

MEDIA RELEASE

Sandoz further asserts leadership in biosimilars, breaking ground on new Slovenia facility to expand European biosimilar hub and global market reach

- Investment marks latest step in strategic plan to capture significant part of unprecedented biosimilar patent-expiry market opportunity of USD 222 billion over next 10 years
- Ongoing investment in in-house manufacturing to create end-to-end leading European biosimilar hub, capital expenditure commitments remain unchanged
- Most recent USD 440 million investment in new production plant in Brnik, due to open in 2028, brings total planned investment in Slovenia to more than USD 1.1 billion by 2029

Basel, July 1, 2025 – Sandoz (SIX:SDZ/OTCQX:SDZNY), the global leader in generic and biosimilar medicines, today announced the start of construction for a new, state-of-the-art biosimilars production center for sterile product manufacturing in Brnik, Slovenia. This USD 440 million project brings the company's total planned and ongoing investment in Slovenia to more than USD 1.1 billion by 2029. It complements ongoing investments in Slovenia, namely a new biosimilar drug substance production center in Lendava and a biosimilar development center in Ljubljana.

The construction start on the new plant marks the latest development in the company's strategic plan to capture a significant part of an unprecedented market opportunity, with the value of biosimilar patent expiries expected to reach USD 222 billion^[1] over the next 10 years. The ongoing investments in in-house capabilities to establish a fully integrated European biosimilar hub are in line with the existing capital expenditure (CapEx) commitments related to Sandoz operations in Slovenia.

Richard Saynor, Chief Executive Officer of Sandoz, said: "Biosimilars is the fastest-growing segment of our pipeline as the need of patients and healthcare systems for these critical medicines continues to grow rapidly. As the global leader in the field, we are investing to meet rapidly growing patient demand. With a commitment of over USD 1.1 billion, we are proud to significantly expand our biosimilar manufacturing capacity in Europe as Slovenia's largest direct foreign investor. This is another major step that will position Sandoz uniquely to capitalize on the unprecedented biosimilars market opportunity of the next decade."

Glenn Gerecke, Chief Manufacturing and Supply Officer at Sandoz, said: "Our investment in biomanufacturing in the heart of Europe marks another important milestone in building our own independent manufacturing network – one that enhances our control, resilience and agility across the global supply chain. We recognize the strategic value Slovenia brings for us as a company: a highly skilled talent pool in natural sciences and engineering; a central location with world-class logistics infrastructure; cost-competitive production; and a stable, innovation-driven environment closely connected to academia and research."

As the global pioneer and leader in biosimilars, with 11 marketed molecules and an industry-leading pipeline of 28 molecules, Sandoz is uniquely placed to seize this opportunity and play a leading role in ensuring continued patient access to these critical medicines. The new high-tech facility in Brnik will focus on the

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production of injectable products for both the existing and upcoming portfolio of biosimilars. It will include preparation, filling, assembly and packaging of sterile injectable products, along with laboratories for quality control. Designed with the latest technology, the site will enhance the company's ability to deliver high-quality, affordable biosimilars to patients worldwide.

Biosimilars are instrumental to ensuring and expanding patient access to biologic medicines and are indispensable for the long-term sustainability of healthcare systems. They contribute to competitiveness, support the supply of essential medicines and fuel innovation while offering more affordable treatment options. The growth of biosimilars is central to the Sandoz strategic roadmap.

Pictures

Please find here the download link to the image material:

<https://www.lek.si/en/media/multimedia-library/new-bioinjectables-production-center-slovenia/>

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REFERENCES

[1] Includes LoE in the period from 2024 to 2035 in major markets (US and EU); LoE dates based on IP databases; originator sales data at LoE-1 from internal analysis and Evaluate Pharma (download Nov 2024)

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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