ALCON INC. INTERIM FINANCIAL REPORT

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OPERATING PERFORMANCE

Key figures

($ millions unless indicated otherwise)	Three months ended September 30			Nine months ended September 30		
	2026	**2025**	**Change %**	**2026**	**2025**	**Change %**
Net sales	2,717	2,589	5	8,184	7,617	7
Gross profit	1,622	1,458	11	4,822	4,229	14
Operating income	381	332	15	684	1,047	(35)
Operating margin (%)	*14.0*	*12.8*		*8.4*	*13.7*	
Net income	**260**	**237**	**10**	**449**	**763**	**(41)**
Net income attributable to:						
Shareholders of Alcon Inc.	260	237	10	449	763	(41)
Non-controlling interests	—	—	—	—	—	—
Basic earnings per share ($)[1]	0.54	0.48	13	0.93	1.54	(40)
Diluted earnings per share ($)[1]	0.54	0.48	13	0.92	1.53	(40)

(1) Earnings per share is calculated on the amount of net income attributable to shareholders of Alcon Inc. Per share amounts may not add across quarters due to rounding.

Net sales by segment

($ millions unless indicated otherwise)	Three months ended September 30			Nine months ended September 30		
	2026	2025	Change %	2026	2025	Change %
Surgical						
Implantables	422	432	(2)	1,326	1,308	1
Consumables	789	745	6	2,383	2,234	7
Equipment/other	269	243	11	801	664	21
Total Surgical	**1,480**	**1,420**	**4**	**4,510**	**4,206**	**7**
Vision Care						
Contact lenses	737	707	4	2,201	2,087	5
Ocular health	500	462	8	1,473	1,324	11
Total Vision Care	**1,237**	**1,169**	**6**	**3,674**	**3,411**	**8**
Net sales	**2,717**	**2,589**	**5**	**8,184**	**7,617**	**7**

Third quarter

Surgical

Surgical net sales were $1.5 billion, an increase of 4%, including currency impacts of 0%.

- Implantables net sales were $422 million, a decrease of 2%. This reflects a decrease in IOLs of 1% due to competitive pressures in the U.S. This decline was partially offset by strong *PanOptix* Pro performance and growth in international markets.
- Consumables net sales were $789 million, an increase of 6%. Growth was driven by procedural volumes, price increases and *Valeda* consumables.
- Equipment/other net sales were $269 million, an increase of 11%. This growth was led by equipment launches, including the *Unity* platform and *Valeda*.

Vision Care

Vision Care net sales were $1.2 billion, an increase of 6%, including currency impacts of 0%.

- Contact lenses net sales were $737 million, an increase of 4%, including unfavorable currency impacts of 1%. This growth reflects favorable mix of premium products as well as price increases, particularly in the U.S., and was partially offset by declines in legacy products.
- Ocular health net sales were $500 million, an increase of 8%. This growth was led by our portfolio of dry eye products, including *Tryptyr* and *Systane,* partially offset by declines in contact lens care.

Nine months

Surgical

Surgical net sales were $4.5 billion, an increase of 7%, including favorable currency impacts of 1%.

- Implantables net sales were $1.3 billion, an increase of 1%, including favorable currency impacts of 1%. IOLs increased 2%, primarily driven by growth in international markets and strong *PanOptix* Pro performance, partially offset by competitive pressures in the U.S. In addition, there were lower sales in surgical glaucoma.
- Consumables net sales were $2.4 billion, an increase of 7%, including favorable currency impacts of 2%. Growth was driven by procedural volumes, price increases and *Valeda* consumables.
- Equipment/other net sales were $801 million, an increase of 21%, including favorable currency impacts of 2%. This growth was led by equipment launches, including the *Unity* platform and *Valeda*.

Vision Care

Vision Care net sales were $3.7 billion, an increase of 8%, including favorable currency impacts of 1%.

- Contact lenses net sales were $2.2 billion, an increase of 5%. This growth reflects favorable mix of premium products as well as price increases, particularly in the U.S., and was partially offset by declines in legacy products.
- Ocular health net sales were $1.5 billion, an increase of 11%, including favorable currency impacts of 1%. Growth was led by our portfolio of dry eye products, including *Tryptyr* and *Systane.*

Operating income

($ millions unless indicated otherwise)	Three months ended September 30			Nine months ended September 30		
	2026	**2025**	**Change %**	**2026**	**2025**	**Change %**
Cost of net sales	(1,098)	(1,136)	3	(3,391)	(3,403)	—
Gross profit	**1,622**	**1,458**	**11**	**4,822**	**4,229**	**14**
Gross margin (%)	*59.7*	*56.3*		*58.9*	*55.5*	
Selling, general & administration	(929)	(865)	(7)	(2,775)	(2,548)	(9)
Research & development	(261)	(250)	(4)	(1,169)	(717)	(63)
Other income	9	10	(10)	26	164	(84)
Other expense	(60)	(21)	(186)	(220)	(81)	(172)
Operating income	**381**	**332**	**15**	**684**	**1,047**	**(35)**
Operating margin (%)	*14.0*	*12.8*		*8.4*	*13.7*	

Third quarter

Operating income was $381 million (+15%), compared to $332 million in the prior year period. Operating margin was 14.0% compared to 12.8% in the prior year period and increased 1.2 percentage points. The current year period included tariff refunds of $58 million, lower amortization and manufacturing efficiencies, partially offset by a charge for fair value adjustments to contingent consideration liabilities, costs associated with efficiency measures and increased sales and marketing spend.

Nine months

Operating income was $684 million (-35%), compared to $1.0 billion in the prior year period. Operating margin was 8.4% compared to 13.7% in the prior year period and decreased 5.3 percentage points. The current year period included an impairment charge of $505 million, partially offset by $103 million for a fair value adjustment to contingent consideration liabilities, related to the discontinuation of the IOL programs acquired from PowerVision, Inc. in March 2019 ("PowerVision programs"), costs associated with efficiency measures, increased sales and marketing spend, impairment charges related to a currently marketed product intangible asset, a charge for fair value adjustments to contingent consideration liabilities and the impact from ongoing tariffs, partially offset by lower amortization, tariff refunds, manufacturing efficiencies, price increases and a positive 0.3 percentage point impact from currency. The prior year period included gains on fair value remeasurements of investments in associated companies, partially offset by charges related to the discontinued commercialization of a Vision Care product.

Segment contribution

For additional information regarding segment contribution, please refer to Note 3 to the Condensed Consolidated Interim Financial Statements.

	Three months ended September 30			Nine months ended September 30		
($ millions unless indicated otherwise)	**2026**	**2025**	**Change %**	**2026**	**2025**	**Change %**
Surgical segment contribution	381	357	7	1,140	1,071	6
As % of net sales	*25.7*	*25.1*		*25.3*	*25.5*	
Vision Care segment contribution	319	257	24	896	746	20
As % of net sales	*25.8*	*22.0*		*24.4*	*21.9*	
Not allocated to segments	(319)	(282)	(13)	(1,352)	(770)	(76)
Operating income	**381**	**332**	**15**	**684**	**1,047**	**(35)**

Third quarter

Surgical

Surgical segment contribution was $381 million (+7%), compared to $357 million in the prior year period. Segment contribution margin was 25.7% compared to 25.1% in the prior year period and increased 0.6 percentage points, primarily driven by tariff refunds and a positive 0.1 percentage point impact from currency, partially offset by unfavorable product mix and increased sales and marketing spend.

Vision Care

Vision Care segment contribution was $319 million (+24%), compared to $257 million in the prior year period. Segment contribution margin was 25.8% compared to 22.0% in the prior year period and increased 3.8 percentage points, primarily due to tariff refunds, manufacturing efficiencies, favorable product mix and price increases, partially offset by increased research and development and sales and marketing spend and a negative 0.2 percentage point impact from currency.

Not allocated to segments

Operating loss not allocated to segments totaled $319 million (-13%), compared to $282 million in the prior year period. The increase in amounts not allocated was primarily driven by $38 million of fair value adjustments to contingent consideration liabilities and $36 million of costs associated with efficiency measures in the current period, partially offset by lower amortization of intangible assets.

Nine months

Surgical

Surgical segment contribution was $1.1 billion (+6%), compared to $1.1 billion in the prior year period. Segment contribution margin was 25.3% compared to 25.5% in the prior year period and decreased 0.2 percentage points, primarily driven by unfavorable product mix, the impact from ongoing tariffs, and increased sales and marketing spend, partially offset by tariff refunds, operating leverage from research and development and a positive 0.3 percentage point impact from currency.

Vision Care

Vision Care segment contribution was $896 million (+20%), compared to $746 million in the prior year period. Segment contribution margin was 24.4% compared to 21.9% in the prior year period and increased 2.5 percentage points, primarily due to manufacturing efficiencies, tariff refunds, price increases, favorable product mix and $15 million of other revenue from a licensee. The increase in segment contribution margin was partially offset by increased research and development and sales and marketing spend, the impact from ongoing tariffs and a negative 0.2 percentage point impact from currency.

Not allocated to segments

Operating loss not allocated to segments totaled $1.4 billion (-76%), compared to $770 million in the prior year period. The current year period included an impairment charge of $505 million, partially offset by $103 million for a fair value adjustment to contingent consideration liabilities, related to the discontinuation of the PowerVision programs, $157 million of costs associated with efficiency measures, $38 million of impairment charges related to a currently marketed product intangible asset and $38 million of fair value adjustments to contingent consideration liabilities. The prior year period included gains of $142 million on fair value remeasurements of investments in associated companies, partially offset by higher amortization of intangible assets and $44 million of product discontinuation charges.

Non-operating income & expense

($ millions unless indicated otherwise)	Three months ended September 30			Nine months ended September 30		
	2026	**2025**	**Change %**	**2026**	**2025**	**Change %**
Operating income	**381**	**332**	**15**	**684**	**1,047**	**(35)**
Interest expense	(52)	(51)	(2)	(157)	(151)	(4)
Other financial income & expense	1	3	(67)	3	16	(81)
Share of loss from associated companies	(2)	(1)	(100)	(8)	(16)	50
Income before taxes	**328**	**283**	**16**	**522**	**896**	**(42)**
Taxes	(68)	(46)	(48)	(73)	(133)	45
Net income	**260**	**237**	**10**	**449**	**763**	**(41)**
Net income attributable to:						
Shareholders of Alcon Inc.	260	237	10	449	763	(41)
Non-controlling interests	—	—	—	—	—	—
Basic earnings per share ($)[1]	0.54	0.48	13	0.93	1.54	(40)
Diluted earnings per share ($)[1]	0.54	0.48	13	0.92	1.53	(40)

(1) Earnings per share is calculated on the amount of net income attributable to shareholders of Alcon Inc. Per share amounts may not add across quarters due to rounding.

Third quarter

Interest expense

Interest expense was $52 million, broadly in line with the prior year period.

Other financial income & expense

Other financial income & expense was a net benefit of $1 million, compared to $3 million in the prior year period, primarily driven by lower interest income and an increase in foreign currency exchange losses.

Share of loss from associated companies

Share of loss from associated companies was $2 million, compared to $1 million in the prior year period, reflecting Alcon's investment in associated companies during the year.

Taxes

Tax expense was $68 million, compared to $46 million in the prior year period. The average tax rate was 20.7%, compared to 16.3% in the prior year period, primarily driven by non-deductible fair value adjustments to contingent consideration liabilities and more favorable mix of pre-tax income/(loss) across geographical tax jurisdictions in the current year period, and higher discrete tax benefits in the prior year period.

Net income and earnings per share

Net income attributable to shareholders of Alcon Inc. was $260 million, compared to $237 million in the prior year period, primarily due to higher operating income, partially offset by higher tax expense. The associated basic and diluted earnings per share were $0.54, compared to basic and diluted earnings per share of $0.48 in the prior year period.

Nine months

Interest expense

Interest expense was $157 million, compared to $151 million in the prior year period, primarily driven by higher interest expense on lease liabilities.

Other financial income & expense

Other financial income & expense was a net benefit of $3 million, compared to $16 million in the prior year period, primarily driven by lower interest income and an increase in foreign currency exchange losses.

Share of loss from associated companies

Share of loss from associated companies was $8 million, compared to $16 million in the prior year period, reflecting Alcon's investment in associated companies during the year.

Taxes

Tax expense was $73 million, compared to $133 million in the prior year period. The average tax rate was 14.0%, compared to 14.8% in the prior year period. The average tax rate in the current year period was impacted by a $115 million tax benefit from the reversal of deferred tax liabilities related to the discontinuation of the PowerVision programs and the non-taxable fair value adjustments to contingent consideration liabilities. The average tax rate in the prior year period included a non-taxable gain on the fair value remeasurement of an investment in an associated company and net benefits from discrete tax items.

Net income and earnings per share

Net income attributable to shareholders of Alcon Inc. was $449 million, compared to $763 million in the prior year period, primarily due to a post-tax, non-cash net charge of approximately $287 million related to the discontinuation of the PowerVision programs and costs associated with efficiency measures. The prior year period included gains of $142 million on fair value remeasurements of investments in associated companies. The associated basic and diluted earnings per share were $0.93 and $0.92, compared to basic and diluted earnings per share of $1.54 and $1.53 in the prior year period, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow

Net cash flows from operating activities

Net cash flows from operating activities amounted to $1.7 billion in the first nine months of 2026, compared to $1.6 billion in the prior year period. The current year period reflects increased collections associated with higher sales, lower associate short-term incentive payments, and the receipt of certain tariff refunds, partially offset by increased payments for operating expenses, including increased sales and marketing and research and development spend, higher payments for revenue deductions, a higher impact from changes in net working capital and payments for ongoing tariffs. In addition, the current year period included payments associated with efficiency measures announced in February 2026.

Changes in net working capital in the current year period were mainly driven by increases in inventories and trade receivables and the net change in other operating assets, partially offset by an increase in trade payables and the net change in other operating liabilities. The increase in inventories was primarily to meet expected upcoming demand and the increase in trade receivables was primarily driven by new receivables from higher sales outpacing collections. The net change in other operating assets was primarily driven by increases in long-term receivables and prepaid expenses. The increase in trade payables was primarily driven by the timing of payments and raw materials purchases. The net change in other operating liabilities was primarily due to accruals for revenue deductions.

Changes in net working capital in the prior year period were mainly driven by an increase in inventories, an increase in trade receivables and the net change in other operating liabilities, partially offset by an increase in trade payables. The increase in inventories was primarily to meet expected upcoming demand. The increase in trade receivables was primarily driven by new receivables from higher sales outpacing collections. The net change in other operating liabilities was primarily driven by the timing of annual associate short-term incentive payments, which were higher than in the current year period. The increase in trade payables was primarily driven by the timing of payments and raw materials purchases.

Net cash flows used in investing activities

Net cash flows used in investing activities amounted to $633 million in the first nine months of 2026, compared to $1.0 billion in the prior year period. Cash outflows in the current year period primarily include capital expenditures, purchases of intangible assets, the purchase of a time deposit in the second quarter of 2026, payments for financial assets and other investing cash flows, primarily related to a refundable deposit under a license agreement, partially offset by proceeds from a time deposit which matured in April 2026.

Cash outflows in the prior year period primarily included the acquisition of a majority interest in Aurion Biotech, Inc. ("Aurion"), the acquisitions of LumiThera, Inc. ("LumiThera") and Cylite Pty Ltd. ("Cylite"), capital expenditures and purchases of intangible assets, primarily related to software, partially offset by proceeds from a time deposit which matured in February 2025. Refer to Note 12 to the Condensed Consolidated Interim Financial Statements for additional information on the Aurion, LumiThera and Cylite transactions.

Net cash flows used in financing activities

Net cash flows used in financing activities amounted to $853 million in the first nine months of 2026, compared to $789 million in the prior year period. Cash outflows in the current year period primarily include payments for the acquisition of treasury shares, dividends paid to shareholders of Alcon Inc., lease payments, withholding taxes paid upon net settlements of equity-based compensation and realized foreign exchange losses, partially offset by net cash inflows associated with financial debts. Net cash inflows associated with financial debts primarily included the issuance of the senior notes due 2033, partially offset by the repayment of the senior notes due 2026 and payment of certain local debt facilities. Refer to Notes 2 and 6 of the Condensed Consolidated Interim Financial Statements for additional information.

Cash outflows in the prior year period primarily included payments for the acquisition of treasury shares, dividends paid to shareholders of Alcon Inc., realized foreign exchange losses, lease payments and withholding taxes paid upon net settlements of equity-based compensation.

Balance sheet

Assets

Total non-current assets were $24.4 billion as of September 30, 2026, a decrease of $712 million when compared to $25.1 billion as of December 31, 2025. Intangible assets other than goodwill decreased $863 million primarily due to asset impairments, including a $505 million impairment related to the discontinuation of the PowerVision programs, and recurring amortization, partially offset by additions.

Total current assets were $7.0 billion as of September 30, 2026, an increase of $525 million when compared to $6.4 billion as of December 31, 2025. Inventories increased $178 million primarily due to increases to meet expected upcoming demand, partially offset by foreign currency translation effects. Trade receivables increased $106 million due to higher sales outpacing collections, partially offset by foreign currency translation effects. Cash and cash equivalents increased $178 million due to the net impact of operating, investing and financing activities as described in the preceding section. Our cash and cash equivalents are maintained at a number of financial institutions. To mitigate the risk of uninsured balances, we select financial institutions based on their credit ratings and financial strength, and we perform ongoing evaluations of these institutions to limit our concentration risk exposure.

Liabilities

Total non-current liabilities were $6.8 billion as of September 30, 2026, an increase of $369 million when compared to $6.5 billion as of December 31, 2025. Financial debts increased $527 million primarily due to net proceeds from the issuance of the senior notes due 2033, partially offset by foreign currency translation effects and payment of certain local debt facilities. Provisions & other non-current liabilities decreased $131 million primarily due to a fair value adjustment to contingent consideration liabilities associated with the discontinuation of the PowerVision programs and decreases in pensions and other post-employment benefits. Deferred tax liabilities decreased $93 million primarily related to the release of deferred tax liabilities associated with the discontinuation of the PowerVision programs.

Total current liabilities were $2.8 billion as of September 30, 2026, a decrease of $255 million when compared to $3.0 billion as of December 31, 2025. Current financial debts decreased $497 million primarily due to the repayment of the senior notes due 2026 with the proceeds from debt issuances. Provisions and other current liabilities increased $106 million primarily due to restructuring provisions, accruals for revenue deductions and fair value adjustments to current contingent consideration. Current income tax liabilities increased $93 million primarily due to timing of payments and refunds received.

The average maturity of financial debts outstanding as of September 30, 2026 is 8.8 years, and 98% of Alcon's financial debt is at fixed interest rates. We believe that we have adequate liquidity to meet our needs.

The $1.32 billion revolving credit facility remained undrawn as of September 30, 2026 and November 10, 2026.

Equity

Equity was $21.7 billion as of September 30, 2026, a decrease of $301 million when compared to $22.0 billion as of December 31, 2025.

Additional Considerations

Terminated Acquisition of LENSAR, Inc.

On March 23, 2025, Alcon entered into a definitive agreement to acquire all outstanding shares of LENSAR, Inc. ("LENSAR"), a global medical technology company focused on advanced laser solutions for the treatment of cataracts, with a total consideration of up to approximately $430 million. On March 16, 2026, Alcon entered into an agreement with LENSAR to terminate the previously announced merger agreement.

Conflicts in the Middle East

Ongoing geopolitical conflicts in the Middle East have contributed to increased regional and global political and economic uncertainty. These conflicts, together with related government actions, sanctions, trade restrictions, and retaliatory measures, could adversely impact net sales, create disruptions in global supply chains, increase the risk of cyber attacks, and potentially have an adverse effect on the global economy, financial markets, energy markets, commodity prices, currency exchange rates, and otherwise. As a result of broader global impacts, we have experienced, and may continue to experience, volatility in currency translation effects.

For the nine months ended September 30, 2026, net sales in countries impacted within the Middle East region were approximately 2% of consolidated net sales. As of September 30, 2026, our operations in the region continued operating to the extent practicable and permitted by law.

Efficiency Measures

On February 24, 2026, Alcon announced certain efficiency measures supported by operational improvements and infrastructure investments. In November 2026, Alcon expanded these measures, with total costs now estimated at approximately $230 million. The implementation is still expected to be completed in 2026. Related expenses totaled $36 million and $157 million for the three and nine months ended September 30, 2026, respectively.

Tariffs

Beginning in February 2025, the United States government announced additional tariffs on goods imported into the United States, and some nations have responded with retaliatory tariffs and other actions on U.S. products. Global trade policy continues to evolve and the ultimate impact of developments with respect to U.S. tariffs remains unclear. On February 20, 2026, the U.S. Supreme Court struck down one set of tariffs (i.e., the tariffs imposed under the International Emergency Economic Powers Act ("IEEPA")). As a result of this ruling, importers may be entitled to recover IEEPA-based tariffs. Immediately following the Supreme Court's ruling, the U.S. government imposed a temporary 10% global tariff on most imports effective February 24, 2026 under Section 122 of the Trade Act of 1974, which was valid for up to 150 days and expired on July 24, 2026. Immediately after the Section 122 tariffs expired, the U.S. government imposed new tariffs under Section 301 of the Trade Act of 1974, which imposes tariffs ranging from 10% to 12.5% on imports from 86 countries. The Section 301 tariffs remained in place as of September 30, 2026.

Furthermore, following the Supreme Court's decision, the U.S. Court of International Trade ("CIT") subsequently ordered the U.S. Customs and Border Protection ("CBP") to issue refunds to importers who paid IEEPA tariffs. To respond to the CIT's order, the CBP created the Consolidated Administration and Processing for Entries ("CAPE") framework to process IEEPA tariff refund requests. The CAPE framework only provides a refund mechanism for certain entries on which IEEPA tariffs were paid. In June 2026, the U.S. Department of Justice appealed the portion of the CIT order that required the government to refund IEEPA tariffs on entries that have liquidated and become final (i.e., entries liquidated for more than 90 days) for non-participants in the underlying CIT litigation.

The total amount Alcon paid in IEEPA tariffs as of September 30, 2026 is approximately $64 million. During the three months ended September 30, 2026, Alcon received approximately $59 million in tariff refunds, including interest, related to IEEPA tariffs previously paid. During the three and nine months ended September 30, 2026, tariff refunds of approximately $55 million were recognized as a reduction to Cost of net sales, with the related interest of approximately $3 million recognized in Other income in the Condensed Consolidated Income Statement. A tariff refund of approximately $1 million was recognized as a reduction to Property, plant & equipment in the September 30, 2026 Condensed Consolidated Balance Sheet. The timing, amount, and ultimate realization of any remaining IEEPA refunds is uncertain.

The impact of tariffs incurred under IEEPA, Section 122 and Section 301 in the United States and in China during the nine months ended September 30, 2026 and after reflecting the tariff refunds discussed above amounted to $9 million, which was recognized in Cost of net sales in the Condensed Consolidated Income Statement.

The future effects of the above-referenced tariffs, along with any further changes in trade policies including additional tariffs, are uncertain and could have an adverse effect on our business, financial condition, cash flows and results of operations. Further, adverse economic conditions impacting our customers or uncertainty about global economic conditions could cause purchases of our products to decline, which would adversely affect our net sales and operating results.

Refer to "Item 3. Key Information—3.D. Risk Factors—*Changing economic and financial environments in many countries and increasing global political and social instability may adversely impact our business*" in the 2025 form 20-F.

Share repurchase authorization

On May 5, 2026, the Alcon Board of Directors authorized the repurchase of up to $1.5 billion of the Company's common shares, par value of CHF 0.04 per share, on a second trading line with the SIX Swiss Exchange. The shares to be acquired under this share buyback program will be cancelled as a return of capital to shareholders.

Alcon expects to fund the program through cash generated from operations. The program is subject to customary safe harbor conditions and authorization of the Swiss Takeover Board. The timing and total amount of share repurchases and cancellations will depend upon a variety of factors. The program is expected to be completed over a three-year period, but may be suspended or discontinued at any time. Refer to Note 4 to the Condensed Consolidated Interim Financial Statements for details on share repurchase activity for the nine months ended September 30, 2026.

Discontinuation of the PowerVision programs

In August 2026, following the review of the latest clinical study data, Alcon made the decision to discontinue the PowerVision programs. Alcon considered the decision to discontinue the PowerVision programs to be an impairment indicator as of June 30, 2026 for the related intangible asset and, as a result of the impairment assessment, recorded a non-cash impairment charge of $505 million, representing the asset's full carrying value, in Research & development in the Condensed Consolidated Income Statement in the second quarter of 2026. The discontinuation of the PowerVision programs also resulted in a fair value adjustment of $103 million to contingent consideration liabilities in Provisions & other non-current liabilities and recognized in Research & development in the Condensed Consolidated Income Statement in the second quarter of 2026. In addition, there was a $115 million reversal of Deferred tax liabilities and recognized in Taxes in the Condensed Consolidated Income Statement in the second quarter of 2026. Refer to Notes 5 and 7 to the Condensed Consolidated Interim Financial Statements for details.

Debt issuances and repayments

In September 2026, Alcon, through its wholly owned subsidiary Alcon Finance Corporation, issued EUR500 million of senior notes due in 2033. The proceeds from the issuance were used for general corporate purposes, including to fully repay $500 million of senior notes due in 2026 upon maturity in September 2026. The issuance of the senior notes due in 2033 and repayment of the senior notes due in 2026 resulted in an increase in non-current Financial debts and a decrease in current Financial debts, respectively. Refer to Note 6 to the Condensed Consolidated Interim Financial Statements for additional information.

Acquisition of Neurotech Pharmaceuticals, Inc.

On October 20, 2026, Alcon acquired 100% of the outstanding equity of Neurotech Pharmaceuticals, Inc., a privately held, U.S.-based biotech company focused on the development of innovative cell therapies for chronic eye diseases. The acquisition expands Alcon's Vision Care retina portfolio with *ENCELTO*, a U.S. FDA-approved treatment for adults with idiopathic Macular Telangiectasia Type 2. Pursuant to the terms of the stock purchase agreement, Alcon agreed to pay closing consideration of $550 million and additional amounts to be potentially paid upon achievement of certain commercial milestones. The acquisition of equity interests will be accounted for as a business combination. Given the proximity of the acquisition date to the reporting date, the initial accounting for the business combination, including the allocation of consideration to identifiable assets acquired and liabilities assumed and the valuation of intangible assets and goodwill, is incomplete as of November 10, 2026.

Foreign currencies

We use the US Dollar as our reporting currency and are therefore also exposed to foreign currency exchange movements and costs to enter hedging agreements, primarily in Euros, Japanese Yen, Chinese Renminbi, Canadian Dollars, Singaporean Dollars, Swiss Francs, Russian Rubles and emerging market currencies. The foreign currency exposure on the balance sheet is hedged with limited exception, but the impact of ongoing macroeconomic conditions is currently unknown and could have a material adverse effect on our results of operations, cash flows or financial condition.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF ALCON INC.

Consolidated Income Statement (unaudited)

		Three months ended September 30		Nine months ended September 30	
($ millions except earnings per share)	Note	**2026**	**2025**	**2026**	**2025**
Net sales	3	**2,717**	**2,589**	**8,184**	**7,617**
Other revenues	3	20	25	82	66
Net sales and other revenues		**2,737**	**2,614**	**8,266**	**7,683**
Cost of net sales		(1,098)	(1,136)	(3,391)	(3,403)
Cost of other revenues		(17)	(20)	(53)	(51)
Gross profit		**1,622**	**1,458**	**4,822**	**4,229**
Selling, general & administration		(929)	(865)	(2,775)	(2,548)
Research & development		(261)	(250)	(1,169)	(717)
Other income		9	10	26	164
Other expense		(60)	(21)	(220)	(81)
Operating income		**381**	**332**	**684**	**1,047**
Interest expense		(52)	(51)	(157)	(151)
Other financial income & expense		1	3	3	16
Share of loss from associated companies	13	(2)	(1)	(8)	(16)
Income before taxes		**328**	**283**	**522**	**896**
Taxes		(68)	(46)	(73)	(133)
Net income		**260**	**237**	**449**	**763**
Net income attributable to:					
Shareholders of Alcon Inc.		260	237	449	763
Non-controlling interests		—	—	—	—
Earnings per share ($)[1]					
Basic		0.54	0.48	0.93	1.54
Diluted		0.54	0.48	0.92	1.53
Weighted average number of shares outstanding (millions)					
Basic	4	481.0	493.2	484.9	494.5
Diluted	4	483.3	495.9	487.4	497.3

(1) Earnings per share is calculated on the amount of net income attributable to shareholders of Alcon Inc.

The accompanying Notes form an integral part of the Condensed Consolidated Interim Financial Statements.

Consolidated Statement of Comprehensive Income (unaudited)

($ millions)	Three months ended September 30		Nine months ended September 30	
	2026	**2025**	**2026**	**2025**
Net income	**260**	**237**	**449**	**763**
Other comprehensive income to be eventually recycled into the Consolidated Income Statement:				
Net investment hedges, net of taxes[1]	8	—	8	—
Currency translation effects, net of taxes[2]	4	(19)	(39)	175
Total of items to eventually recycle	**12**	**(19)**	**(31)**	**175**
Other comprehensive income never to be recycled into the Consolidated Income Statement:				
Actuarial gains/(losses) from defined benefit plans, net of taxes[3]	36	(1)	41	4
Fair value adjustments on equity investments, net of taxes[4]	7	(19)	(91)	44
Total of items never to be recycled	**43**	**(20)**	**(50)**	**48**
Total comprehensive income	**315**	**198**	**368**	**986**
Total comprehensive income for the period attributable to:				
Shareholders of Alcon Inc.	315	198	368	986
Non-controlling interests	—	—	—	—

(1) Amount is net of tax expense of $3 million for the three and nine months ended September 30, 2026.

(2) Amounts are net of tax benefits of $0.4 million for the three months ended September 30, 2026 and 2025. Amount is net of tax benefit of $2 million for the nine months ended September 30, 2026. Amount is net of tax expense of $2 million for the nine months ended September 30, 2025.

(3) Amounts are net of tax expense of $8 million and $0.1 million for the three months ended September 30, 2026 and 2025, respectively. Amounts are net of tax expense of $10 million and $1 million for the nine months ended September 30, 2026 and 2025, respectively.

(4) Amount is net of tax expense of $0.9 million for the three months ended September 30, 2026. Amount is net of tax benefit of $7 million for the three months ended September 30, 2025. Amount is net of tax benefit of $9 million for the nine months ended September 30, 2026. Amount is net of tax expense of $3 million for the nine months ended September 30, 2025.

The accompanying Notes form an integral part of the Condensed Consolidated Interim Financial Statements.

Consolidated Balance Sheet (unaudited)

($ millions)	Note	September 30, 2026	December 31, 2025
Assets			
Non-current assets			
Property, plant & equipment		4,772	4,774
Right-of-use assets		504	447
Goodwill		9,260	9,256
Intangible assets other than goodwill	5	8,143	9,006
Deferred tax assets		508	458
Financial assets	7	783	768
Other non-current assets		424	397
Total non-current assets		**24,394**	**25,106**
Current assets			
Inventories		2,569	2,391
Trade receivables		2,048	1,942
Income tax receivables		17	20
Cash and cash equivalents		1,705	1,527
Time deposits	7	102	80
Other current assets		533	489
Total current assets		**6,974**	**6,449**
Total assets		**31,368**	**31,555**
Equity and liabilities			
Equity			
Share capital		20	20
Reserves		21,713	22,014
Equity attributable to shareholders of Alcon Inc.		21,733	22,034
Non-controlling interests		1	1
Total equity		**21,734**	**22,035**
Liabilities			
Non-current liabilities			
Financial debts	6	4,689	4,162
Lease liabilities		495	429
Deferred tax liabilities		848	941
Provisions & other non-current liabilities		808	939
Total non-current liabilities		**6,840**	**6,471**
Current liabilities			
Trade payables		971	926
Financial debts	6	78	575
Lease liabilities		78	80
Current income tax liabilities		275	182
Provisions & other current liabilities		1,392	1,286
Total current liabilities		**2,794**	**3,049**
Total liabilities		**9,634**	**9,520**
Total equity and liabilities		**31,368**	**31,555**

The accompanying Notes form an integral part of the Condensed Consolidated Interim Financial Statements.

Consolidated Statement of Changes in Equity (unaudited)

Nine months ended September 30, 2026

	Attributable to shareholders of Alcon Inc.								
($ millions)	**Share capital**	**Other reserves**	Fair value adjustments on equity investments	Actuarial gains from defined benefit plans	Cumulative currency translation effects	**Total value adjustments[1]**	**Total**	**Non-controlling interests**	**Total equity**
Balance as of January 1, 2026	**20**	**21,970**	**(48)**	**57**	**35**	**44**	**22,034**	**1**	**22,035**
Net income		449				—	449	—	449
Other comprehensive income/(loss)			(91)	41	(31)	(81)	(81)	—	(81)
Total comprehensive income	**—**	**449**	**(91)**	**41**	**(31)**	**(81)**	**368**	**—**	**368**
Dividends		(173)				—	(173)	—	(173)
Acquisition of treasury shares		(574)				—	(574)	—	(574)
Equity-based compensation		74				—	74	—	74
Other movements[2]		4				—	4	—	4
Total other movements	**—**	**(669)**	**—**	**—**	**—**	**—**	**(669)**	**—**	**(669)**
Balance as of September 30, 2026	**20**	**21,750**	**(139)**	**98**	**4**	**(37)**	**21,733**	**1**	**21,734**

Nine months ended September 30, 2025

	Attributable to shareholders of Alcon Inc.								
($ millions)	**Share capital**	**Other reserves**	Fair value adjustments on equity investments	Actuarial gains from defined benefit plans	Cumulative currency translation effects	**Total value adjustments[1]**	**Total**	**Non-controlling interests**	**Total equity**
Balance as of January 1, 2025	**20**	**21,688**	**(65)**	**51**	**(141)**	**(155)**	**21,553**	**—**	**21,553**
Net income		763				—	763	—	763
Other comprehensive income			44	4	175	223	223	—	223
Total comprehensive income	**—**	**763**	**44**	**4**	**175**	**223**	**986**	**—**	**986**
Dividends		(168)				—	(168)	—	(168)
Acquisition of treasury shares		(384)				—	(384)	—	(384)
Equity-based compensation		72				—	72	—	72
Initial recognition of non-controlling interests		—				—	—	27	27
Changes in non-controlling interests		—				—	—	(25)	(25)
Other movements[2]		37	(10)			(10)	27	—	27
Total other movements	**—**	**(443)**	**(10)**	**—**	**—**	**(10)**	**(453)**	**2**	**(451)**
Balance as of September 30, 2025	**20**	**22,008**	**(31)**	**55**	**34**	**58**	**22,086**	**2**	**22,088**

(1) "Total value adjustments" are presented net of the corresponding tax effects.

(2) Activity includes hyperinflationary accounting. For the nine months ended September 30, 2025, Other reserves also includes reversals of previously-recognized deferred taxes and reclassifications related to the settlements of equity investments.

The accompanying Notes form an integral part of the Condensed Consolidated Interim Financial Statements.

Consolidated Statement of Cash Flows (unaudited)

($ millions)	Note	Nine months ended September 30 2026	2025
Net income		**449**	**763**
Adjustments to reconcile net income to net cash flows from operating activities			
Depreciation, amortization, impairments and fair value adjustments	8.1	1,424	859
Equity-based compensation expense		121	118
Non-cash change in current and non-current provisions and other non-current liabilities		97	61
Losses on disposal and other adjustments on property, plant & equipment and other non-current assets, net		8	7
Interest expense		157	151
Other financial income & expense		(3)	(16)
Share of loss from associated companies	13	8	16
Taxes		73	133
Interest received		38	52
Interest paid		(144)	(139)
Other financial payments		(6)	(6)
Taxes paid		(118)	(95)
Net cash flows before working capital changes and net payments out of provisions and other non-current liabilities		2,104	1,904
Net payments out of provisions and other cash movements in non-current liabilities		(124)	(52)
Change in net current assets and other operating cash flow items	8.2	(291)	(239)
Net cash flows from operating activities		**1,689**	**1,613**
Purchase of property, plant & equipment		(344)	(374)
Proceeds from sale of property, plant & equipment		—	5
Purchase of intangible assets		(136)	(88)
Purchase of investments in associated companies	13	—	(8)
Payments for financial assets		(95)	(30)
Purchase of time deposits	7	(100)	—
Proceeds from time deposits		80	150
Proceeds from financial assets		3	3
Acquisitions of businesses, net of cash acquired	12	—	(693)
Other investing cash flows		(41)	(9)
Net cash flows used in investing activities		**(633)**	**(1,044)**
Dividends paid to shareholders of Alcon Inc.	4	(174)	(166)
Repayment of financial debts		(551)	(102)
Proceeds from financial debts, net of issuance costs		623	49
Other net changes in financial debts		(20)	36
Payments for acquisition of treasury shares	4	(580)	(369)
Lease payments		(65)	(60)
Payment of withholding taxes related to equity-based compensation		(48)	(46)
Transactions with non-controlling interests		—	(25)
Other financing cash flows		(38)	(106)
Net cash flows used in financing activities		**(853)**	**(789)**
Effect of exchange rate changes on cash and cash equivalents		(25)	42
Net change in cash and cash equivalents		**178**	**(178)**
Cash and cash equivalents at January 1		1,527	1,676
Cash and cash equivalents at September 30		**1,705**	**1,498**

The accompanying Notes form an integral part of the Condensed Consolidated Interim Financial Statements.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF ALCON INC. (unaudited)

1. Selected accounting policies

Basis of preparation

These Condensed Consolidated Interim Financial Statements for Alcon Inc. ("the Company") and the subsidiaries it controls (collectively, "Alcon") have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting,* as issued by the International Accounting Standards Board ("IASB") and with the accounting policies as described in Note 2 to the December 31, 2025 Consolidated Financial Statements in the Company's 2025 Form 20-F ("Form 20-F").

These Condensed Consolidated Interim Financial Statements do not include all of the information required for a complete set of International Financial Reporting Standards ("IFRS") financial statements. The financial information consolidates the Company and the subsidiaries it controls, and includes selected notes to explain events and transactions that are significant to an understanding of the changes in Alcon's financial position and performance since the prior annual Consolidated Financial Statements. For non-wholly owned subsidiaries, non-controlling interests are recognized to reflect the portion of equity that is not attributable, directly or indirectly, to shareholders of the Company. The Condensed Consolidated Interim Financial Statements should be read in conjunction with the annual Consolidated Financial Statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS as issued by the IASB ("IFRS Accounting Standards") and can be found in the Form 20-F.

The accompanying Condensed Consolidated Interim Financial Statements present our historical financial position, results of operations, comprehensive income and cash flows in accordance with IFRS Accounting Standards. Alcon's principal accounting policies are set out in Note 2 to the Consolidated Financial Statements in the Form 20-F.

Use of estimates and assumptions

The preparation of Condensed Consolidated Interim Financial Statements requires management to make certain estimates and assumptions, either at the balance sheet date or during the period, that affect the reported amounts of assets and liabilities as well as revenues and expenses. Because of the inherent uncertainties, actual outcomes and results may differ from management's assumptions and estimates.

Impairment of goodwill, Alcon brand name and definite lived intangible assets

As discussed in Note 2 to the Consolidated Financial Statements in the Form 20-F, Goodwill, the Alcon brand name and acquired in-process research & development ("IPR&D") projects are reviewed for impairment at least annually and these, as well as all other investments in intangible assets, are reviewed for impairment whenever events or changes in circumstance indicate that the asset's balance sheet or reportable segment carrying amount may not be recoverable. Goodwill and other intangible assets represent a significant amount of total assets on the Consolidated Balance Sheet. Impairment testing may lead to potentially significant impairment charges in the future, which could have a materially adverse impact on Alcon's results of operations and financial condition.

Hedge accounting

The accounting policies were expanded in 2026 to include Hedge accounting, as follows:

Alcon has designated certain non-derivative financial liabilities denominated in foreign currencies as hedging instruments in a net investment hedge to hedge the foreign exchange exposure arising from Alcon's net investment in certain foreign operations, being the net assets of certain subsidiaries with a Euro functional currency.

The effective portion of the gain or loss on the hedging instrument is recognized in Net investment hedges, net of taxes in the Consolidated Statement of Comprehensive Income and accumulated within Cumulative currency translation effects in the Consolidated Statement of Changes in Equity. Any ineffective portion is recognized immediately in Other financial income & expense in the Consolidated Income Statement.

The cumulative gain or loss recognized in other comprehensive income and accumulated in equity is recycled to profit or loss upon disposal, partial disposal or liquidation of the foreign operation.

New standards and interpretations not yet adopted

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements,* which will replace IAS 1, *Presentation of Financial Statements* and accompanies limited amendments to other standards which will be effective upon the adoption of the new standard. IFRS 18 will be retroactively effective for our reporting periods beginning on January 1, 2027, with early adoption permitted. The standard is expected to improve comparability and transparency of financial statements by requiring five categories (operating, investing, financing, income taxes and discontinued operations) and defined subtotals and totals ("Operating income", "Income before financing and taxes" and "Net income") in the Consolidated Income Statement and adding new principles for aggregation and disaggregation of information in the primary financial statements and notes.

A management-defined performance measure ("MPM") is defined as a subtotal of income and expenses that a company uses in public communications outside of financial statements. IFRS 18 requires disclosure of information for all the Company's MPMs within a single note to the financial statements that includes a description of each MPM, how the measure is calculated and a reconciliation to the most comparable subtotal or total in the income statement. Alcon currently uses a number of performance measures in public communications that may qualify as MPMs under IFRS 18 as described in our quarterly earnings press releases. The assessment of final population of MPMs and related disclosures is ongoing.

IFRS 18 will not impact recognition or measurement of the financial statement items. However, it will impact operating income due to the reclassification of certain income and expense items within the five categories of the consolidated income statement. This includes, but is not limited to, the reclassification of certain income and expense related to portions of foreign currency results and monetary gains/losses from hyperinflation accounting from non-operating to the operating category and the reclassification of net pension interest expense from operating to the financing category.

Additionally, IFRS 18 will change the presentation of the consolidated statement of cash flows. It will start with operating income instead of net income and it is expected to also change the disclosure of operating activities, investing activities and financing activities within the consolidated statement of cash flows due to the change in classification of certain cash flow items. For example, interest received will be reclassified from operating activities to investing activities, while interest paid will be reclassified from operating activities to financing activities. In addition, realized currency results are expected to be reclassified from financing activities to operating activities. Alcon is currently finalizing the impact of adopting this standard on its Consolidated Financial Statements.

Other than previously described, as of September 30, 2026 there are no IFRS Accounting Standards, interpretations or amendments not yet effective that would be expected to have a material impact on Alcon upon adoption.

2. Significant transactions

Significant transactions in 2026

Series 2033 Notes issuance

On September 2, 2026, Alcon, through its wholly owned subsidiary Alcon Finance Corporation ("AFC"), completed a public offering of $578 million (EUR500 million) of non-current EUR denominated financial debt consisting of 3.875% senior notes due 2033 ("Series 2033 Notes"). The funds borrowed through the issuance were used for general corporate purposes, including to fully repay the $500 million Series 2026 Notes. Refer to Note 6 to these Condensed Consolidated Interim Financial Statements for additional information.

Significant transactions in 2025

Surgical - Acquisition of LumiThera, Inc.

On September 2, 2025, Alcon closed on a merger agreement and acquired the remaining outstanding equity of LumiThera Inc. ("LumiThera"), resulting in 100% ownership when combined with Alcon's existing investment in LumiThera. LumiThera is a privately held, US-based company that developed and commercializes the *Valeda* photobiomodulation device, a multi-wavelength treatment for dry age-related macular degeneration, which supplements Alcon's Surgical portfolio. The acquisition of the equity interest was accounted for as a business combination that resulted in goodwill of $38 million after the final purchase price allocation ("PPA") of the consideration to the fair values of acquired assets and assumed liabilities. Total cash paid at closing, net of cash acquired, was $124 million. The PPA was finalized in the third quarter of 2026. Refer to Note 12 for additional information and final PPA.

Vision Care - Acquisition of majority interest in Aurion Biotech, Inc.

On March 24, 2025, Alcon closed on agreements with certain existing shareholders of Aurion Biotech, Inc. ("Aurion") to acquire approximately 58.7% of outstanding equity for approximately $486 million and outstanding convertible notes from the same shareholders for approximately $36 million, totaling $522 million cash paid at closing. Additionally, during 2025, Alcon acquired certain non-controlling interests in Aurion. When combined with Alcon's existing 40.3% investment in Aurion, the transaction resulted in 99% ownership of Aurion on an outstanding and fully diluted basis. This transaction supports Alcon's ophthalmic pharmaceutical portfolio expansion, including biopharmaceutical applications, with the potential to advance the first-ever corneal cell therapy candidate. The acquisition of majority interest was accounted for as a business combination that resulted in goodwill of $175 million. Total cash paid at closing, net of cash acquired, was $496 million. The PPA was finalized in the fourth quarter of 2025. Refer to Note 12 for additional information and final PPA.

Surgical - Acquisition of Cylite Pty Ltd.

On January 16, 2025, Alcon executed a stock purchase agreement and acquired approximately 91.2% of outstanding equity from Cylite Pty Ltd. ("Cylite") shareholders, resulting in 100% ownership when combined with Alcon's existing 8.8% investment in Cylite. The Cylite diagnostic device complements Alcon’s existing Surgical portfolio for cataracts. The acquisition of the remaining equity interest was accounted for as a business combination that resulted in goodwill of $90 million. Total cash paid at closing, net of cash acquired, was $72 million. The PPA was finalized in the fourth quarter of 2025. Refer to Note 12 for additional information and final PPA.

3. Segmentation of key figures

The segment information disclosed in these Condensed Consolidated Interim Financial Statements reflects historical results consistent with the identifiable reportable segments of Alcon and financial information that the Chief Operating Decision Maker ("CODM") reviews to evaluate segmental performance and allocate resources among the segments. The CODM is the Executive Committee of Alcon.

The businesses of Alcon are divided operationally on a worldwide basis into two identified reportable segments, Surgical and Vision Care. Alcon's reportable segments are the same as its operating segments as Alcon does not aggregate any operating segments in arriving at its reportable segments. As indicated below, certain income and expenses are not allocated to segments.

Reportable segments are presented in a manner consistent with the internal reporting to the CODM. The reportable segments are managed separately due to their distinct needs and activities for research, development, manufacturing, distribution and commercial execution.

The Executive Committee of Alcon is responsible for allocating resources and assessing the performance of the reportable segments.

In Surgical, Alcon researches, develops, manufactures, distributes and sells ophthalmic products for cataract surgery, vitreoretinal surgery, refractive laser surgery and glaucoma surgery. The surgical portfolio also includes implantables, consumables and surgical equipment required for these procedures and supports the end-to-end procedure needs of the ophthalmic surgeon.

In Vision Care, Alcon researches, develops, manufactures, distributes and sells daily disposable, reusable, and color-enhancing contact lenses, cell therapies to treat ocular diseases and a comprehensive portfolio of ocular health products, including products for dry eye, ocular allergies, glaucoma and contact lens care, as well as ocular vitamins and redness relievers.

Alcon also provides services, training, education and technical support for both the Surgical and Vision Care businesses.

The basis of preparation and the selected accounting policies mentioned in Note 1 are used in the reporting of segment results.

The Executive Committee of Alcon evaluates segmental performance and allocates resources among the segments based on net sales and segment contribution, which is the single measure of segment profitability.

Net identifiable assets are not assigned to the segments in the internal reporting to the CODM, and are not considered in evaluating the performance of the business segments by the Executive Committee of Alcon.

Segment contribution excludes amortization and impairment charges for acquired product rights or other intangibles, general and administrative expenses for corporate activities, fair value adjustments to contingent consideration liabilities, past service costs primarily for post-employment benefit plan amendments, acquisition and integration related costs, certain acquisition and divestment related items, product discontinuation costs, fair value adjustments of financial assets in the form of options to acquire a company carried at fair value through profit and loss ("FVPL"), net gains and losses on fund investments and equity securities valued at FVPL, fair value remeasurements of investments in associated companies, restructuring costs, legal provisions and settlements and other income and expense items not attributed to a specific segment.

Net sales and other revenues by segment

	Three months ended September 30		Nine months ended September 30	
($ millions)	**2026**	**2025**	**2026**	**2025**
Surgical				
Implantables	422	432	1,326	1,308
Consumables	789	745	2,383	2,234
Equipment/other	269	243	801	664
Total Surgical net sales	**1,480**	**1,420**	**4,510**	**4,206**
Vision Care				
Contact lenses	737	707	2,201	2,087
Ocular health	500	462	1,473	1,324
Total Vision Care net sales	**1,237**	**1,169**	**3,674**	**3,411**
Total net sales	**2,717**	**2,589**	**8,184**	**7,617**
Surgical other revenues	1	2	3	3
Vision Care other revenues	19	23	79	63
Total other revenues	**20**	**25**	**82**	**66**
Total net sales and other revenues	**2,737**	**2,614**	**8,266**	**7,683**

Segment contribution and reconciliation to income before taxes

The below table summarizes segment contribution, including material items of income and expense and includes a reconciliation of segment contribution to income before taxes.

	Surgical		Vision Care		Not allocated to segments		Total	
	Three months ended September 30		Three months ended September 30		Three months ended September 30		Three months ended September 30	
($ millions)	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Net sales	**1,480**	**1,420**	**1,237**	**1,169**	**—**	**—**	**2,717**	**2,589**
Other revenues	1	2	19	23	—	—	20	25
Cost of net sales	(543)	(531)	(380)	(420)	(175)	(185)	(1,098)	(1,136)
Cost of other revenues	(1)	(1)	(16)	(19)	—	—	(17)	(20)
Selling, general & administration	(410)	(386)	(435)	(401)	(84)	(78)	(929)	(865)
Research & development	(146)	(147)	(106)	(95)	(9)	(8)	(261)	(250)
Other income	—	—	—	—	9	10	9	10
Other expense	—	—	—	—	(60)	(21)	(60)	(21)
Segment contribution and Operating income	**381**	**357**	**319**	**257**	**(319)**	**(282)**	**381**	**332**
Interest expense					(52)	(51)	(52)	(51)
Other financial income & expense					1	3	1	3
Share of loss from associated companies					(2)	(1)	(2)	(1)
Income before taxes							**328**	**283**

	Surgical		Vision Care		Not allocated to segments		Total	
	Nine months ended September 30		Nine months ended September 30		Nine months ended September 30		Nine months ended September 30	
($ millions)	2026	2025	2026	2025	2026	2025	2026	2025
Net sales	**4,510**	**4,206**	**3,674**	**3,411**	**—**	**—**	**8,184**	**7,617**
Other revenues	3	3	79	63	—	—	82	66
Cost of net sales	(1,706)	(1,580)	(1,196)	(1,233)	(489)	(590)	(3,391)	(3,403)
Cost of other revenues	(3)	(2)	(50)	(49)	—	—	(53)	(51)
Selling, general & administration	(1,224)	(1,114)	(1,304)	(1,189)	(247)	(245)	(2,775)	(2,548)
Research & development	(440)	(442)	(307)	(257)	(422)	(18)	(1,169)	(717)
Other income	—	—	—	—	26	164	26	164
Other expense	—	—	—	—	(220)	(81)	(220)	(81)
Segment contribution and Operating income	**1,140**	**1,071**	**896**	**746**	**(1,352)**	**(770)**	**684**	**1,047**
Interest expense					(157)	(151)	(157)	(151)
Other financial income & expense					3	16	3	16
Share of loss from associated companies					(8)	(16)	(8)	(16)
Income before taxes							**522**	**896**

Net sales by region[(1)]

	Three months ended September 30				Nine months ended September 30			
($ millions unless indicated otherwise)	2026		2025		2026		2025	
United States	1,243	46 %	1,167	45 %	3,712	45 %	3,464	45 %
International	1,474	54 %	1,422	55 %	4,472	55 %	4,153	55 %
Net sales	**2,717**	**100 %**	**2,589**	**100 %**	**8,184**	**100 %**	**7,617**	**100 %**

(1) Net sales by location of third-party customer.

4. Dividends, earnings per share and share repurchase program

Dividends

On February 24, 2026, the Company's Board of Directors (the "Board") proposed a dividend of CHF 0.28 per share, which was subsequently approved by the shareholders at the Annual General Meeting on April 30, 2026 and paid in May 2026 for an amount of $174 million.

On February 25, 2025, the Board proposed a dividend of CHF 0.28 per share, which was subsequently approved by the shareholders at the Annual General Meeting on May 6, 2025 and paid in May 2025 for an amount of $166 million.

Earnings per share

As of September 30, 2026, there were 480.4 million outstanding common shares after the delivery of 1.4 million net shares vesting under the equity incentive programs, partially offset by repurchases of 8.4 million common shares during the nine months ended September 30, 2026.

Basic earnings per share is computed by dividing net income attributable to shareholders of Alcon Inc. for the period by the weighted average number of common shares outstanding during the period. For the three and nine months ended September 30, 2026, the weighted average number of shares outstanding was 481.0 million and 484.9 million, respectively. For the three and nine months ended September 30, 2025, the weighted average number of shares outstanding was 493.2 million and 494.5 million, respectively.

The only potentially dilutive securities are the outstanding unvested equity-based awards, as described in Note 9. Except when the effect would be anti-dilutive, the calculation of diluted earnings per common share includes the weighted average net impact of unvested equity-based awards. For the three and nine months ended September 30, 2026, the weighted average diluted number of shares outstanding was 483.3 million and 487.4 million, respectively, which includes the potential conversion of 2.3 million and 2.5 million unvested equity-based awards, respectively. For the three and nine months ended September 30, 2025, the weighted average diluted number of shares outstanding was 495.9 million and 497.3 million, respectively, which includes the potential conversion of 2.7 million and 2.8 million unvested equity-based awards, respectively.

Share repurchase programs

Alcon made share repurchases in January 2026 under the initial share repurchase program, (the "2025 Repurchase Program"), which was announced in 2025 and completed on January 20, 2026 with 9.3 million shares repurchased for a total of $750 million during the duration of the program.

On May 5, 2026, the Board authorized the repurchase of up to $1.5 billion of the Company's common shares, par value of CHF 0.04 per share, on a second trading line with the SIX Swiss Exchange, (the "2026 Repurchase Program"). The shares to be acquired under this share buyback program will be cancelled as a return of capital to shareholders.

Alcon expects to fund the 2026 Repurchase Program through cash generated from operations. The 2026 Repurchase Program is subject to customary safe harbor conditions and authorization of the Swiss Takeover Board. The timing and total amount of share repurchases and cancellations will depend upon a variety of factors. The 2026 Repurchase Program is expected to be completed over a three-year period, but may be suspended or discontinued at any time. Alcon commenced share repurchases under the 2026 Repurchase Program on May 7, 2026.

During the nine months ended September 30, 2026, 8.4 million shares were repurchased for a total consideration of $574 million under both the 2025 Repurchase Program and the 2026 Repurchase Program. Total cash payments of $580 million for the acquisition of treasury shares for the nine months ended September 30, 2026 were recorded to Payments for acquisition of treasury shares within the financing section of the Condensed Consolidated Statement of Cash Flows. No shares have been cancelled as of September 30, 2026.

Excluding the repurchases under the 2025 Repurchase Program, during the nine months ended September 30, 2026, 7.5 million shares were repurchased for total consideration of $505 million, which is reflected as Payments for acquisition of treasury shares within Financing activities in the Condensed Consolidated Statement of Cash Flows.

5. Intangible assets other than goodwill

Intangible asset impairment charges

There were no impairment charges during the three months ended September 30, 2026. Impairment charges during the nine months ended September 30, 2026 totaled $543 million, including $505 million recognized in Research & development in the Condensed Consolidated Income Statement in the second quarter due to the full impairment of the IOL programs acquired from PowerVision, Inc. in March 2019 ("PowerVision programs") cash generating unit ("CGU") in the Surgical reportable segment due to discontinuation of the PowerVision programs following the analysis of the latest clinical study data. The discontinuation of the PowerVision programs also resulted in a fair value adjustment of $103 million to contingent consideration liabilities in Provisions & other non-current liabilities and recognized in Research & development, as well as a $115 million reversal of Deferred tax liabilities and recognized in Taxes in the Condensed Consolidated Income Statement. In addition, $38 million was recognized in Cost of net sales in the Condensed Consolidated Income Statement in the first quarter due to the partial impairment of a currently marketed product CGU in the Vision Care reportable segment due to challenges gaining prescription share. The CGU was reduced to its recoverable amount of $9 million determined based on the value in use method with a discount rate of 8.25% at the time of impairment.

Impairment charges during the three months ended September 30, 2025 amounted to $2 million, recognized in Research and development in the Condensed Consolidated Income Statement due to the full impairment of an acquired IPR&D CGU in the Vision Care reportable segment due to discontinuation of the project. Impairment charges during the nine months ended September 30, 2025 amounted to $45 million, including $43 million recognized in Cost of net sales in the Condensed Consolidated Income Statement in the second quarter due to the full impairment of a currently marketed product CGU in the Vision Care reportable segment due to discontinuation of commercialization of the product.

6. Non-current and current financial debts

The below table summarizes non-current and current Financial debts outstanding as of September 30, 2026 and December 31, 2025.

($ millions)	September 30, 2026	December 31, 2025
Non-current financial debts		
Local facilities (Japan), floating rate debt due 2028	34	53
2.375% Series 2028 Notes	566	584
3.000% Series 2029 Notes	997	996
2.600% Series 2030 Notes	748	747
5.375% Series 2032 Notes	695	695
3.875% Series 2033 Notes	562	—
3.800% Series 2049 Notes	495	495
5.750% Series 2052 Notes	592	592
Revolving facility, floating rate due 2030	—	—
Total non-current financial debts	**4,689**	**4,162**
Current financial debts		
Local facilities, floating rate:		
Japan	—	—
All others	61	65
2.750% Series 2026 Notes	—	499
Other short-term financial debts, floating rate	8	5
Derivatives	9	6
Total current financial debts	**78**	**575**
Total financial debts	**4,767**	**4,737**

Interest expense recognized for Financial debts was $44 million and $129 million for the three and nine months ended September 30, 2026, respectively, and $43 million and $127 million for the three and nine months ended September 30, 2025, respectively.

Series 2033 Notes issuance

On September 2, 2026, AFC issued EUR denominated senior notes due in 2033, which are guaranteed by the Company. The Series 2033 Notes are unsecured senior obligations of AFC and rank equally in right of payment with the Series 2028, Series 2029, Series 2030, Series 2032, Series 2049 and Series 2052 Notes. The total principal of the Series 2033 Notes is $568 million (EUR500 million) as of September 30, 2026. The Series 2033 Notes were issued at 99.543% with 3.875% interest payable annually in September, beginning in September 2027. The Series 2033 Notes were issued at a discount totaling $3 million, which was recorded as a reduction to the carrying value of the Series 2033 Notes and will be amortized to Interest expense over the term of the Series 2033 Notes. AFC incurred $3 million of debt issuance costs, which were recorded as a reduction to the carrying value of the Series 2033 Notes and will be amortized to Other financial income & expense over the term of the Series 2033 Notes.

On September 23, 2026, the funds borrowed through the issuance of the Series 2033 Notes were used for general corporate purposes, including to fully repay the $500 million Series 2026 Notes maturing in September 2026.

Revolving credit facility

The $1.32 billion Revolving Credit Facility remained undrawn as of September 30, 2026.

7. Financial instruments

Fair value by hierarchy

As required by IFRS, financial assets and liabilities recorded at fair value in the Condensed Consolidated Interim Financial Statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. There are three hierarchical levels, based on an increasing amount of judgment associated with the inputs to derive fair value for these financial assets and liabilities, which are as follows:

Financial assets and liabilities carried at Level 1 fair value hierarchy are listed in active markets.

Financial assets and liabilities carried at Level 2 fair value hierarchy are valued using corroborated market data.

Level 1 financial assets include money market funds, equity securities in public companies and deferred compensation assets. There were no financial liabilities carried at Level 1 fair value, and Level 2 financial assets and liabilities include derivative financial instruments.

Investments in money market funds and equity securities in public companies are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. Investments in money market funds are classified as Cash & cash equivalents within the Condensed Consolidated Balance Sheet.

Deferred compensation investments for certain employee benefit plans are held in a rabbi trust and dedicated to pay the benefits under the associated plans but are not considered plan assets as the assets remain available to creditors of Alcon in certain events, including bankruptcy. Rabbi trust assets primarily consist of investments in mutual funds. These assets are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices.

Level 3 inputs are unobservable for the financial asset or liability. Fair value measurements classified as Level 3 are performed primarily using the income approach or market approach. The financial assets and liabilities generally included in the Level 3 fair value hierarchy are equity securities and convertible notes receivable of private companies measured at fair value through other comprehensive income ("FVOCI"), fund investments, options to acquire private companies and contingent consideration liabilities measured at FVPL.

The below table summarizes financial assets and liabilities measured at fair value on a recurring basis as of September 30, 2026 and December 31, 2025.

	September 30, 2026				December 31, 2025			
($ millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Long-term financial investments measured at FVOCI	90	—	175	**265**	132	—	196	**328**
Long-term financial investments measured at FVPL	—	—	20	**20**	—	—	4	**4**
Deferred compensation assets[1]	207	—	—	**207**	202	—	—	**202**
Non-current financial assets at fair value	**297**	**—**	**195**	**492**	**334**	**—**	**200**	**534**
Current financial assets								
Money market funds	858	—	—	**858**	562	—	—	**562**
Current portion of long-term financial investments measured at FVPL[2]	—	—	1	**1**	—	—	1	**1**
Derivative financial instruments[2]	—	20	—	**20**	—	5	—	**5**
Current financial assets at fair value	**858**	**20**	**1**	**879**	**562**	**5**	**1**	**568**
Financial assets at fair value	**1,155**	**20**	**196**	**1,371**	**896**	**5**	**201**	**1,102**
Non-current financial liabilities								
Non-current contingent consideration liabilities	—	—	(78)	**(78)**	—	—	(160)	**(160)**
Non-current financial liabilities at fair value	**—**	**—**	**(78)**	**(78)**	**—**	**—**	**(160)**	**(160)**
Current financial liabilities								
Current contingent consideration liabilities	—	—	(33)	**(33)**	—	—	(9)	**(9)**
Derivative financial instruments	—	(9)	—	**(9)**	—	(6)	—	**(6)**
Current financial liabilities at fair value	**—**	**(9)**	**(33)**	**(42)**	**—**	**(6)**	**(9)**	**(15)**
Financial liabilities at fair value	**—**	**(9)**	**(111)**	**(120)**	**—**	**(6)**	**(169)**	**(175)**

(1) Recorded in Other non-current assets.
(2) Recorded in Other current assets.

There were no transfers of financial assets or liabilities between levels in the fair value hierarchy during the nine months ended September 30, 2026.

The carrying amount is a reasonable approximation of fair value for all other financial instruments as of September 30, 2026, with the exception of the Series 2028, 2029, 2030, 2032, 2033, 2049 and 2052 Notes. These notes are recorded in Non-current financial debts. As of September 30, 2026, these notes had a fair value of $4,270 million and a carrying value of $4,655 million. The fair value of these notes was determined using Level 2 inputs. These notes were valued using the quoted market price for such notes, which have low trading volumes.

The carrying amount is a reasonable approximation of fair value for all other financial instruments as of December 31, 2025, with the exception of the Series 2026, 2028, 2029, 2030, 2032, 2049 and 2052 Notes. These notes are recorded in Non-current financial debts, with the exception of the Series 2026 Notes, which are recorded in Current financial debts. As of December 31, 2025, these notes had a fair value of $4,466 million and a carrying value of $4,608 million. The fair value of these notes was determined using Level 2 inputs. These notes were valued using the quoted market price for such notes, which have low trading volumes.

Level 3 financial instruments measured at fair value on a recurring basis

Financial assets

	Long-term financial investments measured at FVOCI		Financial investments measured at FVPL	
($ millions)	2026	2025	2026	2025
Balance as of January 1	**196**	**201**	**5**	**2**
Additions	37	19	21	4
Net losses recognized in Consolidated Statement of Comprehensive Income	(58)	(23)	—	—
Amortization	—	—	(5)	(2)
Settlements	—	(27)	—	—
Balance as of September 30	**175**	**170**	**21**	**4**

Financial liabilities

	Contingent consideration liabilities	
($ millions)	2026	2025
Balance as of January 1	**(169)**	**(96)**
Additions	—	(63)
Accretion for passage of time	(7)	(8)
Adjustments for changes in assumptions	65	—
Currency translation effects	—	1
Balance as of September 30	**(111)**	**(166)**

Changes in contingent consideration liabilities in the current year period include fair value adjustments for changes in assumptions due to revised expectations for achievement of commercial milestones, resulting in an increase of $38 million, and due to revised expectations for achievement of development and commercial milestones related to the discontinuation of the PowerVision programs, resulting in a decrease of $103 million. Refer to Note 5 for additional information on the PowerVision programs.

Additions to contingent consideration liabilities in the prior year period relate to the LumiThera and Cylite acquisitions. Refer to Note 12 for additional information.

As of September 30, 2026, the probability of success for various development and commercial milestones ranges from 0% to 100% and the maximum remaining potential payments related to contingent consideration from business combinations is $1.0 billion, plus other amounts calculated as a percentage of commercial sales in cases where there is not a specified maximum contractual payment amount. The estimation of probability typically depends on factors such as technical milestones or market performance and is adjusted for the probability of payment. If material, probable payments are appropriately discounted to reflect the impact of time.

Contingent consideration liabilities are reported in Provisions & other non-current liabilities and Provisions & other current liabilities based on the projected timing of settlement, which is estimated to range from late 2026 through 2039 for contingent consideration obligations as of September 30, 2026.

Time deposits

During 2026, Alcon purchased time deposits of $100 million with a six-month term maturing on October 29, 2026. The time deposits are measured at amortized cost and had a carrying value of $102 million as of September 30, 2026.

Long-term note receivables and other financial assets measured at amortized cost

As described in Note 17 to the Consolidated Financial Statements in the Form 20-F, on May 22, 2023, Alcon entered into financing arrangements with a long-term supplier, Lifecore Biomedical, Inc. and certain of its affiliates (collectively, "Lifecore") resulting in financial assets which Alcon concluded were originated credit-impaired. The maximum exposure to credit risk is reflected in the carrying value of the assets, which amounted to $203 million as of September 30, 2026, including a non-current portion of $202 million in Financial assets and a current portion of $1 million in Other current assets. As of September 30, 2026, in accordance with the terms of the Pledge and Security agreement ("security agreement"), the credit risk exposure is fully mitigated by the collateral, with an estimated amount of approximately $420 million. There have been no significant changes in the quality of the collateral, the terms of the signed security agreement or the credit monitoring procedures described in Note 17 to the Consolidated Financial Statements in the Form 20-F. In addition, as of September 30, 2026, Alcon assessed there was no lifetime expected credit loss due to the value of the collateral under the security agreement.

Derivatives

The below table summarizes the net value of unsettled positions for currency derivatives contracts including swaps, forwards and options as of September 30, 2026 and December 31, 2025.

($ millions)	**September 30, 2026**	**December 31, 2025**
Unrealized gains in Other current assets	20	5
Unrealized losses in Current financial debts	(9)	(6)
Net value of unsettled positions for derivatives contracts	**11**	**(1)**

There are master agreements with several banking counterparties for derivative financial instruments; however, there were no derivative financial instruments meeting the offsetting criteria under IFRS as of September 30, 2026 or December 31, 2025.

Hedge accounting

Alcon's risk management strategy is to hedge foreign currency exposures arising from the net investments held in foreign operations. In 2026, Alcon has designated the principal amount and accrued interest of the Euro denominated Series 2033 Notes as a hedging instrument for its net investment in certain foreign operations, being the net assets of certain subsidiaries with a Euro functional currency.

Hedge effectiveness is determined at the inception of the hedge relationship and is reviewed each reporting period or when significant changes occur to the hedged items or hedging instruments. Alcon performs a forward-looking qualitative assessment of the hedge effectiveness using a critical terms match method. As the critical terms of the hedged items and the hedging instrument match, Alcon has concluded that an economic relationship exists between the hedged items and hedging instrument. Alcon does not expect the effect of credit risk to dominate the value changes resulting from the economic relationship. Alcon has applied a hedge ratio of 100%, which reflects both the actual quantities hedged and the hedge ratio used for hedge accounting purposes.

As of September 30, 2026, the hedging instrument has a carrying value of $562 million recorded to non-current Financial debts and accrued interest of $2 million recorded to Provisions & other current liabilities in the Condensed Consolidated Balance Sheet, and a nominal amount of EUR502 million including accrued interest. The hedging instrument has a principal maturity of September 2033 with interest payable annually. As of September 30, 2026, cumulative gains on net investment hedges, net of taxes, of $8 million have been recorded to Cumulative currency translation effects in the Condensed Consolidated Statement of Changes in Equity for this continuing hedging relationship.

Potential hedge ineffectiveness may arise if the hedging relationship becomes over-hedged. The ineffective portion of the hedge, if any, is recognized immediately in Other financial income & expense in the Condensed Consolidated Income Statement. As of September 30, 2026, no hedge ineffectiveness has been recognized for the net investment hedge.

Nature and extent of risks arising from financial instruments

Note 17 to the Consolidated Financial Statements in the Form 20-F contains a summary of the nature and extent of risks arising from financial instruments. During the period, Alcon has updated its risk management policy for foreign currency exchange rate risk as described below. There have been no other significant updates to our assessment of the nature and extent of risks arising from financial instruments or corresponding risk management policies during the period.

Foreign currency exchange rate risk

Alcon uses the US Dollar as its reporting currency and is therefore exposed to foreign currency exchange movements, primarily in Euros, Japanese Yen, Chinese Renminbi, Canadian Dollars, Singaporean Dollars, Swiss Francs, Russian Rubles and emerging market currencies. Fluctuations in the exchange rate between the US Dollar and other currencies can have a significant effect on both Alcon's results of operations, including reported sales and earnings, as well as on the reported value of Alcon's assets, liabilities and cash flows. This, in turn, may significantly affect the comparability of period-to-period results of operations.

Alcon manages its global currency exposure by engaging in derivative contracts (forward contracts, options and swaps) and hedging transactions where management deems appropriate. Specifically, Alcon enters into various derivative contracts that reflect the changes in the value of foreign currency exchange rates to preserve the value of assets. Additionally, Alcon has designated the principal amount and accrued interest of the Euro denominated Series 2033 Notes as a hedging instrument for its net investment in certain foreign operations, being the net assets of certain subsidiaries with a Euro functional currency.

Refer to Note 2 to the Consolidated Financial Statements in the Form 20-F for information regarding the hyperinflationary economies in which Alcon operates.

8. Condensed Consolidated Statement of Cash Flows - additional details

The below tables provide additional detail supporting select line items in the Condensed Consolidated Statement of Cash Flows.

8.1 Depreciation, amortization, impairments and fair value adjustments

	Nine months ended September 30	
($ millions)	**2026**	**2025**
Property, plant & equipment	331	307
Right-of-use assets	77	67
Intangible assets	1,003	629
Other non-current assets[1]	13	(144)
Total	**1,424**	**859**

(1) For the nine months ended September 30, 2025, Other non-current assets includes gains on fair value remeasurements of investments in associated companies. Refer to Note 12 for additional information.

8.2 Change in net current assets and other operating cash flow items

	Nine months ended September 30	
($ millions)	**2026**	**2025**
(Increase) in inventories	(241)	(176)
(Increase) in trade receivables	(126)	(90)
Increase in trade payables	75	90
Net change in other operating assets	(57)	(11)
Net change in other operating liabilities	58	(52)
Total	**(291)**	**(239)**

9. Equity-based compensation

As described in Note 23 to the Consolidated Financial Statements in the Form 20-F, Alcon has various equity incentive plans, under which Alcon may grant awards in the form of restricted stock units ("RSUs"), performance-based restricted stock units ("PSUs"), restricted stock awards ("RSAs"), or any other form of award at the discretion of the Board. Certain associates in select countries may also participate in share ownership savings plans.

The below table summarizes unvested share movements for all Alcon equity-based incentive plans for the nine months ended September 30, 2026 and 2025.

	Nine months ended September 30	
(shares in millions)	**2026**	**2025**
Unvested at January 1	**5.7**	**5.2**
Granted	2.2	2.6
Vested	(2.0)	(1.7)
Forfeited	(0.2)	(0.3)
Unvested at September 30	**5.7**	**5.8**

10. Legal proceedings update

A number of Alcon companies are, and will likely continue to be, subject to various legal proceedings and investigations that arise from time to time, including proceedings regarding product liability, sales and marketing practices, commercial disputes, mergers and acquisitions, employment, wrongful discharge, antitrust, securities, health and safety, environmental, tax, international trade, privacy, intellectual property, including under the Hatch-Waxman Act, and anti-bribery matters such as those under the Foreign Corrupt Practices Act of 1977, as amended.

As a result, Alcon may become subject to substantial liabilities that may not be covered by insurance and could affect Alcon's business, financial position and reputation. While Alcon does not believe that any of these legal proceedings will have a material adverse effect on its financial position, litigation is inherently unpredictable and large judgments sometimes occur. As a consequence, Alcon may in the future incur judgments or enter into settlements of claims that could have a material adverse effect on its results of operations or cash flow. Note 18 to the Consolidated Financial Statements in the Form 20-F contains a summary of significant legal proceedings to which Alcon or any of its subsidiaries was a party as of the date of the Form 20-F. In July 2024, Alcon received a Civil Investigative Demand from the U.S. Department of Justice (“DoJ”) in connection with a civil investigation under the False Claims Act relating to discounts on surgical equipment servicing contracts. On May 20, 2026, DoJ informed Alcon that it declined to intervene in a recently unsealed qui tam action entitled *United States ex rel. Ball vs. Alcon Inc., et al.*, No. 2:23-cv-03414-NIQA (E.D. Pa.), thereby concluding the investigation underlying the Civil Investigative Demand.

As of November 10, 2026, there have been no other significant developments in the proceedings described in the Form 20-F nor any new significant proceedings commenced since the date of the Form 20-F.

Alcon believes that its total provisions for litigation and other legal matters are adequate based upon currently available information. However, given the inherent difficulties in estimating liabilities, additional liabilities and costs may be incurred beyond the amounts provided.

11. Restructuring provisions

On February 24, 2026, Alcon announced certain efficiency measures supported by operational improvements and infrastructure investments. In November 2026, Alcon expanded these measures.

The additions to restructuring provisions in the nine months ended September 30, 2026 were for these efficiency measures and were related to accrued severance for the associates whose positions were eliminated. The below table shows the movement of restructuring provisions, which is included in Provisions and other current liabilities in the Condensed Consolidated Balance Sheet.

($ millions)	2026	2025
January 1	**—**	**—**
Additions	120	—
Cash payments	(77)	—
Balance as of September 30	**43**	**—**

12. Acquisitions

Acquisitions of businesses

During the first nine months of 2026, there were no acquisitions of businesses. During the first nine months of 2025, acquisitions of businesses included LumiThera, Inc., Aurion Biotech, Inc. and Cylite Pty Ltd., described below.

Surgical - Acquisition of LumiThera, Inc.

On September 2, 2025, Alcon closed on a merger agreement and acquired the remaining outstanding equity of LumiThera, resulting in 100% ownership when combined with Alcon's existing investment in LumiThera. LumiThera is a privately held, US-based company that developed and commercializes the *Valeda* photobiomodulation device, a multi-wavelength treatment for dry age-related macular degeneration, which supplements Alcon's Surgical portfolio. The acquisition of the equity interest was accounted for as a business combination that resulted in goodwill of $38 million after the final PPA of the consideration to the fair values of acquired assets and assumed liabilities. Total cash paid at closing, net of cash acquired, was $124 million.

The potential commercial milestones payable for specified revenue targets between 2026 and 2039 could be up to $660 million and the potential development milestone payments for regulatory approval in China or Japan could be up to $30 million. The contingent consideration recognized during the third quarter of 2025 represents its fair value (Level 3) at the acquisition date.

The acquisition date fair value of the previously held financial investment measured at FVOCI by Alcon was $16 million, resulting in a remeasurement fair value gain in Other comprehensive income of $9 million, net of taxes.

During the measurement period, Alcon updated its preliminary valuation of the fair value of acquired assets and assumed liabilities, primarily due to finalization of opening balance sheet testing procedures post-acquisition date.

The below table summarizes the PPA for the LumiThera business combination which was finalized in the third quarter of 2026.

($ millions)	Preliminary PPA	Measurement period adjustments	Final PPA
Current marketed products	185	5	190
Deferred tax assets	9	—	9
Inventories	5	(2)	3
Trade receivables	2	—	2
Cash and cash equivalents	1	—	1
Other current assets	1	—	1
Deferred tax liabilities	(42)	(2)	(44)
Trade payables	(2)	—	(2)
Provisions and other current liabilities	(3)	1	(2)
Net identifiable assets acquired	**156**	**2**	**158**
Goodwill	42	(4)	38
Net assets acquired as a result of business combination	**198**	**(2)**	**196**
Cash paid at closing	126	(1)	125
Cash expected to be paid after closing	2	(1)	1
Previously-held FVOCI financial investment	16	—	16
Contingent consideration	54	—	54
Total acquisition date fair value of consideration	**198**	**(2)**	**196**

Goodwill is attributable primarily to the accounting impact of deferred tax liabilities and assembled workforce. The goodwill is not deductible for tax purposes.

Direct acquisition costs of $2 million and $6 million were recognized in Other expense in the Condensed Consolidated Income Statement for the three and nine months ended September 30, 2025, respectively. These were reported in operating cash flows in the Condensed Consolidated Statement of Cash Flows.

Pro forma financial information is not presented for the LumiThera business acquisition as it is not material to the Condensed Consolidated Financial Statements.

For the period from the date of the LumiThera acquisition, September 2, 2025, through September 30, 2025, the results of operations for the acquired business were not material.

Vision Care - Acquisition of majority interest in Aurion Biotech, Inc.

On March 24, 2025, Alcon closed on agreements with certain existing shareholders of Aurion to acquire approximately 58.7% of outstanding equity for approximately $486 million and outstanding convertible notes from the same shareholders for approximately $36 million, totaling $522 million cash paid at closing. Additionally, during 2025, Alcon acquired certain non-controlling interests in Aurion. When combined with Alcon's existing 40.3% investment in Aurion, the transaction resulted in 99% ownership of Aurion on an outstanding and fully diluted basis. This transaction supports Alcon's ophthalmic pharmaceutical portfolio expansion, including biopharmaceutical applications, with the potential to advance the first-ever corneal cell therapy candidate. The acquisition of majority interest was accounted for as a business combination that resulted in goodwill of $175 million. Total cash paid at closing, net of cash acquired, was $496 million. The transaction also resulted in non-controlling interests.

The acquisition date fair value of the equity interest previously held by Alcon was $334 million, resulting in a remeasurement fair value gain of $136 million in the first quarter of 2025. The fair value gain has been included in Other income in the 2025 Condensed Consolidated Income Statement.

The below table summarizes the final PPA for the Aurion business combination which was finalized in the fourth quarter of 2025.

($ millions)	**Final PPA**
Property, plant and equipment	3
Right-of-use assets	6
Current marketed products	65
Acquired IPR&D	820
Deferred tax assets	40
Other current assets	6
Cash and cash equivalents	26
Non-current lease liabilities	(4)
Non-current financial debts	(1)
Deferred tax liabilities	(202)
Current financial debts	(34)
Current lease liabilities	(2)
Current income tax liabilities	(1)
Trade payables	(3)
Provisions and other current liabilities	(11)
Net identifiable assets acquired	**708**
Goodwill	175
Non-controlling interests	(27)
Net assets acquired as a result of business combination	**856**
Cash paid at closing	522
Previously-held investment in associated company	334
Total acquisition date fair value of consideration	**856**

Goodwill is attributable primarily to assembled workforce and biopharmaceutical research and development capabilities. The goodwill is not deductible for tax purposes.

Direct acquisition costs of $2 million were recognized in Other expense in the 2025 Condensed Consolidated Income Statement and were reported in operating cash flows in the 2025 Condensed Consolidated Statement of Cash Flows.

Pro forma financial information is not presented for the Aurion business acquisition as it is not material to the 2025 Condensed Consolidated Financial Statements.

For the period from the date of the Aurion acquisition, March 24, 2025, through September 30, 2025, the acquired business increased Alcon's Net sales by $7 million and reduced Alcon's Net income by $25 million.

Surgical - Acquisition of Cylite Pty Ltd.

On January 16, 2025, Alcon executed a stock purchase agreement and acquired approximately 91.2% of outstanding equity from Cylite shareholders, resulting in 100% ownership when combined with Alcon's existing 8.8% investment in Cylite. The Cylite diagnostic device complements Alcon’s existing Surgical portfolio for cataracts. The acquisition of the remaining equity interest was accounted for as a business combination that resulted in goodwill of $90 million. Total cash paid at closing, net of cash acquired, was $72 million.

The development milestone contingent consideration is related to a potential payment of up to $10 million upon achievement of the first commercial sale of a defined product within the United States. The contingent consideration recognized during the first quarter of 2025 represents its fair value (Level 3) at the acquisition date.

The acquisition date fair value of the equity interest previously held by Alcon was $14 million, resulting in a remeasurement fair value gain of $6 million in the first quarter of 2025. The fair value gain has been included in Other income in the 2025 Condensed Consolidated Income Statement.

The below table summarizes the final PPA for the Cylite business combination which was finalized in the fourth quarter of 2025.

($ millions)	**Final PPA**
Property, plant and equipment	1
Right-of-use assets	1
Current marketed products	4
Acquired IPR&D	33
Inventories	1
Cash and cash equivalents	6
Other assets	1
Deferred tax liabilities	(11)
Lease liabilities	(1)
Trade payables	(1)
Provisions and other current liabilities	(1)
Net identifiable assets acquired	**33**
Goodwill	90
Net assets acquired as a result of business combination	**123**
Cash paid at closing	78
Cash expected to be paid after closing	2
Previously-held FVOCI financial investment	11
Previously-held commercialization rights in intangible assets	9
Contingent consideration	9
Previously-held investment in associated company	14
Total acquisition date fair value of consideration	**123**

Goodwill is attributable primarily to buyer-specific synergies, including benefits to intraocular lens sales, development collaboration arrangement and associated development timeline reduction and assembled workforce. The goodwill is not deductible for tax purposes.

Direct acquisition costs of $1 million were recognized in Other expense in the 2025 Condensed Consolidated Income Statement and were reported in operating cash flows in the 2025 Condensed Consolidated Statement of Cash Flows.

Pro forma financial information is not presented for the Cylite business acquisition as it is not material to the 2025 Condensed Consolidated Financial Statements.

For the period from the date of the Cylite acquisition, January 16, 2025, through September 30, 2025, the acquired business reduced Alcon's Net income by $12 million.

Termination of proposed acquisition of LENSAR, Inc.

On March 23, 2025, Alcon entered into a definitive agreement to acquire all outstanding shares of LENSAR, Inc. ("LENSAR"), a global medical technology company focused on advanced laser solutions for the treatment of cataracts, with a total consideration of up to approximately $430 million. On March 16, 2026, Alcon entered into an agreement with LENSAR to terminate the previously announced merger agreement.

13. Related parties transactions

Associated companies

As of September 30, 2026, Alcon holds voting interests of approximately 21.4% in an associated company. Investments in associated companies are accounted for using the equity method as Alcon is considered to have significant influence.

The below table summarizes activity related to investments in associated companies for the nine months ended September 30, 2026 and 2025.

	Investments in associated companies	
($ millions)	**2026**	**2025**
Balance as of January 1	**77**	**293**
Purchases	—	8
Share of loss from associated companies recognized in Consolidated Income Statement	(8)	(16)
Gains on fair value remeasurements recognized in Consolidated Income Statement[1]	—	142
Recognition of business combinations[1]	—	(348)
Balance as of September 30	**69**	**79**

(1) Refer to Note 12 for additional information.

On May 11, 2026, Alcon entered into a financing arrangement with a supplier for one of its majority-owned subsidiaries under which Alcon provided funding of $25 million in exchange for a note receivable maturing on May 11, 2033. Although Alcon is considered to have significant influence under the terms of the arrangement, Alcon does not hold any outstanding or potential equity interest with the supplier. The note receivable is accounted for as a financial asset measured at amortized cost.

As of September 30, 2026, the carrying amount of the note receivable was $26 million and was recorded in Financial assets on the Condensed Consolidated Balance Sheet. For the nine months ended September 30, 2026, purchases from the supplier amounted to $0.5 million for the supply of materials.

14. Subsequent events

On October 20, 2026, Alcon acquired 100% of the outstanding equity of Neurotech Pharmaceuticals, Inc., a privately held, U.S.-based biotech company focused on the development of innovative cell therapies for chronic eye diseases. The acquisition expands Alcon's Vision Care retina portfolio with *ENCELTO*, a U.S. FDA-approved treatment for adults with idiopathic Macular Telangiectasia Type 2. Pursuant to the terms of the stock purchase agreement, Alcon agreed to pay closing consideration of $550 million and additional amounts to be potentially paid upon achievement of certain commercial milestones. The acquisition of equity interests will be accounted for as a business combination. Given the proximity of the acquisition date to the reporting date, the initial accounting for the business combination, including the allocation of consideration to identifiable assets acquired and liabilities assumed and the valuation of intangible assets and goodwill, is incomplete as of November 10, 2026.

These unaudited Condensed Consolidated Interim Financial Statements were authorized for issue by the Audit & Risk Committee on November 10, 2026.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document 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 outlook for 2026 and future periods, including with respect to liquidity, revenue, revenue growth, gross margin, operating margin, core operating margin, core operating margin growth, effective tax rate, foreign currency exchange movements, tariff impact, non-operating expenses, earnings per share, earnings per share growth, operating cash flow, and free cash flow; our plans and decisions relating to various capital expenditures, capital allocation priorities and other discretionary items such as our market growth assumptions; our social impact and sustainability plans, targets, goals and expectations; and generally, our expectations concerning our future performance.

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 and technology failures that could disrupt operations; our ability to effectively manage the risks associated with transformational information technology changes such as the ethical use of artificial intelligence and disruptive technologies and the migration to cloud-based platforms; compliance with data privacy, identity protection and information security laws, particularly with the increased use of artificial intelligence; the impact of a disruption in our global supply chain, including the effect of tariffs, or important facilities, particularly when we single-source or rely on limited sources of supply; our reliance on outsourcing key business functions; the increasingly challenging economic, political and legal environment in China; global and regional economic, financial, monetary, legal, tax, political and social change; our ability to comply with anti-corruption, anti-bribery, export control, trade sanction, or similar laws; our ability to attract and retain qualified personnel; our ability to manage the risks associated with operating as a third-party contract manufacturer; our success in completing strategic acquisitions, including equity investments in early-stage companies, on favorable terms or at all, and in integrating acquired businesses; the success of our research and development efforts, including our ability to innovate to compete effectively; our ability to manage the rapid evolution and adoption of artificial intelligence; terrorism, war and similar events; our ability to forecast sales demand and manage our inventory levels and the changing buying patterns of our customers; pricing pressure from changes in third party payor coverage and reimbursement methodologies; our ability to comply with all laws to which we may be subject; 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; the effect of product recalls or voluntary market withdrawals; our ability to manage social impact and sustainability matters; our ability to properly educate and train healthcare providers on our products; our ability to protect our intellectual property; the accuracy of our accounting estimates and assumptions, including pension and other post-employment benefit plan obligations and the carrying value of intangible assets, and the adequacy of our financial reporting, accounting practices and internal controls; our ability to service our debt obligations; the need for additional financing through the issuance of debt or equity; the effects of litigation, including product liability lawsuits and governmental investigations; legislative, tax and regulatory reform; 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 US corporation; the effect of maintaining or losing our foreign private issuer status under US securities laws; and the ability to enforce US judgments against Swiss corporations.

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 document 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. We also undertake no obligation to update our outlook for 2026 or any future period as circumstances evolve.

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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 people in over 140 countries and territories each year living with conditions like cataracts, glaucoma, retinal diseases and refractive errors. Our more than 25,000 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.

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