



Bayer AG
Communications
51368 Leverkusen
Germany
Tel. +49 214 30-1
media.bayer.com

News Release

Bayer acquires Asklepios BioPharmaceutical to broaden innovation base in cell and gene therapy

- Acquisition fuels Bayer's cell and gene therapy platform with potential to bring urgently needed treatments to patients across multiple disease areas with high unmet need
 - AskBio's industry leading AAV-based gene therapy platform already yielding commercial and clinical stage assets with potential of helping larger patient populations
 - Portfolio includes investigational pre-clinical and clinical stage development candidates for the treatment of neuromuscular, central nervous system, cardiovascular and metabolic diseases such as therapeutics for Pompe disease, Parkinson's disease and congestive heart failure, as well as out-licensed clinical candidates for hemophilia and Duchenne muscular dystrophy
 - Acquisition secures additionally revenue generating Contract Development and Manufacturing Business based on highly efficient Pro10™ Cell line
 - AskBio to operate autonomously and on an arms-length basis
 - Purchase price of USD 2 billion upfront and up to USD 2 billion in success-based milestone payments
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Berlin, Germany, October 26, 2020 – Bayer AG today announced the acquisition of Asklepios BioPharmaceutical, Inc. (AskBio), a US-headquartered biopharmaceutical company specialized in the research, development and manufacturing of gene therapies across different therapeutic areas. AskBio's development portfolio includes investigational pre-clinical and clinical stage candidates for the treatment of neuromuscular, central nervous system, cardiovascular and metabolic diseases.

Bayer will own full rights to AskBio's gene therapy platform, including a broad intellectual property portfolio and an established contract development and manufacturing organization (CDMO) laying the foundation for future partnerships in the area of adeno-associated virus (AAV) therapies. The addition of AskBio to Bayer's emerging cell and

gene therapy (CGT) business strengthens Bayer's commitment to the field. It complements the 2019 acquisition of BlueRock Therapeutics and consolidates Bayer's ambition to create platforms with the potential to have an impact in multiple therapeutic areas. Under the terms of the agreement, Bayer will pay an upfront consideration of USD 2 billion and potential success-based milestone payments of up to USD 2 billion. Some 75 percent of the potential success-based milestone payments are expected to be due during the course of the next five years and the remaining amount late thereafter.

"In line with our purpose 'science for a better life', we are committed to bringing significant improvements for patients through innovation," said Werner Baumann, Chairman of the Board of Management (CEO) of Bayer AG. "With this acquisition, Bayer significantly advances the establishment of a cell and gene therapy platform that can be at the forefront of breakthrough science, contributing to preventing or even curing diseases caused by gene defects and further driving company growth in the future."

"As part of our strategy, we are building new therapeutic platforms including cell and gene therapies," said Stefan Oelrich, Member of the Board of Management, Bayer AG and President of the Bayer's Pharmaceuticals Division. "As an emerging leader in the rapidly advancing field of gene therapies, the expertise and portfolio of AskBio supports us in establishing highly innovative treatment options for patients and further strengthens our portfolio. We want to help patients whose medical needs are not yet met by today's treatment options and we are looking forward to work together with the team at AskBio."

"Our innovation in capsid re-engineering and promoter design, coupled with our scaled manufacturing processes, gives us the tools to provide gene therapy solutions to more people suffering from a wider spectrum of disease that is not being adequately treated today," said Dr. Richard Jude Samulski, Chief Scientific Officer and Co-Founder of AskBio. "With Bayer's worldwide reach and translational expertise, especially in pathway diseases, our combined cultures of scientific advancement and commitment to patients, along with the retention of AskBio's independent structure, Bayer and AskBio are positioned to provide accelerated development of gene therapies to treat more patients who can benefit from them," said Sheila Mikhail, CEO and Co-Founder of AskBio.

Through the acquisition, Bayer will add an industry-leading adeno-associated virus (AAV)-based gene therapy platform to its portfolio, which has already demonstrated applicability across different therapeutic areas. Besides multiple clinical-stage assets for indications

with high unmet need, the acquisition includes a state-of-the-art gene therapy technology platform as well as existing gene therapy manufacturing platform.

Gene therapy offers new treatment options for many currently untreatable diseases, particularly genetic diseases caused by a single genetic defect.

AskBio's gene therapy platform includes an industry-leading cell line manufacturing process and an extensive AAV capsid and promoter library. The company has generated hundreds of proprietary third generation AAV capsids and promoters that offer differentiation through potentially improved efficacy, immune response and tissue and organ specificity. The platform represents one of the most advanced gene therapy platforms with the promise to also tackle polygenetic indications thereby also helping a larger number of patients. AskBio's lead research programs, which are focused on Pompe disease, Parkinson's disease and congestive heart failure are currently in early phases of clinical development.

To preserve its entrepreneurial culture as an essential pillar for nurturing successful innovation, AskBio will continue to operate as an independent company on an arm's-length basis. Bayer's newly established CGT unit will bundle Bayer's activities in this area moving forward in order to establish an innovation ecosystem for the participating partners within the Bayer organization.

Closing of the transaction is contingent on customary closing conditions, including receipt of the required regulatory approvals, and is expected to take place during the fourth quarter of 2020.

Credit Suisse is serving as financial advisor to Bayer, while Baker McKenzie is serving as legal counsel. JP Morgan is serving as financial advisor to AskBio, while Ropes & Gray is serving as legal counsel.

About AskBio

Founded in 2001, Asklepios BioPharmaceutical, Inc. (AskBio) is a privately held, clinical-stage gene therapy company dedicated to improving the lives of children and adults with genetic disorders. AskBio's gene therapy platform includes an industry-leading proprietary cell line manufacturing process called Pro10™ and an extensive adeno-associated virus (AAV) capsid and promoter library. Based in Research Triangle Park, North Carolina, the

company has generated hundreds of proprietary third generation AAV capsids and promoters, several of which have entered clinical testing. An early innovator in the space, the company holds more than 500 patents in areas such as AAV production and chimeric and self-complementary capsids. AskBio maintains a portfolio of clinical programs across a range of neurodegenerative, neuromuscular and cardiovascular indications with a current clinical pipeline that includes therapeutics for Pompe disease, Parkinson's disease and congestive heart failure, as well as out-licensed clinical indications for hemophilia and Duchenne muscular dystrophy. Learn more at <https://www.askbio.com>.

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 2019, the Group employed around 104,000 people and had sales of 43.5 billion euros. Capital expenditures amounted to 2.9 billion euros, R&D expenses to 5.3 billion euros. For more information, go to www.bayer.com.

Contact:

Sarah-Christine Wanner, phone +49 30 468-193 178

Email: sarah-christine.wanner@bayer.com

Nuria Aiguabella Font, phone +49 30 468-193 131

Email: nuria.aiguabellafont@bayer.com

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