USD and EUR term loans that were put in place in September 2023, just before the spin-off from its former parent.

The term loan repayment was fully funded from the proceeds of three successful bond transactions earlier this month:

- On March 13, Sandoz issued a three-year CHF 165 million and an eight-year CHF 235 million bond, with attractive annual coupons of 1.25% and 1.75%, respectively
- On March 17, Sandoz issued a single-tranche EUR 500 million bond with a tenor of 10 years and an annual coupon of 4.0%
- All transactions were well received, with a six-times oversubscription of the final orderbook on the EUR tranche; this was the largest oversubscription rate achieved by Sandoz for a single tranche

Remco Steenberg, CFO of Sandoz, said: “These successful transactions and the new RCF will further strengthen our balance sheet, giving us significant financial leeway going forward. We have built a robust maturity profile and substantially reduced our financing costs since independence.”

With these latest transactions, the Sandoz annual interest rate on gross debt is expected to be reduced to below 4%. After repayment of the existing term loans and the new bonds in place, the Sandoz debt-maturity profile has been extended to 2035, with an average maturity of around 5.5 years.

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A new multi-currency RCF of USD 2 billion further strengthens the Sandoz balance sheet. This new facility has a five-year maturity, with an option to extend twice by another year. This replaces the unutilized USD 1.25 billion RCF put in place in 2023.

The transactions were supported by a core banking group to Sandoz including Bank of America, BNP Paribas, Citi, Deutsche Bank, HSBC, Mizuho, SEB, Societe Generale and UBS.

Sandoz aims to consistently maintain an investment grade credit rating and is rated Baa2 (stable outlook) by Moody's and BBB (stable outlook) by S&P.

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ABOUT SANDOZ

Sandoz (SIX: SDZ; OTCQX: SDZNY) is the global leader in generic and biosimilar medicines, with a growth strategy driven by its Purpose: pioneering access for patients. More than 20,000 people of 100 nationalities work together to ensure 900 million patient treatments are provided by Sandoz, generating substantial global healthcare savings and an even larger social impact. Its leading portfolio of approximately 1,300 products addresses diseases from the common cold to cancer. Headquartered in Basel, Switzerland, Sandoz traces its heritage back to 1886. Its history of breakthroughs includes Calcium Sandoz in 1929, the world's first oral penicillin in 1951, and the world's first biosimilar in 2006. In 2024, Sandoz recorded net sales of USD 10.4 billion.

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