

MEDIA RELEASE • COMMUNIQUE AUX MEDIAS • MEDIENMITTEILUNG

Alcon to Acquire EYSUVIS Adding to Its Ophthalmic Eye Drop Portfolio

- **Expands ophthalmic eye drop portfolio leveraging market access expertise and newly created US ophthalmic eye drop sales force**
- **EYSUVIS complements Systane Preservative-Free by expanding treatment options for dry eye**

GENEVA, May 23, 2022 – Alcon (SIX/NYSE: ALC), the global leader in eye care dedicated to helping people see brilliantly, today announced it has signed an agreement to acquire EYSUVIS® (*loteprednol etabonate suspension*) 0.25% pharmaceutical eye drops from Kala Pharmaceuticals, Inc.

The acquisition will complement Alcon's existing portfolio in the large and fast-growing dry eye category. EYSUVIS will complement the Systane® family of eye drops which includes the recently launched Systane Preservative-Free formulations now available in a convenient, multi-dose bottle. While the Systane family is used for ongoing management of dry eye symptoms, EYSUVIS will provide Eye Care Professionals (ECPs) with an option for short-term treatment to mitigate dry eye disease.

Over 30 million people in the United States suffer from dry eye.¹ Alcon research shows that about 20-25% of dry eye patients experience acute episodes of dry eye on average twice per year.² EYSUVIS, a corticosteroid, may be prescribed by ECPs during these episodes of acute dry eye.

EYSUVIS was approved by the U.S. Food & Drug Administration in January 2021 as the first-and-only corticosteroid indicated for up to two weeks of treatment of the signs and symptoms of dry eye disease. The prescription therapy utilizes a proprietary drug delivery technology known as AMPPLIFY® to enhance penetration of loteprednol etabonate into targeted tissue on the ocular surface, helping to prevent flares associated with dry eye disease.

"We will be pleased to add EYSUVIS to our growing pharmaceutical portfolio," said Sergio Duplan, President, North America at Alcon. "EYSUVIS is a natural fit for our newly formed ophthalmic eye drop sales force in the United States. With our strong expertise in market access and commercial execution, we are well-positioned to build the market for acute dry eye treatment."

As part of the agreement, Alcon will also acquire INVELTYS® (*loteprednol etabonate suspension*) 1%, the only corticosteroid for twice-a-day treatment of post-operative inflammation and pain following ocular surgery.

Under terms of the agreement, Alcon will pay \$60 million in upfront consideration to Kala Pharmaceuticals, Inc. Alcon may be required to make additional contingent payments upon

achievement of certain commercial milestones. The transaction is anticipated to close in Q3 2022, subject to customary closing conditions, including regulatory approval. Revenues for EYSUVIS and INVELTYS for full-year 2021 were \$6.3 million and \$4.9 million, respectively. Alcon's full year 2022 guidance is unchanged as a result of the transaction.

Product Information for EYSUVIS

For full prescribing information, including approved indications and important safety information about marketed products, please visit <https://www.eyсуvis-ecp.com/pdf/prescribing-information.pdf>

Product Information for INVELTYS

For full prescribing information, including approved indications and important safety information about marketed products, please visit <https://www.inveltys.com/pdf/inveltys-prescribing-information.pdf>

Forward-looking Statements

This press release contains, and our officers and representatives may from time to time make, certain "forward-looking statements" within the meaning of the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipate," "intend," "commitment," "look forward," "maintain," "plan," "goal," "seek," "target," "assume," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our liquidity, revenue, gross margin, operating margin, effective tax rate, foreign currency exchange movements, earnings per share, our plans and decisions relating to various capital expenditures, capital allocation priorities and other discretionary items, market growth assumptions, and generally, our expectations concerning our future performance and the effects of the COVID-19 pandemic on our businesses.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties and risks that are difficult to predict such as: cybersecurity breaches or other disruptions of our information technology systems; compliance with data privacy, identity protection and information security laws; our ability to comply with the US Foreign Corrupt Practices Act of 1977 and other applicable anti-corruption laws, particularly given that we have entered into a three-year Deferred Prosecution Agreement with the U.S. Department of Justice; our success in completing and integrating strategic acquisitions; the impact of a disruption in our global supply chain or important facilities; the effect of the COVID-19 pandemic as well as other viral or disease outbreaks; global and regional economic, financial, legal, tax, political and social change; Russia's invasion of Ukraine and the resulting global response; the commercial success of our products and our ability to maintain and strengthen our position in our markets; the success of our research and development efforts, including our ability to innovate to compete effectively; pricing pressure from changes in third party payor coverage and reimbursement methodologies; ongoing industry consolidation; our ability to properly educate and train healthcare providers on our products; the impact of unauthorized importation of our products from countries with lower prices to countries with higher prices; our reliance on outsourcing key business functions; changes in inventory levels or buying patterns of our customers; our ability to attract and retain qualified personnel; our ability to service our debt obligations; the need for additional financing through the issuance of debt or equity; our ability to protect our intellectual property; the effects of litigation, including product liability lawsuits and governmental investigations; our ability to comply with all laws to which we may be subject; effect

of product recalls or voluntary market withdrawals; the implementation of our enterprise resource planning system; the accuracy of our accounting estimates and assumptions, including pension and other post-employment benefit plan obligations and the carrying value of intangible assets; the ability to obtain regulatory clearance and approval of our products as well as compliance with any post-approval obligations, including quality control of our manufacturing; legislative, tax and regulatory reform; the ability of Alcon Pharmaceuticals Ltd. to comply with its investment tax incentive agreement with the Swiss State Secretariat for Economic Affairs in Switzerland and the Canton of Fribourg, Switzerland; our ability to manage environmental, social and governance matters to the satisfaction of our many stakeholders, some of which may have competing interests; the impact of being listed on two stock exchanges; the ability to declare and pay dividends; the different rights afforded to our shareholders as a Swiss corporation compared to a U.S. corporation; and the effect of maintaining or losing our foreign private issuer status under U.S. securities laws.

Additional factors are discussed in our filings with the United States Securities and Exchange Commission, including our Form 20-F. Should one or more of these uncertainties or risks materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements in this press release speak only as of the date of its filing, and we assume no obligation to update forward-looking statements as a result of new information, future events or otherwise.

About Alcon

Alcon helps people see brilliantly. As the global leader in eye care with a heritage spanning over 75 years, we offer the broadest portfolio of products to enhance sight and improve people's lives. Our Surgical and Vision Care products touch the lives of more than 260 million people in over 140 countries each year living with conditions like cataracts, glaucoma, retinal diseases and refractive errors. Our more than 24,000 associates are enhancing the quality of life through innovative products, partnerships with Eye Care Professionals and programs that advance access to quality eye care. Learn more at www.alcon.com.

References

1. Tear Film and Ocular Surface Society (TFOS). TFOS DEWS II. Available at http://www.tearfilm.org/detreports-tfos_dew_ii_reprot/32_30/eng/
2. Alcon Data on File, 2022

Connect with us on



Investor Relations

Dan Cravens
+ 41 589 112 110 (Geneva)
+ 1 817 615 2789 (Fort Worth)
investor.relations@alcon.com

Media Relations

Steven Smith
+ 41 589 112 111 (Geneva)
+ 1 817 551 8057 (Fort Worth)
globalmedia.relations@alcon.com