ATACANA GROUP

Q4/2023 TOP 15 PHARMA EARNINGS SUMMARIES

February 2024

Sources: Q4/2023 earnings reports released by each Company and analysts' reports

Q4 / FY 2023 – Top 15 Pharma Earning Reports Summary

- The year 2023 marked significant growth for most pharmaceutical firms, barring some exceptions due to the impact of patent expirations and COVID-19 diminished impact.
- Novo Nordisk and Lilly emerged as standout performers, propelled by their GLP-1 drugs.
- Analysts view the 2023 results as robust and promising for the pharmaceutical industry, attributing this to sustained commitments to research and development (R&D) investments, strategic mergers and acquisitions (M&A), divestments, and pipeline advancements.
- Nevertheless, key clinical trial readouts expected during the next months will impact the development of some companies.
- While pricing pressures persist as a concern, the impact of the inflation reduction act remains relatively controlled thus far.
- Patent expirations pose a threat, although companies have managed their impact thus far through the adoption of replacement compounds gaining momentum.
- Strategic resource allocation toward priority areas and divestment from non-core business sectors (e.g., spin-offs of Sandoz, Consumer business in J&J) are evident trends.
- Oncology remains the largest market, while obesity is increasingly garnering attention.
- Though the prominence of COVID-19 is waning, some companies still maintain significant sales in this area.
- Interest in vaccines remains high, with the respiratory syncytial virus (RSV) market witnessing increased competition.
- Merger and acquisition activities remain notable. The consolidation process is anticipated to persist throughout 2024.
- In summary, the overall outlook for the pharmaceutical industry remains positive, with expectations for sustained growth and continued innovation.

ATACANA GROUP

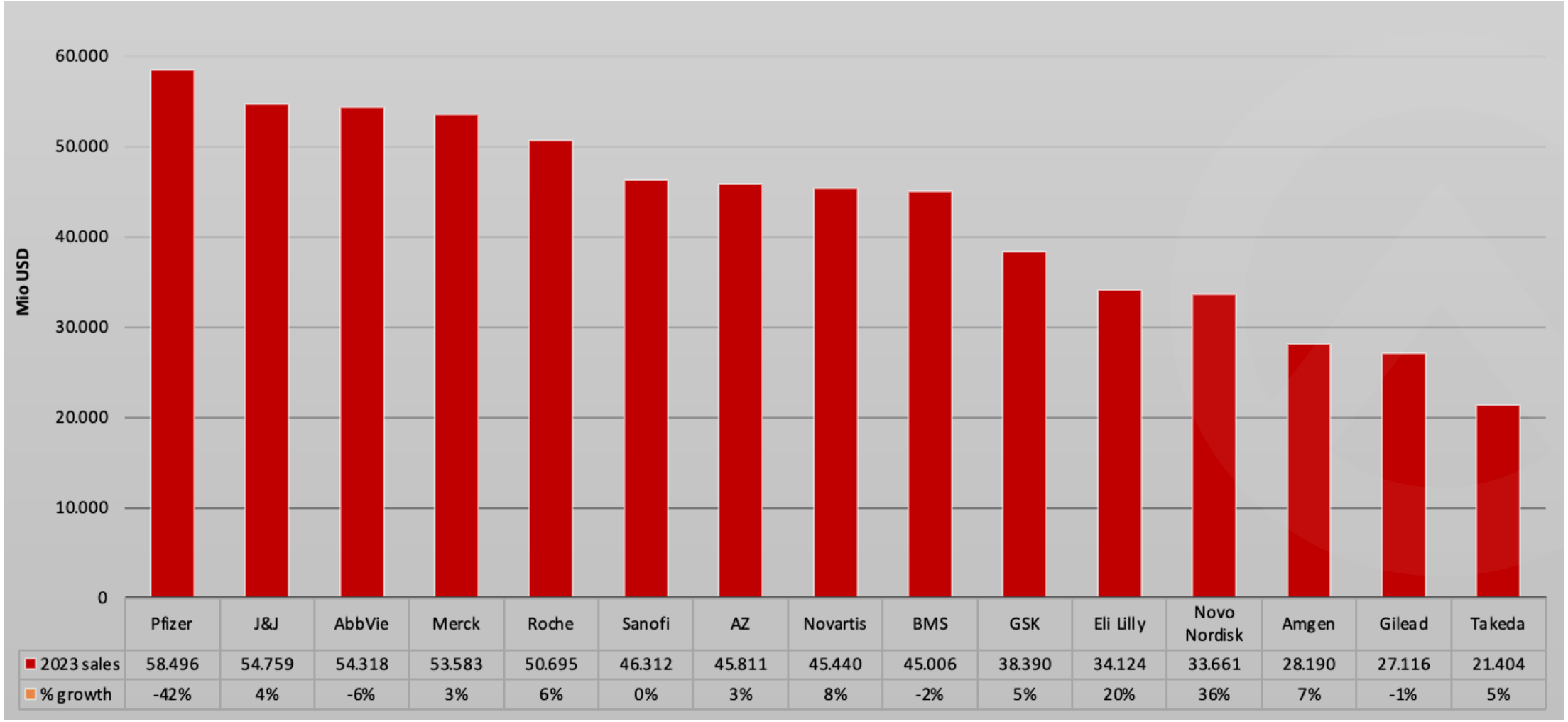
Summary of key figures

		Q4 2023	Full Year 2023			
		Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
Pfizer	USD	14.249 (-41%)	58.496 (-42%)	-3.365 (*)	0,37 (-93%)	n/a
J&J	USD	Total: 21.395 (+7,3%) Pharma: 13,722 (+4,2%) Medtech: 7.673 (+13,3%)	Total: 85.159 (+6,5%) Pharma: 54,759 (+4,2%) Medtech: 30.400 (+10,8%)	25.409 (+6,8%)	9,92 (+11,1%)	n/a
Roche	CHF	Total: 14.663 (0%) Pharma: 10.990 (-2%) Diagnostics: 3.673 (+4%)	Total: 58.716 (+1%) Pharma: 44.612 (+6%) Diagnostics: 14.104 (-13%)	19.240 (-1%)	18,57 (6%)	11.288 (+4%)
Merck	USD	Total: 14.630 (+6%) Pharma: 13.141 (+8%) Animal Health: 1.278 (+4%)	Total: 60.115 (+1%) Pharma: 53.583 (+3%) Animal Health: 5.625 (+1%)	365 (-97%)	1,51 (-80%)	n/a
AbbVie	USD	14.301 (-5,4%)	54.318 (-6,4%)	4.873 (-59%)	11,11 (-19%)	n/a
Novartis	USD	11.423 (+8%)	45.440 (+8%)	8.572 (+42%)	4,13 (+49%)	13.160 (+9%)
BMS	USD	11.477 (+1%)	45.006 (-2%)	8.040 (+27%)	3,86 (+31%)	11.464 (+26%)
Sanofi	Euro	10.919 (+9,3%)	43.070 (+0,2%)	5.400 (-35,5%)	4,31 (-35,6%)	8.478 (-0,1%)
AstraZeneca	USD	12.024 (+7%)	45.811 (+3%)	8.193 (2x)	3,84 (+9%)	5.840 (-5,3%)
GSK	GBP	8.052 (+15%)	30.328 (+5%)	8.786 (+12%)	155,1p (+16%)	4.409 (+1,8%)
Takeda	JPY	1.111,2 (+1,3%)	3.212,8 (+4,6%)	147,2 (-48,5%)	94,1 (-48,9%)	36,3 (-93,8%)
Eli Lilly	USD	9.353,4 (+28%)	34.124,1 (+20%)	6.457,9 (-9%)	5,80 (-16%)	n/a
Gilead	USD	7.115 (-4%)	27.116 (-0,6%)	1.429 (-12,8%)	1,14 (-12,3%)	8.4 (+10.5%)
Amgen	USD	8.198 (+19,9%)	28.190 (+7,1%)	6.717 (+2,5%%)	12,49 (+3,1%)	10.944 (+17,6%)
Novo Nordisk	DKK	65.863 (+43%)	232.261 (+36%)	83.683 (+51%)	18,62 (+52%)	68.326 (+19%)

* Takeda's fiscal year starts in April, so they are reporting Q3 results at the end of December.

ATACANA GROUP

Pharma Sales FY2023 comparison in USD



	Pfizer	J&J	AbbVie	Merck	Roche	Sanofi	AZ	Novartis	BMS	GSK	Eli Lilly	Novo Nordisk	Amgen	Gilead	Takeda
2023 sales	58.496	54.759	54.318	53.583	50.695	46.312	45.811	45.440	45.006	38.390	34.124	33.661	28.190	27.116	21.404
% growth	-42%	4%	-6%	3%	6%	0%	3%	8%	-2%	5%	20%	36%	7%	-1%	5%

Note: Only Pharma + Vaccines sales included, converted into USD at current exchange rates. Takeda Q3 figures. Growth in reporting currencies.

ATACANA GROUP

Pfizer

Q4 2023	Full Year 2023				Outlook
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)	2024
14.249 (-41%)	58.496 (-42%)	-3.365 (*)	0,37 (-93%)	n/a	

Company's view

Dr. Albert Bourla, Chairman and Chief Executive Officer, stated: "We are encouraged by the strong performance of our non-COVID products in the fourth quarter of 2023, including significant contributions from new launches and robust year-over-year growth for several key in-line brands. In 2023, Pfizer received a record number of nine new molecular entity approvals by the U.S. Food and Drug Administration (FDA)—medicines and vaccines that are expected to favorably impact Pfizer's performance in the coming years."

"In addition, we completed the acquisition of Seagen in December 2023, a critical step toward our goal to achieve world-class Oncology leadership. With the combined strength of Pfizer's and Seagen's talent, portfolios and platforms, we believe we have the potential to transform outcomes by delivering cancer medicines that help patients live better and longer lives

Outlook 2024:

Pfizer expects full-year 2024 revenues to be in the range of $58.5 to $61.5 billion, which includes approximately $8 billion in anticipated revenues for Comirnaty and Paxlovid (approximately $5 billion and $3 billion, respectively), approximately $3.1 billion in anticipated revenues from Seagen and approximately $1 billion related to the reclassification of Pfizer's royalty income from Other (Income)/Deductions into the Revenue line.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Comirnaty	5.361 / -53%	11.220 / -70%
Eliquis	1.612 / 9%	6.747 / 4%
Prevnar	1.605 / -8%	6.440 / 2%
Ibrance	1.118 / -13%	4.753 / -7%
Vyndaqel	961 / 41%	3.321 / 36%
Xeljanz	493 / 0%	1.703 / -5%
Paxlovid	-3.165 / *	1.279 / -93%
Xtandi	314 / -2%	1.191 / -1%
Inlyta	263 / 8%	1.036 / 3%
Nurtec/Vydura	282 / 33%	928 / *

Clinical Development / Regulatory

- Elrexfio (elranatamab-bcmm) – European Commission (EC) granted conditional marketing authorization for Elrexfio for the treatment of adult patients with relapsed and refractory multiple myeloma who have received at least three prior therapies.
- Padcev (enfortumab vedotin-ejfv) - FDA approved Padcev with Keytruda for the treatment of adult patients with la/mUC. This combination is the first approved to offer an alternative to platinum-containing chemotherapy.
- Talzenna (talazoparib) – EC approved Talzenna, an oral poly ADP-ribose polymerase (PARP) inhibitor, in combination with Xtandi (enzalutamide), for the treatment of adult patients with metastatic castration-resistant prostate cancer (mCRPC) in whom chemotherapy is not clinically indicated.

Analyst's view

BofA Global Research:

As expected, Pfizer provided further commentary on the commercial reorg plans with a focus on the new launch portfolio, most notably Seagen products. Indeed, the pro-forma U.S. oncology salesforce is triple the size of the former Seagen's and 2024 contribution from Seagen assets is expected to be $3.1B which has good upside potential.

Barclay's:

While the company reaffirmed '24 estimates, investors focused on "low 70%s" gross margin - where there had been a view going into the print that guidance here was overly conservative and/or people had missed prior messaging, defensiveness around Prevnar against the backdrop of a 4Q miss and Merck's V116 launch looming (Pfizer downplayed both), lack of updates on danuglipron (with phase 1 PK data now expected in mid-24, but otherwise no new messaging).

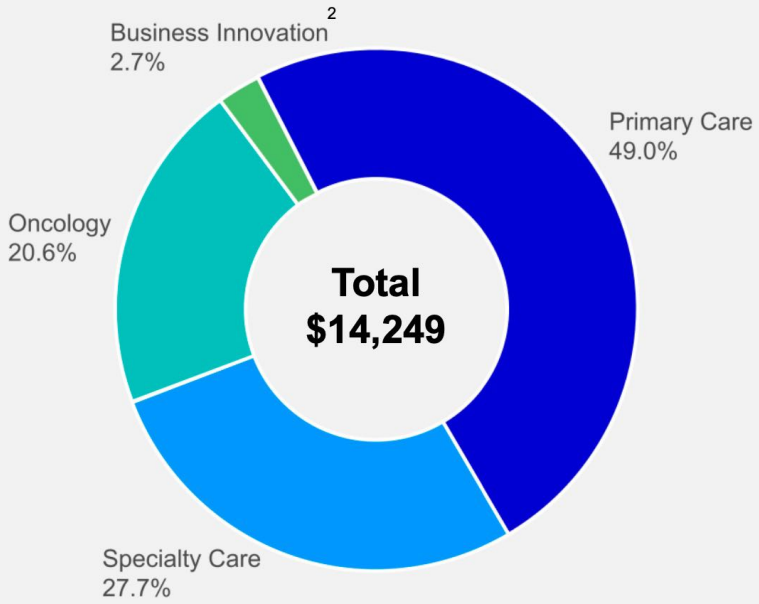
J.P.Morgan:

PFE commented that they anticipate a steady recovery for OpMs over the next several years and still view a mid-30%+ longer-term target as reasonable (JPM of 33% is below this level). Additionally, while we would not be surprised to see upside to near-term EPS from greater-than-expected COVID sales (as PFEs 2024 guidance appears very conservative), we note that COVID-related EPS upside may not meaningfully shift the narrative on shares based on our investor conversations. Rather,we see core growth and gross margin trends remaining a larger question / point of debate on the story and are not anticipating meaningful upside (or downside) to either in 2024.

ATACANA GROUP

Q4 2023 Summary Figures (1 of 2)

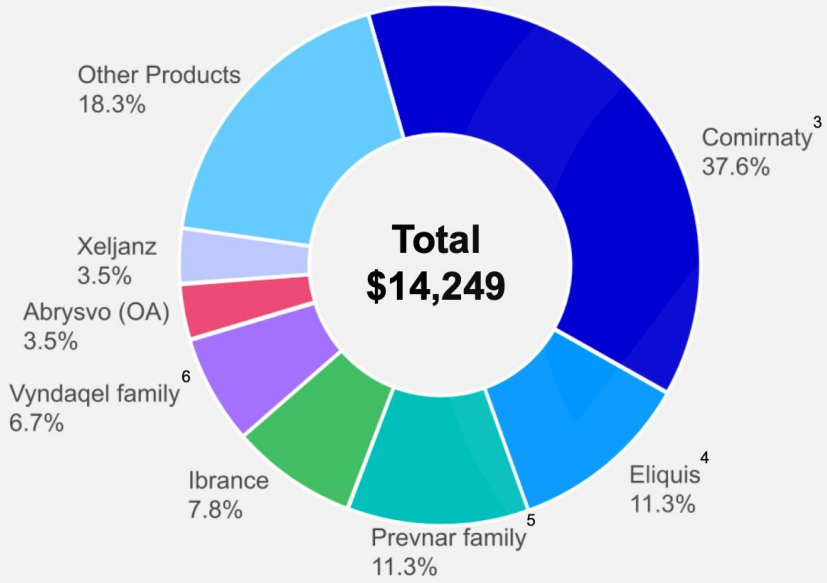
Revenue by Customer Group[1] *($M)*



% Operational Change

Primary Care	Specialty Care	Oncology	Business Innovation[2]	Total
(60)%	11%	(2)%	2%	(42)%

Top 7 Products by Revenue[1] *($M)*



% Operational Change

Comirnaty[3]	Eliquis[4]	Prevnar family[5]	Ibrance	Vyndaqel family[6]	Abrysvo (OA)	Xeljanz
(54)%	9%	(7)%	(13)%	39%	*	—

1. Revenue percentages are calculated using total company revenue as denominator. 2. Business Innovation is an operating segment established in Q1 2023 that includes Pfizer CentreOne, the company's global contract development and manufacturing organization and a leading supplier of specialty active pharmaceutical ingredients, and Pfizer Ignite, an offering that provides strategic guidance and end-to-end R&D services to select innovative biotech companies that align with Pfizer's R&D focus areas. 3. See Slides 21-22 for definitions. 4. Eliquis alliance revenues & direct sales. 5. Prevnar family includes revenues from Prevnar 20/Apexxnar (pediatric and adult) and Prevnar 13/Prevenar 13 (pediatric and adult). 6. Vyndaqel family includes global revenues from Vyndaqel, as well as revenues for Vyndamax in the U.S. and Vynmac in Japan.
*Indicates calculation not meaningful. OA=Older Adult.

Johnson & Johnson

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
Total: 21.395 (+7,3%) Pharma: 13,722 (+4,2%) Medtech: 7.673 (+13,3%)	Total: 85.159 (+6,5%) Pharma: 54,759 (+4,2%) Medtech: 30.400 (+10,8%)	25.409 (+6,8%)	9,92 (+11,1%)	n/a

Company's view

"Johnson & Johnson's full year 2023 results reflect the breadth and competitiveness of our business and our relentless focus on delivering for patients," said Joaquin Duato, Chairman and Chief Executive Officer. "We have entered 2024 from a position of strength, and I am confident in our ability to lead the next wave of health innovation."

Innovative Medicine worldwide operational sales, excluding the COVID-19 Vaccine, grew 7.2%*. Growth was driven by DARZALEX (daratumumab), ERLEADA (apalutamide), TECVAYLI (teclistamab cqyv) in Other Oncology, and CARVYKTI (ciltacabtagene autoleucel) in Oncology, STELARA (ustekinumab) and TREMFYA (guselkumab) in Immunology, and SPRAVATO (esketamine) in Neuroscience. Growth was partially offset by ZYTIGA (abiraterone acetate) and IMBRUVICA (ibrutinib) in Oncology, and REMICADE (infliximab) in Immunology. Including the COVID-19 Vaccine, Innovative Medicine worldwide operational sales grew 4.8%*.

MedTech worldwide operational sales grew 12.4%*, with the acquisition of Abiomed contributing 4.7%.

Outlook 2024

For the current year, the company said it still expects overall revenue growth of between 5% and 6%, with reported sales in the range of $87.8 billion to $88.6 billion. Chief financial officer Joe Wolk indicated that growth in its innovative medicine unit will "be slightly stronger" in the first half of the year, with the second half weighed down by Stelara biosimilars in Europe.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Stelara	2.753 / 15%	10.858 / 12%
Darzalex	2.550 / 22%	9.744 / 22%
Invega/Trevicta	1.011 / 0%	4.115 / -1%
Imbruvica	788 / -9%	3.264 / -14%
Tremfya	910 / 21%	3.147 / 18%
Erleada	647 / 20%	2.387 / 27%
Xarelto	525 / -21%	2.365 / -4%
Simponi	502 / 0%	2.197 / 1%
Opsumit	536 / 16%	1.973 / 11%
Remicade	429 / -10%	1.839 / -22%

Clinical Development / Regulatory

- U.S. Food and Drug Administration Grants Full Approval for BALVERSA to Treat Locally. Advanced or Metastatic Bladder Cancer with Select Genetic Alterations
- Johnson & Johnson Submits Supplemental Biologics License Application and New Drug Application to U.S. FDA Seeking Approval of RYBREVANT (amivantamab-vmjw) Plus Lazertinib for the Treatment of Patients with EGFR-Mutated Non-Small Cell Lung Cancer (NSCLC).
- Johnson & Johnson's Investigational TAR-200 Granted U.S. FDA Breakthrough Therapy Designation for the Treatment of High-Risk Non-Muscle-Invasive Bladder Cancer
- Johnson & Johnson to Acquire Ambrx, Advancing Next Generation Antibody Drug Conjugates to Transform the Treatment of Cancer

Analyst's view

Barclays:

Solid Top Line Beat Offset by Inflation-Driven COGS Pressure and Patient Mix: Mgmt delivered strong top-line performance across both Pharma and MedTech, but the sequential decline in MedTech margins raised concerns among investors, putting pressure on JNJ and many of the names in our universe.

Morgan Stanley:

JNJ expects Pharma to grow above market in 2024 (we model 6% yoy, ex- COVID). Broadly on Medtech management is projecting that procedure volumes will remain above pre-COVID levels in 2024. They expect tailwinds from the post-pandemic bolus of patients – which drove above-average market growth in 2023 – to continue through at least the first half of the year, and are also optimistic about the procedure outlook in non-COVID-impacted categories. JNJ's 2024 sales guidance of $88.2bn-$89.0bn, midpoint of $88.6bn (excluding COVID) compares to MS new/ prior/cons of $89.1bn/$90bn/$88bn; 2024 reported EPS guidance of $10.55-10.75 (midpoint of $10.65) compares to MS new/prior/cons $10.73/$10.89/$10.68.

JP Morgan:

Analyst Chris Schott noted that the latest set of numbers did not reveal any "major surprises."

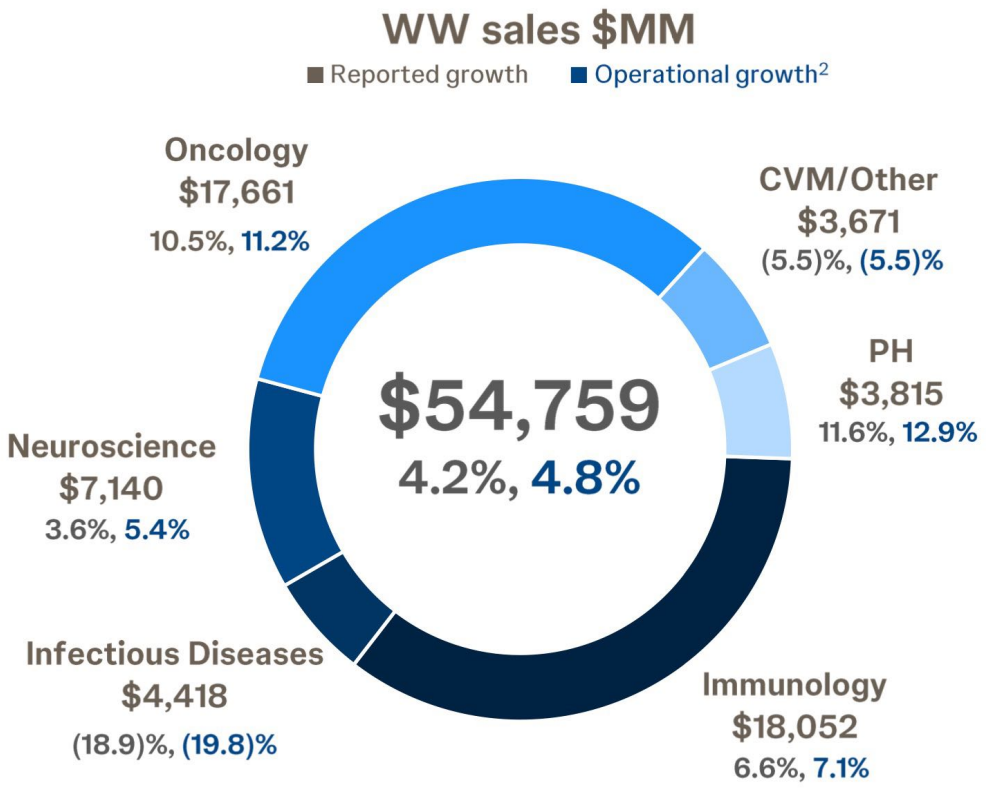
ATACANA GROUP

Innovative Medicine[1] highlights – FY 2023

Strong operational growth[2] of 7.2% excl. COVID-19 Vaccine driven by Oncology and Immunology

Reported: WW 4.2%, U.S. 9.0%, Int'l (1.5)%

Operational[2]: WW 4.8%, U.S. 9.0%, Int'l (0.2)%



Key drivers of operational performance[2]

Immunology	• STELARA increase driven by patient mix, market growth, and continued strength in IBD • Growth in TREMFYA due to market growth, continued strength in PsO/PsA and patient mix • SIMPONI/SIMPONI ARIA increase driven by growth OUS • REMICADE decline due to biosimilar competition
Infectious Diseases	• COVID-19 Vaccine revenue decline
Neuroscience	• SPRAVATO growth driven by ongoing launches as well as increased physician confidence and patient demand • Growth partially offset by declines in RISPERDAL/RIPSERDAL CONSTA and the OUS sales of paliperidone long-acting injectables due to the XEPLION loss of exclusivity in EU
Oncology	• DARZALEX increase driven by continued share gains in all regions and market growth • ERLEADA increase driven by continued share gains and market growth in mCSPC • CARVYKTI increase driven by ongoing launch and share gains from capacity improvements • Growth in Other Oncology driven by launch of TECVAYLI and TALVEY • Growth partially offset by ZYTIGA loss of exclusivity and IMBRUVICA decline due to global competitive pressure and continuation of market events
Cardiovascular / Metabolism / Other (CVM/Other)	• XARELTO decline due to unfavorable mix and access changes
Pulmonary Hypertension (PH)	• UPTRAVI and OPSUMIT growth driven by favorable patient mix, share gains and market growth • Continued declines in Other Pulmonary Hypertension

Adjusted operational sales[3]: WW 4.9%, U.S. 9.0%, Int'l 0.0%

J&J

[1] Previously referred to as Pharmaceutical
[2] Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investor Relations section of the company's website
[3] Non-GAAP measure; excludes acquisitions and divestitures and translational currency; see reconciliation schedules in the Investors section of the company's website
Note: Values may not add due to rounding

Roche

Q4 2023	Full Year 2023			
Net Sales (CHF bn)	Net Sales (CHF bn)	Net earnings (CHF bn)	EPS (CHF)	Cash (CHF bn)
Total: 14.663 (0%) Pharma: 10.990 (-2%) Diagnostics: 3.673 (+4%)	Total: 58.716 (+1%) Pharma: 44.612 (+6%) Diagnostics: 14.104 (-13%)	19.240 (-1%)	18,57 (6%)	11.288 (+4%)

Company's view

Roche CEO Thomas Schinecker: "We achieved good sales growth that more than offset the sharp drop in COVID-19 sales. Roche's base business – excluding COVID-19 – continued its strong growth momentum with +8% at constant exchange rates. As a result, we exceeded our guidance for 2023. At the same time, the significant appreciation of the Swiss franc versus most currencies strongly impacted results when reported in Swiss francs. We also made good progress in both our pharma and diagnostics product pipeline. One recent highlight is inavolisib, an oral therapy investigated in phase III trials which showed a reduction of more than 50% in the risk of death or worsening disease for patients suffering from advanced, hard- to-treat breast cancer. We look forward to bringing this medicine to patients as soon as possible. Our new partnerships and acquisitions address disease areas with high unmet needs, such as inflammatory bowel disease and cardiometabolic disease. We are well positioned for future growth."

Outlook 2024:

Roche expects an increase in Group sales in the mid single digit range (at constant exchange rates). Core earnings per share are targeted to develop broadly in line with sales growth (at constant exchange rates), excluding the impact from resolution of tax disputes in 2023. Roche expects to further increase its dividend in Swiss francs.

Product sales / Clinical / Regulatory

Top 10 (CHF mio)	Q4 2023	FY 2023
Ocrevus	1.614 / 9%	6.381 / 13%
Hemlibra	1.035 / 9%	4.147 / 16%
Perjeta	773 / -11%	3.768 / 1%
Tecentriq	975 / 5%	3.766 / 9%
Actemra	687 / 13%	2.630 / 5%
Vabysmo	744 / 160%	2.357 / 324%
Xolair	575 / 7%	2.176 / 5%
Kadcyla	480 / 13%	1.966 / 4%
Mabthera/Rituxan	370 / -15%	1.630 / -15%
Herceptin	365 / -14%	1.626 / -16%

Clinical Development / Regulatory

- EU approves Tecentriq SC, the EU's first subcutaneous anti-PD-(L)1 cancer immunotherapy injection for multiple cancer types
- Based on positive National Institutes of Health phase III study results, FDA grants priority review to Xolair for children and adults with food allergies
- FDA approves Vabysmo for the treatment of retinal vein occlusion (RVO)
- New data for Columvi and Lunsumio presented at the annual meeting of the American Society of Hematology (ASH) 2023 support continued benefit for people with lymphoma
- New data reinforce the benefit of early preventative treatment with Hemlibra for babies with severe haemoph. A

Analyst's view

Morgan Stanley:

The company's reported 4Q23 sales performance was 2% below consensus on group sales (4% miss in Pharma and 2% beat in diagnostics) with a 1% beat on 2H23 core EPS. The sales shortfall was driven by misses for Tecentriq (-3% vs. cons.), with trends under pressure as a result of Keytruda share gains in adjuvant lung (broader label) and the product well penetrated elsewhere. Elsewhere, Perjeta and Polivy missed expectations significantly by -19% and -17%, respectively. Perjeta Q4 sales were impacted by an adjustment in the reserves related to US government programs (broadly in-line ex-this headwind). Changes in reimbursement in Europe for Polivy (eg Germany) led to stockpiling in 3Q23 which washed out 4Q23. Key products Hemlibra and Ocrevus also missed expectations by 6% and 2%, respectively. In terms of positives, Actemra beat by 20% ahead of biosimilar entry in 2024 and Vabysmo outperformed expectations once again with a 3% beat.

Barclays:

In 4Q23, Pharma was a -3%/-4% miss vs. ourselves/consensus, with small misses in key products (Ocrevus/Hemlibra/Tecentriq) and larger misses which the company has characterized as likely one time/temporary in nature (Perjeta US gov't contracting; Polivy 3Q stocking benefit washout). Diag was ahead of Barclays and consensus (+5%/ +2% vs BARC/consensus, respectively). From a P&L perspective, 2H23 saw higher opex such that Core Operating Margin (28.8%) missed our forecasts/comp. cons (31.2%/31.4%) though at the Core EPS level this was offset by tax such that Core EPS was +2%/+1% vs. Barc/cons.

Key growth drivers of the Roche portfolio in 2023

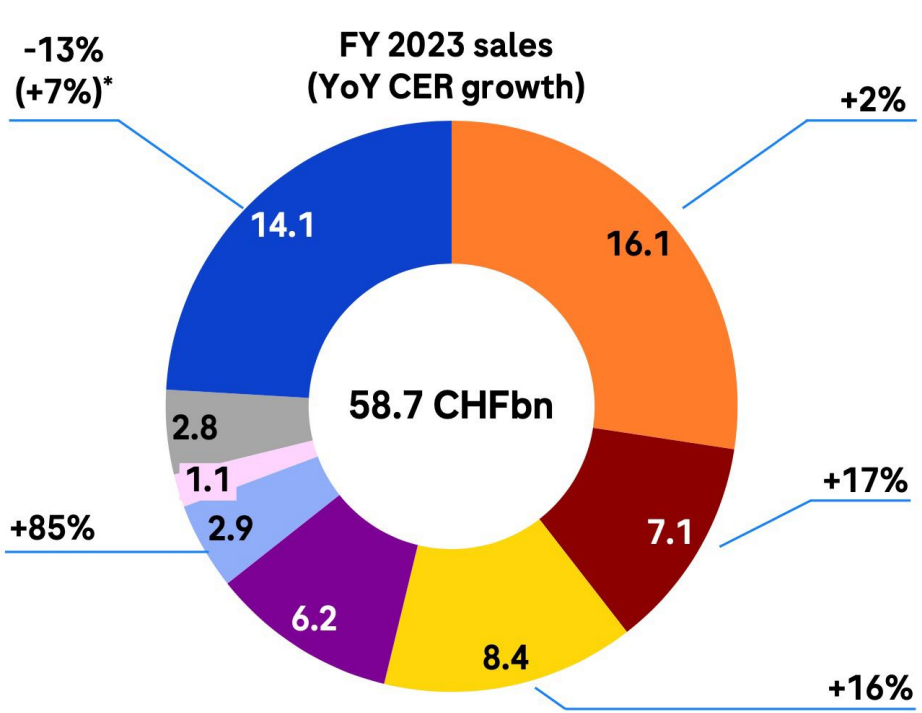
Establishing new leadership positions while further diversifying our portfolio

Core Lab | Molecular Lab | Pathology Lab | Point of care

Diagnostics: +7% base business growth

VABYSMO

Vabysmo reaches CHF 2.4bn



PHESGO

Phesgo reaches CHF 1.1bn

HEMLIBRA

Hemlibra reaches 40% pts share (US/EU5)

POLIVY polatuzumab vedotin-piiq | COLUMVI glofitamab-gxbm | Lunsumio mosunetuzumab-axgb

Polivy becoming new SoC in 1L DLBCL
Columvi/Lunsumio with strong launches in 3L+ DLBCL and FL

OCREVUS ocrelizumab | Evrysdi risdiplam

Ocrevus is global #1 with 24% patient share
Evrysdi is global #1 in total patient share

Definition of Pharmaceuticals TA split used in the FY 2023 Financial Report vs. IR Presentation explained on slide 172; *Diagnostics base business growth at +7%

Merck

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
Total: 14.630 (+6%) Pharma: 13.141 (+8%) Animal Health: 1.278 (+4%)	Total: 60.115 (+1%) Pharma: 53.583 (+3%) Animal Health: 5.625 (+1%)	365 (-97%)	1,51 (-80%)	n/a

Company's view

"2023 was another very strong year for Merck. I am extremely pleased by the progress we've made to develop and deliver transformative therapies and vaccines that will help save and improve lives around the world. We reached more than 500 million people with our medicines last year alone, over half of which were donations, including through our program to treat river blindness. We also made investments of approximately $30 billion in research and development in our ongoing effort to discover, develop and collaborate to propel the next generation of impactful innovations. As we move forward, I'm confident that our strong momentum will continue, underpinned by the unwavering dedication of our talented global team."

Rob Davis

Chairman and Chief Executive Officer, Merck

Outlook 2024:

Full-Year 2024 Financial Outlook:

- Anticipates worldwide sales to be between $62.7 billion and $64.2 billion.
- Expects non-gaap EPS to be between $8,44 and $8,59.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Keytruda	6.608 / 21%	25.011 / 19%
Gardasil	1.871 / 27%	8.886 / 29%
Januvia	787 / -14%	3.366 / -25%
Proquad	525 / 4%	2.368 / 6%
Bridion	429 / -3%	1.842 / 9%
Lagevrio	193 / -77%	1.428 / -75%
Lymparza	315 / 8%	1.199 / 7%
Lenvima	226 / 5%	960 / 10%
RotaTeq	185 / 34%	769 / -2%
Vaxneuvance	176 / 28%	665 / *

Clinical Development / Regulatory

- Obtained FDA priority review of biologics license applications for V116, an investigational pneumococcal conjugate vaccine, as well as Merck and Daiichi Sankyo's patritumab deruxtecam, in the fourth quarter.
- Received multiple FDA appprovals across oncology portfolio in 2023.
- Initiated more than 20 phase 3 study starts, including the progression of eight novel assets into phase 3 in 2023.
- Augmented pipeline through acquisitions of Prometheus and Imago, and collaboration agreements with Daiichi Sankyo and Lelun-Biotech in 2023.

Analyst's view

Barclays:

Keytruda Mixed while Gardasil Misses. Keytruda posted a miss vs. Cons driven by US (- $115mn) with ex-US above consensus (+$65mn). Gardasil saw misses in US (-$53mn) and ex-US (-$62mn). Gardasil growth was attributed to strong demand in China and with US partially benefiting from the timing of CDC purchases. Keytruda growth was attributed to increased uptake in earlier-stage cancers citing TNBC and RCC calling out recent launches in ex-US, strong demand in metastatic indications, and an encouraging early launch in earlier stage NSCLC.

JP Morgan:

We continue to view MRK as having one of the cleanest paths to upside to both near-term and longer-term numbers in the group, and we estimate double-digit EPS growth through the late 2020s (prior to Keytruda's LOE, which is looking increasingly manageable). And with shares trading at only ~14x 2024 EPS, we see MRK well positioned for outperformance with upside to core estimates, a new launch (sotatercept) that should beat expectations and a number of important pipeline updates. We remain OW shares with MRK representing one of our favorite ideas in our large cap group for 2024.

ATACANA GROUP

NYSE: MRK

Q4 revenue reflects sustained growth

WORLDWIDE SALES	GAAP LOSS PER SHARE[1]	NON-GAAP EPS[1]
$14.6B	$(0.48)	$0.03

Full-year 2023 results reflect strong underlying growth

WORLDWIDE SALES	GAAP EPS[2]	NON-GAAP EPS[2]
$60.1B	$0.14	$1.51

Full-year 2024 financial outlook

WORLDWIDE SALES	NON-GAAP EPS[3]
$62.7B to $64.2B	$8.44 to $8.59

Full-year 2023 sales

KEYTRUDA® (pembrolizumab) Injection 100 mg	GARDASIL® [Human Papillomavirus Quadrivalent (Types 6, 11, 16, and 18) Vaccine, Recombinant] / GARDASIL 9® Human Papillomavirus 9-valent Vaccine, Recombinant	MERCK Animal Health
$25.0B	$8.9B	$5.6B
19% Growth	29% Growth	1% Growth

AbbVie

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
14.301 (-5,4%)	54.318 (-6,4%)	4.873 (-59%)	11,11 (-19%)	n/a

Company's view

"2023 was another outstanding year, marked by strong operational execution and significant overperformance from our non-Humira growth platform. During the year we meaningfully increased R&D investment and bolstered our pipeline with the proposed ImmunoGen and Cerevel Therapeutics acquisitions," said Richard A. Gonzalez, chairman and chief executive officer, AbbVie. "2024 is an exciting year for AbbVie, as we are well positioned to fully absorb Humira erosion and achieve modest operational revenue growth, followed by a return to robust growth in 2025 and a high single-digit CAGR through the end of the decade."

Outlook 2024:

Provides 2024 Adjusted Diluted EPS Guidance Range of $11.05 to $11.25; Includes a $0.32 per Share Dilutive Impact Related to the ImmunoGen and Cerevel Therapeutics Acquisitions, Which Are Anticipated to Close in Mid-2024; Excludes Any Unfavorable Impact Related to Acquired IPR&D and Milestones Expense

Reaffirms Expectations for High Single-Digit Compound Annual Revenue Growth Rate through 2029; Raises 2027 Combined Sales Outlook for Skyrizi and Rinvoq to More Than $27 Billion; Raises Peak Sales Outlook for Ubrelvy and Qulipta to More Than $3 Billion Combined

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Humira	3.304 / -41%	14.404 / -32%
Skyrizi	2.394 / 52%	7.763 / 51%
Rinvoq	1.255 / 63%	3.969 / 58%
Imbruvica	903 / -19%	3.596 / -21%
Botox therapeutic	776 / 7%	2.991 / 11%
Vraylar	789 / 40%	2.759/ 35%
Botox cosmetic	718 / 12%	2.682 / 4%
Venclexta	589 / 14%	2.288 / 15%
Mavyret	309 / -18%	1.439 / -6%
Juvederm	334 / 4%	1.378 / -1%

Clinical Development / Regulatory

- Definitive agreement under which AbbVie will acquire ImmunoGen, and its flagship cancer therapy Elahere (mirvetuximab soravtansine-gynx)
- Definitive agreement under which AbbVie will acquire Cerevel Therapeutics and its robust neuroscience pipeline.
- Lutikizumab showed positive results in a Phase 2 trial in adults with moderate to severe hidradenitis suppurativa (HS) who had previously failed anti-TNF therapy.
- Positive topline results from the Phase 2 LUMINOSITY trial evaluating telisotuzumab-vedotin (Teliso-V) in patients with c-Met protein overexpression, epidermal growth factor receptor (EGFR) wild type, advanced/metastatic nonsquamous non-small cell lung cancer (NSCLC).
- New data for Epkinly (epcoritamab) which showed strong, durable treatment response for patients with difficult-to-treat relapsed/refractory (r/r) follicular lymphoma (FL).

Analyst's view

Barclays:

AbbVie reported a solid 4Q top line (+$310 on revs) and a -12c miss on EPS. The top-line beat was driven by a broad set of outperformance across the commercial portfolio (Humira, Skyrizi, Rinvoq, Aesthetics all beat) while higher SG&A, stale consensus on IPR&D, and a modestly higher tax rate drove a miss on EPS. The 4Q prints looked fine to good; Skyrizi and Vraylar beats were modest, but Rinvoq momentum (+13% q/q) is impressive and Aesthetics growing 7% y/y suggests the worst is behind it.

JP Morgan:

We continue to see ABBV as one of the best positioned names in our large cap coverage. We believe there is further oppty for multiple expansion for ABBV shares (current 2024E PE of ~15x) as the story shifts from a trough EPS debate to the company's top-tier growth prospects.

Morgan Stanley:

ABBV posted a generally in line 4Q and provided first time 2024 EPS guidance, which we view as generally in line with expectations. Skyrizi, Rinvoq and Botox aesthetic were above consensus, while Juvederm came in below. ABBV also raised long term guidance on Skyrizi/Rinvoq and oral CGRP products. We expect shares to trade in line to slightly up and we reiterate our OW rating.

ATACANA GROUP

February 02, 2024

AbbVie Reports Full-Year and Fourth-Quarter 2023 Financial Results

- *Reports Full-Year Diluted EPS of $2.72 on a GAAP Basis, a Decrease of 59.0 Percent; Adjusted Diluted EPS of $11.11, a Decrease of 19.3 Percent; These Results Include an Unfavorable Impact of $0.42 Per Share Related to 2023 Acquired IPR&D and Milestones Expense*
- *Delivers Full-Year Net Revenues of $54.318 Billion, a Decrease of 6.4 Percent on a Reported Basis and 5.9 Percent on an Operational Basis*
- *Full-Year Global Net Revenues from the Immunology Portfolio Were $26.136 Billion, a Decrease of 9.6 Percent on a Reported Basis, or 9.2 Percent on an Operational Basis, Due to Humira Biosimilar Competition; Global Humira Net Revenues Were $14.404 billion; Global Skyrizi Net Revenues Were $7.763 Billion; Global Rinvoq Net Revenues Were $3.969 Billion*
- *Full-Year Global Net Revenues from the Oncology Portfolio Were $5.915 Billion, a Decrease of 10.1 Percent on a Reported Basis, or 9.8 Percent on an Operational Basis; Global Imbruvica Net Revenues Were $3.596 Billion; Global Venclexta Net Revenues Were $2.288 Billion*
- *Full-Year Global Net Revenues from the Neuroscience Portfolio Were $7.717 Billion, an Increase of 18.2 Percent on a Reported Basis, or 18.5 Percent on an Operational Basis; Global Botox Therapeutic Net Revenues Were $2.991 Billion; Global Vraylar Net Revenues Were $2.759 Billion; Combined Global Ubrelvy and Qulipta Net Revenues were $1.223 Billion*
- *Full-Year Global Net Revenues from the Aesthetics Portfolio Were $5.294 Billion, a Decrease of 0.8 Percent on a Reported Basis, or an Increase of 0.9 Percent on an Operational Basis; Global Botox Cosmetic Net Revenues Were $2.682 Billion; Global Juvederm Net Revenues Were $1.378 Billion*
- *Reports Fourth-Quarter Diluted EPS of $0.46 on a GAAP Basis, a Decrease of 66.7 Percent; Adjusted Diluted EPS of $2.79, a Decrease of 22.5 Percent; These Results Include an Unfavorable Impact of $0.15 Per Share Related to Fourth-Quarter 2023 Acquired IPR&D and Milestones Expense*
- *Delivers Fourth-Quarter Net Revenues of $14.301 Billion, a Decrease of 5.4 Percent*
- *Announced Definitive Transaction Agreements to Acquire ImmunoGen and Cerevel Therapeutics, Strengthening AbbVie's Oncology and Neuroscience Portfolios with Highly Complementary Assets*

Novartis

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
11.423 (+8%)	45.440 (+8%)	8.572 (+42%)	4,13 (+49%)	13.160 (+9%)

Company's view

Commenting on 2023 results, Vas Narasimhan, CEO of Novartis, said: "Novartis completed its strategic transformation into a pure-play innovative medicines company and continued its relentless pursuit of sustainable shareholder value creation. Our robust operational performance continues, with strong double-digit top and bottom-line growth, for the quarter and full year. We delivered ten positive Ph3 readouts on assets with significant sales potential, over the past year. The very strong performance of our key growth drivers and pipeline underscores the confidence in our growth (5% cc CAGR 2023-2028) and margin (40%+ by 2027) mid-term guidance."

Outlook 2024:

2024 guidance – Net sales expected to grow mid single digit and core operating income expected to grow high single digit.

Key assumptions: Our guidance assumes that no Entresto generics launch in the US in 2024

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Entresto	1.635 / 27%	6.035 / 30%
Cosentyx	1.303 / 21%	4.980 / 4%
Promacta/Revolade	563 / 9%	2.269 / 9%
Kesimpta	641 / 74%	2.171 / 99%
Kisqali	610 / 71%	2.080 / 69%
Tafinlar + Mekinist	486 / 5%	1.922 / 9%
Tasigna	446 / -6%	1.848 / -4%
Jakavi	444 / 14%	1.720 / 10%
Lucentis	301 / -24%	1.475 / -21%
Xolair	378 / 17%	1.463 / 7%

Clinical Development / Regulatory

- Fabhalta FDA approval for treatment of adults with PNH (both previously treated and treatment-naïve).
- Cosentyx FDA approval for the treatment of moderate to severe HS in adults.
- Cosentyx FDA approval for intravenous formulation in three indications (PsA, AS, nr-axSpA).
- Iptacopan Ph3 APPLAUSE-IgAN met its primary endpoint in IgAN patients.
- Atrasentan Ph3 ALIGN study met its primary endpoint in IgAN patients.
- Iptacopan Ph3 APPEAR-C3G met its primary endpoint in C3G patients.
- Scemblix Ph3 ASC4FIRST study met its primary endpoints in 1LPh+CML-CP patients (January).

Analyst's view

Barclays:

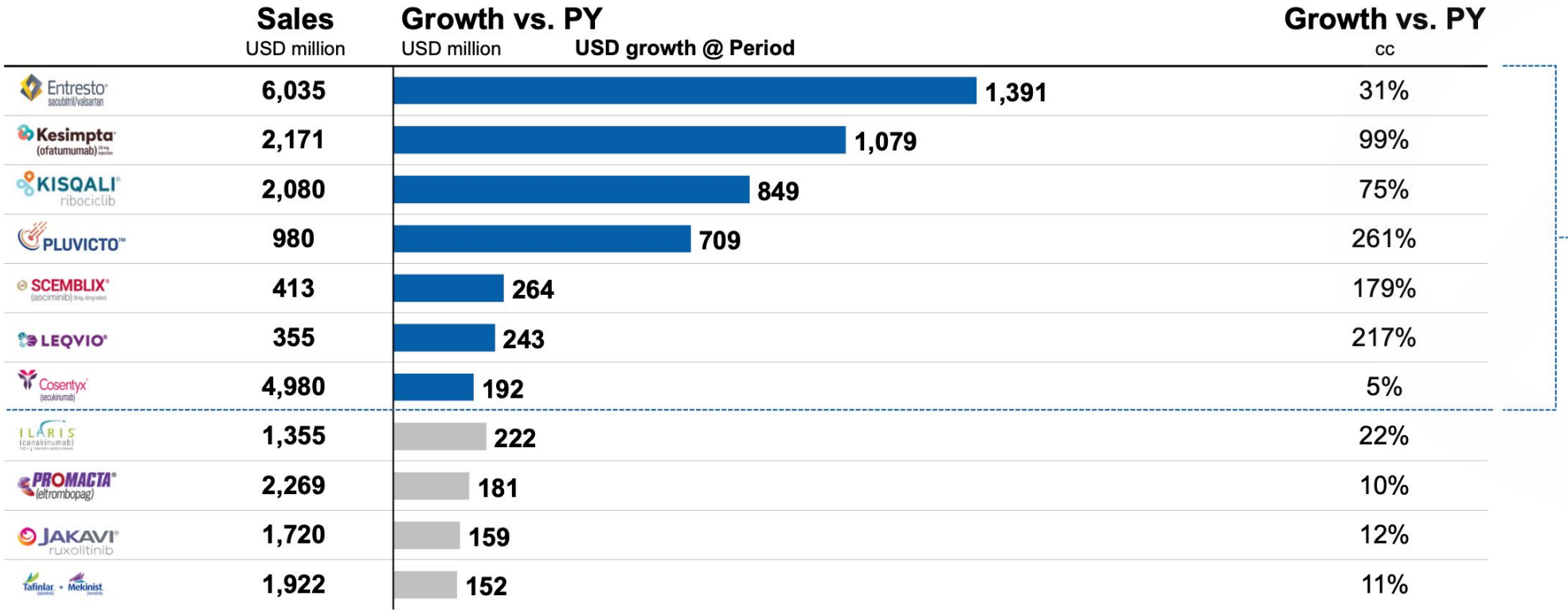
With Pluvicto missing and the FY24 Core Op. Inc. Guide falling below both ourselves and company consensus, this wasn't quite the result bulls were hoping for and shares reacted accordingly. Novartis has a relatively light catalyst path this year, so for bulls, the next probable affirming data point will be at 1Q24 results to see whether the beat-and-raise drumbeat is resumed. For bears (the camp in which we've log been and which was admittedly the wrong one in 2023), concerns remain about achievability of longer-term targets and ability to grow through the LOEs thoughout this decade.

Morgan Stanley:

4Q23 results missed on revenues by c.1%, with a larger 5% miss on the core operating profit line. Strong Kisqali performance continued reflecting continued mBC share gains (46% rolling 3-month NBRx share in the US) and Cosentyx benefitted from easy YoY comps in China and the US. Kesimpta was the most significant outperformed reflecting strong demand given growth (+9% vs. cons.) and Leqvio performance was stronger than expected (+15%, +$16mn). To the downside, Pluvicto was the most significant miss (-13% vs. cons.) just falling short of the expected blockbuster status for the FY ($980mn). Elsewhere, several later lifecycle medicines underperformed expectations (Gilenya, Lucentis). Slightly higher costs than expected led to a 5% miss on core EBIT and 4% miss on core EPS.

Strong FY growth driven by performance from Entresto®, Kesimpta®, Kisqali® and Pluvicto®

FY sales



Strong growth (+40% cc); expected to continue

Constant currencies (cc) is a non-IFRS measure; explanation of non-IFRS measures can be found on page 49 of Condensed Financial Report. Unless otherwise noted, all growth rates refer to same period in PY.

Bristol Myers Squibb

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
11.477 (+1%)	45.006 (-2%)	8.040 (+27%)	3,86 (+31%)	11.464 (+26%)

Company's view

"We saw good performance in the fourth quarter from our in-line and new products and took several actions to strengthen the company and build a foundation for sustainable growth," said Christopher Boerner, Ph.D., chief executive officer, Bristol Myers Squibb. "In 2024, our focus is on delivering strong commercial execution and accelerating opportunities that enhance our growth profile in the middle of the decade and beyond."

Outlook 2024:

Bristol Myers Squibb provides its 2024 non-GAAP EPS guidance range of $7.10 - $7.40. Key 2024 non-GAAP line-item guidance assumptions are:

- Total 2024 revenues are expected to increase by low single-digits; Excluding foreign exchange, total revenues are expected to increase by low single-digits.
- Non-GAAP Gross margin is expected to be approximately 74%.
- Non-GAAP Operating expenses are expected to increase by low single-digits.
- Other Income/(Expense) is expected to be approximately $250 million.
- An effective tax rate of approximately 17.5%.

2024 financial guidance excludes the impact of any potential future strategic acquisitions, including the announced planned acquisitions of RayzeBio and Karuna, divestitures, specified items, and the impact of future Acquired IPRD charges.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Eliquis	2.874 / 7%	12.206 / 4%
Opdivo	2.387 / 8%	9.009 / 10%
Revlimid	1.450 / -36%	6.097 / -39%
Orencia	985 / 8%	3.601 / 4%
Pomalyst	890 / 1%	3.441 / -2%
Yervoy	556 / 0%	2.238 / 5%
Sprycel	526 / -9%	1.930 / -11%
Rebrozyl	320 / 61%	1.008 / 41%
Abraxane	247 / 38%	1.004 / 24%
Opdualag	190 / 83%	627 / *

Clinical Development / Regulatory

- The European Commission (EC) granted conditional marketing authorization for KRAZATI as a targeted treatment option for adult patients with KRAS -mutated advanced non-small cell lung cancer (NSCLC) and disease progression after at least one prior systemic therapy.
- The FDA accepted the sBLA for Opdivo in combination with cisplatin-based chemotherapy as a first-line treatment for adult patients with unresectable or metastatic urothelial carcinoma.
- Phase 3 CheckMate -67T trial, evaluating the subcutaneous formulation of Opdivo (nivolumab) co-formulated with Halozyme's proprietary recombinant human hyaluronidase compared to intravenous Opdivo
- The FDA approved Augtyro, a TKI, for the treatment of adult patients with locally advanced or metastatic ROS1-positive NSCLC.

Analyst's view

The performance of newer medicines such as Reblozyl, Camzyos, Opdualag and Sotyktu helped offset 36% lower sales for one of its top sellers, Revlimid, which brought in $1.5 billion in Q4 amid growing generic erosion. However, the Revlimid dip was still broadly in line with projections, while Reblozyl's $320 million in revenue for the quarter came in about $40 million more than expected.

Barclays:

Mixed set of updates across NPP were supportive of margin/EPS guides, but with narrow margin of safety. Still lack of conviction on longer-term outlook.

We took the weekend to reflect further on BMY's '24 guide, but still were left modestly underwhelmed, while acknowledging the lack of details around the still to come portfolio prioritization (post-deal closings) likely warrants more of an "incomplete" than a final grade. The company's preference for these "LSD range" guides doesn't exactly lend precision to the exercise, and, coupled with the step-down in gross margin, at least begged the question if the 37% margin was in jeopardy. We don't think so. We expect top-line growth to outpace Op.Ex (2% vs. 1%), barring a negative surprise outside the current narrative.

Morgan Stanley:

We are at the low end of BMY's 2024 revenue guidance (we model around 1% growth vs. LSD growth guidance) and 4Q earnings did not meaningfully change our view on the longer-term outlook, where our est. are below consensus; as a result we remain UW. New product cycles and pipeline progress remains a focus.

ATACANA GROUP

Bristol Myers Squibb Reports Fourth Quarter and Full-Year Financial Results for 2023

02/02/2024

CATEGORY: Corporate/Financial News

Results Reflect Continued Strength of In-Line and New Products, Pipeline Execution and Business Development Activity, Supporting Growth Momentum into 2024

- **Reports Fourth Quarter Revenues of $11.5 Billion; GAAP EPS of $0.87 and Non-GAAP EPS of $1.70**
  - **In-Line and New Product Portfolio Revenues Increased 9% to $9.8 Billion**

- **Reports Full-Year Revenues of $45.0 Billion; GAAP EPS of $3.86 and Non-GAAP EPS of $7.51**
  - **In-Line and New Product Portfolio Revenues Increased 7% to $37.9 Billion**

- **Strengthens Long-Term Growth Profile Through Multiple Transactions, Including Planned Acquisitions of Karuna Therapeutics and RayzeBio and Strategic Collaboration with SystImmune; Completes Purchase of Mirati Therapeutics**
- **Advances Research Pipeline Including U.S. Approval of *Augtyro* and FDA Acceptance of sBLAs for *Breyanzi* in Follicular Lymphoma and Mantle Cell Lymphoma for Priority Review**
- **Provides 2024 Guidance with Revenues Increasing by Low Single-Digits; Non-GAAP EPS Range $7.10 to $7.40, Excludes Impact of Pending Transactions**

Sanofi

Q4 2023	Full Year 2023			
Net Sales (€ bn)	Net Sales (€ bn)	Net earnings (€ bn)	EPS (€)	Cash (€ bn)
10.919 (+9,3%)	43.070 (+0,2%)	5.400 (-35,5%)	4,31 (-35,6%)	8.478 (-0,1%)

Company's view

Paul Hudson, Sanofi Chief Executive Officer, commented:

"2023 marked a critical year on our journey to become a development-driven, tech-powered biopharma company committed to serving patients and accelerating growth. We have delivered another year of strong underlying performance of our core drivers in Specialty Care and Vaccines supported by the outstanding launch execution of Beyfortus, Altuviiio and Tzield. With scientific news flow at an all-time high, pipeline advances and 12 potential blockbusters in late-stage development including amlitelimab, frexalimab and tolebrutinib, our R&D transformation has reached an inflection point on the road to industry leadership in immunology. Looking forward, we remain committed to investing in R&D to fully unlock the value of our pipeline, powered by AI at scale, and continue to focus on our expected launch opportunities such as Dupixent in COPD. At the same time, we are taking steps to become a pure-play biopharma company with more than €10bn sales contribution from Pharma launches by 2030."

Outlook 2024:

Sanofi expects 2024 business EPS to remain roughly stable excluding the impact of an expected effective tax rate increase to 21% and decrease low single-digit at CER including the higher expected tax rate, barring unforeseen major adverse events. Applying average January 2024 exchange rates, the currency impact on 2024 business EPS is estimated between -3.5% to -4.5%.

Product sales / Clinical / Regulatory

Top 10 (€ mio)	Q4 2023	FY 2023
Dupixent	2.990 / 31%	10.715 / 34%
Influenza vaccines	741 / -4%	2.669 / -6%
Polio/Pertussis/Hib vaccines	434 / 3%	2.165 / 0%
Meningitis, Travel and endemic vaccines	242 / 10%	1.170 / 1%
Lovenox	263 / 0%	1.125 / -9%
Toujeo	278 / 11%	1.123 / 6%
Fabrazyme	242 / 9%	991 / 11%
Aubagio	121 / -74%	955 / -53%
Plavix	254 / 13%	948 / 4%
Myozyme/Lumizyme	160 / -20%	783 / -15%

Clinical Development / Regulatory

- Strong pipeline including record 12 blockbuster opportunities under clinical evaluation detailed at recent R&D Day
- Dupixent submitted for COPD (Chronic Obstructive Pulmonary Disease) in the U.S., EU, and China
- Sarclisa delivered positive phase 3 results in 1L transplant-ineligible Multiple Myeloma (IMROZ)

Analyst's view

Jefferies:

4Q sales 2% below as BioPharma 1% shy, with focus Dupixent in-line (not ahead), and Consumer 6% miss. Better gross margin, but higher Other OpEx for 7% miss at EBIT, but just 2% below at EPS. 2024 outlook reiterated as expected, suggesting 2%-4% potential cons cuts given the lower base. CFO's departure is unfortunate, in our view, and may dent near-term sentiment given his impressive progress driving operational efficiencies to- date. Shares likely downtick.

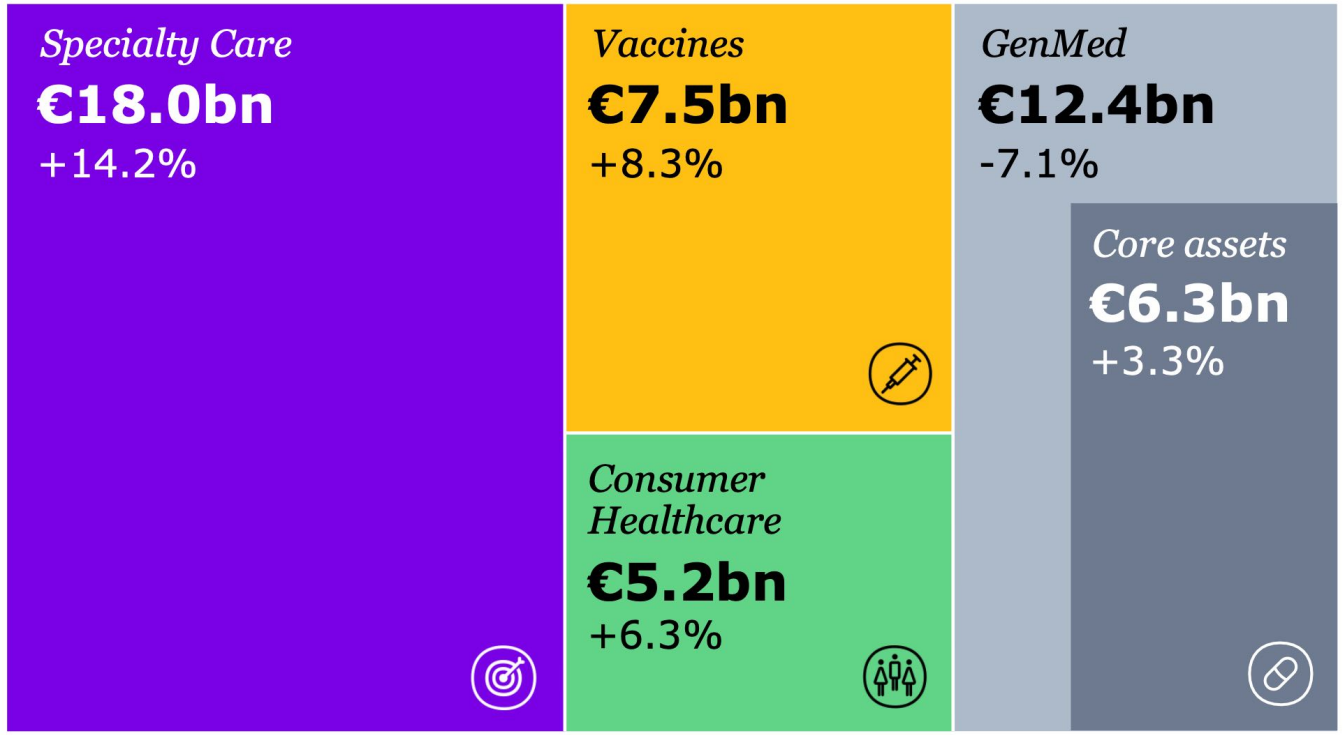
Morgan Stanley:

We expect Sanofi shares to be broadly flat to slightly down with a small miss on 4Q23 expectations and FY24 guidance implying a small FX based cut to consensus.

1% miss on sales / 7% on BOI / 2% on Business EPS in 4Q23: Pharma sales were in- line with consensus with Specialty Pharma, Dupixent and GenMed all in-line. Vaccines was in-line, with a 41%/€119m beat on RSV medicine Beyfortus compensating for the rest of the portfolio being slightly below consensus.

Consumer sales missed by 7%/€86m with Allergy and Digestive Wellness below expectations. Business operating income was 7% below consensus due to higher SG&A and higher other operating expenses (Regeneron share of profits, litigation- related reserves). Capital gains of €651m was slightly higher than the guidance for capital gain flat (€615m in FY22). Better net financials and a lower tax rate resulted in a most modest 2% miss on Business EPS.

FY 2023: *Launch performance* and Dupixent drive strong growth of Specialty Care and Vaccines



- **FY 2023 sales of €43.1bn (+5.3%)**
- *Dupixent* adding €2.8bn (at CER)
- More than offsetting the loss of €1.1bn of Aubagio sales to generics (LoE)
  - FY 2023 sales growth w/o Aubagio of 8.1%

All growth at CER unless footnoted. 1. Beyfortus, ALTUVIIIO, Tzield.

AstraZeneca

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
12.024 (+7%)	45.811 (+3%)	8.193 (2x)	3,84 (+9%)	5.840 (-5,3%)

Company's view

Pascal Soriot, Chief Executive Officer, AstraZeneca, said:

"As AstraZeneca celebrates its 25th anniversary, we are pleased to report another year of strong financial performance and scientific progress, with double-digit earnings growth, and investment in exciting areas of science, including antibody drug conjugates and cell therapies, that lay the foundations for long-term success.

We expect another year of strong growth in 2024, driven by continued adoption of our medicines across geographies. Our differentiated and growing portfolio of approved medicines, global reach and rich R&D pipeline give us confidence that we will continue to deliver industry-leading growth."

Outlook 2024:

Total Revenue is expected to increase by a low double-digit to low teens percentage.

Cor e EPS is expected to increase by a low double-digit to low teens percentage.

- Collaboration Revenue is expected to increase substantially, driven by success-based milestones and certain anticipated transactions.
- Other operating income is expected to decrease substantially (FY 2023 included a $241m gain on the disposal of Pulmicort Flexhaler US rights, and a $712m one time gain relating to updates to contractual arrangements for Beyfortus).
- The Core Tax rate is expected to be between 18-22%.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Farxiga	1.606 / 36%	5.963 / 36%
Tagrisso	1.419 / 6%	5.799 / 7%
Infinzi	1.135 / 51%	4.237 / 52%
Soliris	715 / -15%	3.145 / -16%
Ultomiris	825 / 39%	2.965 / 51%
Lymparza	741 / 8%	2.811 / 7%
Calquence	675 / 15%	2.514 / 22%
Symbicort	520 / -16%	2.362 / -7%
Fasenra	420 / 10%	1.553 / 11%
Brilinta	329 / -5%	1.324 / -2%

Clinical Development / Regulatory

- Three first approvals for new molecular entities: Truqap (capivasertib), Wainua (eplontersen), Voydeya (danicopan)
- US approvals for Truqap plus Faslodex in HR-positive, HER2-negative advanced breast cancer with biomarker alterations (CAPItello-291), and Wainua for ATTRv-PN (NEURO-TTRansform). China approvals for Imfinzi in mBTC (TOPAZ-1) and Beyfortus for prevention of RSV in infants (MEDLEY/MELODY). First approval, in Japan, for Voydeya, as an add-on therapy to Ultomiris or Soliris for PNH with EVH (ALPHA)
- Enhertu granted Priority Review in the US for patients with metastatic HER2-positive solid tumours

Analyst's view

Jefferies:

4Q Revenues in-line but mostly on strong legacy drugs, with key oncology products weaker, albeit Farxiga & Breztri just ahead. A lower gross margin and higher OpEx drives a 14% Core EBIT miss, with Core EPS 3% below given lower tax. Initial 2024 outlook suggests cons nearer the lower-end for Revenues, but minor potential -1%-2% cuts to cons profits, with margin expansion likely more moderate than currently assumed. Shares likely small down.

Revenues are similar to cons driven by in-line Product Sales, Alliance Revenue just shy, but higher Collaboration Revenue. Focus oncology drugs Imfinzi, Tagrisso & Calquence missed with Lynparza in-line. WW Enhertu sales $722m missed JEFe $748m, with US $385m below JEFe $402m, as anticipated after partner Daiichi Sankyo's results. Farxiga & Breztri just ahead, as are legacy Pulmicort & Crestor, with most other drugs broadly in-line. Sales of Alexion rare disease drugs $1.97bn are shy of cons $2.00bn & JEFe $2.02bn. A weaker gross margin plus higher R&D and SG&A spend drives a 14% miss at Core EBIT, for Core EPS 3% shy aided by lower tax.

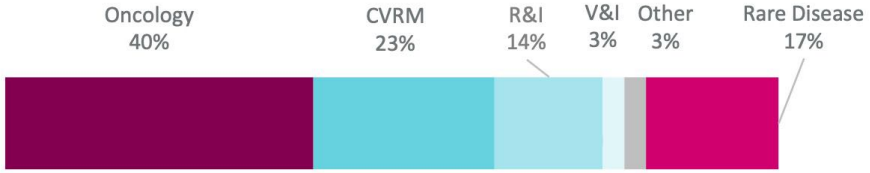
Morgan Stanley:

Revenues are similar to cons driven by in-line Product Sales, Alliance Revenue just shy, but higher Collaboration Revenue. Focus oncology drugs Imfinzi, Tagrisso & Calquence missed with Lynparza in-line. WW Enhertu sales $722m missed JEFe $748m, with US $385m below JEFe $402m, as anticipated after partner Daiichi Sankyo's results. Farxiga & Breztri just ahead, as are legacy Pulmicort & Crestor, with most other drugs broadly in-line. Sales of Alexion rare disease drugs $1.97bn are shy of cons $2.00bn & JEFe $2.02bn.

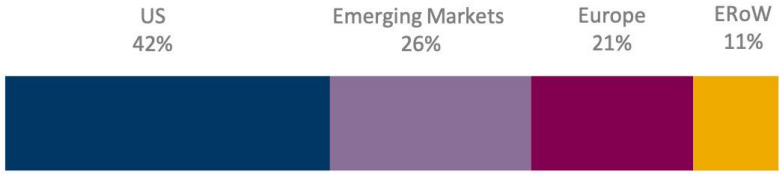
Driving strong growth across geographies and therapy areas

Broad-based, diverse source of Total Revenue

FY 2023 | % Total Revenue by therapy area

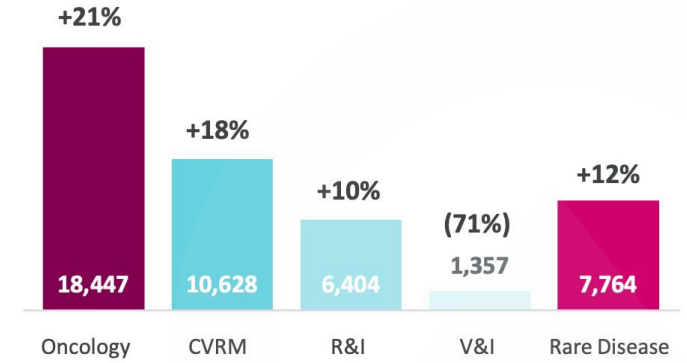


FY 2023 | % Total Revenue by geography



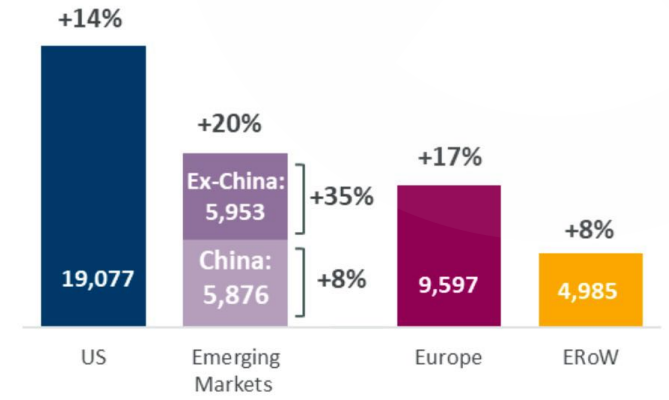
Strength across therapy areas

FY 2023 | Total Revenue



Growth across geographies

FY 2023 | Total Revenue ex COVID-19 [1]



 All growth rates at CER. Due to rounding, the sum of a number or dollar values and percentages may not agree to totals. 1. FY 2023 Total Revenue ex-COVID-19 (USD millions) and Growth vs. PY.

GlaxoSmithkline

Q4 2023	Full Year 2023			
Net Sales (GBP bn)	Net Sales (GBP bn)	Net earnings (GBP bn)	EPS (GBP)	Cash (GBP bn)
8.052 (+15%)	30.328 (+5%)	8.786 (+12%)	155,1p (+16%)	4.409 (+1,8%)

Company's view

Emma Walmsley, Chief Executive Officer, GSK:

"GSK delivered excellent performance in 2023, with clear highlights being the exceptional launch of Arexvy and continued progress in our pipeline. We are now planning for at least 12 major launches from 2025, with new Vaccines and Specialty Medicines for infectious diseases, HIV, respiratory and oncology. As a result of this progress and momentum, we expect to deliver another year of meaningful sales and earnings growth in 2024, and we are upgrading our growth outlooks for 2026 and 2031. We remain focused on delivering this potential - and more - to prevent and change the course of disease for millions of people."

Outlook 2024:

GSK provides its full-year guidance at constant exchange rates (CER). All expectations and full-year growth rates exclude any contributions from COVID-19 solutions.

- Turnover is expected to increase between 5 to 7 per cent.
- Adjusted operating profit is expected to increase between 7 to 10 per cent.
- Adjusted earnings per share is expected to increase between 6 to 9 per cent.

Vaccines: expected increase of high single-digit to low double-digit percent in turnover.

Specialty Medicines: expected increase of low double-digit per cent in turnover.

General Medicines: expected decrease of mid-single-digit percent in turnover.

Product sales / Clinical / Regulatory

Top 10 (GBP mio)	Q4 2023	FY 2023
Dolutegravir prods.	1.445 / -2%	5.408 / 4%
Shingrix	908 / 18%	3.446 / 16%
Trelegy	589 / 29%	2.202 / 27%
Nucala	471 / 19%	1.655 / 16%
Benlysta	389 / 19%	1.349 / 18%
Arexy	529 / *	1.238 / *
Seretide/Advair	276 / -16%	1.139 / -2%
Relvar	302 / 21%	1.103 / -4%
Bexsero	171 / 14%	849 / 13%
Cabenuva	223 / 73%	708 / >100

Clinical Development / Regulatory

- Jemperli - RUBY (1L mismatch repair deficient/ microsatellite instability-high (dMMR/ MSI-H) endometrial cancer) / Regulatory approval (EU)
- Omjjara (momelotinib) - (myelofibrosis with anaemia) / Regulatory approval (EU)
- Nucala - Severe eosinophilic asthma / Regulatory approval (CN)
- Arexvy - RSV, adults aged 50-59 years / Regulatory acceptance (EU) (JP)
- Blenrep - DREAMM-7 (2L + multiple myeloma) / Positive phase III data readout
- Jemperli/Zejula - RUBY part 2 (1L endometrial cancer) / Positive phase III data readout

Analyst's view

Morgan Stanley:

4Q23 sales beat by 5%, driven by Arexvy and new pharma products; adj. EBIT and EPS beat by 2%. The beat was split broadly equally between Pharma and Vaccines. In Pharma, ViiV beat by 6% (Tivicay, Triumeq, Cabenuva were all strong), respiratory & immunology by 8% (Nucala, Benlysta both beat) and Oncology beat by 33% (Zejula benefiting from rebate adjustment). In Vaccines, Arexvy beat by £138m/35%, driving the 6% beat for the division. Higher operating costs, in particular in R&D, led to a lower operating profit beat of 2%/£34m and a 2% beat on Adj. EPS.

Jefferies:

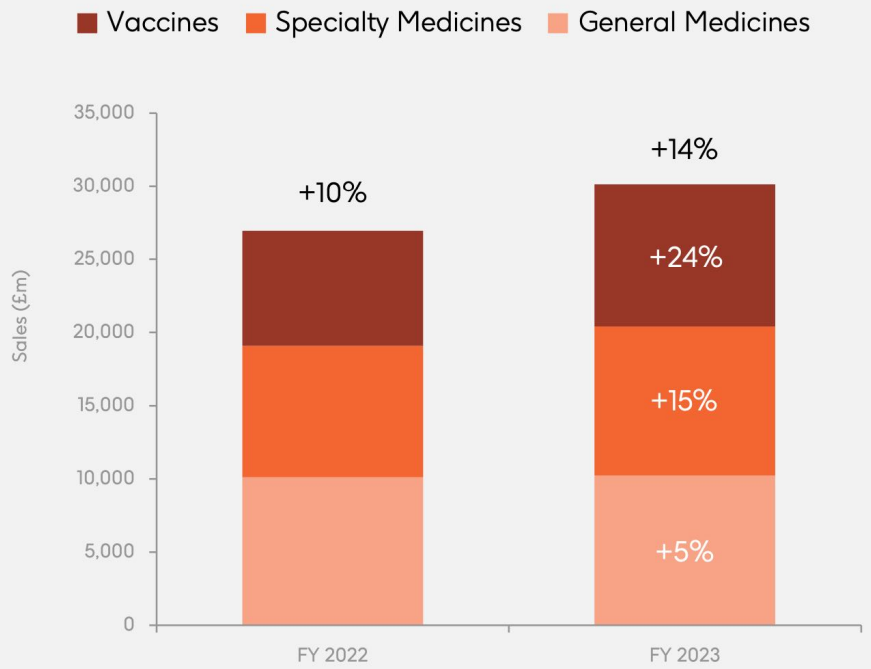
4Q revenues 5% ahead for EPS 2% beat: Top-line 5% above cons with Pharma 5% ahead and Vaccines 6% beat. Shingrix sales 4% above cons (WW £908m vs JEFe £868m & cons £875m) and Arexvy sales beat cons (WW £529m vs JEFe £468m & cons £384m). Specialty sales 9% beat on strong HIV, Benlysta, Nucala & Zejula. General Medicines 1% above, as focus Trelegy 8% beat but legacy other drugs missed. Stronger top-line offset by slightly weaker gross margin and higher OpEx, for Adj. EBIT 2% above cons and 2% Adj. EPS beat. Higher dividend than expected.

Initial 2024 outlook suggests modest possible upside: Vaccines sales high-s.d.-low-d.d. CER growth aim, with Arexvy (JEFe +28% CER £1.47bn & cons £1.45bn) and Shingrix (JEFe +16% CER £3.86bn & cons £3.93bn) sales a focus for the call. Specialty sales low-d.d. CER growth target and Gen Med outlook mid-s.d. decline. Aims suggest potential cons +1%-2% Sales upside and +2%-3% EPS upgrades, in our view.

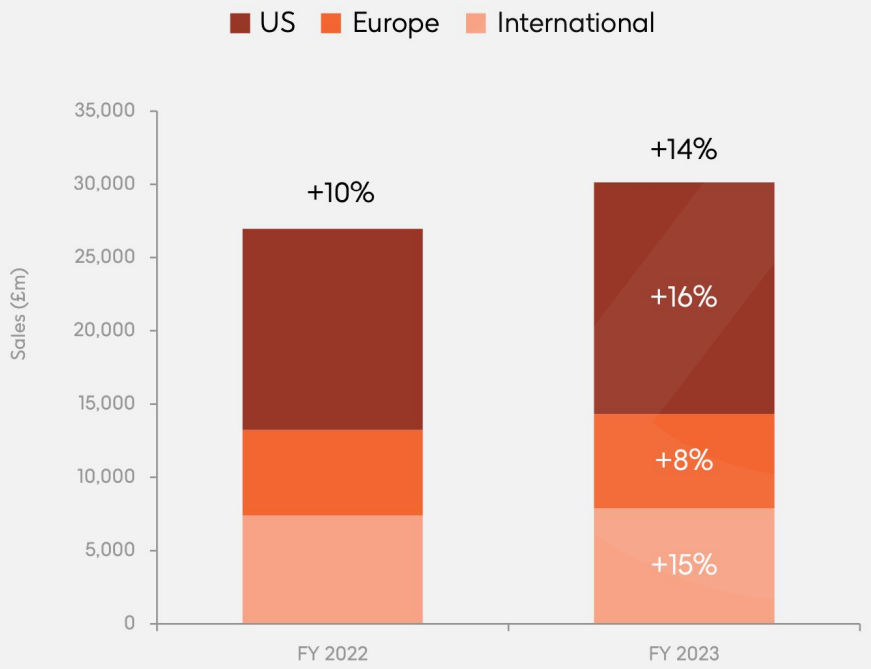
ATACANA GROUP

Strong growth in 2023 for all product areas and regions

Sales contribution by product area[1]



Sales contributions by region[1]



Absolute values at AER; changes at CER, unless stated otherwise
1. Excluding COVID-19 solutions

Takeda

Q3 2023*	9 months (March-December)*			
Net Sales (JPY bn)	Net Sales (JPY bn)	Net earnings (JPY bn)	EPS (JPY)	Cash (JPY bn)
1.111,2 (+1,3%)	3.212,8 (+4,6%)	147,2 (-48,5%)	94,1 (-48,9%)	36,3 (-93,8%)

Company's view

Takeda chief financial officer, Costa Saroukos, commented:

"In FY2023 Q3 we made further progress in our vision to discover and deliver life-transforming treatments, receiving two new U.S. FDA approvals and broadening the reach of our existing portfolio with multiple life-cycle management approvals for our Growth & Launch Products.

"We remain on track towards our full-year Management Guidance at CER, reflecting significant generic impact, lower coronavirus vaccines revenue and investment in R&D and data, digital and technology to secure our long-term competitiveness, as well as continued strong momentum in our Growth & Launch Products.

"We continue to improve our debt profile with 100% of our debt now at fixed interest rates averaging 1.6%, and our financial foundation remains strong as we enter the fourth quarter of FY2023."

Outlook FY2023:

Based on Takeda's financial results through the nine-month period ended December 31, 2023, and taking into account the anticipated financial outlook for the remaining three-month period of the fiscal year ending March 31, 2024 (FY2023), the full year consolidated reported forecast for FY2023 has not been revised from the latest forecast announced on October 26, 2023.

Product sales / Clinical / Regulatory

Top 8 (JPY bn)	Q3 2023*	Q1-Q3*
Entyvio	227.6 / 13%	619.3 / 13%
Vyvanse/Elvanse	86.6 / -30%	312.9 / -7%
Takhzyro	49.3 / 12%	136.4 / 17%
Advate	31.2 / 5%	93.9 / 2%
Takecab/Vocinti	31.5 / 6%	90.3 / 7%
Adcetris	30.0 / 25%	84.2 / 28%
Trintellix	29.3 / -2%	80.2 / 1%
Ninlaro	20.4 / -25%	66.7 / -12%

Clinical Development / Regulatory

Two New U.S. FDA Approvals in FY2023 Q3:

- FRUZAQLA for Adults With Previously Treated Metastatic Colorectal Cancer.
- ADZYNMA for Ultra-Rare Blood Clotting Disorder cTTP.

Analyst's view

Morgan Stanley:

Results vs our forecast: Cumulative nine-month core OP was ¥865.6bn (-9% YoY), which was below our forecast of ¥940.0bn but generally in line with the market consensus (¥860.7bn). Standalone 3Q sales (CER basis) were +6.6% for Entyvio which marked a slight but lackluster recovery (+4.6% in 2Q). Sales were strong for Ig, +18.4%, and Takhzyro, +11.5%, but down for Vyvanse, -12% (¥86.6bn in Oct-Dec), due to the launch of generics in the US at the end of August. However, it appears to have benefited slightly from supply issues for generics.

Surprises: There was some movement for new drug developments. The company will start Phase 2b for high-dosage TAK-279 (oral TYK2) for the treatment of Ulcerative Colitis (UC) and Crohn's disease (CD). It then looks highly likely to apply for approval after Phase 3 for TAK-861 NT1/NT2 within Jan-Mar. It also announced that next-generation orexin TAX-360 will enter Phase 1 starting Apr-Sep. Comparisons for TAK-861 are scheduled for disclosure during the R&D briefing in 2024 2H. CFO Costa Sarokos has decided to leave the company and will be succeeded by current Japan BU President Milano Furuta.

Recommended action: Stay EW. The slow sales decline for Vyvanse is a positive factor for F3/24 earnings. However, we are wary that it could contribute to a profit decline YoY in F3/25. We will also keep an eye on developments for new drugs and Entyvio. In regard to the share price, we will be paying attention to the scale of NISA purchasing by retail investors in Japan.

* Takeda's fiscal year starts in April, so they are reporting Q3 results at the end of December.

Growth & Launch Products +12.7% at CER; Represent 43% of Total Revenue

FY2023 Q3 YTD REVENUE	GI % of Sales: 29% Growth: +4%	RARE DISEASES % of Sales: 18% Growth: +3%	PLASMA-DERIVED THERAPIES (PDT) IMMUNOLOGY % of Sales: 19% Growth: +16%	ONCOLOGY % of Sales: 11% Growth: -2%	NEUROSCIENCE % of Sales: 15% Growth: -6%	OTHER % of Sales: 8% Growth: -28%
GROWTH & LAUNCH PRODUCTS	Entyvio vedolizumab +7% ALOFISEL +18%	TAKHZYRO (lanadelumab-flyo) injection +12% LIVTENCITY (maribavir) tablets 200mg +79% ADZYNMA ADAMTS13, recombinant-krhn *New Launch*	GAMMAGARD LIQUID, HyQvia, Cuvitru IMMUNOGLOBULIN +18% Flexbumin, HUMANALBUMIN ALBUMIN +7%	ALUNBRIG BRIGATINIB +30% EXKIVITY[2] mobocertinib +44% Fruzaqla (fruquintinib) capsules *New Launch*		Qdenga Dengue Tetravalent Vaccine (Live, Attenuated) *New Launch*
OTHER KEY PRODUCTS	Takecab/Vocinti® Gattex/Revestive®	Advate® Adynovate/Adynovi® Vonvendi® Elaprase® Vpriv® Replagal®(EU,JP)	Glassia® Aralast®	Ninlaro® Iclusig® Adcetris® (ex-N. America) Leuprorelin Zejula®(JP) Cabometyx®(JP) Vectibix®(JP)	Vyvanse® Trintellix®(US,JP)	Azilva® (JP) Spikevax® (JP) Nuvaxovid® (JP)

Total JPY 1,384.7B (USD 9.8B[1]); year-over-year growth +JPY 216.6B (USD 1.5B[1])

All growth rates indicate FY2023 Q3 YTD revenue growth at Constant Exchange Rate rounded to the nearest whole number. Please refer to appendix slide A-1 for definition.

1. Please refer to disclaimer on Exchange Rates on slide 2
2. On October 2, 2023, Takeda announced that based on the outcome of the EXCLAIM-2 confirmatory trial, Takeda intends to initiate global voluntarily withdrawals of EXKIVITY

Eli Lilly

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
9.353,4 (+28%)	34.124,1 (+20%)	6.457,9 (-9%)	5,80 (-16%)	n/a

Company's view

"2023 was a year of tremendous achievement for Lilly, which delivered life-changing medicines to more patients than ever before resulting in strong revenue growth," said David A. Ricks, Lilly's chair and CEO.

"We advanced our pipeline of new medicines for serious diseases and created new partnerships and innovative ways of collaborating to add to that pipeline. Lilly invested in the quality, reliability and resilience of our supply chain with new advanced manufacturing plants and lines in the U.S. and in Europe.

Entering 2024, we remain focused on the opportunity in front of us, to help solve some of the most challenging healthcare problems in the world and make life better for millions of patients."

Outlook 2024:

2024 guidance issued with revenue in the range of $40.4 billion to $41.6 billion, EPS in the range of $11.80 to $12.30 and non-GAAP EPS in the range of $12.20 to $12.70.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Trulicity	1.669,3 / -14%	7.132,7 / -4%
Mounjaro	2.205,6 / *	5.163,1 / *
Verzenio	1.145,4 / 42%	3.863,4 / 56%
Taltz	784,6 / 11%	2.759,6 / 11%
Jardiance	798,1 / 30%	2.744,7 / 33%
Humalog	366,6 / -33%	1.663,3 / -19%
Cyramza	253,6 / -9%	974,7 / 0%
Olumiant	243,5 / 18%	922,6 / 11%
Emgality	186,1 / 6%	678,3 / 4%
Tyvyt	113,6 / 98%	393,4 / 34%

Clinical Development / Regulatory

- FDA approval of Zepbound (tirzepatide) for the treatment of adult patients with obesity or overweight with weight-related comorbidities.
- FDA approval of Jaypirca for the treatment of adult patients with chronic lymphocytic leukemia or small lymphocytic lymphoma (CLL/SLL) who have received at least two prior lines of therapy, including a BTK inhibitor and a BCL-2 inhibitor, under the Accelerated Approval Program.
- Positive results from SYNERGY-NASH, a Phase 2 study of tirzepatide in adults with nonalcoholic steatohepatitis (NASH), also known as metabolic dysfunction-associated steatohepatitis (MASH)
- Approval of Ebglyss European Union and Japan (Almirall S.A. has licensed the rights from Lilly to develop and commercialize Ebglyss in Europe);

Analyst's view

Jefferies:

Bottom line: LLY posted an outstanding Q4 print with beats on its GLP-1 franchise of ~24%/~ $428M with Mounjaro (driven by access expansion & one-time favorable rebate/discount change) and by ~36%/~$47M with Zepbound (due to volume & likely favorable GTN). '24 guidance also came out ~4% higher at midpoint vs consensus on total revs (guided range $40.4Bn-$41.6Bn) & in line w/ consensus on non-GAAP EPS range of $12.20 to $12.70.

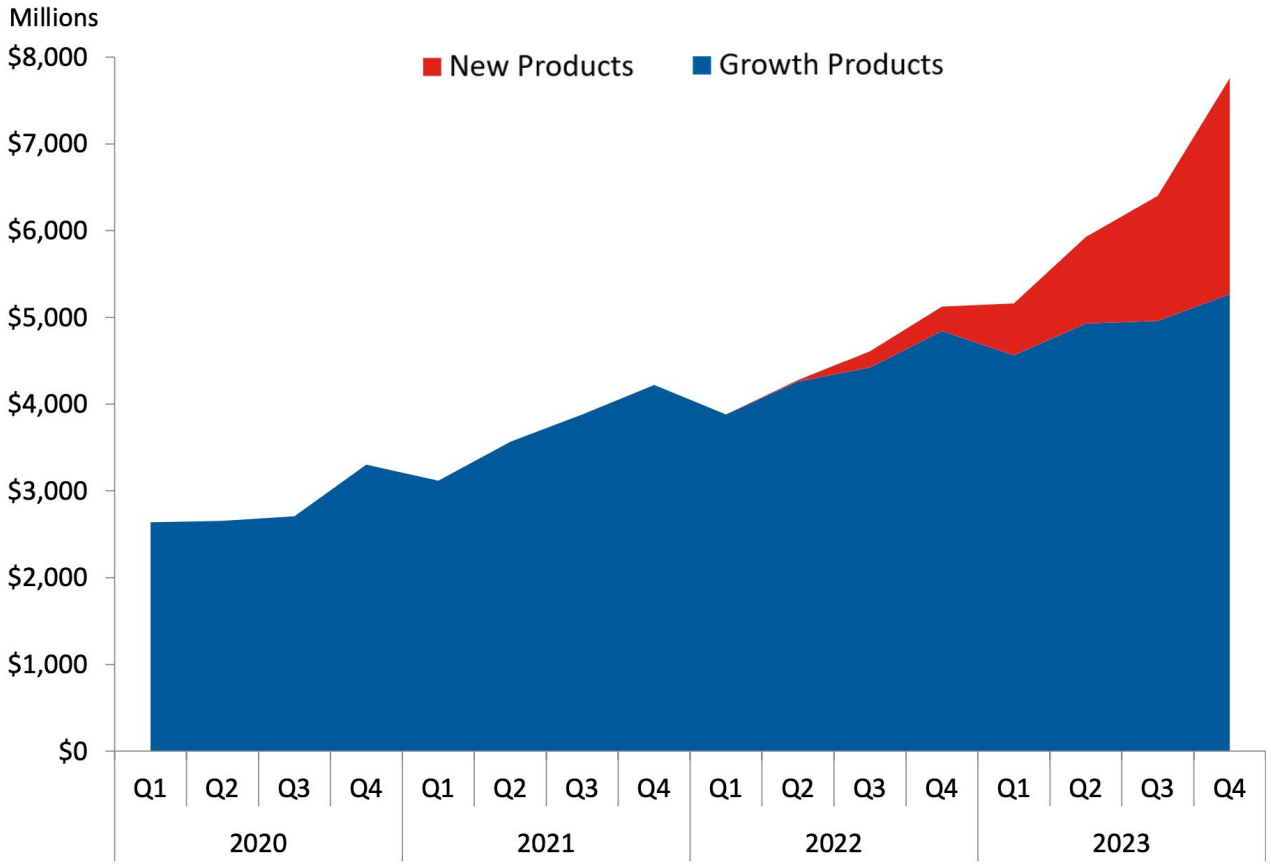
Mgmt gave initial 2024 revs guidance of $40.4Bn to $41.6Bn, with the midpoint representing ~20% total growth and ~29% growth excluding impact from divestitures. Mgt expects non-GAAP EPS of $12.20 to $12.70 and GAAP of $11.80-$12.30.

Stepping back, LLY remains the golden child in healthcare (perhaps Magnificent 7 worthy?) for good reason.

Morgan Stanley:

LLY posted a 4Q beat on Rev/EPS and Mounjaro+Zepbound sales came in ahead of consensus. First time 2024 guidance for rev of $40.4-$41.6bn was ahead of cons of $39.3bn, while EPS bracketed consensus. Bottom line we see this as a solid quarter and guide and expect shares to trade up.

Q4 2023 Update on Select Products



New Products: Ebglyss, Jaypirca, Mounjaro, Omvoh, and Zepbound
Growth Products: Cyramza, Emgality, Jardiance, Olumiant, Retevmo, Taltz, Trulicity, Tyvyt, and Verzenio

NEW PRODUCTS

MOUNJARO

- U.S. T2D injectable incretins TRx SOM over 27% and NBRx SOM over 38% at end of Q4 2023

ZEPBOUND

- U.S. approval and launch in Q4 2023

JAYPIRCA

- U.S. MCL approval in Q1 2023 and U.S. CLL/SLL approval in Q4 2023

OMVOH

- Japan and EU approval in H1 2023; U.S. approval in Q4 2023

GROWTH PRODUCTS

JARDIANCE[1]

- SGLT2 market leader in several key countries with U.S. TRx SOM of 63% at the end of Q4
- U.S. TRx grew 26% vs. Q4 2022

TALTZ

- U.S. immunology TRx SOM of nearly 6% at the end of Q4
- U.S. TRx grew 14% vs. Q4 2022

TRULICITY

- U.S. T2D injectable incretins TRx SOM of nearly 22% at the end of Q4

VERZENIO

- U.S. TRx grew over 41% vs. Q4 2022
- Strong uptake in adjuvant breast cancer indication

[1] Jardiance is part of the company's alliance with Boehringer Ingelheim. Lilly reports as revenue royalties received on net sales of Jardiance.

Gilead

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
7.115 (-4%)	27.116 (-0,6%)	1.429 (-12,8%)	1,14 (-12,3%)	8.4 (+10.5%)

Company's view

"This was another strong year of revenue growth for Gilead's base business, driven by both HIV and Oncology," said Daniel O'Day, Gilead's Chairman and Chief Executive Officer. "The strength of the business provides a solid foundation as we enter a new catalyst-rich phase for the company. We are expecting several milestones in 2024, including updates on long-acting HIV prevention and treatment, Cell Therapy and Trodelvy."

Outlook 2024:

Gilead is providing full-year 2024 guidance:

- Total product sales between $27.1 billion and $27.5 billion.
- Total product sales, excluding Veklury, between $25.8 billion and $26.2 billion.
- Total Veklury sales of approximately $1.3 billion.
- Diluted EPS between $5.15 and $5.55.
- Non-GAAP diluted EPS between $6.85 and $7.25.

Product sales / Clinical / Regulatory

Top 9 ($ mio)	Q4 2023	FY 2023
Bitkarvi	3.109 / 7%	11.850 / 14%
Veklury	720 / -28%	2.184 / -44%
Genvoya	517 / -19%	2.060 / -14%
Descovy	509 / -5%	1.985 / 6%
Sofosbuvir	378 / 2%	1.537 / 0%
Yescarta	368 / 9%	1.498 / 29%
Odefsey	340 / -13%	1.350 / -8%
Trodelvy	299 / 53%	1.063 / 56%
Vemlidy	217 / -1%	862 / 2%

Clinical Development / Regulatory

- Phase 3 OAKTREE trial of obeldesivir in non-hospitalized participants without risk factors for developing severe COVID-19 did not meet its primary endpoint of improvement in time to symptom alleviation.
- Phase 3 EVOKE-01 study of Trodelvy versus docetaxel in previously treated metastatic non-small cell lung cancer did not meet its primary endpoint of overall survival.
- Received U.S. Food and Drug Administration ("FDA") approval of Yescarta's label update to include overall survival ("OS") data from the Phase 3 ZUMA-7 study.

Analyst's view

Jefferies:

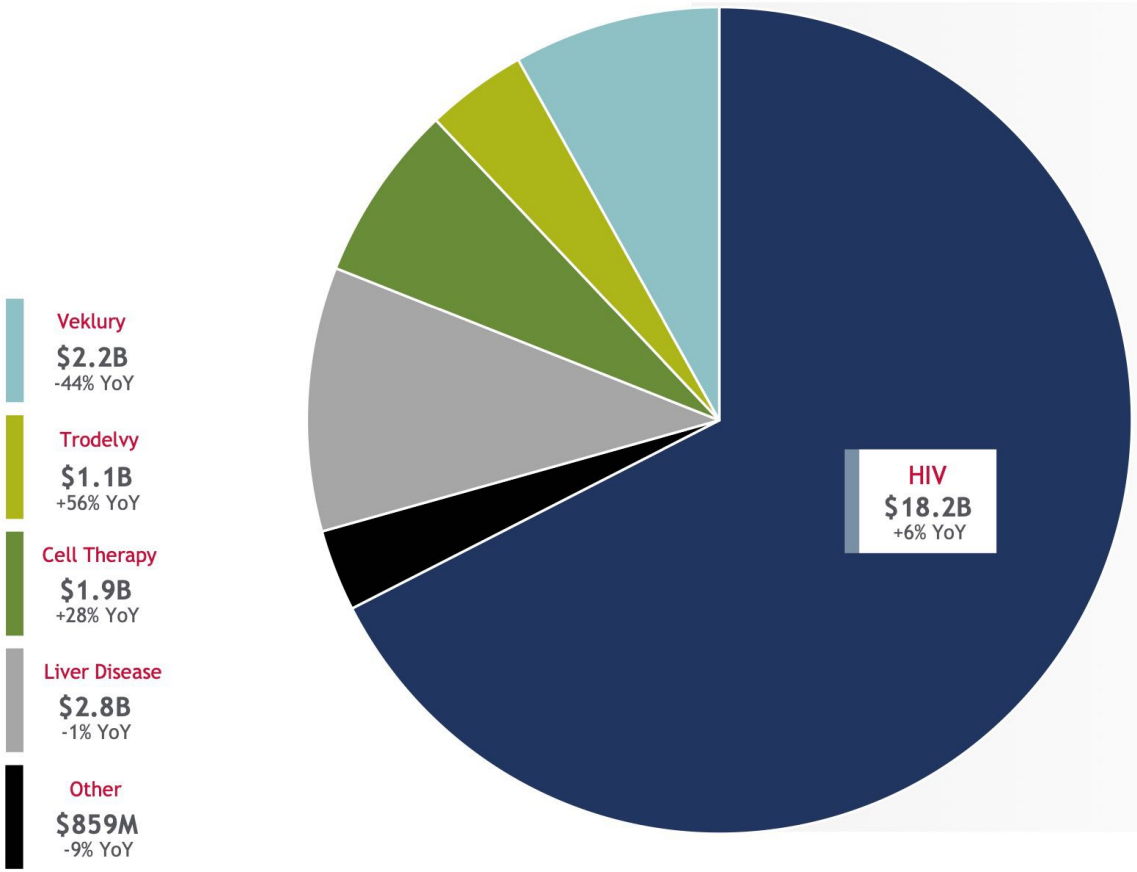
GILD Q4 was a slight EPS miss of $1.72 vs cons of $1.76, and 2024 guidance midpoint was below consensus on revs and EPS (seems partially revs but also higher SGA guidance). Stock has fairly negative sentiment due to a few disappointing clinical catalysts (Trodelvy 2L lung, and TIGIT update), and this probably won't help turn it around. Cheap stock at 10x but we (and frankly the Street, not just us) are looking for a catalyst this year.

Morgan Stanley:

4Q23 revenue of $7.1bn was in-line with consensus, driven by a Veklury beat ($720mn vs. cons. $450mn), offset by a Biktarvy and Yescarta miss, while EPS was slightly below cons. with stale IPR&D estimates likely a contributing factor - see Exhibit 2. GILD provided first time 2024 guidance, which generally captured consensus: Total product sales of $27.1bn - $27.5bn (vs. MS new/prior/ cons $27bn/$27.9bn/$27.4bn), including total Veklury sales of ~$1.3bn (MS new/ prior/cons of $1.3bn/$1.1bn/$1.2bn); and non-GAAP diluted EPS was $6.85-$7.25, with midpoint of $7.05 (MS new/prior/cons of $6.88/$7.28/$7.23).

HIV Pipeline: We expect data from a number of HIV trials this year beginning with several read outs at the CROI conference next month including Ph2 ARTISTRY-1 QD oral data for lenacapavir+bictegravir and Ph2 QW oral data for lenacapavir +MRK's islatravir. GILD has also guided to SQ lenacapavir PrEP Ph3 data from PURPOSE-1 in 2H24 and PURPOSE-2 in late-2024/early-2025. The company continues to target a PrEP launch in late-2025.

Strong Full Year Base Business Growth



$26.9B Total Product Sales
flat YoY

$24.7B Total Product Sales excluding Veklury
+7% YoY

$18.2B HIV Product Sales
+6% YoY

$2.9B Oncology Product Sales
+37% YoY

Note: Liver Disease includes: chronic hepatitis B virus, chronic hepatitis C virus and chronic hepatitis delta virus. YoY reflects FY23 vs. FY22.

ATACANA GROUP

Amgen

Q4 2023	Full Year 2023			
Net Sales (bn)	Net Sales (bn)	Net earnings (bn)	EPS	Cash (bn)
8.198 (+19,9%)	28.190 (+7,1%)	6.717 (+2,5%%)	12,49 (+3,1%)	10.944 (+17,6%)

Company's view

"2023 was another year of performance and progress for our company," said Robert A. Bradway, chairman and chief executive officer. "Our marketed products are reaching many more patients around the world, and we anticipate more than a dozen significant pipeline milestones in 2024."

For the full year, total revenues increased 7% to $28.2 billion, resulting from a 9% increase in product sales. Product sales growth was driven by 15% volume growth, partially offset by 3% lower net selling price, 1% unfavorable changes from estimated sales deductions and 1% negative impact from foreign exchange.

Outlook 2024:

For the full year 2024, the Company expects:

- Total revenues in the range of $32.4 billion to $33.8 billion.
- On a GAAP basis, EPS in the range of $8.42 to $9.87, and a tax rate in the range of 11.5% to 13.0%.
- On a non-GAAP basis, EPS in the range of $18.90 to $20.30, and a tax rate in the range of 16.0% to 17.0%.
- Capital expenditures to be approximately $1.1 billion.
- Share repurchases not to exceed $500 million.

Product sales / Clinical / Regulatory

Top 10 ($ mio)	Q4 2023	FY 2023
Prolia	1.107 / 12%	4.048 / 12%
Enbrel	1.015 / -8%	3.697 / -10%
Otelza	629 / 2%	2.188 / 4%
Xgeva	527 / 9%	2.112 / 15%
Repantha	417 / 25%	1.635 / 26%
Nplate	386 / -18%	1.477 / 13%
Kyprolis	350 / 8%	1.403 / 13%
Aranesp	319 / -8%	1.362 / -4%
Vectibix	251 / 5%	984 / 10%
Neulasta	239 / 8%	848 / -25%

Clinical Development / Regulatory

- The U.S. Food and Drug Administration (FDA) has granted Priority Review for the Company's Biologics License Application (BLA) for tarlatamab, a first-in-class investigational delta-like ligand 3 (DLL3) targeting BiTE® (bispecific T-cell engager) molecule.
- The FDA granted Priority Review for the Company's supplemental BLA for BLINCYTO in early-stage, CD19-positive B-cell precursor acute lymphoblastic leukemia (B-ALL)
- A U.S. regulatory submission is planned for the Phase 3 CodeBreaK 300 trial in H1 2024. This study evaluated two doses of LUMAKRAS (960 mg or 240 mg) in combination with Vectibix in patients with chemorefractory KRAS G12C-mutated metastatic colorectal cancer (CRC).

Analyst's view

Barclays:

Amgen's '24 guide was unambiguously better than expected (Revenue: $32.4-33.8bn; cons: $32.6bn; EPS: $18.90-20.30; cons: $19.91) and messaging around Repatha, Tezspire, and Blincyto suggest upside to FY24 estimates. However, AMGN's share performance over 2024, in our view, will be defined primarily by AMG 133 – with phase 2 data later in the year (4Q24e). With that context, the recent phase 1 publication raised new uncertainties on tolerability and impact on biomarkers, and Lilly – albeit far from a neutral party in this debate - messaging on GIP antagonism was notably more assertively negative than prior instances, to say nothing of the merits of their points. Taken together that's a handful of negative points that were either not widely in the narrative or were not emphasized to this degree.

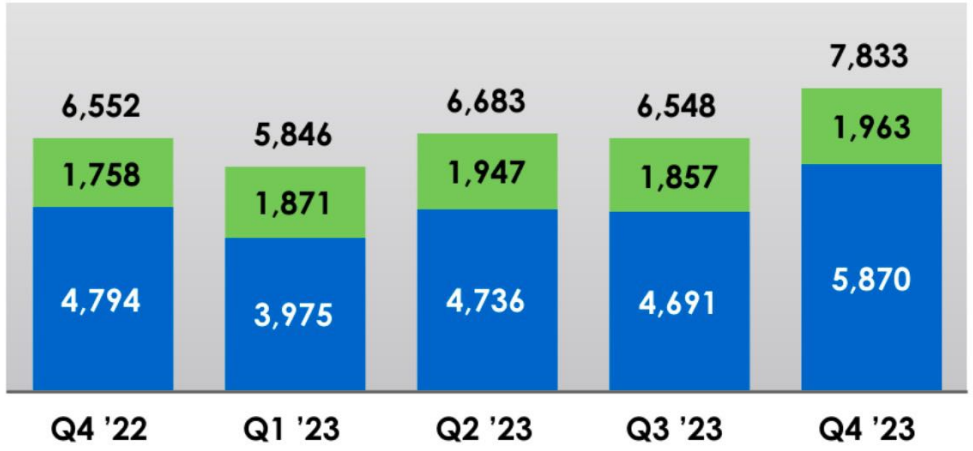
Mizuho:

Key question coming out of the quarter and as the stock is now at an all-time high: The key question here, and these conversations with investors are taking place, is whether the obesity trade for the stock is closer to a near-term end than a beginning. Clearly nobody is doing a DCF on Amgen; it's the one stock among bellwether biotechs that seemingly gets a pass with a near full reliance on P/ E (which produces a higher valuation, it seems). However, management doesn't seem overly bullish in its tone on MariTide (AMG133), it's Ph2 obesity asset with data in late 2024, and with Eli Lilly (LLY, NC) and Novo (NVO, NC) so far ahead, the burden will be with Amgen to differentiate -- this said, much of this value seems to be already baked in (at least for an early dataset that itself hasn't been perfect). Detailed bulleted call takeaways below.

Product Sales Grew 20% YoY in Q4, Driven by 23% Volume Growth

$ Millions, Net Sales

	Q4 '23	YoY	QoQ
Total Change		20%	20%
Units		23%	18%
Inventory		0%	2%



Highlights

- Record quarterly sales of nine products[1]
- Repatha®, EVENITY®, Prolia®, and BLINCYTO® delivered double-digit volume growth globally
- Full year product sales increased 9% YoY, driven by 15% volume growth, partially offset by 3% lower net selling price*, 1% unfavorable changes to estimated sales deductions, and 1% negative foreign exchange impact

Note: Inventory represents wholesaler and, based on prescription data for Otezla® and Enbrel®, end-user inventories.
**Net selling price represents the impact of list price changes as well as contracting and access changes.*
[1]*Includes product sales for the full fourth quarter of 2023 from UPLIZNA and KRYSTEXXA in connection with Horizon acquisition.*

AMGEN®

ATACANA GROUP

Novo Nordisk

Q4 2023	Full Year 2023			
Net Sales (DKK mio)	Net Sales (DKK mio)	Net earnings (DKK mio)	EPS (DKK)	Cash (DKK mio)
65.863 (+43%)	232.261 (+36%)	83.683 (+51%)	18,62 (+52%)	68.326 (+19%)

Company's view

Lars Fruergaard Jørgensen, president and CEO: "We are very pleased with the strong performance in 2023 reflecting that more than 40 million people are now benefiting from our innovative diabetes and obesity treatments. We continue to make progress on our strategic aspirations. Our focus in 2024 will be on reaching more patients, progressing and expanding our pipeline as well as the continued significant expansion of our production capacity."

Sales within Diabetes and Obesity care increased by 38% in Danish kroner to DKK 215.1 billion (42% at CER), mainly driven by GLP-1 diabetes sales growth of 48% in Danish kroner (52% at CER) and Obesity care growing by 147% in Danish kroner to 41.6 billion (154% at CER). Rare disease sales decreased by 16% measured in Danish kroner (15% at CER) reflecting a reduction in manufacturing output.

Outlook 2024:

For the 2024 Outlook:

- Sales growth is expected to be 18-26% at CER
- Operating profit growth is expected to be 21-29% at CER.
- Sales and operating profit growth reported in Danish kroner is expected to be 1 and 2 percentage points lower than at CER, respectively.

The guidance reflects expectations for sales growth in both North America Operations and International Operations, mainly driven by volume growth of GLP-1-based treatments for Obesity and Diabetes care. Intensifying competition and continued pricing pressure within Diabetes and Obesity Care are included in the guidance.

Product sales / Clinical / Regulatory

Top 7 (DKK mio)	Q4 2023	FY 2023
Ozempic/Victoza	n/a	104.382 / 45%
Total Insulin		48.022 / -9%
Wegovy/Saxenda		41.632 / 146%
Rybelsus		18.750 / 66%
Rare blood disorders		11.776 / 1%
Rare endocrine disorders		3.836 / -46%
Other diabetes care		2.312 / -28%

Clinical Development / Regulatory

- In January 2024, Novo Nordisk successfully completed the first phase 3a trial with IcoSema, a fixed-ratio once-weekly combination of basal insulin icodec and semaglutide and a phase 1 trial with oral amycretin within Obesity care
- Regulatory review of insulin icodec in the US extended by three months.
- Successful completion of phase 3 trial with semaglutide 2.4 mg in people with obesity and knee osteoarthritis.
- Successful completion of phase 3 trial with semaglutide 2.4 mg in people with obesity, heart failure with preserved ejection fraction (HFpEF) and type 2 diabetes (DM).

Analyst's view

UBS:

Novo is confident in the level of demand it continues to see and the vast opportunity it sees from the expansion of the diabetes and obesity market in the mid-term. That said, it recognises that scaling the business for the level of growth is a major challenge from all avenues and strains all resources e.g. construction, equipment, materials and employees. However the level of investment should enable Novo to have a long-term leadership in the future cardiometabolic market.

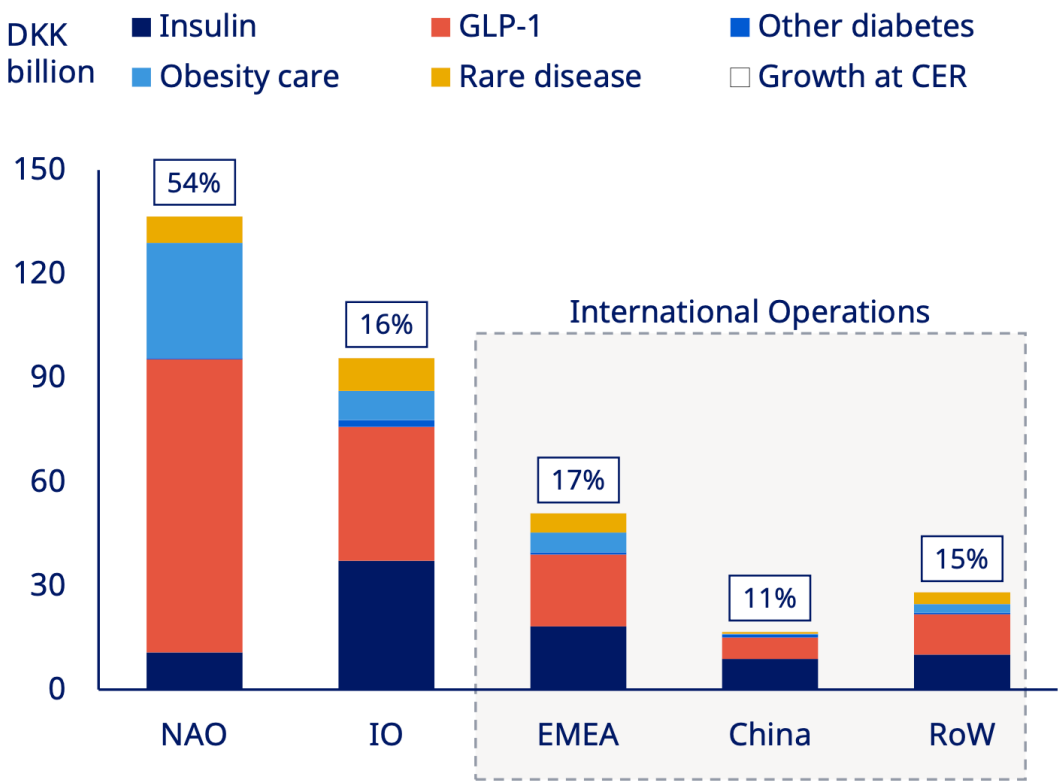
Stifel:

Novo Nordisk delivered an impressive 36% sales growth in 2023, which included 54% growth in North America and 52 growth from GLP1s. Indeed, 4Q included some one-offs but the positives in the top-line were more or less offset by negatives in expenses, resulting in a net earnings beat that will not carry an artificially-high comparison base into 2024.

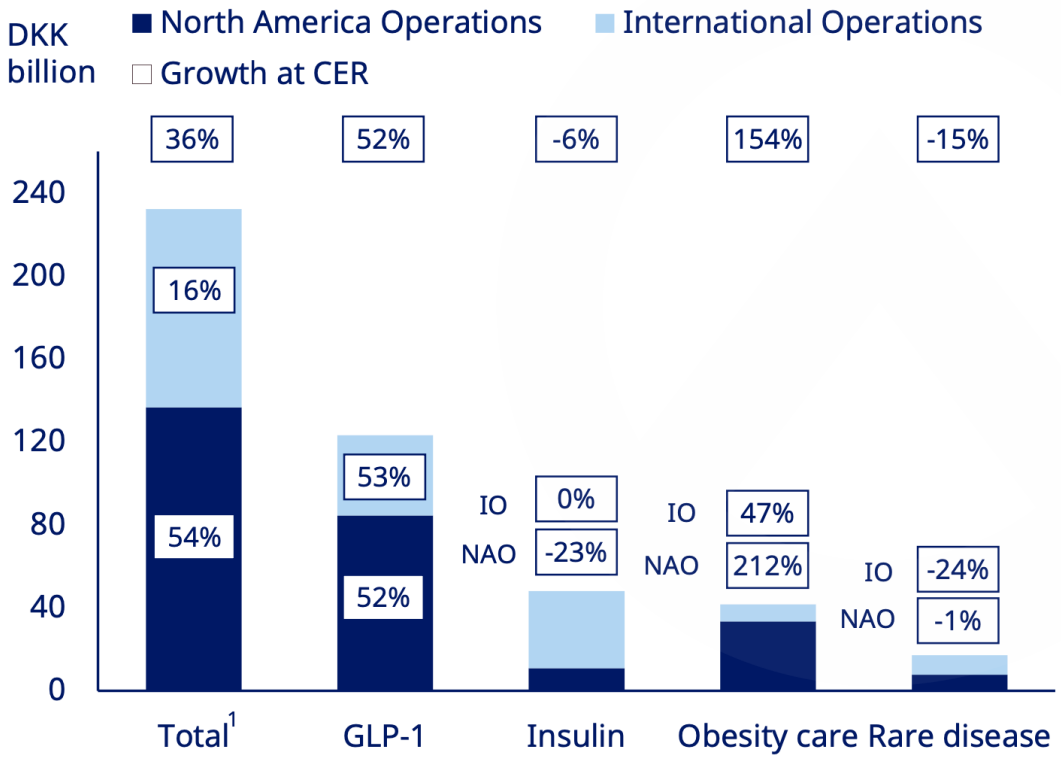
A key question here is, were the assumptions embedded into the guidance in terms of Wegovy supply? Once reiterating that step-up in supply would be significant over 2023, company also made the critical comment that it had just started increasing access to the medicine for new patients by more than doubling the supply of the lower-dose of Wegovy in January compared to December (reflecting more than doubled capacity), with other doses to gradually improve thereafter too. This provides strong comfort in achieving (if not exceeding) 2024 objectives.

Sales growth of 36% driven by both operating units

Reported geographic sales split for the full year 2023



Reported therapy area sales and growth for the full year 2023



[1]'Other diabetes' is included in Total
IO: International Operations; EMEA: Europe, Middle East and Africa; China: Mainland China, Hong Kong and Taiwan; RoW: Rest of World; NAO: North America Operations; CER: Constant exchange rates
Note: Unless otherwise specified, sales growth rates are at CER

Atacana Group Services

Your Partner in Developing a Winning Strategy

Strategy Consulting

Tailored solutions for Asset Launch, Therapy Area, and Portfolio Strategies

- Insights driven
- Cross-functional expertise
- Action oriented

Competitive Readiness

Predictive intelligence combined with proven decision-making frameworks

- Research and analysis
- Strategic engagements
- Planning and execution

AI/CI Platform

Instant alerts for immediate tactical response

- Fast News Updates (< 15 min)
- Smart AI alerts
- Key events or inflection points
- Competitor overview

ATACANA GROUP

Directional Clarity
Actionable Insights
Exponential Advantage

If you need help developing a **winning strategy**, email us at info@atacana.com