Supplement dated September 11, 2023

to the Listing Prospectus dated August 18, 2023 of

Sandoz Group AG

a stock corporation organized under Swiss law

Listing of up to 431,000,000 registered shares
with a nominal value of CHF 0.05 each

This supplement (the "**Second Supplement**") is a supplement to the listing prospectus of Sandoz Group AG (the "**Company**") dated August 18, 2023 (the "**Listing Prospectus**") and the first supplement dated September 5, 2023 (the "**First Supplement**", and, together with the Second Supplement, the "**Supplements**"), relating to the Listing of the Shares described in the Listing Prospectus. The Listing takes place in the context of the Spin-off of Sandoz from Novartis AG ("**Novartis**"). See section "*The Spin-Off*" of the Listing Prospectus for further information.

This Second Supplement must be read in conjunction with the Listing Prospectus and the First Supplement. This applies, in particular, to the description of certain risks that should be considered in connection with the Company and an investment in the Shares (see section "*Risk Factors*" beginning on page 16 of the Listing Prospectus), but also to all other sections of the Listing Prospectus and the First Supplement to the extent this Second Supplement does not contain differing information. Capitalized terms used in this Second Supplement have the meanings given to them in the Listing Prospectus or in the First Supplement, unless otherwise defined herein. This Second Supplement forms an integral part of the Listing Prospectus, and prospective investors should read this Second Supplement and the entire Listing Prospectus and First Supplement.

The purpose of the Listing Prospectus (including the Supplements) is solely to have the Shares listed in accordance with the International Reporting Standard. The Listing Prospectus (including the Supplements) is not an offer prospectus pursuant to article 35 para. 1 of the Federal Act on Financial Services of June 15, 2018 (Financial Services Act, or "**FinSA**"), but solely a Listing Prospectus for the purpose of the admission of securities to trading in accordance with the same provision. There is no issue, public offering or other placement of Shares in connection with the publication of the Listing Prospectus or the Supplements.

The Listing Prospectus (including the Supplements) does not constitute an offer to sell, or a solicitation by or on behalf of the Company or Novartis of an offer to purchase or sell Shares, American Depositary Receipts with Shares underlying them (together the "**ADRs**" and each an "**ADR**") or any securities of Novartis. The Spin-off has not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States. Neither the U.S. Securities and Exchange Commission (the "**SEC**") nor any U.S. state securities commission has approved or disapproved the Shares or the ADRs or passed comment or opinion upon the accuracy of this Second Supplement and the Listing Prospectus. Any representation to the contrary is a criminal offense in the United States.

The release, publication or distribution of the Listing Prospectus and the Supplements may be restricted by law in certain jurisdictions. No action has been taken or will be taken by the Company or Novartis that would permit the possession or distribution of the Listing Prospectus and the Supplements in any jurisdiction where action for that purpose is required or doing so is restricted by law. Persons into whose possession the Listing Prospectus and the Supplements may come are required to inform themselves of and observe any such restrictions. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. Neither the Company nor Novartis accepts any responsibility for any violation by any person of any such restrictions. For a description of certain restrictions regarding the sale of the Shares and the resale and transfer of the Shares, see sections "*Important Information*" beginning on page iv of the Listing Prospectus) and "*Transfer Restrictions*" beginning on page 225 of the Listing Prospectus.

The Listing Prospectus dated August 18, 2023, was approved by the SIX Exchange Regulation in its capacity as review body pursuant to article 52 FinSA (in such capacity, the "**Swiss Review Body**") on August 18, 2023. The First Supplement was approved by the Swiss Review Body on September 5, 2023. This Second Supplement has been prepared and is published in accordance with (i) article 56 FinSA, (ii) articles 63 ff. FinSO and (iii) the regulations issued by the Swiss Review Body, and is exempt from approval by the Swiss Review Body pursuant to (i) article 56 para. 4 FinSA, (ii) article 63 para. 4 FinSO and (iii) the regulations issued by the Swiss Review Body. The Company expects that the Shares will be listed, and trading in the Shares will commence, on SIX Swiss Exchange on or around October 4, 2023 (the "**First Day of Trading**"), under the ticker symbol "SDZ". The ADRs will trade on the over-the-counter markets in the United States.

Listing Agent

UBS AG

The date of this Second Supplement is September 11, 2023

AVAILABILITY OF DOCUMENTS

Copies of the Listing Prospectus, the Supplements and any further supplement thereto are/will be available free of charge in Switzerland for 12 months following the First Day of Trading at UBS AG, Swiss Prospectus Switzerland, P.O. Box, CH-8098 Zurich, Switzerland (telephone: +41 44 239 47 03; fax: +41 44 239 69 14; email: swiss-prospectus@ubs.com). In addition, copies of the Listing Prospectus, Supplements and any further supplement thereto are/will be available free of charge in Switzerland from Sandoz Group AG, Suurstoffi 14, 6343 Rotkreuz, Switzerland (email: Investor.relations@sandoz.com). Copies of the Listing Prospectus can be downloaded from Sandoz' website at www.sandoz.com/prospectus, copies of the First Supplement and Second Supplement can be downloaded from Sandoz' website at www.sandoz.com/prospectus-supplement and www.sandoz.com/prospectus-supplement-2, respectively, and copies of the Company's articles of association (*Statuten*) that will be in effect prior to the First Day of Trading (the "**Articles**") can be downloaded on Sandoz' website shortly before the Spin-off.

Information on the Company's or Novartis' website, any website directly or indirectly linked thereto or any other website mentioned in the Supplements or the Listing Prospectus does not constitute in any way part of the Listing Prospectus and is not incorporated by reference into the Listing Prospectus, and investors should not rely on any such website in making their decision to invest in the Shares.

RESPONSIBILITY STATEMENT

The Company, which is organized as a stock corporation (*Aktiengesellschaft*) in Switzerland, with its registered office at Suurstoffi 14, 6343 Rotkreuz, Switzerland, and legal seat in Risch, Switzerland, assumes responsibility for the accuracy and completeness of the information contained in this Second Supplement and that to the best of its knowledge all information contained herein (always read together with the Listing Prospectus and the First Supplement) are true and that no material new information (within the meaning of art. 56 para. 1 FinSA) have been omitted. The information contained in this Second Supplement is only true as of the date of this Second Supplement. The distribution of this Second Supplement or of Shares at any time after the date of this Second Supplement does not mean that the information contained in this Second Supplement is accurate at such later point in time.

The Company does not provide any representation or warranty that the information contained in this Second Supplement is still accurate or complete after the date of this Second Supplement, or that no changes occurred in the Company's business activities after the date of this Second Supplement. Investors must form their own opinion on the Company in connection with an investment in the Shares.

FORWARD-LOOKING STATEMENTS

This Second Supplement contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology or subjective assessments, including the words "aims", "believes", "estimates", "anticipates", "expects", "forecasts", "intends", "goals", "targets", "may", "will", "plans", "continue" or "should" or, in each case, their negative or similar expressions. Other forward-looking statements can be identified in the context in which the statements are made.

Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates, are inherently subject to risks and uncertainties, and may involve third parties over whom we have no control, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including, among others:

- uncertainties regarding the commercial success of our products and our ability to maintain our position in the markets in which we operate;

- our ability to keep pace with the advances in the highly competitive off-patent medicines industry, including the impact of competitive market entries, new therapies and new business models that may disrupt traditional sales channels;

- the success of our development efforts;

- uncertainties regarding the success of Sandoz' separation and Spin-off from Novartis, including our ability to establish the infrastructure needed to operate as an independent company without significant management distraction or business disruption;

- pricing pressure from changes in third-party payor coverage and reimbursement methodologies and potential regulatory price controls;

- general political, economic and trade conditions, including uncertainties regarding the effects of ongoing instability in various parts of the world;

- consolidation among our distributors and retailers;

- uncertainties regarding actual or potential legal proceedings, including, among others, actual or potential product liability litigation, litigation and investigations regarding sales and marketing practices, intellectual property disputes and government investigations generally;

- potential product recalls or voluntary market withdrawals in connection with adverse events, defects, potential health hazards or unanticipated use of our products;

- regulatory actions or delays or government regulation generally;

- changes in tax laws;
- potential volatility in the price of the Shares and ADRs;
- uncertainties regarding future sales or dispositions of the Shares and ADRs;
- our ability to maintain the efficiency of, and respond to any disruptions to, our supply chain;
- labor shortages or disputes;
- our dependence on and ability to retain qualified personnel, including our executive committee and members of our board of directors;
- natural disasters, epidemics, acts of terrorism and political, economic and other developments outside of our control;
- the impact of fluctuations in foreign exchange rates; and
- other risks, uncertainties and factors inherent in our business as well as factors that are not known to us at this time.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed under section "*Risk Factors*" in the Listing Prospectus. There can be no guarantee that Sandoz will be able to realize any of the potential strategic benefits or opportunities as a result of the separation and Spin-off. Nor can there be any guarantee that shareholders will achieve any particular level of shareholder returns. Nor can there be any guarantee that Sandoz, or any of its businesses, will be commercially successful in the future, or achieve any particular credit rating or financial results. Nor can we guarantee that the separation and Spin-off will be successful.

The Company, in reliance on article 69(3) FinSA, hereby cautions that any such prospects, expectations, estimates, plans, strategic aims, vision statements, and projections contained in the Supplements or the Listing Prospectus are not historical in nature but are forward-looking based on information and assumptions the Company considers to be reasonable. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Company's control and could cause actual results to differ materially from what the Company anticipates. Due to the uncertainty of future developments, to the fullest extent permitted by applicable law, neither the Company nor the Listing Agent assume any liability in respect to or in connection with such prospects or other forward-looking statements contained herein.

Any forward-looking statements contained in this Second Supplement speak only as of the date of this Second Supplement, any forward-looking statements contained in the First Supplement speak only as of the date of the First Supplement, and any forward-looking statements contained in the Listing Prospectus speak only as of the date of the Listing Prospectus. Except as required by the FinSA or other applicable securities laws, neither the Company nor the Listing Agent undertake to update any prospects or forward-looking statements contained in this Second Supplement after the date hereof, or to update any prospects or forward-

looking statements contained in Listing Prospectus after the date of the Listing Prospectus, or contained in the First Supplement after the date of the First Supplement, respectively, even if new information, future events or other circumstances have made them incorrect or misleading. Accordingly, investors are cautioned not to place undue reliance on any of the forward-looking statements in the Supplements or in the Listing Prospectus.

MATERIAL NEW FACT THAT HAS BEEN MADE PUBLIC BY SANDOZ AND IS POTENTIALLY PRICE-SENSITIVE

MEDIA & INVESTOR RELEASE

Sandoz announces exclusive deal to commercialize biosimilar ustekinumab, further reinforcing growing pipeline and immunology patient offering

- *Agreement with Samsung Bioepis gives Sandoz exclusive commercialization rights to biosimilar SB17 ustekinumab in Europe and North America*
- *Ustekinumab is a fully human monoclonal antibody to interleukin (IL)-12/23, approved for treatment of plaque psoriasis, psoriatic arthritis, Crohn´s disease and ulcerative colitis*
- *Deal further strengthens Sandoz position in immunology and supports further pipeline expansion*

Basel, September 11, 2023 — Sandoz, a global leader in generic and biosimilar medicines, today announced that it has entered into a development and commercialization agreement with Samsung Bioepis.

The agreement provides Sandoz with the exclusive rights to commercialize the biosimilar SB17 ustekinumab in the US, Canada, EEA, Switzerland, and UK. Other specific terms of the agreement are confidential.

“This deal represents another major step to reinforce our high-value biosimilar pipeline, in line with our plans to become a standalone global leader,” says Sandoz CEO Richard Saynor. “It will further strengthen our immunology patient offering and means we now have five potential high-value upcoming biosimilar launches over the next few years.”

The reference medicine Stelara (ustekinumab) is a monoclonal antibody medication to interleukin (IL)-12/23 for the treatment of autoimmune disorders including Crohn's disease, plaque psoriasis, psoriatic arthritis, and ulcerative colitis.

Psoriasis is a chronic inflammatory disease of the skin and other parts of the body, which affects 60 million people worldwide[1]. Psoriasis has a huge impact on patients´ quality of life (QoL) and has a substantial economic burden, with annual mean costs of up to EUR 11,928 per patient globally[2].

Inflammatory bowel diseases (Crohn´s disease and ulcerative colitis) are chronic gastrointestinal disorders that affect more than 3 million people in Europe and in the US[3], with a high associated economic burden and annual direct costs of up to 6 bn in Europe[4] and 25.4 bn USD[5] in the USA. IBD negatively impacts patients’ quality of life by affecting daily activities, work ability and social life[6].

The clinical development program for SB17, a ustekinumab biosimilar, is well advanced and Phase I results were presented at the American Academy of Dermatology (AAD) Annual Meeting held in New Orleans, US, in March 2023 by Samsung Bioepis. This study demonstrated that SB17 matches reference ustekinumab in terms of pharmacokinetic (PK) bioequivalence, safety, tolerability, and immunogenicity.· SB17 Phase III clinical study results will be presented at a medical congress later this year.

Disclaimer
This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by words such as “potential,” “can,” “will,” “plan,” “may,” “could,” “would,” “expect,” “anticipate,” “look forward,” “believe,” “committed,” “investigational,” “pipeline,” “launch,” or similar terms, or by express or implied discussions regarding potential marketing approvals, new indications or labeling for the investigational or approved products described in this press release, or regarding potential future revenues from such products. You should not place undue reliance on these statements. Such forward-looking statements are based on our current beliefs and expectations regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that the investigational or approved products described in this press release will be submitted or approved for sale or for any additional indications or labeling in any market, or at any particular time. Neither can there be any guarantee that, if approved, such generic or biosimilar products will be approved for all indications included in the reference product’s label. Nor can there be any guarantee that such products will be commercially successful in the future. In particular, our expectations regarding such products could be affected by, among other things, the uncertainties inherent in research and development, including clinical trial results and additional analysis of existing clinical data; regulatory actions or delays or government regulation generally; the particular prescribing preferences of physicians and patients; competition in general, including potential approval of additional generic or biosimilar versions of such products; global trends toward health care cost containment, including government, payor and general public pricing and reimbursement pressures and requirements for increased pricing transparency; litigation outcomes, including intellectual property disputes or other legal efforts to prevent or limit Sandoz from selling its products; general political, economic and business conditions, including the effects of and efforts to mitigate pandemic diseases such as COVID-19; safety, quality, data integrity or manufacturing issues; potential or actual data security and data privacy breaches, or disruptions of our information technology systems, and other risks and factors referred to in Novartis AG’s current Form 20-F on file with the US Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

References

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3. Lancet Gastroenterol Hepatol 2020; 5: 17–30.
4. Burisch J. et al. The burden of inflammatory bowel disease in Europe, *Journal of Crohn's and Colitis*, Volume 7, Issue 4, May 2013, P. 322–337
5. Singh S et al. Trends in U.S. Health Care Spending on Inflammatory Bowel Diseases, 1996-2016. Inflamm Bowel Dis. 2022 Mar 2;28(3):364-372.
6. Pulley J et al. Malnutrition and quality of life among adult inflammatory bowel disease patients.. *JGH Open.* 2020;4:454–460

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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 vision is to be the world’s leading and most valued generics company. Our broad portfolio of high-quality medicines covers major therapeutic areas.

Sandoz on social media:
LinkedIn: https://www.linkedin.com/company/sandoz
Twitter: https://twitter.com/sandoz_global
Facebook: https://www.facebook.com/sandozglobal/
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Stelara | European Medicines Agency (europa.eu) accessed 05 Jun 2023
Stelara, INN-ustekinumab (europa.eu) accessed 05 Jun 2023

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