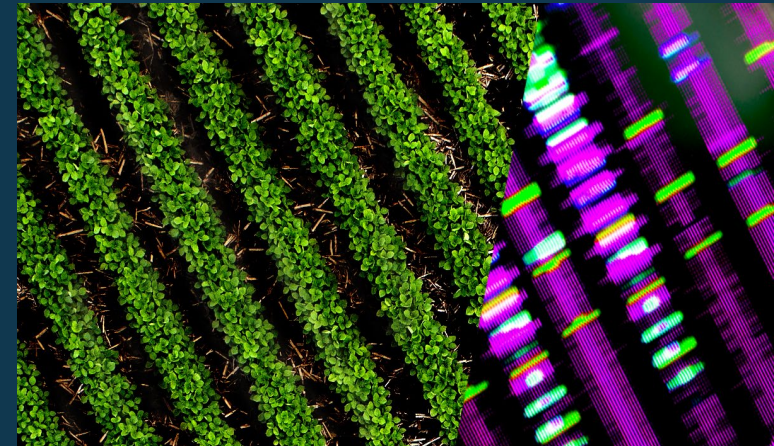




# Investor Conference Call

FY/Q4 2022 Results

February 28<sup>th</sup>, 2023





# Cautionary Statements Regarding Forward-Looking Information

This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer management.

Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at <http://www.bayer.com/>.

The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Guidance at constant currencies, not including portfolio divestitures if not mentioned differently.



# FY 2022 Results

## Business Update



**Werner Baumann, CEO**



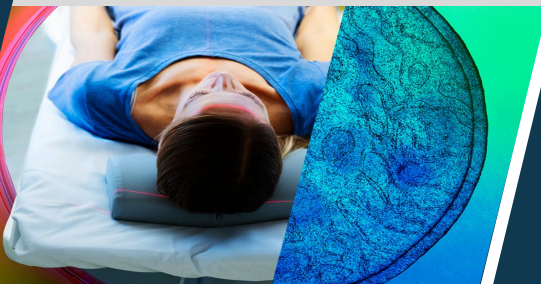
# Outstanding Performance and Important Progress in Innovation



**1** *Delivered on our financial targets*



**2** *Achieved key innovation milestones*



**3** *Macro challenges remain*



# FY 2022 Results

## Divisional Performance & Outlook



**Rodrigo Santos**



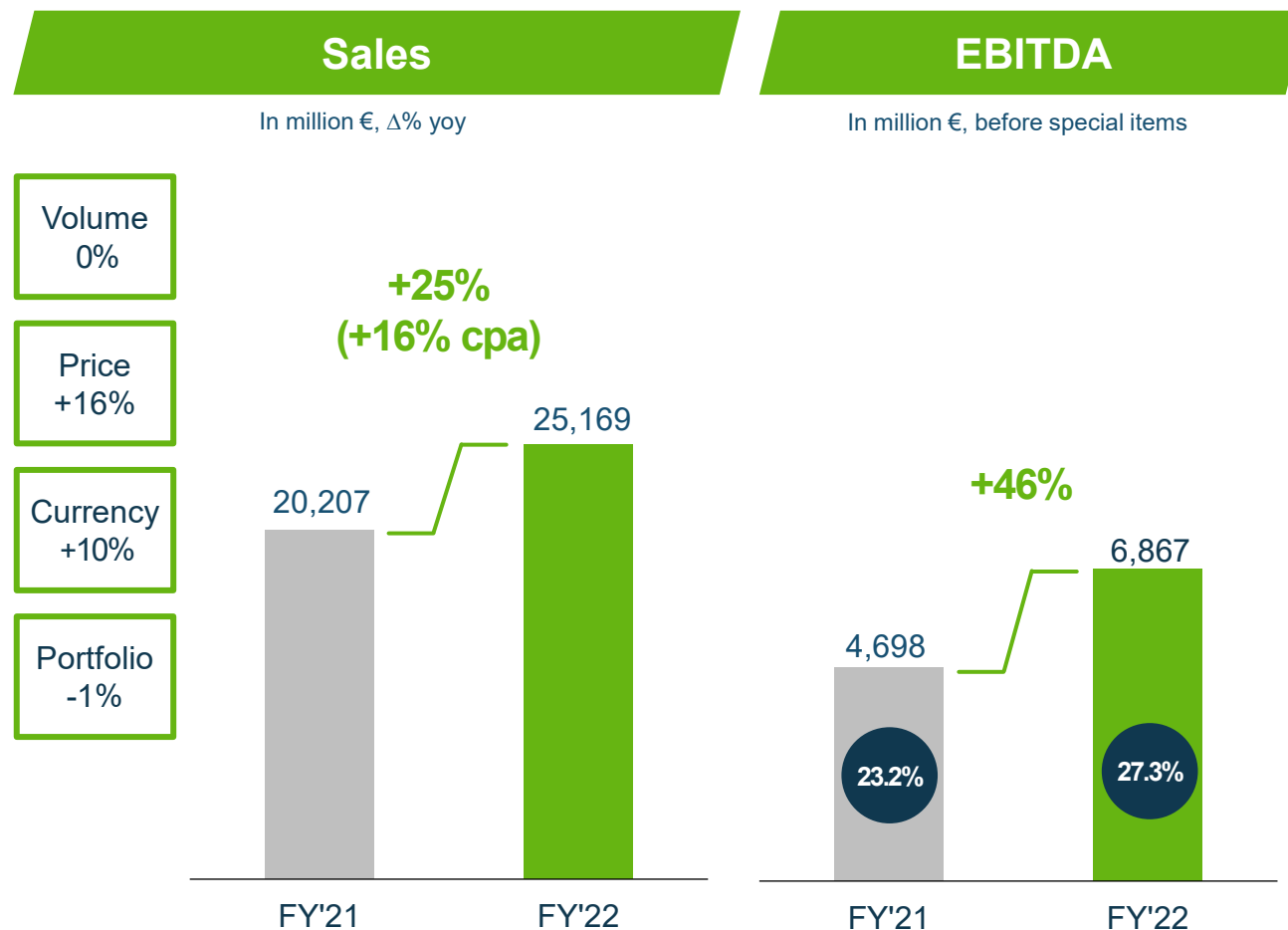
**Stefan Oelrich**



**Heiko Schipper**



# Crop Science 2022: Record Sales & Industry-Leading Margin



## Key Messages

- Herbicides (+44%) largely driven by higher glyphosate pricing (~€2bn) due to tight supply
- Corn S&T (+9%) increased global share with higher pricing, despite lower planted acres in the U.S.
- Soy S&T flat, as strong growth in LATAM was offset by lower excess seed sales and share losses in NA
- Continued expansion in Insecticides and Fungicides (+5%)
- Strong price performance and efficiency measures more than offset significant inflationary cost pressures (~€1bn)

● EBITDA Margin before special items, cpa = currency and portfolio adjusted

Sales growth rates in Key Messages cpa = currency and portfolio adjusted



# Crop Science Innovation: Advancing Sustainable Competitive Advantage with 100's of Seed Deployments and CP Registrations



## Highlights



### Investing to Lead

**€2.6bn<sup>1</sup>** annual R&D spend to fuel **>€30bn** peak sales potential<sup>2</sup>



### Advancing Innovation

**15** new projects advanced:

- **2** biotech traits
- **4** digital tools
- **9** crop protection actives (**2** biological), of which 2 launched:



### Powering the Core

Global annual germplasm refresh and crop protection life cycle management:

- **>500** new hybrids and varieties deployed
- **>250** new crop protection registrations
- **10** new formulations launched



## Outlook 2023



### Smart Corn System – Ground Breakers

Expect on-farm trials with 200-400 growers in 2023 with the smart corn system, powered by short stature hybrids. Potential blockbuster technology with fit on more than 220m corn acres globally.



### ThryvOn Cotton

First-ever biotech trait for piercing and sucking insect control in cotton; U.S. commercial launch in 2023



### Microsoft Collaboration

Expect to launch first B2B solutions to enhance digital infrastructure for use in agriculture and adjacent industries; initial move into adjacent space

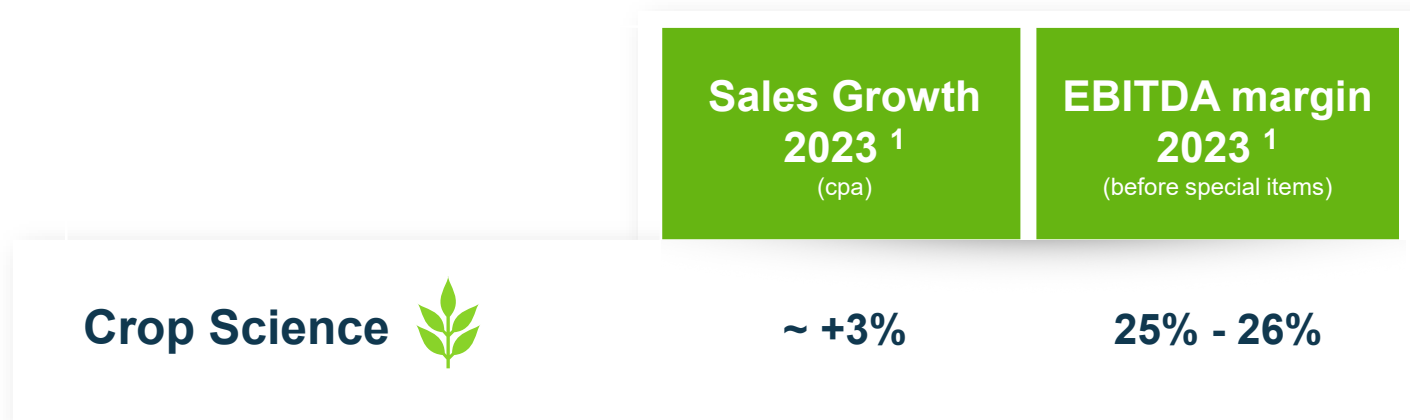


### Carbon

Expect 1<sup>st</sup> tranche of verified carbon offsets for food value chain customers in NA and EMEA



# Crop Science 2023: Accelerating Growth Excluding Glyphosate



## Key Assumptions

### Sales

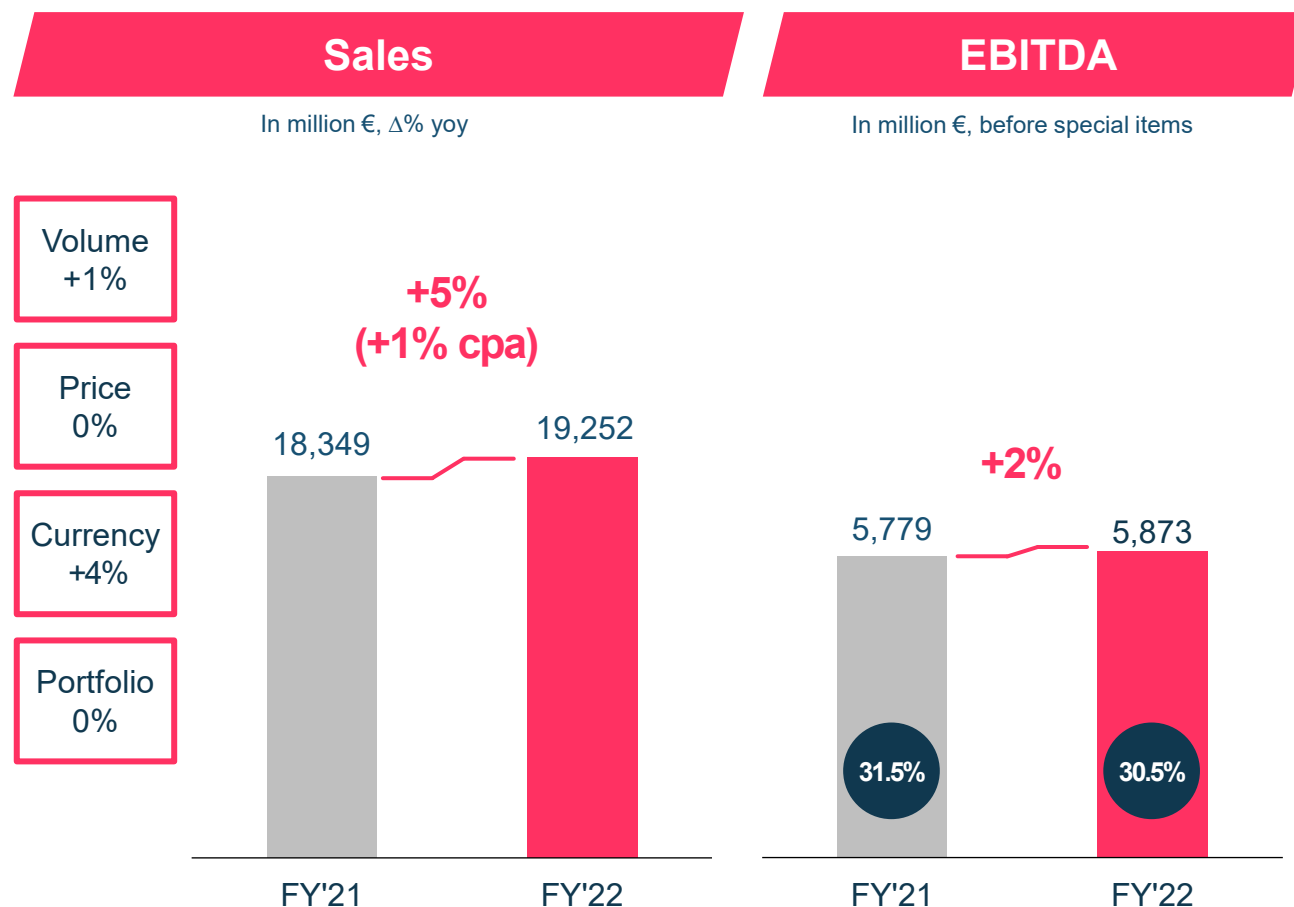
- **Portfolio ex. glyphosate expected to grow by 8%, or ~€1.6bn:** Expect double-digit percent sales increases in corn S&T, fungicides, insecticides, supported by higher prices from continued innovation and strong farm incomes. Anticipating share and volume gains in corn S&T from higher planted acres and volume gains from improved supply in fungicides and insecticides.
- **Glyphosate-based herbicide sales expected to decline by 15-20%, or ~€900m at the midpoint:** Anticipating continued normalization of pricing as a result of improving supply, partially offset by higher sales volumes
- Flat HY1 and accelerating growth in HY2 leading to on average 3% for FY

### EBITDA

- Stronger pricing (ex. glyphosate) and ~€300m cost saving measures to partially offset incremental inflation (~3-4% of sales) and declines in glyphosate-based herbicide sales



# Pharmaceuticals 2022: New Products Gain Momentum



## Key Messages

- Nubeqa (+97%) topline doubled to ~€470m, strong launch for Kerendia (>€100m)
- Eylea (+9%) with continued growth across regions
- Xarelto (-6%) impacted by VBP<sup>1</sup> China, pricing pressure in UK and loss of exclusivity in Brazil
- Prior year including non-recurring Adempas milestone of €190m
- Earnings impacted by cost inflation (~€600m)
- Margin in line with prior year and guidance excluding significant dilution from foreign exchange rates (-110 bps)

● EBITDA Margin before special items, cpa = currency and portfolio adjusted

Sales growth rates in Key Messages cpa = currency and portfolio adjusted

<sup>1</sup>VBP: volume-based procurement

# Pharmaceuticals Innovation: Strong Foundation for Future Growth



## Highlights



### Strong pipeline newsflow:

- Positive Phase III ARASENS results for Nubeqa in mHSPC
- Strong Aflibercept 8mg data
- Initiation of landmark Phase III OCEANIC program for Asundexian
- Advancements of new gene therapies into Phase I



### Peak sales potential raised:

- Combined peak sales for Kerendia and Nubeqa: >€6bn
- Peak sales for key Phase III assets:
  - // Asundexian: >€5bn
  - // Elinzanetant: >€1bn



## Outlook 2023



### Key pipeline catalysts:

- Further approvals of Nubeqa in mHSPC
- Submissions and potential first launches of 8mg aflibercept
- Read-out of Phase I cell therapy study DA-01 in Parkinson's
- Read out of Elinzanetant's Phase III study program OASIS in H2 2023



# Pharmaceuticals 2023: New Products to Offset Declines in Mature Portfolio



## Key Assumptions

### Sales

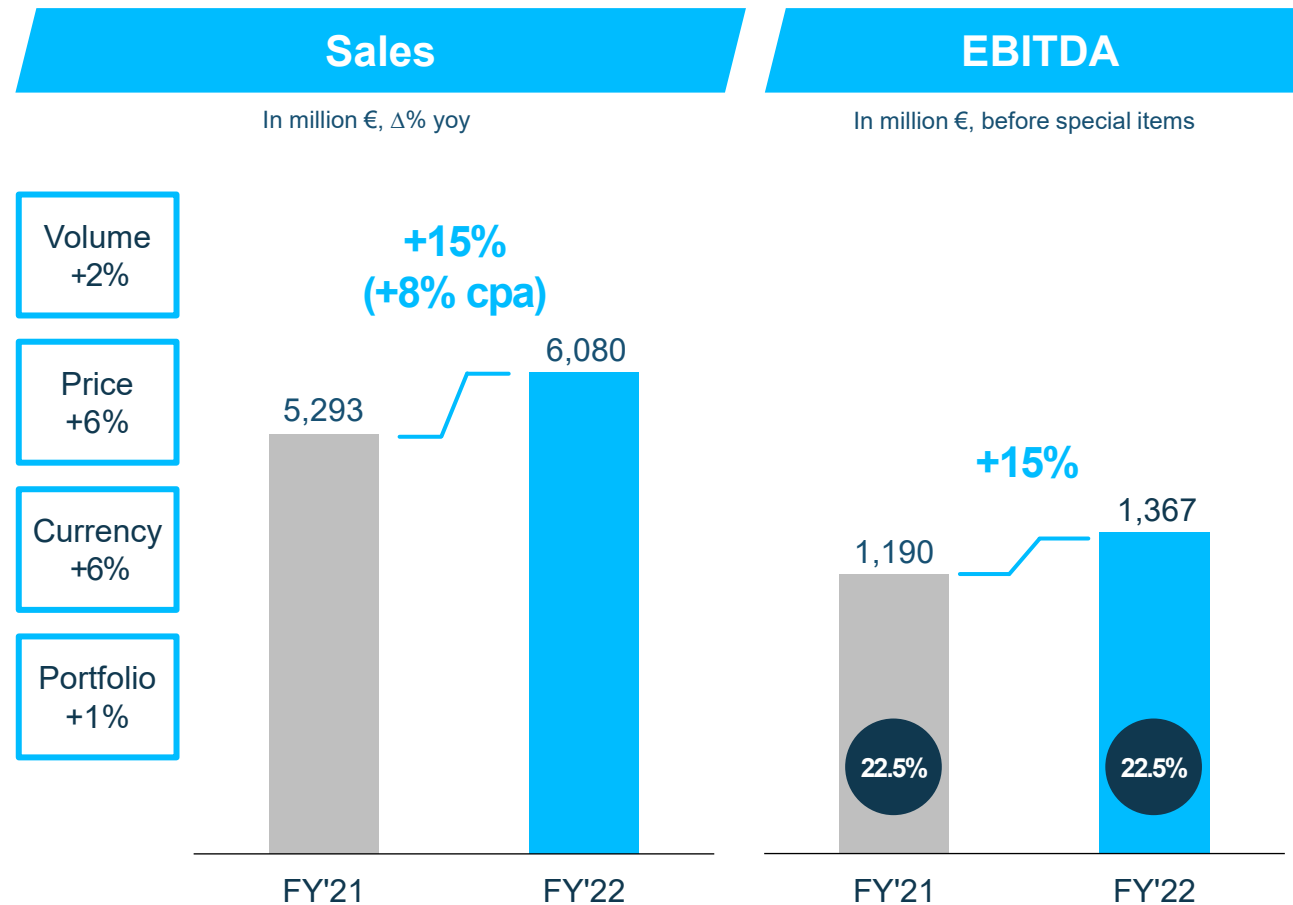
- Combined sales for Nubeqa and Kerendia to exceed €1bn
- Eylea expected to offset increasing price pressure through higher volumes; Xarelto to decline mid-single digit driven by ongoing pricing headwinds and patent expiries in various smaller markets
- Volume-based procurement in China to lower Adalat sales by ~50%
- Expecting growth to be substantially skewed towards HY2

### EBITDA

- Stringent OPEX management and execution of ongoing transformation program; focused R&D investment and reallocation of spend towards launch assets



# Consumer Health 2022: Substantial Sales and Earnings Growth despite Inflationary Pressure



## Key Messages

- Broad based growth across all regions and categories
- Strong demand in Allergy & Cold (+22%) driven by high cold and flu incidences and supported by launch of Astepro in U.S.
- Continuous roll-out of Bepanthen Dry Skin fueled growth in Dermatology (+11%)
- Nutritionals (+1%) growth normalizing at significantly higher levels than pre-COVID
- Operational efficiencies and active pricing management overcompensated inflation (~€240m)

● EBITDA Margin before special items, cpa = currency and portfolio adjusted

Sales growth rates in Key Messages cpa = currency and portfolio adjusted

# Consumer Health: Industry-Leading Science, Trusted by Consumers



## Highlights

### > Our innovation advantage...

- **4% of Net Sales R&D spend**, top tier in industry
- **World class** innovation network and capabilities
- **Talent & diversity**, 700+ scientists and innovators
- **Science-led innovation model** driving overall Category growth
- **Sustainability**, by design



## Outlook 2023

### > ...is transforming self-care



#### Latest Rx-to-OTC switch:

- Astepro™ Allergy
- First-of-its-kind nasal allergy spray that's fast, powerful and steroid-free



#### Latest digital innovation:

- Bayer Aspirin Heart Risk Assessment in partnership with Huma Therapeutics
- Assesses individual's risk factors for developing cardiovascular disease (CVD)



# Consumer Health 2023: Above-Market Growth and Margin Expansion in a Challenging Environment



## Key Assumptions

### Sales

- Executing on our mid-term ambitions, innovation and the value of our brands will drive outperformance vs. market
- Supply constraints and price elasticity also expected to continue, leading to market growth expectation of 3% - 5% p.a.
- Expecting softer development in HY1 due to challenging macroeconomic environment and strong prior year comparable

### EBITDA

- Overcompensating cost pressures by firmly executing on ongoing comprehensive cost productivity program
- Strong focus on optimizing gross margin, enhancing digital capabilities and lifting SG&A efficiencies



# FY 2022 Results

## Group Performance & Outlook



**Wolfgang Nickl, CFO**



# Group 2022: Fully Achieved Upgraded Guidance

	FY 2021	Outlook 2022 <i>as of Nov 2022 incl. currency impact</i>	FY 2022	
<b>Net Sales</b> <i>in €bn; Δ% yoy</i>	44.1	50.5 – 51.5	50.7 <i>+15% / +9% cpa</i>	✓
<b>EBITDA margin</b> <i>before special items</i>	25.4%	25% – 26%	26.6%	✓
<b>Core EPS</b> <i>in €</i>	6.51	~ 7.70	7.94	✓
<b>Free cash flow<sup>1</sup></b> <i>in €bn</i>	1.4	~ 3.0	3.1	✓
<b>Net financial debt</b> <i>in €bn</i>	33.1	~ 33	31.8	✓



# Group Guidance 2023

	2022 Actuals	2023 Outlook at constant currencies <sup>1</sup>
Net Sales	€50.7bn	€51bn to 52bn
EBITDA (before special items)	€13.5bn	€12.5 to 13bn
Core EPS	€7.94	€7.20 to €7.40
Free cash flow	€3.1bn	~ €3bn
Net financial debt	€31.8bn	€32bn to €33bn

## Key Assumptions

- Representing sales growth of 2% to 3% cpa
- Including portfolio effects of -€500m in sales
- FX headwinds of ~€1bn estimated for sales <sup>2</sup>
- Price pressure and inflation to be partially compensated by higher volumes, active pricing management and cost savings
- Including expected settlement payouts of €2-3bn

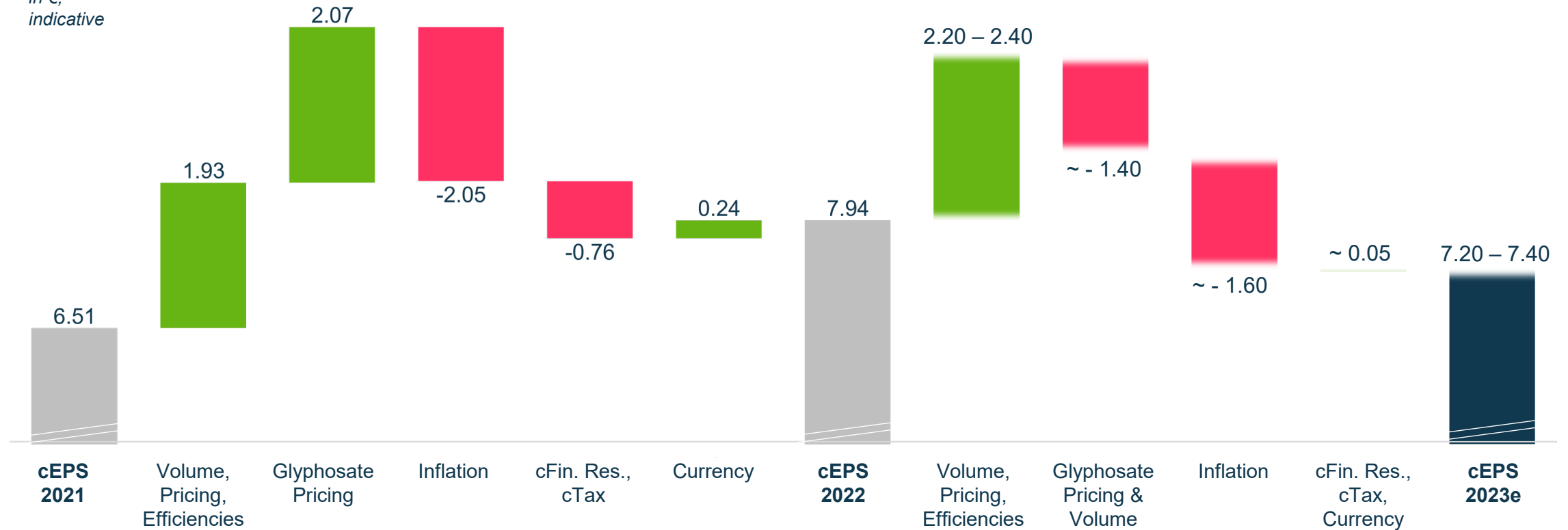
<sup>1</sup> Reflects our 2023 plan at the average actual currencies for 2022

<sup>2</sup> Currency assumptions based on month-end December 2022 spot rates (1 EUR=) 1.07 USD, 5.64 BRL, 7.37 CNY. Impact is calculated as difference to constant currencies.



# Core EPS Bridge 2021 to 2023

in €,  
indicative

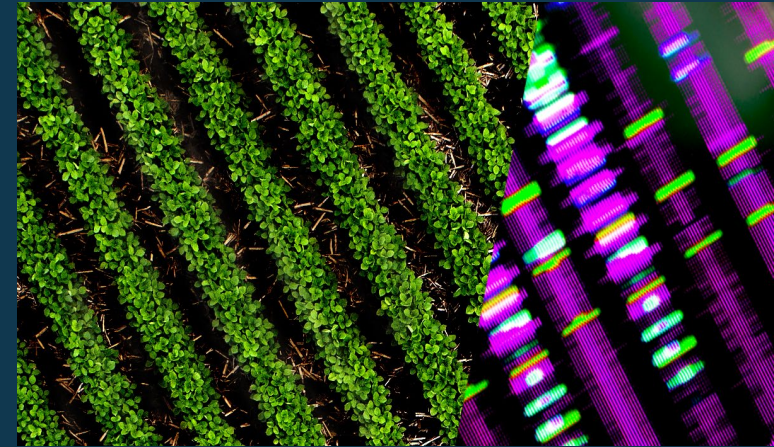




# Investor Conference Call

FY/Q4 2022 Results

February 28<sup>th</sup>, 2023





# Group Guidance 2023

	2022 Actuals	2023 Outlook at constant currencies <sup>1</sup>
Special items (EBITDA)	€0.0bn	~ - €1.0bn
Core depreciation	- €1.6bn	~ - €1.6bn
Core financial result	- €1.9bn	~ - €1.9bn
Core tax rate	21.7%	~ 23%
Reconciliation (cEBITDA)	- €0.6bn	- €0.7bn to -€0.8bn

## Key Assumptions

- **Special items (EBITDA)** primarily driven by ongoing restructuring programs
- **Core depreciation:** Formerly guided for “as depreciation and amortization (clean)” (2023e: - €4.0bn) and “of which for intangible assets (clean) (2023e: - €2.4bn)”
- **Reconciliation (cEBITDA)** includes the catch ups in long-term incentive provisions based on estimated share price of €60 at year-end 2023

<sup>1</sup> Reflects our 2023 plan at the average actual currencies for 2022

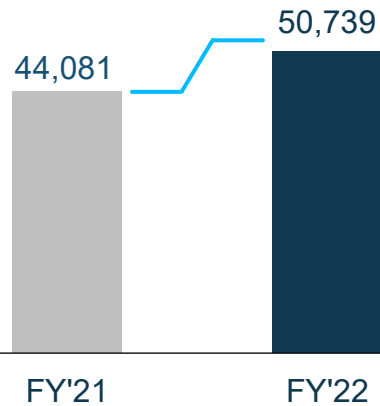


# FY 2022: Group KPIs

## Sales

In million €, Δ% yoy

**+15%**  
**(+9% cpa)**

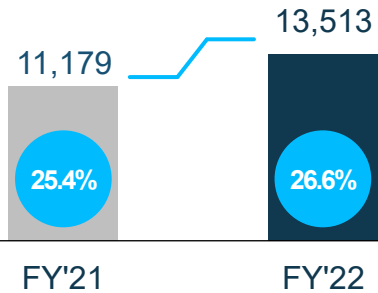


**i** FX tailwind of €3bn

## EBITDA

In million €, before special items

**+21%**

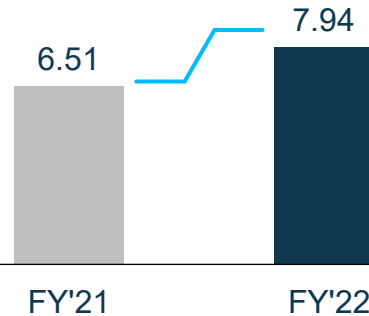


**i** FX tailwind of €429m  
(-80 bps margin effect)

## Core EPS

In €, Cont. Operations

**+22%**

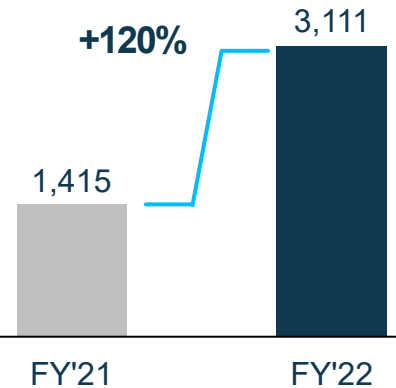


**i** Core Tax Rate of 21.7%

## Free Cash Flow

In million €

**+120%**

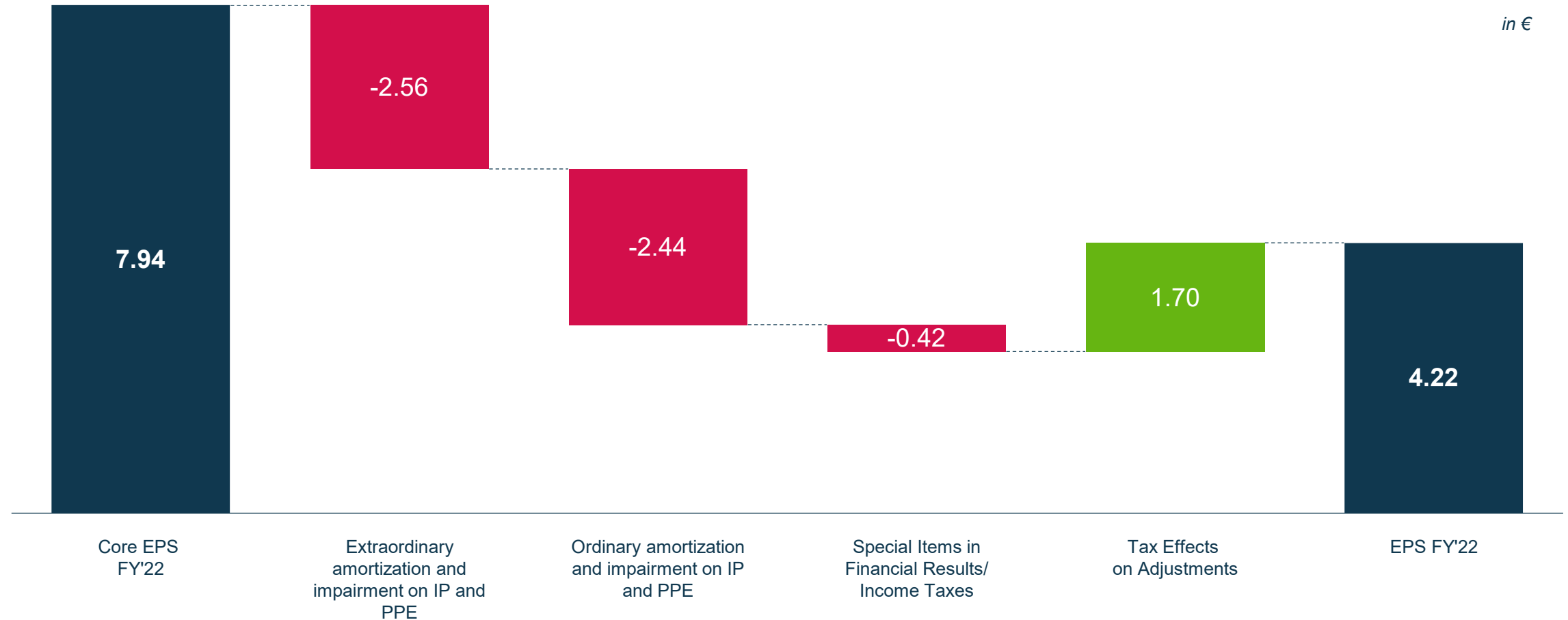


**i** Lower net settlement payouts

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



# FY 2022: Core EPS to EPS Bridge



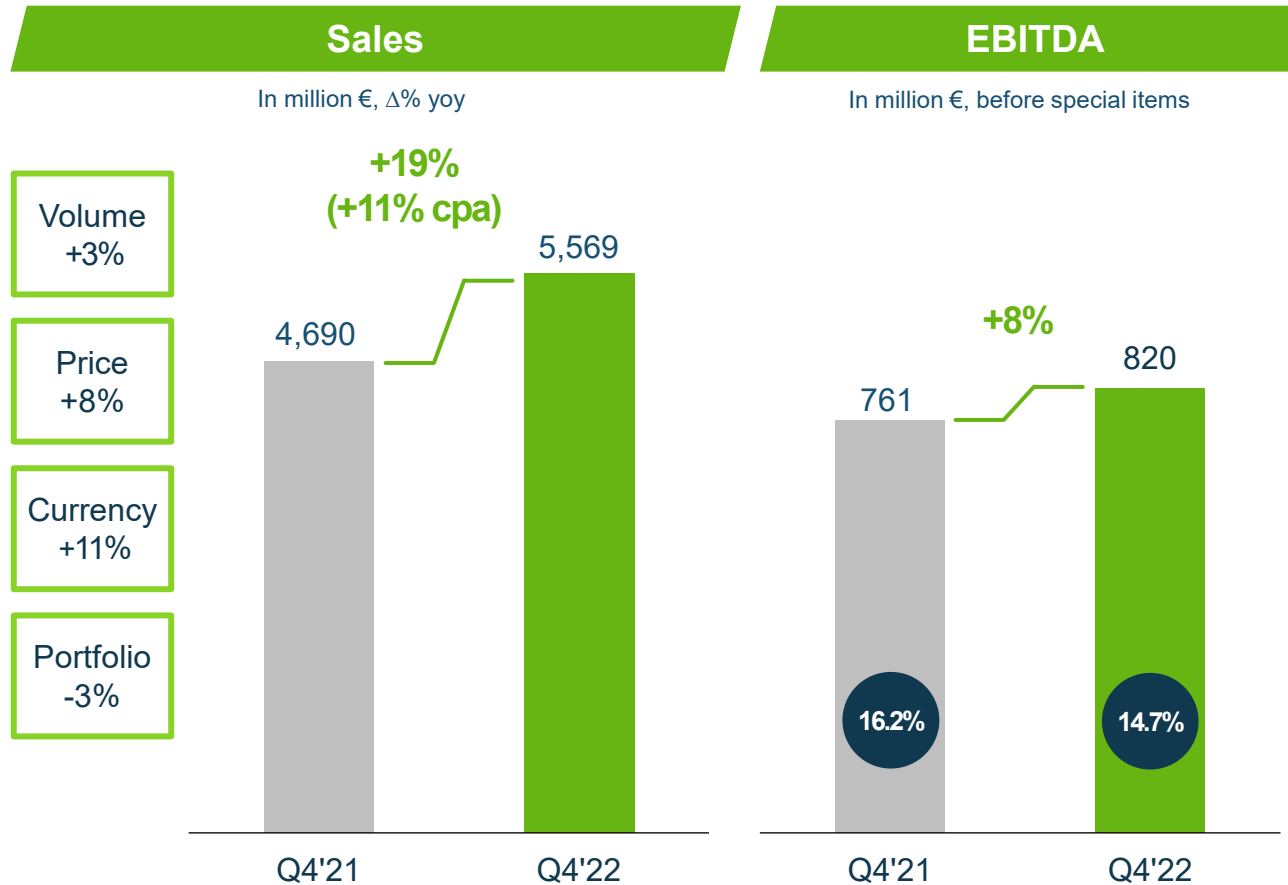


# FY 2022: Summary

[€ million, if not specified]	Crop Science		Pharmaceuticals		Consumer Health		Reconciliation		Group	
	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022
<b>Sales</b>	<b>20,207</b>	<b>25,169</b>	<b>18,349</b>	<b>19,252</b>	<b>5,293</b>	<b>6,080</b>	<b>232</b>	<b>238</b>	<b>44,081</b>	<b>50,739</b>
<b>Sales by region:</b>										
Europe / Middle East / Africa	4,205	4,843	7,438	7,424	1,779	1,921	226	241	13,648	14,429
North America	8,721	10,341	4,155	4,772	2,075	2,458	1	0	14,952	17,571
Asia / Pacific	2,183	2,433	5,834	6,051	829	967	3	0	8,849	9,451
Latin America	5,098	7,552	922	1,005	610	734	2	-3	6,632	9,288
<b>EBITDA</b>	<b>940</b>	<b>7,546</b>	<b>5,470</b>	<b>6,212</b>	<b>1,144</b>	<b>1,320</b>	<b>-1,145</b>	<b>-1,563</b>	<b>6,409</b>	<b>13,515</b>
Special items	-3,758	679	-309	339	-46	-47	-657	-969	-4,770	2
<b>EBITDA before special items</b>	<b>4,698</b>	<b>6,867</b>	<b>5,779</b>	<b>5,873</b>	<b>1,190</b>	<b>1,367</b>	<b>-488</b>	<b>-594</b>	<b>11,179</b>	<b>13,513</b>
EBITDA margin before special items [%]	23.2%	27.3%	31.5%	30.5%	22.5%	22.5%	-210.3%	-249.6%	25.4%	26.6%
<b>EBIT</b>	<b>-495</b>	<b>2,950</b>	<b>4,469</b>	<b>4,985</b>	<b>808</b>	<b>957</b>	<b>-1,429</b>	<b>-1,880</b>	<b>3,353</b>	<b>7,012</b>
Special items	-2,915	-1,460	-324	249	-46	-47	-657	-987	-3,942	-2,245
EBIT before special items	2,420	4,410	4,793	4,736	854	1,004	-772	-893	7,295	9,257
EBIT margin before special items [%]	12.0%	17.5%	26.1%	24.6%	16.1%	16.5%	-332.8%	-375.2%	16.5%	18.2%
<b>Operating cash flow, continuing</b>	<b>1,272</b>	<b>3,394</b>	<b>3,493</b>	<b>3,588</b>	<b>1,030</b>	<b>1,046</b>	<b>-706</b>	<b>-935</b>	<b>5,089</b>	<b>7,093</b>
<b>Free operating cash flow<sup>1</sup></b>	<b>88</b>	<b>1,724</b>	<b>2,241</b>	<b>2,459</b>	<b>814</b>	<b>852</b>	<b>-665</b>	<b>-891</b>	<b>2,478</b>	<b>4,144</b>
<b>Free cash flow</b>									<b>1,415</b>	<b>3,111</b>
<b>Return on capital employed [ROCE %]</b>									<b>3.8%</b>	<b>7.7%</b>
<b>EBITDA before special items</b>									<b>11,179</b>	<b>13,513</b>
Core depreciation <sup>2</sup>									-1,500	-1,586
<b>Core EBIT</b>									<b>9,679</b>	<b>11,927</b>
Core financial result									-1,212	-1,934
Core taxes & minorities									-2,068	-2,189
Core tax rate									24.2%	21.7%
<b>Core Net Income</b>									<b>6,399</b>	<b>7,804</b>
No. of shares [million]									982.42	982.42
<b>Core EPS [€]</b>									<b>6.51</b>	<b>7.94</b>



# Crop Science Q4: Successful Close of the Year



## Key Messages

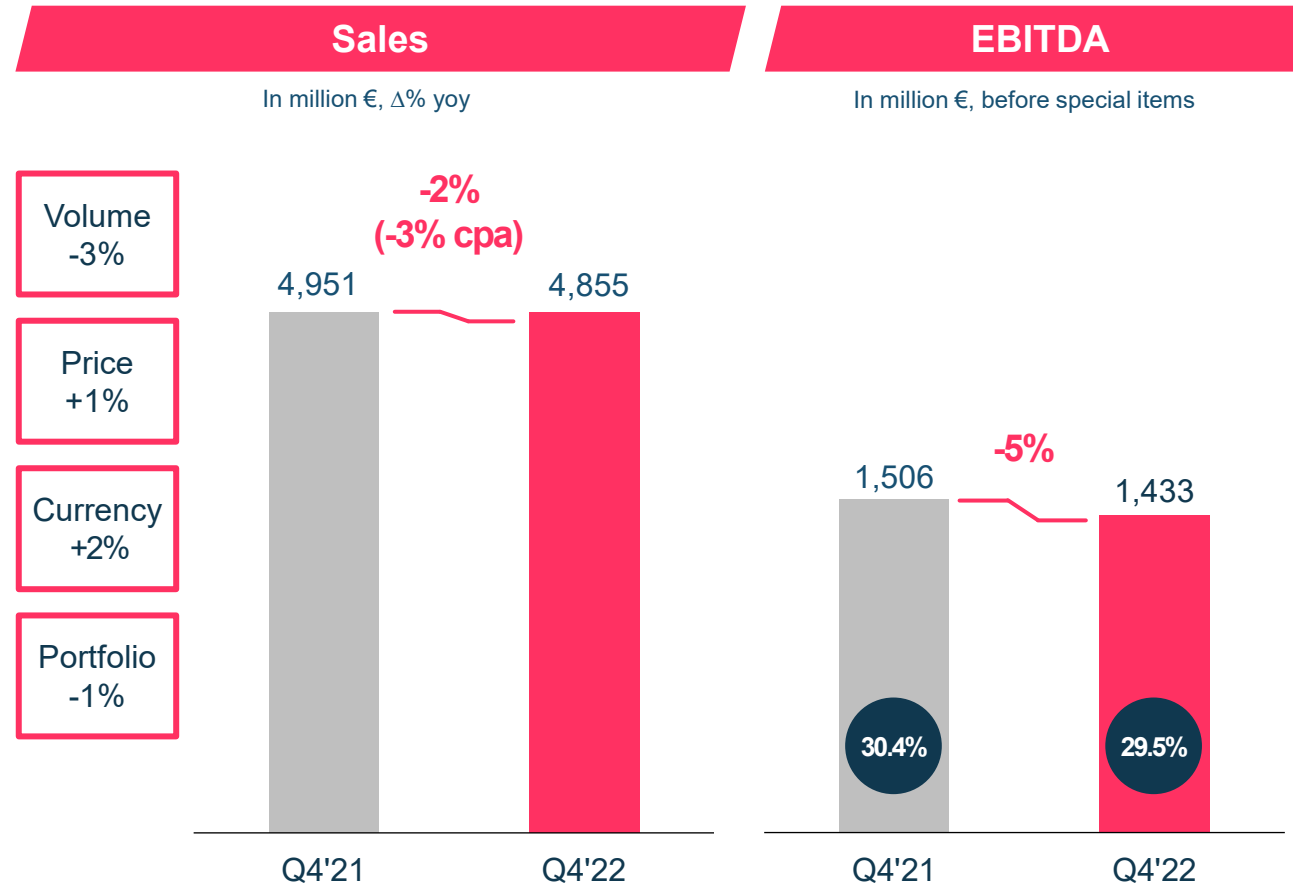
- Double-digit growth in NA, LATAM and EMEA
- Corn S&T (+24%) and Soy S&T (+23%) driven by price and volume expansion in NA and LATAM
- Strong herbicides sales (+17%) supported by GLY price and higher volumes in NA
- Insecticides (-7%) and Fungicides (-6%) impacted by drought in LATAM
- Margin declined as sales growth was offset by continued inflationary pressures on COGS and OPEX

● EBITDA Margin before special items, cpa = currency and portfolio adjusted

Sales growth rates in Key Messages cpa = currency and portfolio adjusted



# Pharmaceuticals Q4 2022: China VBP and Non-Recurring Adempas Milestone Weigh on Performance



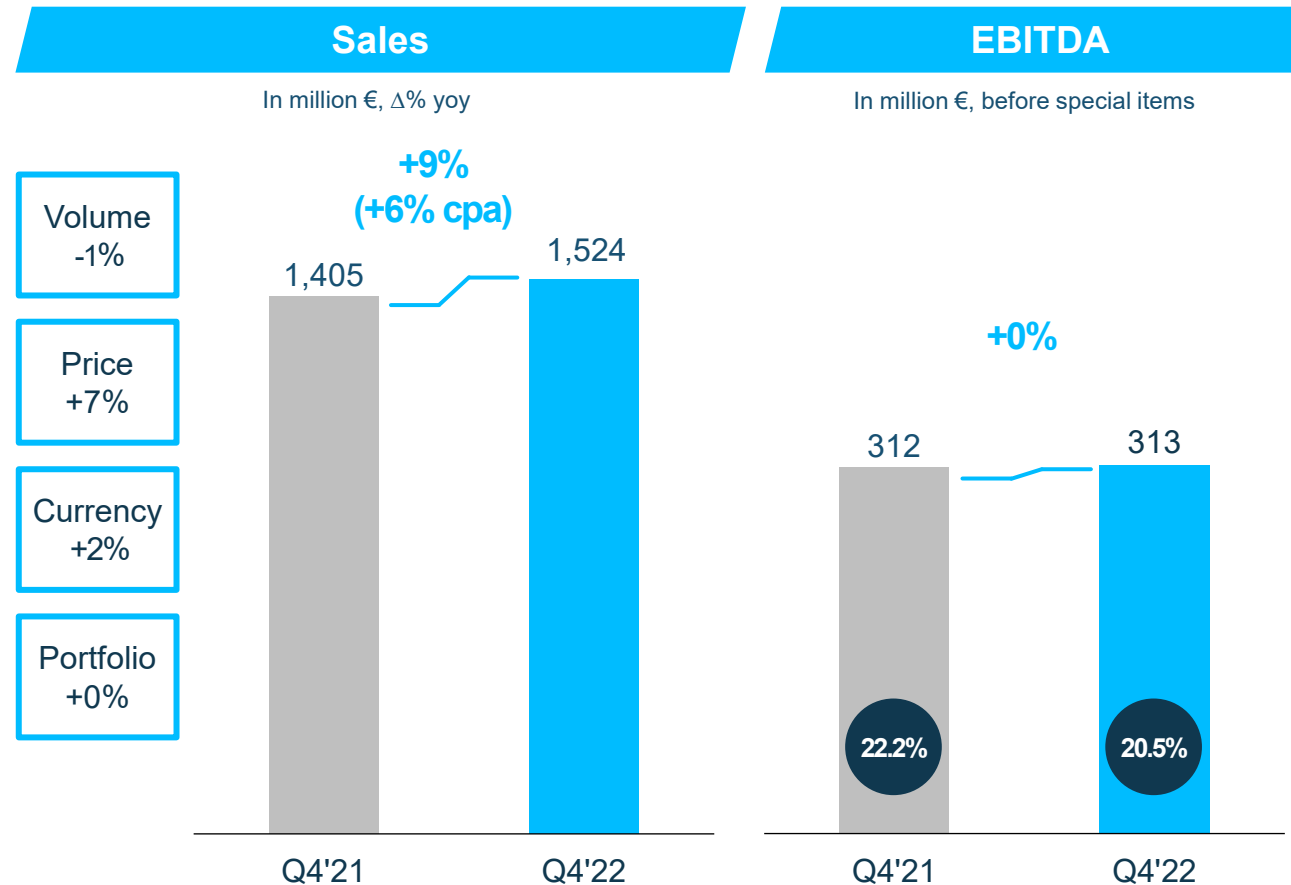
## Key Messages

- Nubeqa & Kerendia more than doubling sales, becoming #1 growth driver
- Eylea (+8%) continuing volume growth across regions
- Topline held back by:
  - Xarelto (-4%) as a result of lower volumes in China and non-EU markets in Europe
  - Adalat (-28%) with first impacts from China VBP
  - Adempas (-51%) lacking €190m milestone payment from previous year
- Robust EBITDA margin despite headwinds from lower sales, FX (-80 bps) and inflation

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



# Consumer Health Q4 2022: Continued Sales Growth, Compensating for Cost Pressures



## Key Messages

- Continued underlying strength in all regions and categories
- Allergy & Cold (+16%) with exceptional performance due to one of the highest incidences of cough, cold and flu in a decade and supported by the launch of Astepro
- Dermatology (+9%) benefitted from ongoing roll-out of Bepanthen Derma innovation
- EBITDA kept stable, operational efficiencies and active price management compensating for inflationary pressure

● EBITDA Margin before special items, cpa = currency and portfolio adjusted

Sales growth rates in Key Messages cpa = currency and portfolio adjusted

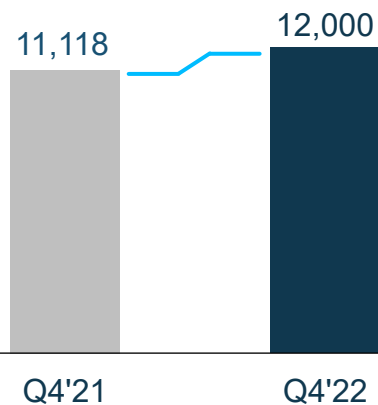


# Q4 2022: Group KPIs

## Sales

In million €, Δ% yoy

**+8%**  
**(+4% cpa)**

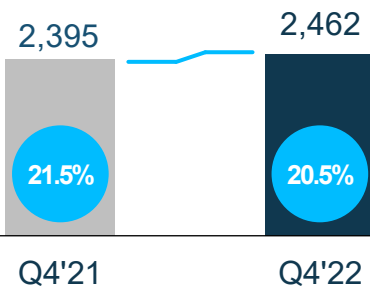


**i** FX tailwind of €619m

## EBITDA

In million €, before special items

**+3%**

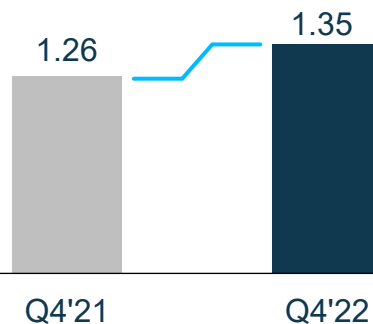


**i** FX tailwind of €140m

## Core EPS

In €, Cont. Operations

**+7%**

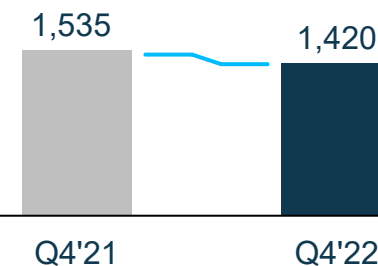


**i** Core Tax Rate of 18.3%

## Free Cash Flow

In million €

**-8%**

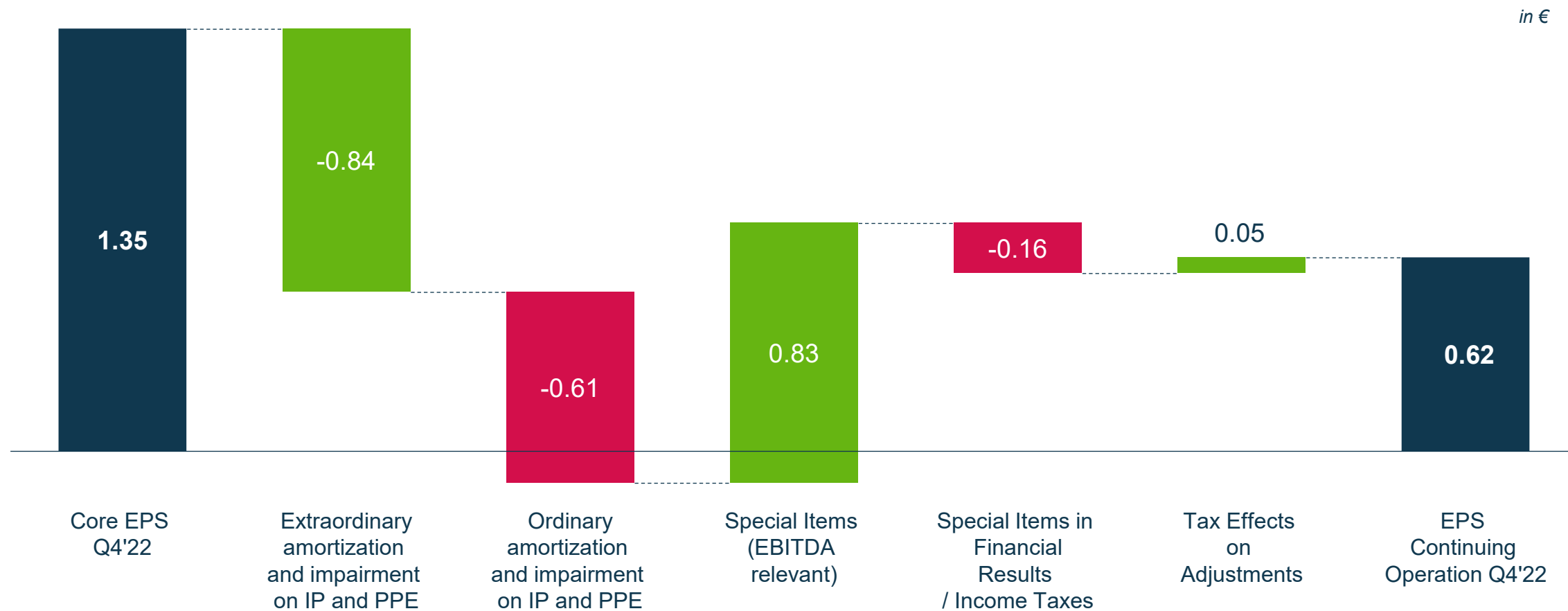


**i** Higher inventories

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



## Q4 2022: Core EPS to EPS Bridge





# Q4 2022: Summary

	Crop Science		Pharmaceuticals		Consumer Health		Reconciliation		Group	
	Q4 21	Q4 22	Q4 21	Q4 22	Q4 21	Q4 22	Q4 21	Q4 22	Q4 21	Q4 22
[€ million, if not specified]										
<b>Sales</b>	<b>4,690</b>	<b>5,569</b>	<b>4,951</b>	<b>4,855</b>	<b>1,405</b>	<b>1,524</b>	<b>72</b>	<b>52</b>	<b>11,118</b>	<b>12,000</b>
<b>Sales by region:</b>										
Europe / Middle East / Africa	573	632	2,127	1,882	486	496	69	58	3,255	3,068
North America	1,695	2,014	1,133	1,286	573	638	0	-1	3,401	3,937
Asia / Pacific	614	625	1,460	1,428	200	230	2	0	2,276	2,283
Latin America	1,808	2,298	231	259	146	160	1	-5	2,186	2,712
<b>EBITDA</b>	<b>715</b>	<b>1,511</b>	<b>1,208</b>	<b>1,715</b>	<b>287</b>	<b>291</b>	<b>-479</b>	<b>-241</b>	<b>1,731</b>	<b>3,276</b>
Special items	-46	691	-298	282	-25	-22	-295	-137	-664	814
<b>EBITDA before special items</b>	<b>761</b>	<b>820</b>	<b>1,506</b>	<b>1,433</b>	<b>312</b>	<b>313</b>	<b>-184</b>	<b>-104</b>	<b>2,395</b>	<b>2,462</b>
EBITDA margin before special items [%]	16.2%	14.7%	30.4%	29.5%	22.2%	20.5%	-255.6%	-200.0%	21.5%	20.5%
<b>EBIT</b>	<b>1,435</b>	<b>127</b>	<b>938</b>	<b>1,425</b>	<b>201</b>	<b>195</b>	<b>-553</b>	<b>-315</b>	<b>2,021</b>	<b>1,432</b>
Special items	1,263	-126	-305	282	-25	-22	-295	-155	638	-21
EBIT before special items	172	253	1,243	1,143	226	217	-258	-160	1,383	1,453
EBIT margin before special items [%]	3.7%	4.5%	25.1%	23.5%	16.1%	14.2%	-358.3%	-307.7%	12.4%	12.1%
<b>Operating cash flow, continuing</b>	<b>2,335</b>	<b>2,073</b>	<b>595</b>	<b>1,061</b>	<b>316</b>	<b>317</b>	<b>-200</b>	<b>-390</b>	<b>3,046</b>	<b>3,061</b>
<b>Free operating cash flow<sup>1</sup></b>	<b>1,814</b>	<b>1,256</b>	<b>60</b>	<b>616</b>	<b>221</b>	<b>237</b>	<b>-189</b>	<b>-372</b>	<b>1,906</b>	<b>1,737</b>
<b>Free cash flow</b>									<b>1,535</b>	<b>1,420</b>
<b>EBITDA</b>									<b>2,395</b>	<b>2,462</b>
Core depreciation <sup>2</sup>									-395	-422
<b>Core EBIT</b>									<b>2,000</b>	<b>2,040</b>
Core financial result									-387	-406
Core taxes & minorities									-376	-304
Core tax rate									22.8%	18.3%
<b>Core Net Income</b>									<b>1,238</b>	<b>1,329</b>
No. of shares [million]									982.42	982.42
<b>Core EPS [€]</b>									<b>1.26</b>	<b>1.35</b>



February 2023

# *Crop Science* *Annual R&D Pipeline Update*

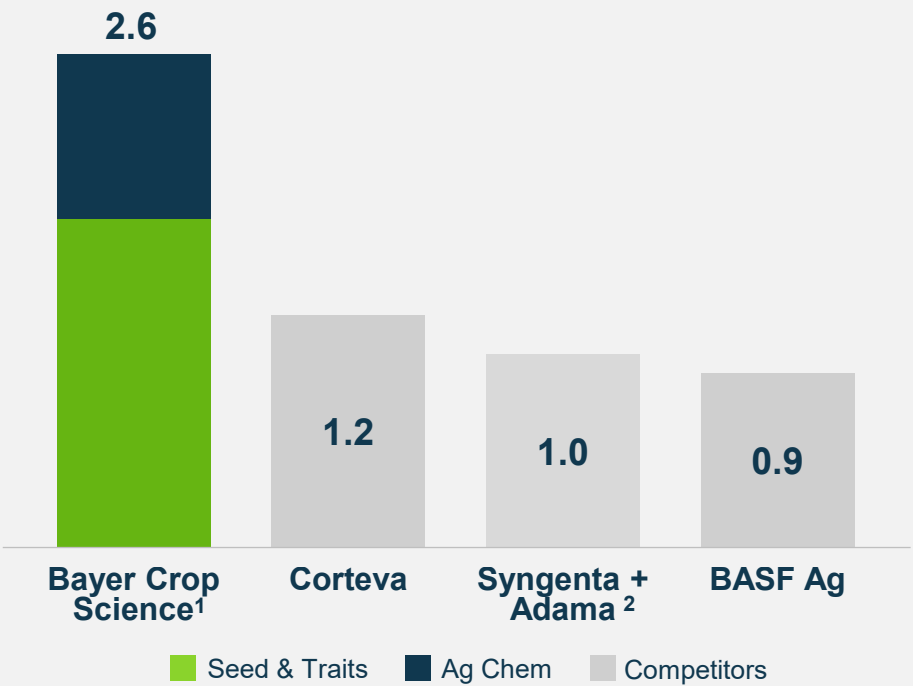


**Appendix 2**

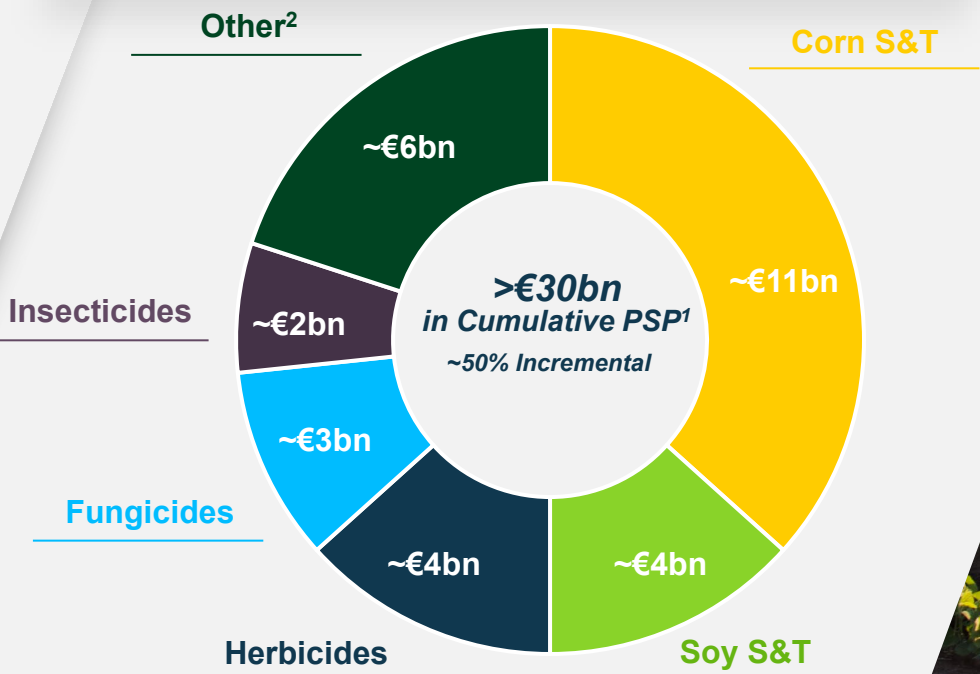


# Crop Science R&D Investment Powers Pipeline with >€30bn Peak Sales Potential

2022 Ag R&D Investment (€bn)



Pipeline Peak Sales Potential<sup>1</sup> of >€30bn



Phasing of PSP<sup>1</sup>: 30% by 2032, 80% by 2037 and 100% by 2038+

2022 reported results, exchange rate: FY 2022: ~1.05 USD/EUR and FY 2021: ~1.18USD/EUR;  
<sup>1</sup> Bayer R&D expenses exclude special items; <sup>2</sup> Represents the legacy Syngenta results plus Adama for FY'21

<sup>1</sup> Represents non-risk adjusted estimated peak sales for the combined breeding, biotech, crop protection and environmental science pipelines, as well as new business models and new value areas. **Note that products are excluded from the pipeline PSP typically the year following launch;** SBE = Strategic Business Entity; PSP = Peak sales potential; <sup>2</sup> "Other" category includes seeds and traits, such as cotton, canola, wheat, OSR, rice, vegetable seeds and sugarbeets, plus carbon and digital Models



# Crop Science: Seed & Traits and Digital R&D Pipeline

(Annual Update Feb 2023)

€21bn  
PSP

	Phase I	Phase II	Phase III	Phase IV	PSP
CORN SEED & TRAIT	Corn Disease Shield - NA	5th Generation Lepidoptera Protection 5th Generation Herbicide Tolerance w/ (RHS2) <b>Digital Disease Mgmt. - NA</b> <b>Seed Placement Digital Tool - NA</b>	Short Stature Corn – Biotech Trait <sup>3</sup> 4th Generation Coleoptera Protection	Short Stature Corn – Breeding Approach 4th Generation Lepidoptera Protection <b>Seed Density Digital Tool – EMEA</b> <b>Seed Density Digital Tool – LATAM</b>	~€11bn
	Annual Germplasm Upgrades	Annual Germplasm Upgrades	Annual Germplasm Upgrades	Annual Germplasm Upgrades	
	Digital Disease Mgmt. - NA	Seed Placement Digital Tool – NA <b>4th Generation Insect Protection</b>	3rd Generation Insect Protection 2nd Generation Soy Cyst Nematode resistance 4th Generation Herbicide Tolerance (HT4) (5 Tolerances – Adds 2, 4-D and HPPD) <b>5th Generation Herbicide Tolerance</b> (6 Tolerances – Adds PPO) Annual Germplasm Upgrades Soybean Native Resistance	Vistive Gold Xtend  Annual Germplasm Upgrades Soybean Native Resistance	
VEGETABLES and OTHER <sup>4</sup> Including Carbon Model	Canola/OSR Digital Disease Mgmt. - NA	Wheat Digital Disease Mgmt. - EMEA	Canola Dicamba Tolerance Sugarbeets 2nd Generation Herbicide Tolerance <sup>2</sup> Cotton 4th Generation Herbicide Tolerance (HT4) (5 tolerances – Adds 2, HPPD and PPO) Cotton 4th Generation Insect Protection	Lygus and Thrips Control (ThryvOn Technology) - <b>Stewarded Commercial Launch</b>	~€6bn
	Wheat Annual Germplasm Upgrades	Wheat Annual Germplasm Upgrades	Wheat Annual Germplasm Upgrades	Wheat Annual Germplasm Upgrades	
	Wheat Disease Package Upgrades	Wheat Disease Package Upgrades	Wheat Disease Package Upgrades	Wheat Disease Package Upgrades	
	Cotton Annual Germplasm Upgrades	Cotton Annual Germplasm Upgrades	Cotton Annual Germplasm Upgrades	Cotton Annual Germplasm Upgrades	
	Canola/OSR Annual Germplasm Upgrades	Canola/OSR Annual Germplasm Upgrades	Canola/OSR Annual Germplasm Upgrades	Canola/OSR Annual Germplasm Upgrades	
	Veg- Annual Germplasm Upgrades	Veg- Annual Germplasm Upgrades	Veg- Annual Germplasm Upgrades	Veg- Annual Germplasm Upgrades	
	Rice Annual Germplasm Upgrades	Rice Annual Germplasm Upgrades	Rice Annual Germplasm Upgrades	Rice Annual Germplasm Upgrades	

Breeding

Trait

Digital Model

advanced to next phase

Projects listed here and included in the peak sales potential by segment do not include projects funded by our LEAPS investments; includes all advancements made in FY'22, updated Feb'23

PSP = Peak Sales Potential, 50% incremental; Expected to reach 30% of PSP by 2032, 80% of PSP by 2037 and remainder in 2038+; **Note that products are excluded from the pipeline PSP typically the year following launch**

<sup>2</sup> In collaboration with KWS; <sup>3</sup> In collaboration with BASF; <sup>4</sup> "Other" category includes seeds and traits, such as cotton, canola, wheat, OSR, rice, vegetable seeds and sugarbeets, plus carbon and digital Models



# Crop Science: Crop Protection R&D Pipeline

(Annual Update Feb 2023)

€9bn  
PSP

	Phase I	Phase II	Phase III	Phase IV	Life Cycle Management <sup>1</sup>	PSP
SEED GROWTH <sup>2</sup>	New AI Development					
	New Herbicide ✓		New Herbicide ✓ ✓ ✓		<b>Non-Selective</b> Glyphosate LCM ✓	
	New Herbicide ✓ ✓		New Herbicide ✓		<b>Selective</b> Merlin Flexx / Adengo LCM ✓	
	New Herbicide ✓		New Herbicide <sup>3</sup> ✓		Balance Flexx LCM ✓	
INSECT. FUNGIC.					Convintro ✓	
	New Fungicide ✓	New Fungicide ✓	New Fungicide <sup>3</sup> ✓ ✓ ✓		New over-the-top herbicide ✓	
HERBICIDES					Luna Flexx ✓	
					Super Nativo ✓ ✓	
					Delaro Forte ✓	
SEED GROWTH <sup>2</sup>					Vayego Duo ✓	
					Velum LCM ✓	
					Rice Plant Hopper ✓	
INSECT. FUNGIC.					INS FUN ready mixture ✓	
					Redigo FS 25 ✓	
HERBICIDES						

Corn
 Soybeans
 Fruits and vegetables
 Cereals, oilseed rape, sugarbeets, cotton and rice
 Biological
 Small Molecule

<sup>1</sup> Shown here is a subset of Bayer's total life cycle management activities; focused on new formulation developments which have the potential to bring significant innovation to customers compared to currently marketed product; Products shown may not yet be fully registered in all jurisdictions; includes all advancements made in FY'22, updated Feb'23; <sup>2</sup> SeedGrowth is currently reported within other SBEs; <sup>3</sup> 3<sup>rd</sup> party collaboration

PSP = Peak Sales Potential, 50% incremental; Expected to reach 30% of PSP by 2032, 80% of PSP by 2037 and remainder in 2038+; **Note that products are excluded from the pipeline PSP typically the year following launch.**

advanced to next phase Selection of projects listed here and included in the peak sales potential by segment do not include projects in early research or discovery



February 2023

# *Pharmaceuticals Innovation Update*

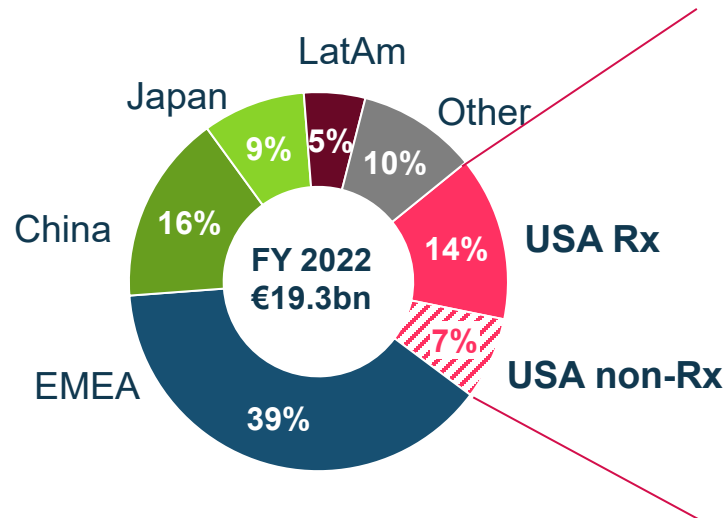


## **Appendix 3**



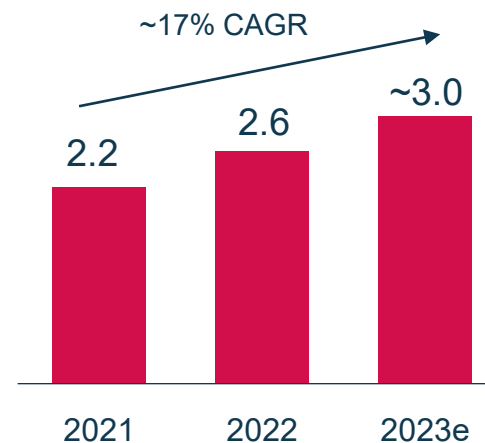
# Nubeqa & Kerendia Driving Growth of Our Innovative Medicines Business in the US

## Bayer Pharmaceuticals Sales by Region



## Sales of Rx Pharma US

€bn

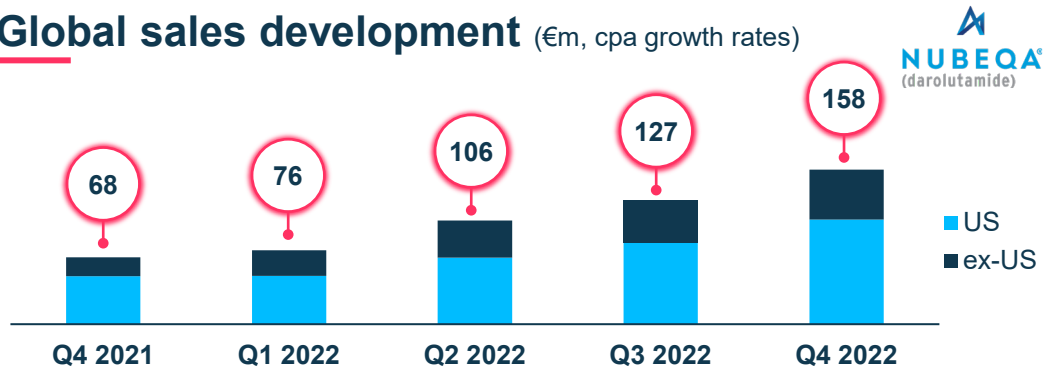


- // Market share of Nubeqa in the US expanded to >30% in nmCRPC, being #2 in nmCRPC already
- // Re-entering cardio-renal with Kerendia & Verquvo: significant investments made to build up an appropriate marketing and sales organization, headcount increased by ~50% in past 3 years

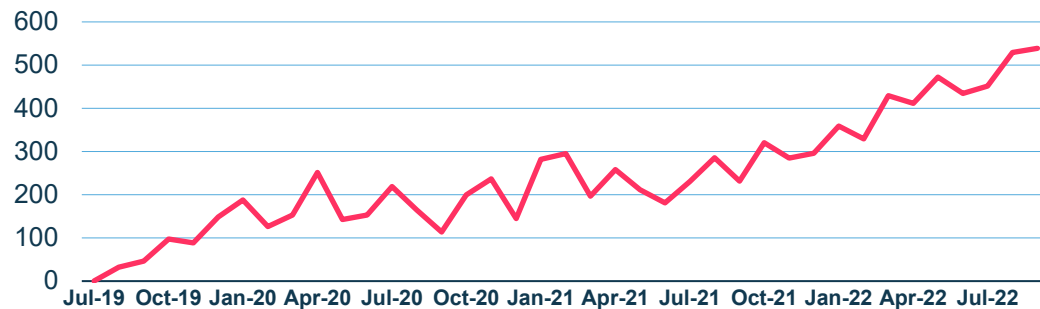


# With doubled sales in 2022, ongoing market share gains and label extensions, Nubeqa will continue growth momentum in 2023

## Global sales development (€m, cpa growth rates)



## US launch performance (monthly NBRx)<sup>1</sup>



<sup>1</sup> Source: IQVIA, Oct 2022 <sup>2</sup> nmCRPC: non-metastatic castration resistant prostate cancer <sup>3</sup> mHSPC: metastatic hormone sensitive prostate cancer

## Key sales drivers

### FY 2022:

- // Sales more than doubled to €466m
- // Expanding market share in the US to >30% in nmCRPC<sup>2</sup>, being #2 in nmCRPC already
- // US label extension in August 2022 to treat patients with mHSPC<sup>3</sup> restrictions

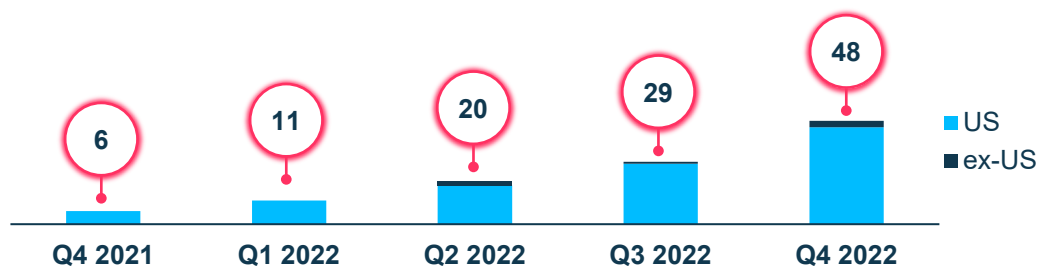
### FY 2023:

- // Continued market share gains in nmCRPC
- // mHSPC approvals in EU, JP, CN and other major regions
- // Potential to become foundational drug across prostate cancer indications
- // Sales to exceed €0.8bn

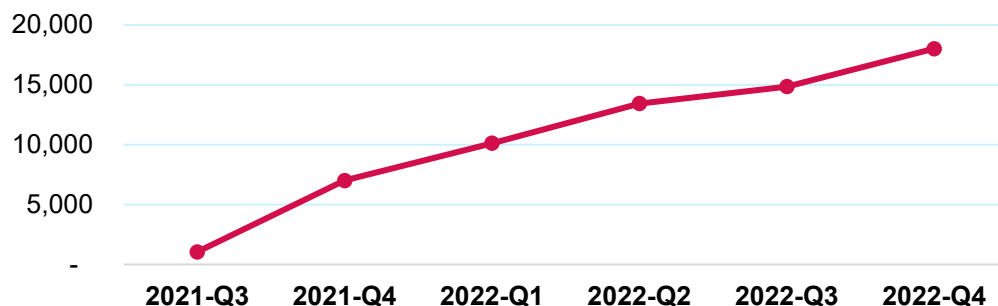


# Kerendia off to a strong start since initial US launch in 2021

## Global sales development (€m, cpa growth rates)



## US launch performance (quarterly NBRx)<sup>1</sup>



<sup>1</sup> Source: IQVIA

## Key sales drivers

### 2022:

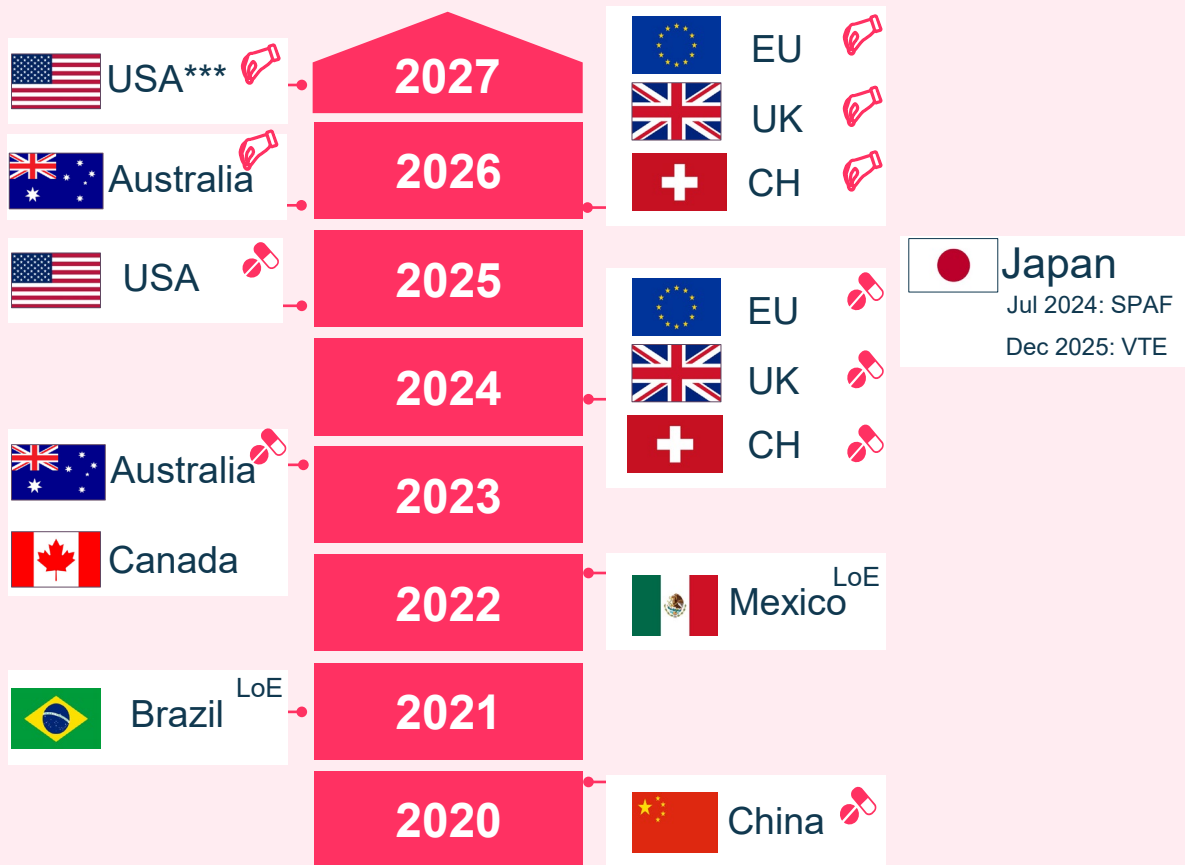
- // Sales growing to €107m
- // Continued US market uptake
  - // One of the strongest launch dynamics in CV despite initial COVID restrictions
  - // Reimbursed access for majority of commercially insured and Medicare Part D patients
  - // Recommended by American Diabetes Association (ADA), American Association for Clinical Endocrinology (AACE) and KDIGO (Kidney Disease: Improving Global Outcomes)

### 2023:

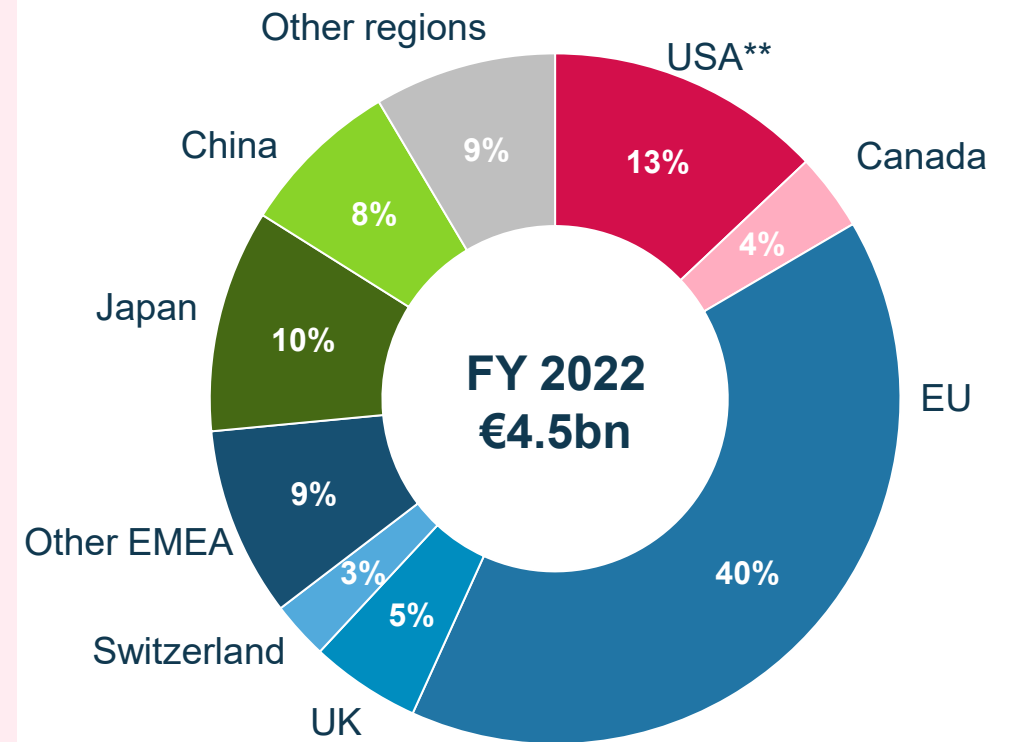
- // Broad utility and relevance across GPs and specialists
- // Ongoing US market penetration & upcoming reimbursements ex-US
- // Potential for further inclusion in treatments guidelines



# Xarelto's main patent expirations\* / loss of exclusivity (LoE)



## Xarelto sales by main markets in 2022





# Pharmaceuticals: R&D Developments (since last update on December 13, 2022)

Phase I	Phase II	Phase III	Commercial
<div><div>+</div><div>Initiation of <b>GPR84 Antagonist</b> (diabetic neuropathic pain)</div></div> <div><div>-</div><div>Discontinuation of <b>Trastuzumab corixetan</b> (HER2-TTC)</div></div>	<div><div>»</div><div>Initiation of <b>Zabedoseritib</b> (Atopic Dermatitis (DAMASK))</div></div>	<div><div>»</div><div><b>FXIa inhibitor asundexian:</b> Initiation of OCEANIC-STROKE study (secondary stroke prevention)</div></div>	<div><div>»</div><div><b>Nubeqa (darolutamide)</b><ul style="list-style-type: none"><li>EU CHMP opinion to treat patients with metastatic hormone-sensitive prostate cancer</li></ul></div></div> <div><div>»</div><div><b>Kerendia (finerenone)</b> EU label extension to include results from Phase III study FIGARO-DKD (patients with earlier stage of chronic kidney disease associated with type 2 diabetes (CKD/T2D))</div></div> <div><div>»</div><div><b>Eylea / aflibercept 8mg:</b><ul style="list-style-type: none"><li>EU approval of <b>Eylea</b> in retinopathy of prematurity</li><li>EU submission of <b>8mg aflibercept</b> (DME, nAMD)</li></ul></div></div>

	Oncology
	Cardiovascular Diseases
	Women's Health
	Others



Newsflow



Advancements



Additions



Discontinuations



# Pharmaceuticals – Pipeline Overview<sup>1</sup> (as of Feb 15, 2023)

Phase 0 <sup>2</sup>		Phase I		Phase II		Phase III	
DGKalpha Inh (BAY 2862789)		Elimusertib (ATR Inhibitor) (BAY 1895344)		Regorafenib (combi Nivolumab) (BAY 734506)		Copanlisib (PI3K Inhibitor)	
PSMA TAC (BAY 3546828)		AhR Inhibitor (BAY 2416964)		Asundexian (FXIa Inhibitor) (BAY 2433334)		Darolutamide (AR Inhibitor)	
PSMA SMOL TAC (BAY 3563254)		mEGFR Inhibitor (BAY 2927088)		Major Adverse Cardiac Events Prevention (PACIFIC-AMI)		Prostate Cancer (mHSPC) (ARANOTE)	
VVD NRF2 Inh (BAY 3605349)		DGKzeta Inhibitor (BAY 2965501)		Runcaciguat (sGC Activator) (BAY 1101042)		Adjuvant Prostate Cancer (DASL-HiCaP)	
VVD STAT3 Inh (BAY 3630914)		CCR8 Ab (BAY 3375968)		Chronic Kidney Disease (CKD) (CONCORD)		Finerenone (MR Antagonist)	
SEMA 3a (BAY 3401016)		Congestive Heart Failure Gene Therapy (AB-1002 formerly NAN-101)		Non-prolif. Diabetic Retinopathy (NPDR) (NEON-NPDR)		Heart Failure (HFmr/pEF) (FINEARTS-HF)	
LGMD2i Gene Therapy (LION-101)		sGC Activator (BAY 3283142)		BDKRB1 Receptor Antagonist (BAY 2395840)		Non-diabetic CKD (FIND-CKD)	
Next Generation Liver MRI (BAY 3393081)		Anti-a2AP (BAY 3018250)		Neuropathic Pain (BRADINP)		Vericiguat (sGC Stimulator)	
		P2X4 Antagonist (BAY 2328065)		Gadoquatrane (High Relaxivity Contrast Agent) (BAY 1747846)		Heart Failure (HFrEF) (VICTOR <sup>3</sup> )	
		BDKRB1 Receptor Antagonist (BAY 2395840)		Magnetic Resonance Imaging (HRCA-PAT)		Asundexian (FXIa Inhibitor)	
		sGC Activator (BAY 1211163)		Adrenomedullin Pegol (PEG-ADM) (BAY 1097761)		Stroke Prevention in Atrial Fibrillation (OCEANIC-AF)	
		Bemdaneprocel (Parkinson's Disease Cell Therapy) (BRT-DA01)		Acute Resp. Distress Syn. (ARDS) (SEAL)		2 <sup>o</sup> Stroke Prevention (OCEANIC-STROKE)	
		Parkinson's Disease Gene Therapy (AB-1005 formerly AAV2-GDNF-PD)		Zabedoseritib (IRAK4 Inh.) (BAY 1834845)		Elinzanetant (Neurokinin-1,3 Rec Antagonist)	
		Multiple System Atrophy Gene Therapy (AB-1005 formerly AAV2-GDNF-MSA)		Atopic Dermatitis (DAMASK)		Vasomotor Symptoms (OASIS)	
		Pompe Disease Gene Therapy (ACTUS-101)					
		Huntington's Disease Gene Therapy (BV-101)					
		GPR84 Antagonist (BAY 3178275)					

	Oncology
	Cardiovascular Diseases
	Women's Health
	Others

- New molecular entity
- Life cycle management

## Submissions

**Darolutamide (AR Inhibitor) / ADT with Chemotherapy**

// EU, Japan, China: mHSPC

**Aflibercept 8MG**

// EU, US<sup>4</sup>: Diabetic Macular Edema (DME)  
// EU, US<sup>4</sup>: Neovasc. Age-rel. Macular Degen. (nAMD)

Full pipeline package available for download under:

<https://www.bayer.com/en/pharma/development-pipeline>

Antibody Biologic Cell Therapy Contrast Agent Gene Therapy Radiotherapy Small Molecule

<sup>1</sup> Bayer and partner sponsored + 3rd party label enabling studies with first patient first visit <sup>2</sup> Pre-clinical selected assets on path to IND <sup>3</sup> Conducted by Merck & Co <sup>4</sup> US submission made by Regeneron Pharmaceuticals



*Science for a Better Life*

# **A Global Leader in Health & Nutrition**

//////////

**Investment Case**  
February 2023 / Bayer AG

Bayer AG /// Investment Case /// February 2023



View our Bayer AG Investment Case here: [LINK](#)