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News Release

Bayer exercises right to enter into follow-on research and collaboration option agreement with Atomwise

Companies to continue crop protection development programs

Monheim, Germany, / San Francisco, USA, January 7, 2020 – Bayer and Atomwise, the leader in artificial intelligence (AI) for drug discovery, today announced the companies will continue the development of two crop protection programs. Farmers across the world are facing an increase in weed, insect and fungal resistance to current products on the market, and new mechanisms of action are needed to bolster integrated pest management systems. Based on previous and future successes, Bayer will advance the resulting compounds to field trials and further development.

“Crop protection research is enhanced by data science, which can transform established methods into an integrated system focused on accelerated hypothesis-driven discovery,” said Axel Trautwein, Head of Small Molecules, Crop Science Division of Bayer. “We’re encouraged by what we have seen in the early stages of discovery and look forward to what this extended collaboration will bring.”

“The development of chemical compounds for agriculture is as challenging as it is for drug development,” said Dr. Abraham Heifets, CEO of Atomwise. “Most of the exciting targets have stymied previous development efforts. We’ve been able to deliver because of our unique technological breakthroughs, which let us screen billions of new chemical scaffolds against proteins that lack structural information or already-known drug series. We have shown repeatedly that our technology is effective using homology models and predicting binding to proteins across species, which is critical to selectivity and broad-spectrum activity. Bayer has been a great partner and we are excited that the compounds we helped to discover are moving forward,” he added.

Under the terms of the agreement, Atomwise will receive upfront payments for the research activities, as well as developmental milestone and royalty payments when products are commercialized.

About Bayer

Bayer is a global enterprise with core competencies in the life science fields of health care and nutrition. Its products and services are designed to benefit people by supporting efforts to overcome the major challenges presented by a growing and aging global population. At the same time, the Group aims to increase its earning power and create value through innovation and growth. Bayer is committed to the principles of sustainable development, and the Bayer brand stands for trust, reliability and quality throughout the world. In fiscal 2018, the Group employed around 117,000 people and had sales of 39.6 billion euros. Capital expenditures amounted to 2.6 billion euros, R&D expenses to 5.2 billion euros. For more information, go to www.bayer.com.

About Atomwise

Atomwise Inc. invented the first deep learning AI technology for structure-based small molecule drug discovery. Created in 2012, today Atomwise performs hundreds of projects per year in partnership with some of the world's largest pharmaceutical and agrochemical companies, as well as more than 200 universities and hospitals in 40 countries. Atomwise has raised over USD 50 million from leading venture capital firms to support the development and application of its AI technology. Learn more at atomwise.com or follow [@AtomwiseInc](https://twitter.com/AtomwiseInc).

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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.