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Bayer and Veracyte Announce Precision Oncology Collaboration in Thyroid Cancer

WHIPPANY, N.J. & SAN FRANCISCO--(BUSINESS WIRE)--Dec. 22, 2020-- Bayer and [Veracyte](#) (Nasdaq: VCYT) today announced a new collaboration to advance the Precision Oncology Patient Identification Program in thyroid cancer. Through the program, Bayer will offer testing with Veracyte's Afirma Xpression Atlas (XA) to identify underlying genomic drivers, including *NTRK* gene fusions, within patients' tumors. The program will focus on patients with advanced or metastatic thyroid cancer that is radioactive iodine refractory (RAIR) who may potentially benefit from biomarker-driven therapies.

"Patients whose thyroid cancer contains actionable alterations and no longer responds to traditional radioactive iodine therapy now have targeted treatment options available to them. Our goal is to identify such patients so physicians can make more informed treatment decisions for their patients," said Bhavesh Ashar, Senior Vice President, Head of U.S. Oncology at Bayer. "With its comprehensive ability to identify broad genomic alterations through its Afirma XA test and its widespread reach among physicians who diagnose thyroid cancer, Veracyte is an ideal collaborator for this program."

The Afirma XA uses RNA whole-transcriptome sequencing to identify 905 DNA variants and 235 RNA fusions in 593 genes, including novel *NTRK* fusions, on fine needle aspirates taken from thyroid nodules or lymph nodes.¹ Through this collaboration, Bayer will provide Afirma XA testing at no cost to all eligible patients when ordered by the physician, regardless of the final results and treatment decision. Additionally, physicians of patients found to harbor *NTRK* gene fusions as an underlying driver in their thyroid cancer will be alerted of the results. The companies anticipate the program to launch in the first quarter of next year.

"Our collaboration with Bayer will help ensure that all eligible thyroid cancer patients can be tested and identified for actionable genomic alterations – at no cost to them – so they may potentially benefit from biomarker-driven therapies," said Bonnie Anderson, Veracyte's Chairman and Chief Executive Officer. "This is the first collaboration between the two companies, and we anticipate continued strategic programs to further precision oncology."

Approximately 53,000 people in the United States are expected to be diagnosed with thyroid cancer this year.² For most of these patients, the cancer is contained in the thyroid when diagnosed.³ However, in approximately 30% of cases, the cancer has metastasized – most often to the nearby lymph nodes.⁴ *NTRK* gene fusions, which may drive tumor growth in some cancers, are more common in patients with RAIR thyroid cancer (2.4%-12% of patients).⁵⁻⁸

About Oncology at Bayer

Bayer is committed to delivering science for a better life by advancing a portfolio of innovative treatments. The oncology franchise at Bayer now expands to six marketed products and several other assets in various stages of clinical development. Together, these products reflect the company's approach to research, which prioritizes targets and pathways with the potential to impact the way that cancer is treated.

About Bayer

Bayer is a global enterprise with core competencies in the life science fields of health care and nutrition. Its products and services are designed to benefit people by supporting efforts to overcome the major challenges presented by a growing and aging global population. At the same time, the Group aims to increase its earning power and create value through innovation and growth. Bayer is committed to the principles of sustainable development, and the Bayer brand stands for trust, reliability and quality throughout the world. In fiscal 2019, the Group employed around 104,000 people and had sales of 43.5 billion euros. Capital expenditures amounted to 2.9 billion euros, R&D expenses to 5.3 billion euros. For more information, go to www.bayer.us.

About Veracyte

Veracyte (Nasdaq: VCYT) is a global genomic diagnostics company that improves patient care by providing answers to clinical questions, informing diagnosis and treatment decisions throughout the patient journey in cancer and other diseases. The company's growing menu of genomic tests leverage advances in genomic science and technology, enabling patients to avoid risky, costly diagnostic procedures and quicken time to appropriate treatment. The company's tests in thyroid cancer, lung cancer, breast cancer and idiopathic pulmonary fibrosis are available to patients and its lymphoma subtyping test is in development. With Veracyte's exclusive global license to a best-in-class diagnostics instrument platform, the company is positioned to deliver its tests to patients worldwide. Veracyte is based in South San Francisco, California. For more information, please visit www.veracyte.com and follow the company on Twitter (@veracyte).

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Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements, including, but not limited to, our statements related to our plans, objectives, expectations (financial and otherwise) or intentions with respect to our Prosigna, Afirma, Percepta, Envisia, and nasal swab tests and products for use in diagnosing and treating diseases. Forward-looking statements can be identified by words such as: "appears," "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will" and similar references to future periods. Actual results may differ materially from those projected or suggested in any forward-

looking statements. These statements involve risks and uncertainties, which could cause actual results to differ materially from our predictions, and include, but are not limited to: Veracyte's ability to achieve and maintain Medicare coverage for its tests; the benefits of Veracyte's tests, the applicability of clinical results to actual outcomes and the effects of the COVID-19 pandemic on Veracyte's business and performance. Factors that may impact these forward-looking statements can be found in Item 1A – "Risk Factors" in our Annual Report on Form 10-K filed with the SEC on February 25, 2020 and in our Quarterly Report on Form 10-Q to be filed with the SEC on November 2, 2020. A copy of these documents can be found at the Investors section of our website at www.veracyte.com. These forward-looking statements speak only as of the date hereof and Veracyte specifically disclaims any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise.

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