



Alcon Completes Acquisition of Aerie Pharmaceuticals, Inc., Strengthening Company's Ophthalmic Pharmaceutical Business

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- Leveraging Alcon's robust commercial capabilities and resources to drive further growth and access to Rocklatan and Rhopressa
- Acquisition adds pharmaceutical research and development capabilities and further expertise for future product pipeline
- Expands Alcon's presence in the \$20 billion global ophthalmic pharmaceutical category¹

GENEVA--(BUSINESS WIRE)--Nov. 22, 2022-- Alcon (SIX/NYSE: ALC), the global leader in eye care dedicated to helping people see brilliantly, today announced that it has completed its acquisition of Aerie Pharmaceuticals, Inc. (NASDAQ: AERI, "Aerie"). This transaction helps bolster Alcon's presence in the ophthalmic pharmaceutical space with its growing portfolio of commercial products and development pipeline.

"As we welcome the Aerie team to Alcon, we look forward to leveraging our expanding commercial footprint and expertise to bring Rocklatan[®] and Rhopressa[®] to even more customers and their patients," said David Endicott, CEO of Alcon. "Alcon has a rich history in the ophthalmic pharmaceutical space rooted in a deep understanding of Eye Care Professionals. We are excited to add Aerie's significant technical expertise to Alcon R&D, which enhances our efforts to build a compelling portfolio of ophthalmic pharmaceuticals."

Through the transaction, Alcon has added the commercial products Rocklatan (*netarsudil and latanoprost ophthalmic solution*) 0.02%/0.005% and Rhopressa (*netarsudil ophthalmic solution*) 0.02%, as well as AR-15512, a Phase 3 product candidate for dry eye disease. Alcon has also acquired a pipeline of ophthalmic pharmaceutical product candidates with the opportunity to leverage Aerie's existing research and development capabilities.

The transaction complements Alcon's expansion into the ophthalmic pharmaceutical space, including acquisitions of the exclusive U.S. commercialization rights for Simbrinza[®] from Novartis in April 2021 and Eysuvis[®] and Inveltys[®] from Kala Pharmaceuticals, Inc. in May 2022.

Alcon intends to fully integrate Aerie into its business. As previously disclosed, the Company has used debt to fund the transaction for a total purchase consideration of approximately \$930 million.

J.P. Morgan acted as Alcon's financial advisor for the transaction, and Alcon's legal advisor was Skadden, Arps, Slate, Meagher & Flom LLP. Goldman Sachs & Co. LLC and Lazard acted as Aerie's financial advisors for the transaction, and Aerie's legal advisor was Fried, Frank, Harris, Shriver & Jacobson LLP.

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. Ophthalmology Drugs Global Market Report 2021: COVID-19 Impact and Recovery to 2030.

Cautionary Note Regarding Forward-Looking Statements

This press release contains 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 such as the transformation program, market growth assumptions, our acquisition of Aerie, 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; our ability to execute and achieve the expected benefits of our transformation program; anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, and business and management strategies for the Aerie transaction; transaction costs of the Aerie transaction; 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 war on 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.

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