

MEDIA & INVESTOR RELEASE

Sandoz signs Memorandum of Understanding to build new biologics production plant in Slovenia, to support increasing global demand for biosimilar medicines

- *Sandoz investment expected to be at least USD 400m – MOU signed today in Ljubljana at ceremony led by Slovenian Prime Minister and Sandoz CEO*
- *New project underpins Sandoz ambition to drive future growth of biosimilars, addressing increasing global demand*
- *One of largest-ever international private-sector investments in Slovenia, reinforces extensive Europe-wide Sandoz production network*

Basel, March 9, 2023 – Sandoz, a global leader in generic and biosimilar medicines, today signed a Memorandum of Understanding (MOU) to build a new biologics production plant in Lendava, Slovenia.

The Sandoz investment is expected to be at least USD 400 million, supporting the company's ambition to drive the future growth of its global biosimilars portfolio. This represents one of the largest-ever international private-sector investments in Slovenia.

Speaking at the signing ceremony, Dr Robert Golob, Prime Minister of the Republic of Slovenia, said: "I am particularly pleased that this is an investment by a long-term strategic investor, a socially responsible and sustainable company, which is already one of the largest and most respected employers in Slovenia. With such investments, we are well on our way to a highly productive, competitive and green economy."

Sandoz CEO Richard Saynor said: "Biosimilar medicines increase access to cutting-edge biologic therapies for the patients who need them most. At Sandoz, we are determined to continue leading the way on driving access to these critical medicines. This investment underscores our ambition to be the sustainable global leader in biosimilars, a segment projected to grow double-digit annually over the next decade."

Glenn Gerecke, Global Head of Sandoz Technical Operations, added: "This state-of-the-art site will be a major new jewel in the Sandoz crown, enabling us to meet growing demand for our current and future biosimilars in the mid- to long-term. The location offers us a strong combination of political stability, proximity to our existing European-based production and commercial operations, and competitive costs."

Work on the new plant is set to begin this year, with full operations provisionally planned for late 2026.

Sandoz also recently announced an additional EUR 50 million investment to expand its European-based antibiotics production network, bringing the total new investment commitment to the network in the past few years to EUR 250 million. Anti-infectives (primarily antibiotics) is the second largest Sandoz business after Biopharmaceuticals, and both have their roots in the company's unique 75-year history of developing fermentation-based production technologies.

Sandoz is a pioneer and market leader in biosimilars and the leading global producer of generic antibiotics. The company is committed to building on its leadership role in these two critical and growing segments of the off-patent medicines market.

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About Sandoz

Sandoz, a Novartis division, is a global leader in generic pharmaceuticals and biosimilars. Our purpose is to pioneer access for patients by developing and commercializing novel, affordable approaches that address unmet medical needs. Our ambition is to be the world's leading and most valued generics company. Our broad portfolio of high-quality medicines, covering major therapeutic areas, accounted for 2022 sales of USD 9.2 billion.

Sandoz on social media:

LinkedIn: <https://www.linkedin.com/company/sandoz>

Twitter: https://twitter.com/sandoz_global

Facebook: <https://www.facebook.com/sandozglobal/>

Instagram: <https://www.instagram.com/sandozglobal>

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