



Q1 2024 Aide Memoire

as of April 9th, 2024

As a service to our investors and analysts, we are providing a quarterly Aide Memoire ahead of our quiet period and concurrent with our publication schedule. This document is intended to provide a summary of relevant information that we have communicated previously and of the key drivers in the corresponding prior year's quarter. It may also include key macroeconomic developments that have an impact on our businesses. Please note that this release and all information therein is unaudited. Consistent with our general practices, any updates to our outlook or business prospects will be provided in our quarterly or ad-hoc disclosures.

***** Please note that our Quiet Period starts on April 16th, 2024. *****

Group

Full Year Outlook 2024 (as of March 5th, 2024)

- Please refer to the following table for an overview of all KPIs including additional modelling support:

	Actual 2023	Outlook 2024 at constant FX	Estimated FX impact
Net Sales	€47.6bn	-1% to +3%	-2% to -3%pts
EBITDA (before special items)	€11.7bn	-9% to -3%	~-3%pts
Core EPS	€6.39	€5.10 to €5.50	- €0.10 to - €0.20
Free Cash Flow	€1.3bn	€2.0bn to €3.0bn	not material
Net Financial Debt	€34.5bn	€32.5bn to €33.5bn	not material

Special Items (EBITDA)	- €1.1bn	- €2.0bn to - €1.0bn	not material
Core Depreciation	- €1.6bn	~ - €1.7bn	
Core Financial Result	- €1.9bn	~ - €2.3bn	
Core Tax Rate	23%	~ 23%	
Reconciliation (cEBITDA)	€0.1bn	- €0.5bn	

- Outlook at constant FX reflects our 2024 outlook at average actual 2023 FX rates. Estimated FX impact was based on month-end December 2023 spot rates.
- Please find links to additional documents:
 - [FX Simulation Tool](#) for net sales 2024;
 - [Capital Markets Day 2024](#) transcript and presentations;
 - [Q4/FY 2023 Investor Call](#) presentation;
 - [Divisional P&L lines](#) for FY 2023 and by quarters.

Crop Science

Q1 2023

	Actual Q1 2023	Delta vs PY
Net Sales	€8.4bn	-1% cpa
EBITDA (before special items)	€3.3bn	-11%
EBITDA margin (before special items)	39.1%	

- **Net Sales:**
 - ~€700m decline in glyphosate-based herbicides (volume and price) almost compensated by Core business (+8% cpa; +11% price, -3% volume);
 - Higher pricing drove Corn S&T (+16% cpa) and Insecticides (+13% cpa);
 - Soy S&T (+1% cpa) with volume gains in LATAM;
 - Strong pricing in Fungicides offset by lower volumes due mostly to supply constraints.
- **EBITDA (before special items):** Decline in glyphosate-based herbicides and cost inflation weighed on earnings. Strong pricing across remaining portfolio partly compensated downsides.

Full Year Outlook 2024 (as of March 5th, 2024)

	Actual 2023	Outlook 2024 at constant FX	Estimated FX impact
Net Sales	€23.3bn	-1% to +3%	~ -2%pts
EBITDA margin (before special items)	21.7%	20% to 22%	not material

- **Net Sales:**

- **Core Business** (Crop Science business excl. glyphosate-based herbicides) expected to grow **+1% to +4% cpa**. Industry-leading seed germplasm refresh and volume recovery in crop protection expected to drive sales growth. We anticipate a U.S. planted acreage shift from corn to soy of 4-5m acres.
- **Glyphosate-based herbicide** sales expected to decline -12% to -8% cpa, assuming a pricing decline, mostly in Q1, based on \$3.80/kg Chinese generic reference price (15 yr. median).
- **EBITDA Margin** before special items: 4% cost inflation, higher incentives and absence of Luling insurance payment mitigates expected CP COGS reduction and personnel savings from new operating model.
- **Calendarization:** Sales expected to decline slightly in Q1 due to delays in EMEA and mid-teens declines in glyphosate sales due to pricing. Margin declines with normalization of glyphosate pricing. Cost productivity program progress in HY2 to compensate for Q1 glyphosate price pressure and inflation.

Latest Market Information

- Dec. 2024 corn contracts at ~\$4.73/bu and Nov. 2024 soybean contracts at ~\$11.84/bu as of April 8th, 2024.
- Reference price for generic glyphosate technical at ~\$3.50/kg as of March 20th, 2024, close to the 15-year median price of \$3.80/kg; ~30% decline YOY.
- The March 28th USDA Prospective Plantings report estimated U.S. planted corn acres to decline to 90 million (-5%), in the 2024/25 season, planted soybean acres to increase to 86.5 million (+3%) and cotton acres to increase to 10.7 million (+4%).

Pharmaceuticals

Q1 2023

	Actual Q1 2023	Delta vs PY
Net Sales	€4.4bn	-3% cpa
EBITDA (before special items)	€1.1bn	-20%
EBITDA margin (before special items)	25.1%	

- **Net Sales:**
 - Nubeqa™ (+131% cpa) and Kerendia™ (+362% cpa) with strong growth;
 - Eylea™ (+5% cpa) with higher volumes across regions;
 - Radiology (+9% cpa) benefitted from volume growth and healthy pricing;
 - China impacted by COVID dynamics across the portfolio incl. Xarelto™, in addition to VBP pressure on Adalat™.
- **EBITDA** (before special items): Sales shortfall, changes in product mix and inflation weigh on gross margin. Ongoing growth investments in R&D, asundexian Phase III recruitment accelerating.

Full Year Outlook 2024 (as of March 5th, 2024)

	Actual 2023	Outlook 2024 at constant FX	Estimated FX impact
Net Sales	€18.1bn	-4% to 0%	~ -2%pts
EBITDA margin (before special items)	28.7%	26% to 29%	~ -2%pts

- **Net Sales:**
 - Robust base business expected with varying dynamics of individual franchises;
 - Ongoing headwinds in China anticipated, particularly related to VBP;
 - Xarelto™ to decline double-digit % driven by ongoing pricing pressure, genericization and patent expiries in e.g. Canada and Japan;
 - Eylea™ expected to be flattish yoy; higher volumes (total of Eylea 2mg and 8mg) to be offset by adverse pricing dynamics;
 - Combined sales of Nubeqa™ and Kerendia™ to exceed €1.5bn driven by market growth and further market expansion in existing indications.
- **EBITDA Margin** before special items: Unfavorable product mix, persisting inflationary and pricing headwinds as well as continued growth investments (launches and pipeline) expected to impact EBITDA margin before special items.
- **Calendarization:** HY1 sales above HY2 mainly driven by increasing headwinds from Xarelto LoE throughout the year. HY1 and HY2 EBITDA margin before special items at about same level as tight OPEX management in HY2 compensating for expected lower topline.

Newsflow (until April 05th, 2024)

- Mar 19 Positive topline results from Phase III long-term study OASIS 3 support submissions for marketing authorization for Bayer's elinzanetant
- Mar 06 Announcement of BlueRock Therapeutics phase I clinical trial for Parkinson's disease continuing to show positive trends at 18 months
- Mar 04 Acquisition of exclusive commercialization rights for acoramidis in European markets
- Feb 26 Announcement of U.S. FDA Breakthrough Therapy designation for BAY 2927088 for non-small cell lung cancer harboring HER2 activating mutations
- Feb 20 Announcement of Phase II study initiation with first-in-class anti-alpha2 antiplasmin antibody in patients with deep vein thrombosis

Consumer Health

Q1 2023

	Actual Q1 2023	Delta vs PY
Net Sales	€1.6bn	+4% cpa
EBITDA (before special items)	€0.4bn	-2%
EBITDA margin (before special items)	24.1%	

- **Net Sales:**
 - Allergy (+16% cpa) on top of strong prior year and with major contribution from Astepro™;
 - Bepanthen™ continuing to support Dermatology (+10% cpa);
 - Cough & Cold (+16% cpa) driven by still elevated cold & flu incidences;
 - Nutritionals (-10% cpa) facing temporary supply constraints and strong prior year.
- **EBITDA** (before special items): Operational productivity programs and active pricing compensate cost inflation. Continued investments into innovation.

Full Year Outlook 2024 (as of March 5th, 2024)

	Actual 2023	Outlook 2024 at constant FX	Estimated FX impact
Net Sales	€6.0bn	+3% to +6%	~ -5%pts
EBITDA margin (before special items)	23.4%	23% to 24%	not material

- **Net Sales:** Continued broad-based growth across regions and categories expected. Innovation, pricing and volume increase expected to equally contribute to growth. Uncertain economic environment might impact consumer demand and retail inventory.
- **EBITDA Margin** before special items: Further margin expansion leveraging DSO and operational efficiencies, while compensating for sticky inflation and currency headwinds.
- **Calendarization:** Sales seasonalization comparable to prior year. We expect a sales growth acceleration from Q2 2024 onwards. For EBITDA Margin before special items, HY1 impacted by higher investment levels to support innovation, while operational efficiencies (incl. DSO savings) to materialize towards HY2.

Forward-Looking Statements

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

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