



NEWS RELEASE

Merck Hosts Organon Investor Day Outlining New Company's Vision, Focus and Business Model for Sustained Growth

5/3/2021

- Standalone company positioned to deliver low to mid-single digit revenue growth off 2021 base
- Future growth opportunities include Women's Health and Biosimilars businesses; Established Brands portfolio expected to provide significant cash flow to invest in new opportunities, with modest future LOE risk after 2021
- Organon will have a diverse product portfolio with no product representing more than 11% of total revenue, and an expansive global geographic footprint with nearly 80% of revenue generated outside the U.S.
- Experienced management team and majority-female Board of Directors focused on the vision to create a better and healthier every day for every woman around the globe
- Organon will begin regular way trading on the New York Stock Exchange under ticker symbol "OGN" on June 3

KENILWORTH, N.J.--(BUSINESS WIRE)-- Merck (NYSE: MRK), known as MSD outside the United States and Canada, today will host Organon management at a meeting with the investment community. Management will detail plans for how Organon is expected to drive sustainable growth and shareholder value as a standalone company.

"The spinoff of Organon will help Merck become a leaner, more focused and agile company with stronger growth, and will enable significant operating efficiencies. Organon, as a standalone company, will be better positioned to realize its potential and to have a meaningful impact, particularly in women's health", said Rob Davis, president, Merck. "We believe this transaction will create value for the patients both companies serve and for Merck shareholders."

At launch, Organon's portfolio will consist of more than 60 medicines and products across its three core franchises: Women's Health, Biosimilars and Established Brands.

"On June 3rd, Organon will launch as a new company, with solid growth opportunities and the ability to make an impact in women's health," said Kevin Ali, Organon's chief executive officer. "Our day one portfolio consists of many well-known products that were once core to Merck's business but have since strategically received limited resources and investment. These are important medicines that we believe will be responsive to commercial investment, and with renewed management focus, we expect the portfolio to generate low to mid-single organic revenue growth off of a 2021 base. Additionally, as the only company of our size to be focused on women's health, we have a significant opportunity to do more to support women and their health, and the time is right to bring forward more options for patients and healthcare providers."

During the event, members of Organon's leadership team will outline the company's strategic priorities to generate value for patients and shareholders. These include:

- Developing a new commercial strategy and roadmap for sustainable growth. Organon has a strong and balanced foundation with a diverse portfolio of impactful brands built on a broad geographic footprint. With management focus and renewed investment, the company intends to capitalize on the growth potential of the existing Women's Health and Biosimilars portfolios, while optimizing the well-known brands and associated cash flows of the Established Brands business. Organon will launch with a large commercial footprint with a direct sales presence in 58 markets, while supplying products to over 140 markets. The company has also begun to execute on its vision of becoming a leader in women's health, with the recently announced proposed acquisition of Alydia Health.
- Driving leadership in women's health. Organon has a scaled portfolio of contraceptive and fertility brands, anchored by market exclusivity for NEXPLANON (etonogestrel implant), that delivered approximately \$1.6 billion in global sales in 2020 and has long-term growth potential. Organon will also broaden its definition of women's health beyond contraception and fertility to address conditions that are unique to women as well as health issues that disproportionately affect women, placing Organon in an addressable market of more than \$60 billion by 2026.
- Executing on the commercialization of Biosimilars. Organon will be in a strong position with the products in its current portfolio through its long-standing collaboration with Samsung Bioepis. Growth drivers in Organon's Biosimilars portfolio are expected to include the continued success of RENFLEXIS (infliximab-abda) in the U.S., the launch of AYBINTIO (bevacizumab) in the EU and HADLIMA (adalimumab-bwwd) in Canada, as well as the anticipated launch of HADLIMA in the U.S. in 2023.
- Leveraging the Established Brands portfolio for steady cash flow. The Established Brands business consists of 49 products across a range of therapeutic areas, including respiratory, cardiovascular, dermatology and non-

opioid pain, and delivered \$4.5 billion of revenue in 2020. This portfolio includes brands beyond their patent loss in most markets, with only modest remaining LOE exposure beyond 2021. The company will look to capitalize on these well-known and recognizable brands in international markets by selectively increasing commercial spend in areas that have the potential to offer solid returns.

- Developing a new R&D approach with women at the center. Organon will look across academic centers, as well as early and established companies, to find promising drugs, diagnostics and devices to develop through its global capabilities in clinical development and patient safety, regulatory and medical affairs. Its R&D philosophy is to build a business around patient needs, advancing healthcare options for women that enable them to live their best lives every day.

2021 Investor Day Presenters

Investor Day will feature presentations from the following Merck and Organon executives in order of their appearance:

- Rob Davis, President, Merck
- Kevin Ali, Chief Executive Officer, Organon
- Susanne Fiedler, Chief Commercial Officer, Organon
- Simon Holland, Women's Health, Commercial Lead, Organon
- Elisabeth Weis, Fertility, Commercial Lead, Organon
- Joe Azzinaro, Biosimilars, Commercial Lead, Organon
- Ger Brennan, Established Brands, Commercial Lead, Organon
- Sandy Milligan, Head of Research & Development, Organon
- Matthew Walsh, Chief Financial Officer, Organon

The full biographies of the speakers can be found at www.merck.com/events/organon-co-investor-day.

Webcast Details

Merck invites shareholders, the investment community, the media and the general public to tune into the webcast of the Investor Day event today from 10:00 am to 12:15 pm EDT. To register for the webcast and view related materials, including presentations and speaker biographies, please visit the website at

www.merck.com/events/organon-co-investor-day or listen-in to the audio-only teleconference with the opportunity to ask questions by dialing 1-844-340-4759 or internationally at 1-412-717-9615. A replay and transcript will be available shortly after the completion of the live webcast.

About Merck

For 130 years, Merck, known as MSD outside of the United States and Canada, has been inventing for life, bringing forward medicines and vaccines for many of the world's most challenging diseases in pursuit of our mission to save

and improve lives. We demonstrate our commitment to patients and population health by increasing access to health care through far-reaching policies, programs and partnerships. Today, Merck continues to be at the forefront of research to prevent and treat diseases that threaten people and animals – including cancer, infectious diseases such as HIV and Ebola, and emerging animal diseases – as we aspire to be the premier research-intensive biopharmaceutical company in the world. For more information, visit www.merck.com and connect with us on **Twitter, Facebook, Instagram, YouTube** and **LinkedIn**.

About Organon

Organon will be a global healthcare company formed through a spinoff from Merck to focus on improving the health of women throughout their lives. It will have a portfolio of more than 60 medicines and products that help address a spectrum of conditions women face. Led by the reproductive health portfolio coupled with an expanding biosimilars business and stable franchise of established medicines, Organon's products are expected to produce strong cash flows that will support investments in future growth opportunities in women's health. In addition, Organon will pursue opportunities to collaborate with biopharmaceutical innovators looking to commercialize their products by leveraging its scale and presence in fast-growing international markets.

Organon is expected to have a global footprint with significant scale and geographic reach, world-class commercial capabilities, and Organon is expected to have a global footprint with significant scale and geographic reach, world-class commercial capabilities, and approximately 10,000 employees with headquarters located in Jersey City, New Jersey.

Forward-Looking Statement of Merck & Co., Inc., Kenilworth, N.J., USA

This news release of Merck & Co., Inc., Kenilworth, N.J., USA (the "company") includes "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995.

Examples of forward-looking statements include statements with respect to the company's plans to spinoff certain of its businesses into an independent company, the timing and structure of such spinoff, the characteristics of the business to be separated, the expected benefits of the spinoff to the company and the expected effect on the company's dividends, estimates of future Organon revenues or other results of operations, the timing of any product launches by Organon and estimates of the markets in which Organon will operate. These statements are based upon the current beliefs and expectations of the company's management and are subject to significant risks and uncertainties. There can be no guarantees with respect to whether the proposed spinoff will be completed on the proposed timetable or at all. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, uncertainties as to the timing of the proposed spinoff; uncertainties as to the status of any required regulatory approvals; the possibility that various conditions to the

consummation of the spinoff may not be satisfied; the effects of disruption from the transactions contemplated in connection with the spinoff; general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; the impact of the global outbreak of novel coronavirus disease (COVID-19); global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the company's 2020 Annual Report on Form 10-K, Organon's Registration Statement on Form 10 (File No. 001-40235) and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site (www.sec.gov).

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