

Q1



Quarterly Statement First Quarter of 2024

Q1 performance as expected

- // Group sales at €13.8 billion (Fx & p adj. –0.6%), currency headwinds of €0.5 billion
- // EBITDA before special items falls slightly to €4.4 billion (–1.3%)
- // Sales and earnings down at Crop Science and Consumer Health
- // Pharmaceuticals posts higher sales and earnings
- // Core earnings per share at €2.82 (–4.4%)
- // Net income at €2.0 billion
- // Free cash flow at minus €2.6 billion
- // Currency-adjusted Group outlook confirmed

Health for all, Hunger for none

Bayer Group Key Data

€ million	Q1 2023	Q1 2024	Change (%)	
			Reported	Fx & p adj.
Sales	14,389	13,765	- 4.3	- 0.6
Change in sales¹				
Volume	- 5.8%	- 0.3%		
Price	+ 4.7%	- 0.3%		
Currency	+ 0.7%	- 3.7%		
Portfolio	- 1.3%	0.0%		
Sales by region				
Europe/Middle East/Africa	4,639	4,491	- 3.2	+ 2.1
North America	5,906	5,760	- 2.5	- 1.2
Asia/Pacific	2,181	1,914	- 12.2	- 5.9
Latin America	1,663	1,600	- 3.8	+ 0.7
EBITDA¹	4,318	4,205	- 2.6	
Special items ¹	(153)	(207)		
EBITDA before special items¹	4,471	4,412	- 1.3	
EBITDA margin before special items ¹	31.1%	32.1%		
EBIT¹	2,973	3,092	+ 4.0	
Special items ¹	(431)	(207)		
EBIT before special items¹	3,404	3,299	- 3.1	
Financial result	(367)	(501)		
Net income (from continuing and discontinued operations)	2,178	2,000	- 8.2	
Earnings per share from continuing and discontinued operations (€)	2.22	2.04	- 8.2	
Core earnings per share¹ from continuing operations (€)	2.95	2.82	- 4.4	
Net cash provided by (used in) operating activities (from continuing and discontinued operations)	(3,550)	(2,150)		
Free cash flow¹	(4,102)	(2,626)		
Net financial debt (at end of period)	36,077	37,488	+ 3.9	
Cash flow-relevant capital expenditures (from continuing and discontinued operations)	466	446	- 4.3	
Research and development expenses	1,571	1,426	- 9.2	
Depreciation, amortization and impairment losses/loss reversals	1,345	1,113	- 17.2	
Number of employees (at end of period)²	101,735	98,189	- 3.5	
Personnel expenses (including pension expenses)	3,259	3,040	- 6.7	

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

² Employees calculated as full-time equivalents (FTEs)

Key Events

Board of Management

The Supervisory Board of Bayer AG appointed Julio Triana to Bayer's Board of Management effective April 1, 2024. He became President of the Consumer Health Division effective May 1, 2024, and succeeded Heiko Schipper, who had asked the Supervisory Board to bring forward the end date of his contract. Schipper left the company effective April 30, 2024.

Innovations and product approvals

In March, we announced positive topline results from the Phase III long-term study OASIS 3 relating to our investigational compound elinzanetant, which we are investigating as a non-hormonal treatment for vasomotor symptoms associated with menopause. This builds on the existing evidence from the Phase III studies OASIS 1 and 2. We will submit data from the OASIS 1, 2 and 3 studies to regulatory authorities for approval of marketing authorizations for elinzanetant.

Portfolio changes

Also in March, we announced our acquisition of the exclusive marketing rights for acoramidis in Europe from Eidos Therapeutics Inc., BridgeBio International GmbH and BridgeBio Europe B.V. Acoramidis is a highly potent and selective small molecule, orally administered transthyretin (TTR) stabilizer for the treatment of patients suffering from transthyretin amyloid cardiomyopathy (ATTR CM). A marketing authorization application (MAA) was filed with the European Medicines Agency (EMA) in January 2024. BridgeBio and the affiliates will receive up to US\$310 million in upfront and near-term milestone payments and are eligible to receive additional undisclosed sales milestone payments and tiered royalties beginning in the low-thirties percent.

Earnings Performance of the Bayer Group¹

First quarter of 2024

Group sales

Group sales came in at €13,765 million in the first quarter of 2024 (Q1 2023: €14,389 million), representing a change of -0.6% on a currency- and portfolio-adjusted basis (Fx & portfolio adj.), and -4.3% on a reported basis. There was a negative currency effect of €525 million (Q1 2023: positive currency effect of €102 million). Sales in Germany amounted to €729 million (Q1 2023: €768 million).

Sales at Crop Science were down year on year, largely due to lower volumes for our non-glyphosate-based herbicides and in our Fungicides business. We additionally recorded substantial price declines for our glyphosate-based products that were not fully offset by the impact of volumes returning to normal levels. Sales at Pharmaceuticals were up, driven by significant gains for Nubeqa™ and Kerendia™ as well as continued sales growth for Eylea™ and our Radiology business. However, growth was mainly slowed by declines for Adalat™ in China. Sales at Consumer Health declined slightly, mostly due to lower sales in the Allergy & Cold category.

EBITDA before special items

Group EBITDA before special items decreased by 1.3% to €4,412 million. This figure included a negative currency effect of €206 million (Q1 2023: €4 million). Crop Science registered a decline in EBITDA before special items that was mainly due to the fall in prices for our glyphosate-based products. The increase in EBITDA before special items at Pharmaceuticals was mainly due to lower expenses for marketing and R&D activities. Consumer Health recorded a decline in EBITDA before special items that was primarily driven by currency effects. The Group EBITDA margin before special items came in at 32.1%.

¹ For definition of alternative performance measures see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

EBIT and special items

EBIT of the Bayer Group came in at €3,092 million (Q1 2023: €2,973 million) after net special charges of €207 million (Q1 2023: €431 million). The special charges primarily related to expenses for ongoing restructuring measures and affected all divisions and functional areas. EBIT before special items decreased by 3.1% to €3,299 million (Q1 2023: €3,404 million).

The following special items were taken into account in calculating EBIT and EBITDA:

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Special Items¹ by Category

€ million	EBIT Q1 2023	EBIT Q1 2024	EBITDA Q1 2023	EBITDA Q1 2024
Total special items	(431)	(207)	(153)	(207)
Restructuring	(115)	(200)	(115)	(199)
of which in the Reconciliation	(27)	(17)	(27)	(17)
Acquisition/integration	(2)	–	(2)	–
Divestments	(48)	1	(48)	1
Litigations/legal risks	(46)	4	(46)	3
of which in the Reconciliation	(60)	(26)	(60)	(26)
Impairment losses/loss reversals ²	(278)	–	–	–
Other	58	(12)	58	(12)

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

² Where not already included in the other special items categories

Net income

After a financial result of minus €501 million (Q1 2023: minus €367 million), income before income taxes amounted to €2,591 million (Q1 2023: €2,606 million). The deterioration of the financial result was largely due to an increase in interest expense as a result of higher interest rates, as well as hyperinflationary effects arising primarily in Argentina. After income tax expense of €589 million (Q1 2023: €424 million) and accounting for noncontrolling interest, net income amounted to €2,000 million (Q1 2023: €2,178 million).

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Financial Result¹

€ million	Q1 2023	Q1 2024
Income (loss) from investments in affiliated companies	(47)	2
Net interest expense	(213)	(306)
Other financial income/(expenses)	(107)	(197)
of which interest portion of discounted provisions	(114)	(101)
of which exchange gain (loss)	15	(41)
of which miscellaneous financial income/(expenses)	(8)	(55)
Total	(367)	(501)
of which special items (net)	(92)	(52)

¹ Further information on the financial result is given in Note [10] of the Annual Report 2023.

Core earnings per share

Core earnings per share decreased by 4.4% to €2.82 (Q1 2023: €2.95), mainly due to the decline in earnings at the Crop Science Division.

Earnings per share (total) came in at €2.04 (Q1 2023: €2.22). The difference between this figure and the one for core earnings per share is mainly due to amortization.

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Core Earnings per Share¹

€ million	Q1 2023	Q1 2024
EBIT¹ (as per income statements)	2,973	3,092
Amortization and impairment losses/loss reversals on goodwill and other intangible assets	665	696
Impairment losses/loss reversals on property, plant and equipment, and accelerated depreciation included in special items	285	26
Special items (other than accelerated depreciation, amortization and impairment losses/loss reversals)	153	207
Core EBIT¹	4,076	4,021
Financial result (as per income statements)	(367)	(501)
Special items in the financial result ²	92	52
Income taxes (as per income statements)	(424)	(589)
Special items in income taxes	-	-
Tax effects related to amortization, impairment losses/loss reversals and special items	(472)	(207)
Income after income taxes attributable to noncontrolling interest (as per income statements)	(4)	(2)
Above-mentioned adjustments attributable to noncontrolling interest	-	-
Core net income from continuing operations	2,901	2,774
Shares (million)		
Weighted average number of shares	982.42	982.42
€		
Core earnings per share from continuing operations¹	2.95	2.82

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

² Includes in particular the changes in the fair value of the interests in Century Therapeutics, United States, and Pyxis Oncology, United States, as well as interest cost for the provisions for litigations/legal risks

Business Development by Division

Crop Science

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Key Data – Crop Science

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Sales	8,351	7,907	-5.3	-3.0
Change in sales¹				
Volume	-8.2%	-0.1%		
Price	+7.1%	-2.9%		
Currency	+1.6%	-2.3%		
Portfolio	-1.6%	0.0%		
Sales by region				
Europe/Middle East/Africa	2,297	2,079	-9.5	-2.6
North America	4,182	4,122	-1.4	-0.2
Asia/Pacific	632	519	-17.9	-12.3
Latin America	1,240	1,187	-4.3	-8.2
EBITDA¹	3,249	2,789	-14.2	
Special items ¹	(18)	(60)		
EBITDA before special items¹	3,267	2,849	-12.8	
EBITDA margin before special items ¹	39.1%	36.0%		
EBIT¹	2,319	2,063	-11.0	
Special items ¹	(296)	(59)		
EBIT before special items¹	2,615	2,122	-18.9	
Net cash used in operating activities	(3,364)	(2,865)		
Cash flow-relevant capital expenditures	208	210	+1.0	
Research and development expenses	600	625	+4.2	

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

First quarter of 2024

Sales

Sales at Crop Science decreased by 3.0% (Fx & portfolio adj.) to €7,907 million in the first quarter of 2024, mainly due to lower volumes for our non-glyphosate-based herbicides and our Fungicides business in Europe/Middle East/Africa. By contrast, our glyphosate-based products saw a substantial increase in volumes, which was more than offset by significant price declines as a result of reduced prices for generics.

- // Sales at **Corn Seed & Traits** increased thanks to higher prices in all regions. However, volumes were down mainly in North America due to lower acreages.
- // At **Herbicides**, we recorded substantial volume declines for non-glyphosate-based products, especially in Europe/Middle East/Africa, largely driven by adverse weather conditions and increased generic pressure. With respect to our glyphosate-based products, we recorded significant market-driven price declines in all regions that were not fully offset by the impact of volumes returning to normal levels. Particularly in Latin America, the negative price effect clearly outweighed the growth in volumes.
- // Business at **Fungicides** was down, mainly due to a decline in volumes in Europe/Middle East/Africa that was also largely driven by adverse weather conditions and increased generic pressure. By contrast, higher volumes in Latin and North America had a positive impact.

- // Sales at **Soybean Seed & Traits** were level with the prior-year period.
- // Sales at **Insecticides** were up, driven by higher volumes in Europe/Middle East/Africa and North America that were partially offset by a sales decline in Latin America.
- // At **Cotton Seed**, volumes were down in North America amid shifts in demand into the second quarter.
- // Business at **Vegetable Seeds** expanded thanks to higher prices in all regions.
- // The reporting unit "**Other**" benefited from advance sales in the other parts of our seed portfolio. By contrast, we recorded declines at SeedGrowth as well as in the remaining Environmental Science businesses Lawn & Garden and Industrial Turf & Ornamental (IT&O).

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Sales by Strategic Business Entity

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Crop Science	8,351	7,907	-5.3	-3.0
Corn Seed & Traits	3,268	3,242	-0.8	+2.0
Herbicides	1,889	1,601	-15.2	-13.3
of which glyphosate-based products ²	705	657	-6.8	-6.4
Fungicides	1,054	935	-11.3	-8.5
Soybean Seed & Traits	608	604	-0.7	+0.1
Insecticides	460	459	-0.2	+2.3
Cotton Seed	314	290	-7.6	-7.0
Vegetable Seeds	181	184	+1.7	+5.0
Other	577	592	+2.6	+5.0

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."² As of 2024, our business with glyphosate-based products is for the first time being reported separately within the Herbicides strategic business entity; the prior-year figures are likewise shown separately.

Earnings

EBITDA before special items at Crop Science decreased by 12.8% to €2,849 million in the first quarter of 2024 (Q1 2023: €3,267 million), mainly due to price declines for our glyphosate-based products. There was also a negative currency effect of €92 million (Q1 2023: positive currency effect of €54 million). The EBITDA margin before special items declined by 3.1 percentage points to 36.0%.

EBIT came in at €2,063 million (Q1 2023: €2,319 million) in the first quarter of 2024 after net special charges of €59 million (Q1 2023: €296 million) that primarily related to ongoing restructuring measures.

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Special Items¹ Crop Science

€ million	EBIT	EBIT	EBITDA	EBITDA
	Q1 2023	Q1 2024	Q1 2023	Q1 2024
Restructuring	(27)	(89)	(27)	(89)
Acquisition/integration	(2)	-	(2)	-
Divestments	(18)	-	(18)	-
Litigation/legal risks	30	30	30	29
Impairment losses/loss reversals	(278)	-	-	-
Other	(1)	-	(1)	-
Total special items	(296)	(59)	(18)	(60)

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Pharmaceuticals

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Key Data – Pharmaceuticals

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Sales	4,407	4,358	- 1.1	+ 3.9
Change in sales¹				
Volume	- 2.4%	+ 3.1%		
Price	- 0.7%	+ 0.8%		
Currency	- 0.6%	- 5.0%		
Portfolio	- 1.0%	0.0%		
Sales by region				
Europe/Middle East/Africa	1,771	1,822	+ 2.9	+ 6.1
North America	1,110	1,110	-	+ 1.1
Asia/Pacific	1,305	1,187	- 9.0	- 2.0
Latin America	221	239	+ 8.1	+ 35.4
EBITDA¹	1,064	1,099	+ 3.3	
Special items ¹	(42)	(95)		
EBITDA before special items¹	1,106	1,194	+ 8.0	
EBITDA margin before special items ¹	25.1%	27.4%		
EBIT¹	806	872	+ 8.2	
Special items ¹	(42)	(96)		
EBIT before special items¹	848	968	+ 14.2	
Net cash provided by operating activities	707	809	+ 14.4	
Cash flow-relevant capital expenditures	205	178	- 13.2	
Research and development expenses	880	756	- 14.1	

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

First quarter of 2024

Sales

In the Pharmaceuticals Division, we increased sales by 3.9% (Fx & portfolio adj.) to €4,358 million in the first quarter of 2024. We registered significant gains for our new products Nubeqa™ and Kerendia™, and also posted continued sales growth for Eylea™ and our Radiology business. By contrast, negative developments included a decline in Adalat™ sales due to tender procedures in China.

- // We registered a slight increase in sales for our oral anticoagulant **Xarelto™** following a weak prior-year quarter. Gains in Europe were mainly offset by declines in Canada. Overall, business was held back by competitive pressure from generic products, as expected. License revenues – recognized as sales – in the United States, where Xarelto™ is marketed by a subsidiary of Johnson & Johnson, were down against the prior-year quarter.
- // Sales of our ophthalmology drug **Eylea™** advanced thanks to higher volumes and prices, with business benefiting particularly from increased volumes in Canada.
- // Sales of our cancer drug **Nubeqa™** grew significantly, with gains in all regions. The product therefore maintained its growth momentum, especially in the United States, Europe and China, with strong increases in volumes.
- // We also achieved considerable gains with **Kerendia™**, our product for the treatment of patients with chronic kidney disease associated with type 2 diabetes, mainly thanks to a substantial rise in volumes in the United States. The expansion of business in China also contributed to the positive development.
- // Sales of our pulmonary hypertension treatment **Adempas™** rose significantly, especially in the United States. As in the past, sales reflected the proportionate recognition of the upfront and milestone payments resulting from the sGC collaboration with Merck & Co., United States.
- // Our **Kogenate™/Kovaltry™/Jivi™** blood-clotting medicines saw a strong decline in sales as a result of competitive pressure, particularly in the United States.

- // Sales of our **YAZ™/Yasmin™/Yasminelle™** line of oral contraceptives developed very positively compared with a weak prior-year quarter.
- // We recorded significant declines for **Aspirin™ Cardio**, our product for secondary prevention of heart attacks, with business down in China in particular.
- // Sales of our cancer drug **Stivarga™** also fell markedly, especially in the United States.
- // Our Radiology business continued to post encouraging gains, especially for **CT Fluid Delivery** and **Ultravist™**, primarily thanks to strong price increases.

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Best-Selling Pharmaceuticals Products

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Xarelto™	943	926	- 1.8	+ 1.7
Eylea™	789	782	- 0.9	+ 3.4
Mirena™/Kyleena™/Jaydess™	303	293	- 3.3	+ 0.1
Nubeqa™	178	283	+ 59.0	+ 64.1
Adempas™	152	171	+ 12.5	+ 14.8
Kogenate™/Kovaltry™/Jivi™	192	167	- 13.0	- 11.0
YAZ™/Yasmin™/Yasminelle™	152	165	+ 8.6	+ 21.6
Aspirin™ Cardio	181	151	- 16.6	- 7.5
CT Fluid Delivery	124	134	+ 8.1	+ 9.9
Adalat™	177	127	- 28.2	- 23.0
Ultravist™	118	114	- 3.4	+ 10.0
Stivarga™	133	112	- 15.8	- 10.1
Gadovist™ product family	118	105	- 11.0	- 3.3
Kerendia™	52	85	+ 63.5	+ 66.2
Betaferon™/Betaseron™	57	46	- 19.3	- 18.1
Total best-selling products	3,669	3,661	- 0.2	+ 4.6
Proportion of Pharmaceuticals sales	83%	84%		

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Earnings

We increased **EBITDA before special items** at Pharmaceuticals by 8.0% to €1,194 million in the first quarter of 2024 (Q1 2023: €1,106 million). Higher investments in R&D activities for our cell and gene therapy and chemoproteomics technologies were offset by significantly lower expenses for projects in advanced clinical development. With respect to our sales activities, our cost management efforts generated savings, especially for our more mature products, that clearly outweighed the increase in costs for our new products. To a lesser extent, earnings also benefited from higher income from the sale of noncore businesses. There was a high negative currency effect of €127 million (Q1 2023: €6 million). The EBITDA margin before special items increased by 2.3 percentage points to 27.4%.

EBIT came in at €872 million (Q1 2023: €806 million) in the first quarter of 2024 after net special charges of €96 million (Q1 2023: €42 million) that mainly related to ongoing restructuring projects.

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Special Items¹ Pharmaceuticals

€ million	EBIT	EBIT	EBITDA	EBITDA
	Q1 2023	Q1 2024	Q1 2023	Q1 2024
Restructuring	(55)	(85)	(55)	(84)
Divestments	(30)	1	(30)	1
Litigations/legal risks	(16)	-	(16)	-
Other	59	(12)	59	(12)
Total special items	(42)	(96)	(42)	(95)

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Consumer Health

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Key Data – Consumer Health

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Sales	1,573	1,432	-9.0	-1.8
Change in sales¹				
Volume	-3.9%	-12.1%		
Price	+8.0%	+10.3%		
Currency	-0.1%	-6.8%		
Portfolio	0.0%	-0.4%		
Sales by region				
Europe/Middle East/Africa	516	523	+1.4	+6.5
North America	612	528	-13.7	-11.6
Asia/Pacific	244	208	-14.8	-10.1
Latin America	201	173	-13.9	+16.8
EBITDA¹	373	322	-13.7	
Special items ¹	(6)	(9)		
EBITDA before special items¹	379	331	-12.7	
EBITDA margin before special items ¹	24.1%	23.1%		
EBIT¹	282	229	-18.8	
Special items ¹	(6)	(9)		
EBIT before special items¹	288	238	-17.4	
Net cash provided by operating activities	183	219	+19.7	
Cash flow-relevant capital expenditures	20	26	+30.0	
Research and development expenses	52	55	+5.8	

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

First quarter of 2024

Sales

Sales at Consumer Health declined by 1.8% (Fx & portfolio adj.) to €1,432 million in the first quarter of 2024. We experienced reduced customer demand following a strong previous quarter in which inventories were replenished due to an improved supply situation. In addition, business in the Allergy & Cold category was down significantly due to a weaker cold season. By contrast, we registered encouraging gains at Digestive Health amid an improved supply situation. Sales were also up in the Dermatology category, partly thanks to Bepanthen™.

- // We recorded encouraging sales growth in **Europe/Middle East/Africa**. The Digestive Health category achieved double-digit percentage growth, mainly driven by Iberogast™ and Rennie™. We also recorded a strong increase in sales at Nutritionals. Business in the Allergy & Cold category was down substantially due to weaker demand for cough and cold products. Sales also decreased at Pain & Cardio.
- // Sales in **North America** decreased significantly, with declines in all categories that were partly due to customers optimizing their inventories. This development primarily impacted the allergy business, especially compared with the strong prior-year quarter, and the Pain & Cardio category. In addition, sales of cough and cold products were held back by a weaker season.
- // Business in **Asia/Pacific** was down significantly. We registered a particularly large decline at Nutritionals amid a weaker market environment, especially in Australia and Southeast Asia. The Allergy & Cold and Pain & Cardio categories also saw a drop in sales against a strong prior year. By contrast, we recorded substantial growth at Dermatology, mainly driven by Kang Wang™, which performed particularly well in China, and Bepanthen™.
- // We recorded strong sales growth (Fx & portfolio adj.) in **Latin America**, especially at Pain & Cardio, thanks to Actron™ and the Aspirin™ product family, and at Nutritionals, largely driven by Supradyn™ and Redoxon™. By contrast, the Allergy & Cold business declined.

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Sales by Category

€ million	Q1 2023	Q1 2024	Change (%) ¹	
			Reported	Fx & p adj.
Consumer Health	1,573	1,432	-9.0	-1.8
Nutritionals	375	335	-10.7	+0.2
Allergy & Cold	410	335	-18.3	-16.8
Dermatology	345	349	+1.2	+7.3
Pain & Cardio	216	181	-16.2	+0.7
Digestive Health	210	222	+5.7	+9.0
Other	17	10	-41.2	-32.9

Fx & p adj. = currency- and portfolio-adjusted

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."**Earnings**

EBITDA before special items at Consumer Health declined by 12.7% to €331 million in the first quarter of 2024 (Q1 2023: €379 million), mainly due to negative currency effects of €46 million (Q1 2023: €4 million). We were largely able to offset the decline in sales, an inflation-driven rise in costs, and higher investments in marketing our innovative products thanks to our continuous cost and price management efforts. In addition, we generated higher income from the sale of minor, nonstrategic brands. The EBITDA margin before special items declined by 1.0 percentage point to 23.1%.

EBIT came in at €229 million (Q1 2023: €282 million) in the first quarter of 2024 after special charges of €9 million (Q1 2023: €6 million) relating to restructuring.

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Special Items¹ Consumer Health

€ million	EBIT	EBIT	EBITDA	EBITDA
	Q1 2023	Q1 2024	Q1 2023	Q1 2024
Restructuring	(6)	(9)	(6)	(9)
Total special items	(6)	(9)	(6)	(9)

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Financial Position of the Bayer Group

Statement of Cash Flows

Net cash used in operating activities

// Net operating cash flow in the first quarter of 2024 amounted to minus €2,150 million (Q1 2023: minus €3,550 million). The improvement was partly due to the overall decrease in payments to resolve proceedings in the litigations surrounding glyphosate, PCBs, Essure™ and dicamba, with a net payout of €167 million (Q1 2023: €1,536 million).

Net cash provided by investing activities

// Net investing cash flow in the first quarter of 2024 stood at €303 million (Q1 2023: €1,602 million).
 // Net cash inflows for current financial assets totaled €626 million (Q1 2023: €2,268 million). These inflows mainly related to the sale of investments in money market funds to cover operational liquidity needs.
 // Cash outflows for acquisitions came in at €95 million (Q1 2023: €129 million). This figure included a milestone payment in connection with the acquisition of the company Asklepios BioPharmaceutical, Inc., United States.

Net cash provided by financing activities

// There was a net cash inflow of €677 million from financing activities in the first quarter of 2024 (Q1 2023: €1,662 million).
 // This included net borrowings of €867 million (Q1 2023: €1,845 million).
 // Net interest payments came to €190 million (Q1 2023: €183 million).

Free cash flow

// Free cash flow (total) came in at minus €2,626 million in the first quarter of 2024 (Q1 2023: minus €4,102 million), mainly due to the improvement in operating cash flow.

Net financial debt

// Net financial debt of the Bayer Group increased by €3.0 billion to €37.5 billion in the first quarter of 2024 (December 31, 2023: €34.5 billion), mainly as a result of cash outflows from operating activities due to seasonal factors.

Corporate Outlook

We confirm our currency-adjusted Group outlook for the year 2024 as published in the Annual Report 2023.

When applying the closing rates as of March 31, 2024, instead of December 31, 2023, we project the following changes in currency effects with respect to our KPIs:

A 13

Forecast for 2024

	Currency-adjusted forecast for 2024	Forecast for 2024 at closing rates on Dec. 31, 2023	Forecast for 2024 at closing rates on March 31, 2024
	€ billion	€ billion	€ billion
EBITDA before special items ¹	10.7 to 11.3	10.4 to 11.0	10.2 to 10.8
Free cash flow ¹	2 to 3	2 to 3	2 to 3
Net financial debt ¹	32.5 to 33.5	32.5 to 33.5	33.0 to 34.0
	€	€	€
Core earnings per share ¹	5.10 to 5.50	4.95 to 5.35	4.80 to 5.20

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Condensed Consolidated Interim Financial Information as of March 31, 2024

Bayer Group Condensed Consolidated Income Statements

B 1

€ million	Q1 2023	Q1 2024
Net sales	14,389	13,765
Cost of goods sold	(5,733)	(5,463)
Gross profit	8,656	8,302
Selling expenses	(3,394)	(3,245)
Research and development expenses	(1,571)	(1,426)
General administration expenses	(658)	(583)
Other operating income	384	269
Other operating expenses	(444)	(225)
EBIT¹	2,973	3,092
Equity-method income (loss)	(37)	(14)
Financial income	148	161
Financial expenses	(478)	(648)
Financial result	(367)	(501)
Income before income taxes	2,606	2,591
Income taxes	(424)	(589)
Income after income taxes	2,182	2,002
of which attributable to noncontrolling interest	4	2
of which attributable to Bayer AG stockholders (net income)	2,178	2,000
€		
Earnings per share		
Basic	2.22	2.04
Diluted	2.22	2.04

¹ For definition see Annual Report 2023, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

Bayer Group Condensed Consolidated Statements of Financial Position

B 2

€ million	Mar. 31, 2023	Dec. 31, 2023	Mar. 31, 2024
Noncurrent assets			
Goodwill	39,254	32,299	32,763
Other intangible assets	23,352	23,363	23,343
Property, plant and equipment	13,312	13,321	13,472
Investments accounted for using the equity method	847	850	840
Other financial assets	1,959	2,267	2,362
Other receivables	1,188	1,132	1,198
Deferred taxes	5,517	5,471	5,736
	85,429	78,703	79,714
Current assets			
Inventories	13,531	13,947	13,437
Trade accounts receivable	14,559	9,343	14,194
Other financial assets	3,121	4,836	4,197
Other receivables	2,084	2,030	2,069
Claims for income tax refunds	1,471	1,442	1,531
Cash and cash equivalents	4,854	5,907	4,725
Assets held for sale	3	51	14
	39,623	37,556	40,167
Total assets	125,052	116,259	119,881
Equity			
Capital stock	2,515	2,515	2,515
Capital reserves	18,261	18,261	18,261
Other reserves	20,088	12,151	14,829
Equity attributable to Bayer AG stockholders	40,864	32,927	35,605
Equity attributable to noncontrolling interest	153	151	157
	41,017	33,078	35,762
Noncurrent liabilities			
Provisions for pensions and other post-employment benefits	3,931	4,014	4,007
Other provisions	8,347	7,784	7,678
Refund liabilities	98	14	107
Contract liabilities	550	436	401
Financial liabilities	33,571	38,176	37,987
Income tax liabilities	1,446	1,523	1,599
Other liabilities	987	987	927
Deferred taxes	714	790	783
	49,644	53,724	53,489
Current liabilities			
Other provisions	5,137	3,241	3,416
Refund liabilities	7,847	5,463	8,009
Contract liabilities	1,522	3,856	1,280
Financial liabilities	9,728	6,830	8,281
Trade accounts payable	6,268	7,456	6,398
Income tax liabilities	1,224	619	1,022
Other liabilities	2,665	1,992	2,224
	34,391	29,457	30,630
Total equity and liabilities	125,052	116,259	119,881

Bayer Group Condensed Consolidated Statements of Cash Flows

B 3

€ million	Q1 2023	Q1 2024
Income after income taxes	2,182	2,002
Income taxes	424	589
Financial result	367	501
Income taxes paid	(466)	(438)
Depreciation, amortization and impairment losses (loss reversals)	1,345	1,113
Change in pension provisions	(108)	(117)
(Gains) losses on retirements of noncurrent assets	(22)	(55)
Decrease (increase) in inventories	(31)	566
Decrease (increase) in trade accounts receivable	(4,388)	(4,809)
(Decrease) increase in trade accounts payable	(1,158)	(1,171)
Changes in other working capital, other noncash items	(1,695)	(331)
Net cash provided by (used in) operating activities	(3,550)	(2,150)
Cash outflows for additions to property, plant, equipment and intangible assets	(466)	(446)
Cash inflows from the sale of property, plant, equipment and other assets	42	96
Cash inflows from divestments less divested cash	6	7
Income tax payments related to divestments and asset sales	(65)	–
Cash outflows for noncurrent financial assets	(151)	(45)
Cash outflows for acquisitions less acquired cash	(129)	(95)
Interest and dividends received	97	160
Cash inflows from (outflows for) current financial assets	2,268	626
Net cash provided by (used in) investing activities	1,602	303
Issuances of debt	2,186	1,559
Retirements of debt	(341)	(692)
Interest paid including interest-rate swaps	(183)	(190)
Net cash provided by (used in) financing activities	1,662	677
Change in cash and cash equivalents due to business activities	(286)	(1,170)
Cash and cash equivalents at beginning of period	5,171	5,907
Change in cash and cash equivalents due to exchange rate movements	(31)	(12)
Cash and cash equivalents at end of period	4,854	4,725

Legal Risks

To find out more about the Bayer Group's legal risks, please see Note 30 to the consolidated financial statements in the Bayer Annual Report 2023, which can be downloaded at www.bayer.com. Since the Bayer Annual Report 2023, the following significant changes have occurred in respect of the legal risks:

Roundup™ (glyphosate): A large number of lawsuits from plaintiffs claiming to have been exposed to glyphosate-based products manufactured by Bayer's subsidiary Monsanto have been served upon Monsanto in the United States. Glyphosate is the active ingredient contained in a number of Monsanto's herbicides. Plaintiffs allege personal injuries resulting from exposure to those products. As of April 23, 2024, Monsanto had reached settlements and/or was close to settling in a substantial number of claims. Of the approximately 170,000 claims in total, approximately 113,000 have been settled or are not eligible for various reasons.

As of April 23, 2024, there have been 23 Roundup™ trials concluded before both federal and state courts in California, Missouri, Oregon, Arkansas, Delaware and Pennsylvania. In fourteen of those trials, favorable outcomes were achieved on behalf of Monsanto, including eleven defense verdicts, one hung jury resulting in a mistrial, one directed verdict on behalf of Monsanto, and one dismissal of plaintiff's claims with prejudice mid-trial. In the other nine trials, the plaintiffs were awarded compensatory damages and, in most cases, punitive damages.

PCBs: Bayer's subsidiary Monsanto has been named in lawsuits brought by various governmental entities in the United States claiming that Monsanto, Pharmacia and Solutia, collectively as a manufacturer of PCBs, should be responsible for a variety of damages due to PCBs in the environment, including bodies of water. PCBs are chemicals that were widely used for various purposes until the manufacture of PCBs was prohibited by the EPA in the United States in 1979. In April 2024, the Maine Attorney General filed suit in state court alleging claims for damages related to PCB contamination of the state's environment, so that there are now six attorney general cases pending. In May 2024, the Court of Appeals for the State of Washington handed down its opinion in the first of the Sky Valley Education Center (SVEC) personal injury cases to go to trial (Erickson et al.). The Court of Appeals reversed the lower-court decision and remanded the cases for further proceedings, eliminating the entirety of the compensatory and punitive damages in that case, based on multiple trial errors. Many of the identified errors should, in Bayer's opinion, carry through the other SVEC trials to date. The plaintiffs are expected to appeal the decision to the Washington Supreme Court.

Shareholder litigation concerning Monsanto acquisition: In Germany and the United States, investors have filed lawsuits claiming damages suffered due to the drop in the company's share price. Plaintiffs allege that the company's capital market communication in connection with the acquisition of Monsanto was flawed. In the German proceedings, approximately 280 plaintiffs withdrew their claims, so that in Germany claims of approximately 55 plaintiffs remained as of March 31, 2024.

Financial Calendar

2024 Half-Year Report _____	<i>August 6, 2024</i>
Q3 2024 Quarterly Statement _____	<i>November 12, 2024</i>
2024 Annual Report _____	<i>March 5, 2025</i>
Annual Stockholders' Meeting 2025 _____	<i>April 25, 2025</i>

Reporting Principles

The present document is a Quarterly Statement pursuant to Section 53 of the Exchange Rules of the Frankfurt Stock Exchange (as of April 8, 2024) and does not constitute an interim report according to the International Accounting Standard (IAS) 34. This Quarterly Statement should be read in conjunction with the Annual Report for the 2023 fiscal year and the additional information about the company provided therein. The Annual Report 2023 is available on our website at www.bayer.com. The accounting policies and measurement principles applied in this Quarterly Statement are based on those used in the consolidated financial statements of the Bayer Group for fiscal 2023.

Masthead

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Forward-Looking Statements

This Quarterly Statement 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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