Bayer Pharmaceuticals

UBS Virtual Global Healthcare Conference

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Guidance at constant currencies, not including portfolio divestitures if not mentioned differently.
Solid Performance in Q1 2020; Pipeline Progress Achieved

Financials
Q1 2020

// Sales up 4% to €4.5 billion
// Underlying EBITDA up 7% to €1.6 billion; margin at 35.1%
// Xarelto (+19%) as main growth contributor

Innovation

// Positive phase III data for Vericiguat (VICTORIA) and Xarelto (VOYAGER PAD)
// EU approval for darolutamide and pre-filled syringe for Eylea
// Darolutamide plus androgen deprivation therapy significantly increased overall survival in men with nmCRPC
Key Late-stage Pipeline Assets: Vericiguat & Finerenone

**Vericiguat**

- First-in-class, direct sGC-stimulator being developed in patients with symptomatic chronic heart failure
- Vericiguat actively restores functioning of a distinct pathway (NO-sGC-cGMP) not addressed by current therapies
- Oral, once-daily dosing
- Phase III trial completed for the treatment of chronic heart failure following a worsening event and results presented at ACC 2020
- Development in collaboration with Merck & Co. Inc., Kenilworth, NJ, USA

**Finerenone**

- Novel, selective, non-steroidal mineralocorticoid receptor antagonist (MRA)
- Blocking deleterious effects of mineralocorticoid receptor over-activation, a key trigger of inflammation and fibrosis
- Greater receptor selectivity and better receptor affinity than existing MRAs
- Oral, once-daily dosing
- Phase III development with FIDELIO and FIGARO trials for the treatment of chronic kidney disease in type 2 diabetes
Vericiguat Significantly Reduced the Risk of the Composite Primary Endpoint of Cardiovascular Death or Heart Failure Hospitalization

Primary endpoint: The composite of time to first occurrence of cardiovascular death or heart failure hospitalization

Absolute risk reduction: 4.2% per 100 patient years; NNT = 24

Relative risk reduction 10%

Treatment benefit was consistently demonstrated regardless of background therapy with available HF medicines

// The VICTORIA study evaluated vericiguat in combination with available heart failure therapies in patients with symptomatic chronic heart failure following a worsening event

// The first positive contemporary Phase III study focused on this specific post-event patient population

// Absolute risk reduction was consistent with other recent heart failure studies (PARADIGM, DAPA-HF), despite more vulnerable patient population

// Vericiguat was well-tolerated - overall incidence rate of adverse events was comparable to placebo
Treatment Benefit in the Vericiguat VICTORIA-trial was Driven by Patients Subgroups with Lower NT-proBNP Levels at Baseline

**Primary endpoint:** The composite of time to first occurrence of cardiovascular death or heart failure hospitalization

- The overall treatment benefit was driven by the patients within the lower three quartiles of baseline NT-proBNP levels.
- Relative risk reduction of the primary composite endpoint was up to 27% in this patient subgroup.
- Median NT-proBNP value of 2,816 pg/ml in the VICTORIA trial was more than twice as high as that seen in other contemporary HF trials.

**NT-proBNP levels at baseline:**
- Quartile 1: ≤1,556.0 pg/ml
- Quartile 2: >1,556.0 to ≤2,816.0 pg/ml
- Quartile 3: >2,816.0 to ≤5,314.0 pg/ml
- Quartile 4: >5,314.0 pg/ml
Finerenone Targets a Key Driver of CKD Progression in Patients with Type 2 Diabetes

Drivers for CKD Progression

- Inflammatory / Fibrotic Pathway
- Metabolic Pathway
- Hemodynamic Pathway

Treatment Approach¹

- Currently no treatment specifically addressing inflammation / fibrosis in CKD progression
- Glycaemic control
- Lipid management
- Diet
- Blood pressure control

Finerenone is targeting overactivation of the mineralocorticoid receptor, thereby reducing the number of inflammatory and fibrotic factors.

Two phase III trials in chronic kidney disease (CKD) in type 2 diabetes underway:

- FIDELIO DKD: clinically completed
- FIGARO DKD: June 2021e²

Potential first launch date: 2021e

¹Guideline recommendations for patients with diabetes to delay CKD, ESRD and/or CVD; examples only
²Estimated primary study completion as of May 7, 2020 and subject to change
### Oncogenic- / TRK-Signaling
- Sorafenib
- Regorafenib
- Copanlisib
- Larotrectinib
- Rogaratinib
- DHODH-inhibitor
- Selitrectinib

### Immuno-Oncology
- CEACAM 6 fb Ab
- ILDR 2 fb Ab
- Regorafenib-combinations
- AhR-inhibitor

### Alpha-Radiopharmaceuticals
- Ra-223 dichloride
- Targeted Thorium-conjugates (TTC)

### Androgen Receptor Signaling
- Darolutamide

### Antibody-drug Conjugates
- Anetumab-Rvtansine

### DNA Damage Response
- ATR-inhibitor

**Boldface: Launched products**
We Are Enriching Our Pipeline Through External Innovation

Pipeline by Project Origin

Today

Future

- Organic
- Inorganic

~ 30%

~ 70%

>50%

// Shift R&D model from “internal built” to “external partner”

// Reduce the share of internal assets

// Increase proportion of portfolio assets of external origin

// Opening up to external innovation and new modalities such as cell & gene therapy provides access to cutting edge medicine
Key Takeaways

1. Solid Q1 2020 performance with pipeline progress
2. Attractive late-stage pipeline assets: Vericiguat and Finerenone
3. Expanding the presence in oncology - pursuing multiple treatment modalities
4. Intensified sourcing of external innovation to enrich the pipeline
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