Swiss Equity Conference, ZKB

Mukul Mehta, CFO, International
Nov 8, 2024

NOVARTIS | Reimagining Medicine

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Novartis is now a pure play innovative medicines company with a focused strategy

Deliver high-value medicines that alleviate society's greatest disease burdens through technology leadership in R&D and novel access approaches

Focus

4 core Therapeutic areas
Cardiovascular-Renal-Metabolic, Immunology, Neuroscience, Oncology

2 + 3 technology platforms
Chemistry, Biotherapeutics
xRNA, Radioligand, Gene & Cell Therapy

4 priority geographies
US, China, Germany, Japan

Priorities

Accelerate growth and deliver returns

Deliver **high-value medicines** (including launch excellence)

Strengthen foundations

Unleash the power of **our people**

Scale **data science and technology**

Build trust with **society**

Execution

Delivering through operational excellence

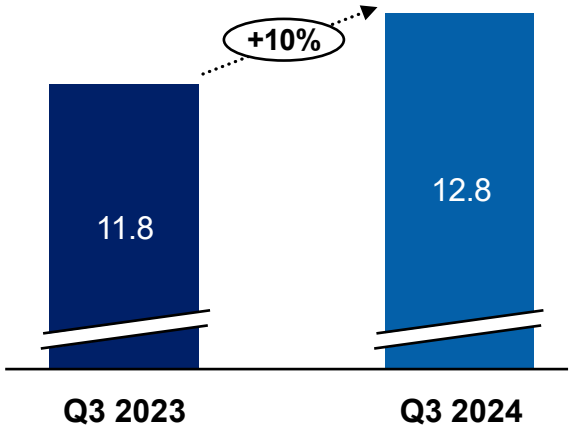
Driving efficiencies and agile resource allocation

Improving R&D productivity

Novartis delivered strong operational performance and key pipeline milestones in Q3, supporting a further upgrade to FY 2024 guidance

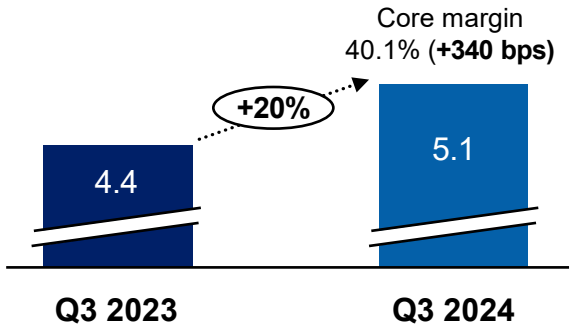
Sales

USD bn, % cc[1]



Core[1] operating income

USD bn, % cc[1]



Innovation highlights

Kisqali® FDA approval and CHMP positive opinion for HR+/HER2- stage II and III eBC

Fabhalta® FDA accelerated approval for IgA nephropathy

Pluvicto® FDA filing accepted for pre-taxane mCRPC

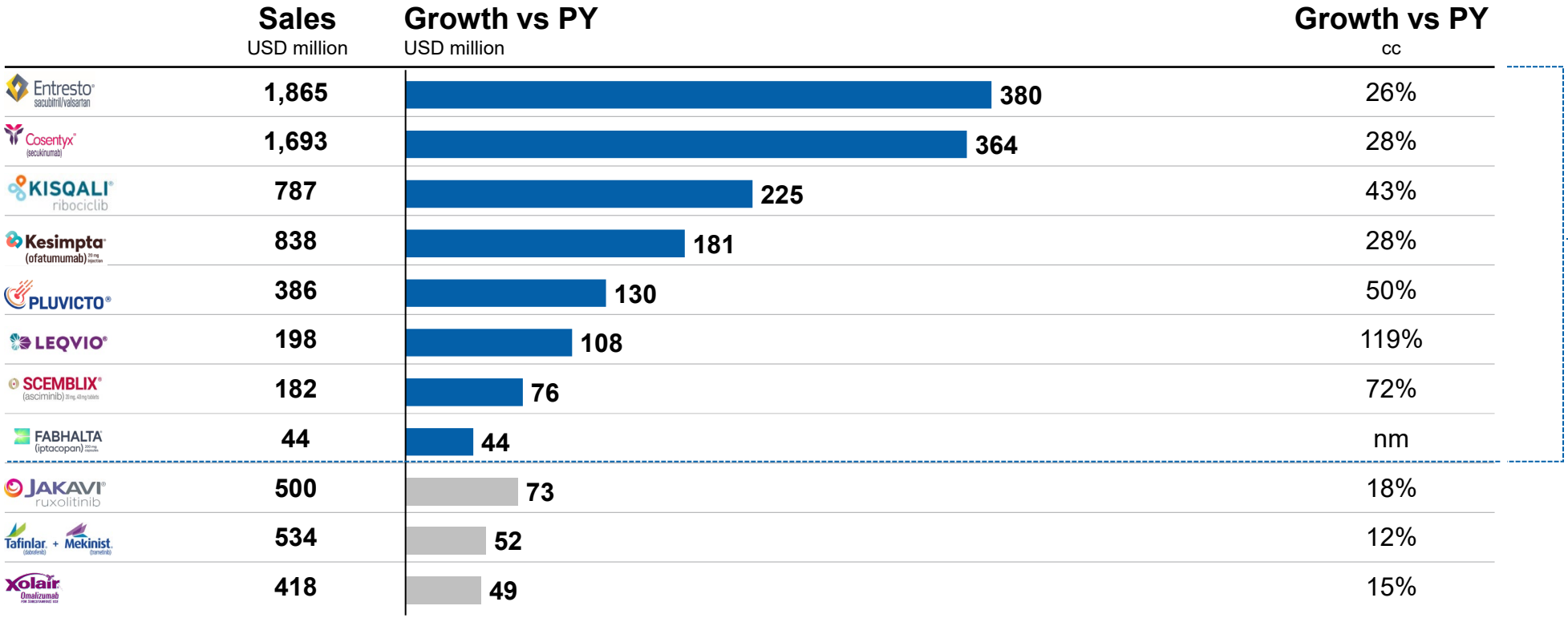
Scemblix® FDA Priority Review for 1L CML

Third raise to FY 2024 guidance[2]: Sales now expected to grow low double-digit, and core operating income to grow high teens

1. Constant currencies (cc) and core results are non-IFRS measures. An explanation of non-IFRS measures can be found on page 46 of the Interim Financial Report. Unless otherwise noted, all growth rates refer to same period in PY. 2. Please see detailed guidance assumptions on slide 20.

Q3 growth reflects strong performance from key growth drivers as well as newer launches

Q3 sales



Strong growth (+34% cc); expected to continue

Constant currencies (cc) is a non-IFRS measure. An explanation of non-IFRS measures can be found on page 46 of the Interim Financial Report. Unless otherwise noted, all growth rates refer to same period in PY.

Fabhalta® continued to see broad uptake in PNH, as the only oral monotherapy providing comprehensive hemolysis control

FABHALTA (iptacopan) 200 mg capsules

PNH: Only oral monotherapy for adults with PNH providing comprehensive control of IVH and EVH

US: Continued strong launch performance with majority of uptake from switch patients

- High compliance and continuation rate[1]
- Strong access with 70%+ coverage to label[2]
- Leading in NBRx share with >30%[3]

International: Strong initial uptake driven by DE and CN and broad prescribing HCP base

- Solid early patient activation (>175 patients) and >1k HCPs reached in first 3 months in top 3 markets[4]
- Utilization across naive and switch patients (from both C5i and C3i)[5]
- Recent launches in Japan, UK and granted early access program in France

[1] Commercial Specialty Pharmacy Data, September 2024. [2] Novartis internal data. [3] VEEVA claims data, January 2023 - May 2024. [4] DE, CN, JP. [5] Fabhalta HCP ATUs, September 2024.
IVH – intravascular hemolysis. EVH – extravascular hemolysis. PNH – paroxysmal nocturnal hemoglobinuria. C5i – eculizumab and ravulizumab.

Fabhalta® received accelerated approval in the US as first and only complement inhibitor for IgAN

Received accelerated approval from FDA

Granted based on positive interim analysis data from APPLAUSE Ph3

Study continues to confirmatory endpoint (eGFR) at 24 months

Study completion data in 2025

Increasing HCP preference

Positive HCP feedback on efficacy and safety profile

Growing belief in the role of alternative pathway

Favorable perceptions of onboarding process

Positive early launch momentum

Rapid REMS certification of HCPs (>1k since launch)[1]

New writers and patient starts exceeding expectations

Leveraging portfolio synergies for broad/quick access

Positioning for patients with persistent proteinuria and glomerular inflammation; pricing consistent with PNH indication

[1] United BioSource LLC. Generally, a urine protein-to-creatinine ratio (UPCR) ≥1.5 g/g

Continued progress on innovation milestones in Q3

2024 selected key events (expected)

		H1 2024	H2 2024	Q3 status update
Regulatory decisions	**Fabhalta® PNH**		EU, JP	EU, JP and China approval in Q2
	Kisqali® HR+/HER2- adj.BC		US, EU	US approval in Q3; CHMP positive opinion in Q4
Submissions	**Atrasentan IgAN**	US		US submission in Q2
	Fabhalta® (iptacopan) C3G		US, EU	EU, JP and China submissions in Q3
	Fabhalta® (iptacopan) IgAN	US		US accelerated approval and China submission in Q3
	Pluvicto® mCRPC, pre-taxane		US	US submission in Q3
	Remibrutinib CSU			Ph3 REMIX-1 and -2 52-week readout in Q1; submissions expected 2025
	Scemblix® CML 1L	US	JP	FDA granted priority review; China and Japan submissions in Q3
	Lutathera® GEP-NET 1L G2/G3	EU		EU submission in Q2
Readouts	**Scemblix® CML 1L**	Ph3 (ASC4FIRST)		Ph3 ASC4FIRST readout in Q1
	Zolgensma® SMA IT		Ph3 (STEER)	On track
	XXB750 Hypertension		Ph2	NVS will not advance further development following current scientific assessment and review of available data
Ph3 starts	**Pluvicto® oligometastatic PC**	Ph3		Ph3 PSMA-DC started in Q1
	Opnurasib 1L NSCLC (combo)[1]	Ph2/3		Program discontinued to prioritize other key programs in portfolio

Adj.BC – Adjuvant breast cancer. C3G – complement 3 glomerulopathy. CML – chronic myeloid leukemia. CSU – chronic spontaneous urticaria. GEP-NET – gastroenteropancreatic neuroendocrine tumors. IgAN – immunoglobulin A nephropathy. mCRPC – metastatic castration-resistant prostate cancer. NSCLC – non-small cell lung cancer. PNH – paroxysmal nocturnal hemoglobinuria. SMA – spinal muscular atrophy. 1. This is a seamless Ph2/3 trial.

Expect to deliver >20 key submissions in core therapeutic areas by 2028

Select key assets submission schedule

Core therapeutic areas

- CRM
- Immunology
- Neuroscience
- Oncology

2024	2025	2026-2028		
atrasentan IgAN[1]	**pelacarsen** CVRR-Lp(a)	**Cosentyx®** Polymyalgia rheumatica	**ianalumab** Lupus Nephritis	**Pluvicto®** Oligometastatic PC
iptacopan IgAN[1]	**remibrutinib** CSU	**ianalumab** 2L ITP	**ianalumab** SLE	**remibrutinib** CINDU
iptacopan C3G	**Pluvicto®** mHSPC[2]	**ianalumab** 1L ITP	**iptacopan** IC-MPGN	**remibrutinib** Multiple sclerosis
Pluvicto® mCRPC, pre-taxane	**Zolgensma®** SMA IT	**ianalumab** wAIHA	**Leqvio®** CVRR-LDLC	**zigakibart** igAN
Scemblix® CML 1L	**Cosentyx®** GCA	**ianalumab** Sjögren's syndrome		
	Leqvio® Hyperlipidemia ped			

1. US submission for accelerated approval. 2. Event-driven trial endpoint.

Closed over a dozen new strategic deals this year to enhance our pipeline across core therapeutic areas and technology platforms

Select 2024 transactions

Raising 2024 sales and core operating income guidance[1]

Expected, barring unforeseen events; growth vs PY in cc[1]

Net sales

expected to grow

low double-digit

(from high single to low double-digit)

Core operating income

expected to grow

high teens

(from mid- to high teens)

Key assumptions

- We assume Tasigna®, Promacta® and Entresto® US generic entry mid-2025 for forecasting purposes[2]

FY guidance on other financial KPIs

- Core net financial result: Expenses expected to be around USD 0.7bn
- Core tax rate: Expected to be around 16.2%

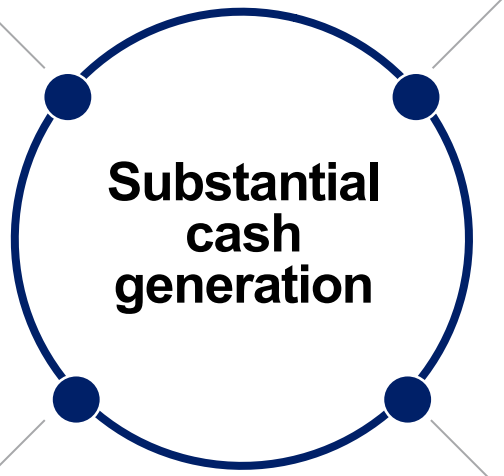
[1] Constant currencies (cc) and core results are non-IFRS measures. An explanation of non-IFRS measures can be found on page 46 of the Interim Financial Report. Unless otherwise noted, all growth rates refer to same period in PY.
[2] Timing of Entresto US generic entry is subject to ongoing patent and regulatory litigation.

Continuing our shareholder-friendly capital allocation strategy

Investing in the business

Investments in organic business
Ongoing investment in R&D and CapEx

Value-creating bolt-ons
Multiple early-stage deals to strengthen our RLT platform, renal pipeline and AI capabilities in 9M



Returning capital to shareholders

Consistently growing annual dividend[1]
USD 7.6bn dividend paid in H1 2024
not rebased post Sandoz

Share buybacks
Up-to USD 15bn share buyback continuing, with up to USD 7.9bn still to be executed

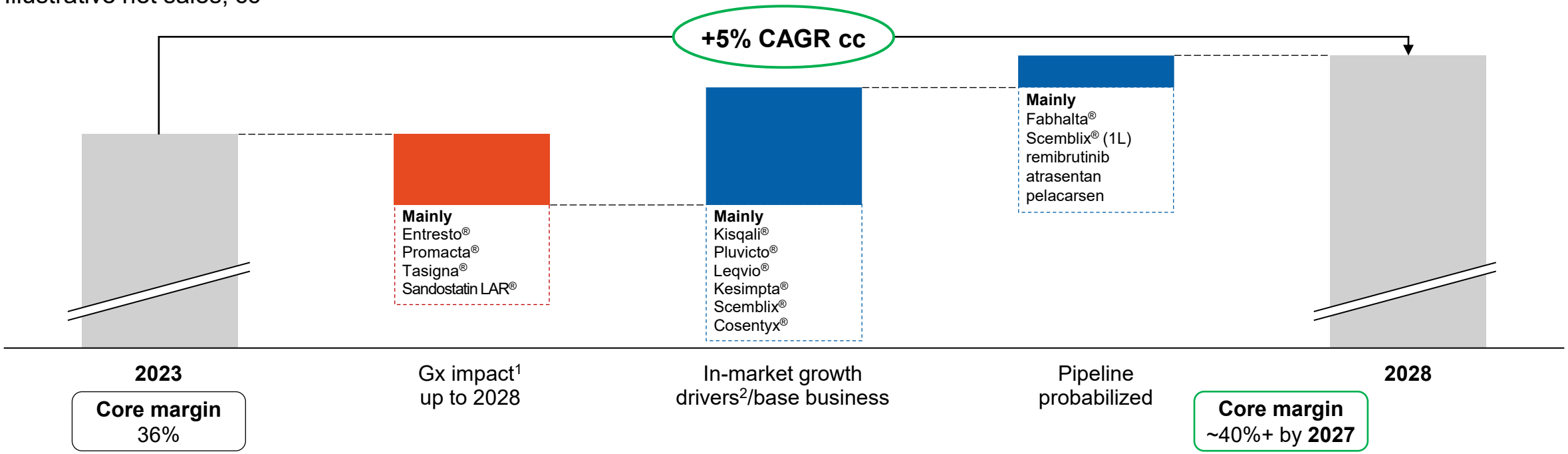
1. In CHF.

Mid-term sales guidance: Expect to grow +5% CAGR 2023-2028 and maintaining core margin of ~40%+ by 2027

Updated mid-term guidance

2023-2028 +5% (cc) expected sales CAGR (previous guidance 2022-27)

Illustrative net sales, cc



Note: All figures reflecting Continuing Operations. 1. For forecasting purposes, we assume Entresto US LoE in 2025. 2. Including indication expansion. Leqvio – licensed from Alnylam Pharmaceuticals, Inc. Pelacarsen – licensed from Ionis Pharmaceuticals, Inc.

Novartis differentiated profile offers an attractive shareholder value creation opportunity

Focused strategy

Pure-play innovative medicines with **4 core therapeutic areas and 2+3 technology platforms**

Substantial cash generation; focusing on **bolt-on M&A/BD&L, strong and growing dividend, and SBB**

Attractive growth prospects

Strong first half, raising full year guidance (bottom line twice, top line once)

Mid-term sales guidance **+5% CAGR** (2023-2028);

Core margin to reach **~40%+** by 2027

Robust pipeline

10 positive Ph3 readouts/presentations in past year

Focused pipeline on ~80 projects[1] in areas of high unmet need

>20 key submissions planned by 2028

ESG leader

Focus on material factors to create value: innovation, access to medicines and human capital

Maintained **AA ratings with MSCI** for the third year in a row; AA in CDP climate and water

1. Confirmatory development projects.

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November 20-21, 2024

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