



Second-Quarter 2026 Sales and Earnings

Merck & Co., Inc., Rahway, N.J., USA

August 4, 2026



Agenda



Strategy and Business Update

Robert M. Davis
Chairman and Chief Executive Officer



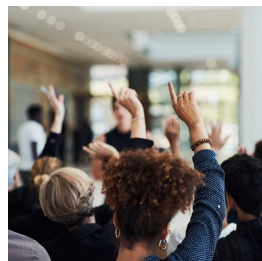
Financial Results and Outlook

Caroline Litchfield
Executive Vice President and Chief Financial Officer



Research Update

Dr. Dean Y. Li
Executive Vice President and President, Research Laboratories



Question & Answer Session



Forward-looking statement of Merck & Co., Inc., Rahway, N.J., USA

This presentation of Merck & Co., Inc., Rahway, 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. 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 pipeline candidates that the candidates will receive the necessary regulatory approvals or that they will prove to be commercially successful. 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, 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; 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 Annual Report on Form 10-K for the year ended December 31, 2025 and the company’s other filings with the Securities and Exchange Commission (SEC) available at the SEC’s Internet site (www.sec.gov).



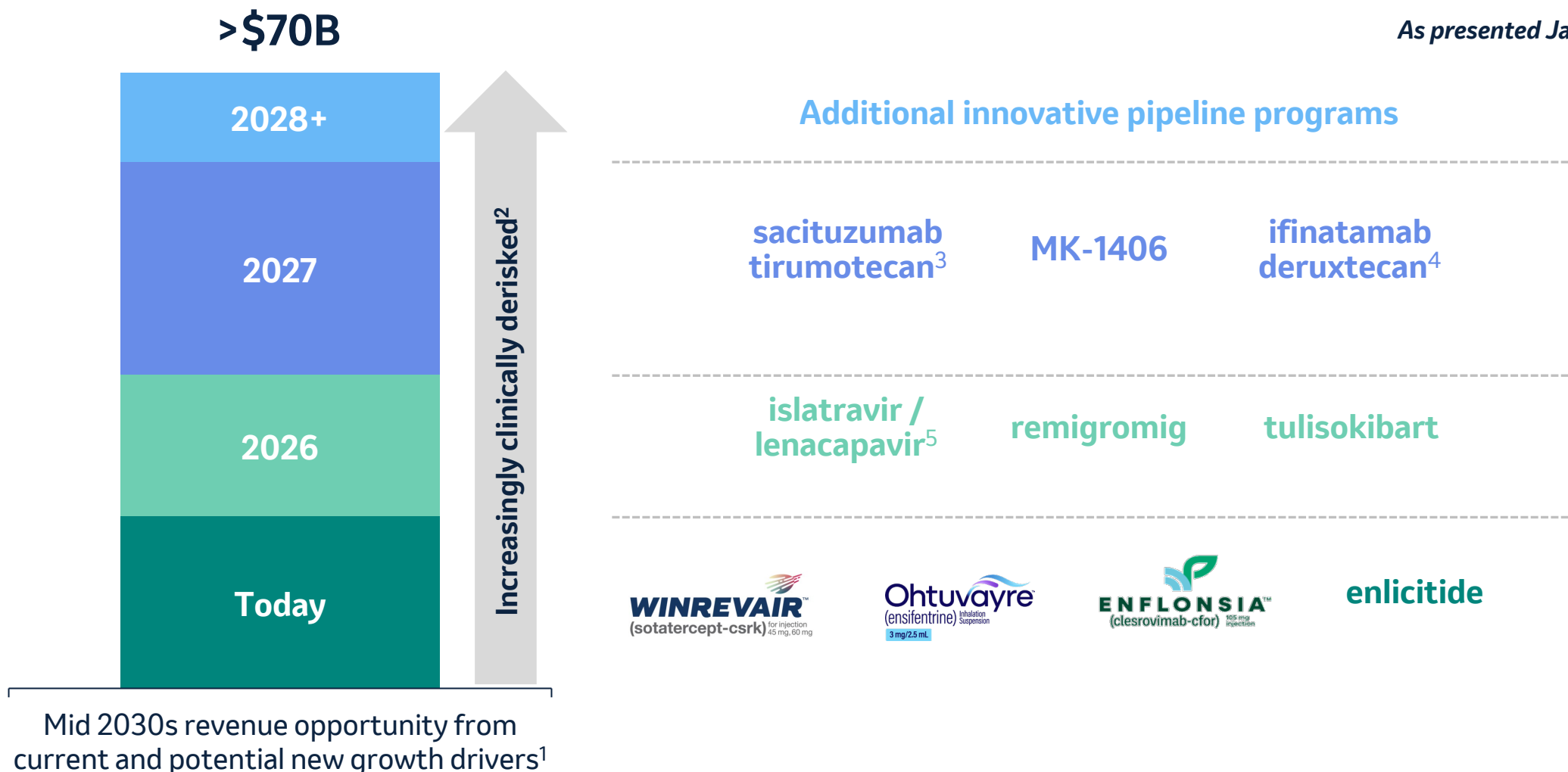
Strategy and Business Update

Robert M. Davis
Chairman and Chief Executive Officer



Accelerating progress toward transformation of portfolio

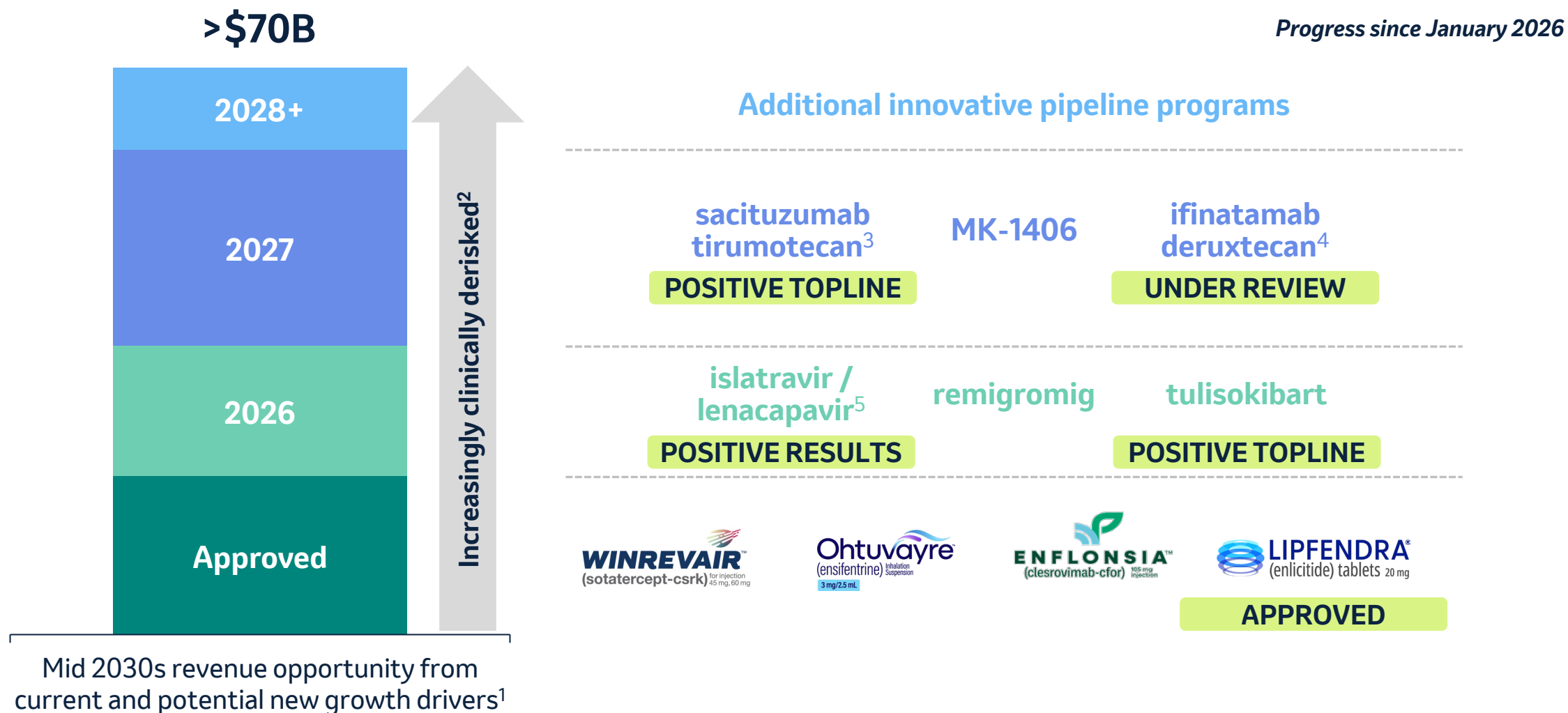
As presented January 2026



1. Non-risk adjusted annual sales by the mid 2030s 2. Clinically derisked defined as first successful Phase 3 study in a certain indication to read out according to PCD on ct.gov 3. In collaboration with Kelun Biotech 4. In collaboration with Daiichi Sankyo; FDA PDUFA date October 10, 2026 5. In collaboration with Gilead



Accelerating progress toward transformation of portfolio



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Q2 Worldwide Sales

\$16.6B

+5% nominal
+4% ex-exchange

Strength in **Oncology** and **Animal Health**
Increasing contributions from **new launches**

Achieved significant pipeline and regulatory progress:

Cardiometabolic & Respiratory

- FDA approved **LIPFENDRA** as first and only oral PCSK9i

Oncology

- Received several approvals for **KEYTRUDA** and **KEYTRUDA QLEX** including one in combination with **WELIREG**
- Presented data at **ASCO** from multiple novel candidates and broad oncology portfolio
- Announced positive topline results for **sac-TMT¹** in certain patients with advanced or recurrent endometrial cancer

Immunology

- Announced positive topline results for **tulisokibart** from induction-only study of Phase 3 **ATLAS-UC**

Infectious Diseases

- Presented data from innovative HIV portfolio at AIDS 2026 including for **islatravir/lenacapavir¹**

1. In collaboration

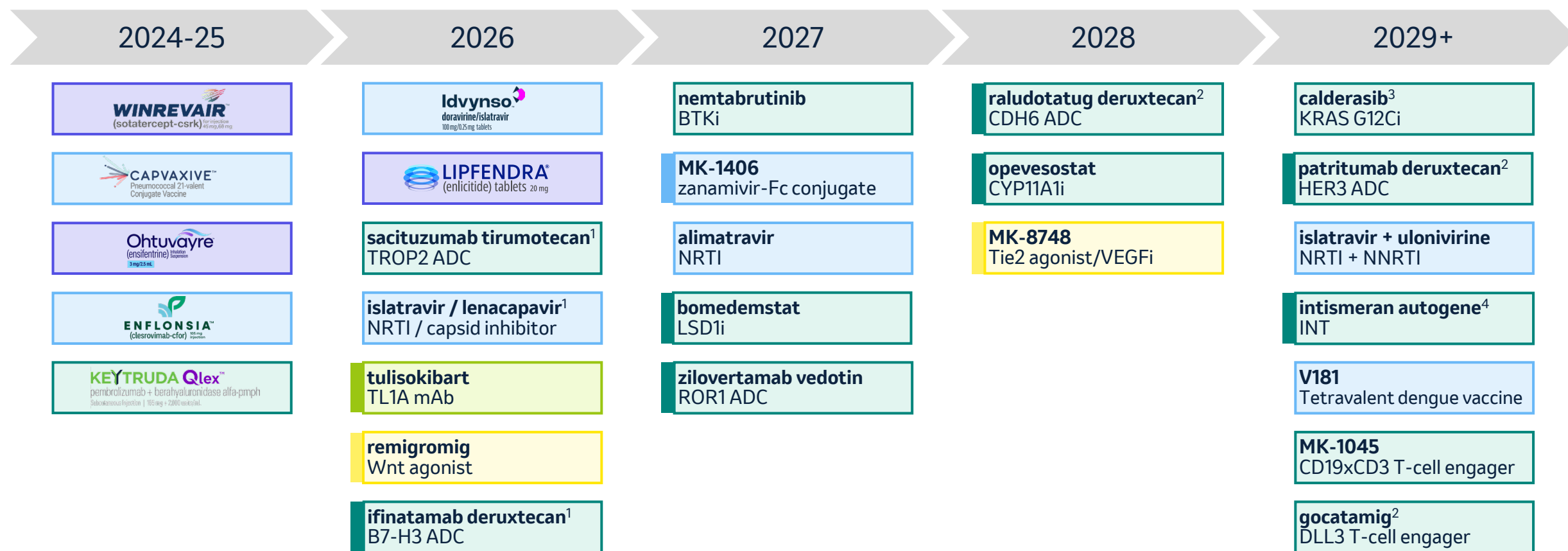


Completed strategic acquisition of Terns Pharmaceuticals



- **Science-driven** business development that **strengthens and complements hematology pipeline**
- Adds **MK-4208**, an investigational **next-generation, allosteric TKI** for treatment of certain patients with **chronic myeloid leukemia**
- Potential **best-in-class profile** with opportunity to further **improve depth and duration of response** in certain patients
- **Multibillion dollar commercial opportunity** and **growth driver** in the next decade, **creating shareholder value**

Successfully executing on strategy to broaden and diversify pipeline



Pipeline candidates with first-in-class potential

Cardiometabolic
& Respiratory

Infectious Disease

Oncology

Immunology

Ophthalmology

Timing represents approval date for marketed products or announced positive topline results, PDUFA date, or earliest Phase 3 primary completion date according to clinicaltrials.gov for pipeline compounds
 1. In collaboration 2. In collaboration with Daiichi Sankyo 3. In collaboration with Taiho Astex 4. In collaboration with Moderna



Financial Results and Outlook

Caroline Litchfield
Executive Vice President and
Chief Financial Officer



Q2 growth across human and animal health with increasing contributions from new products



WORLDWIDE SALES¹

\$16.6B

+5% nominal
+4% ex-exchange



Human Health

\$14.8B

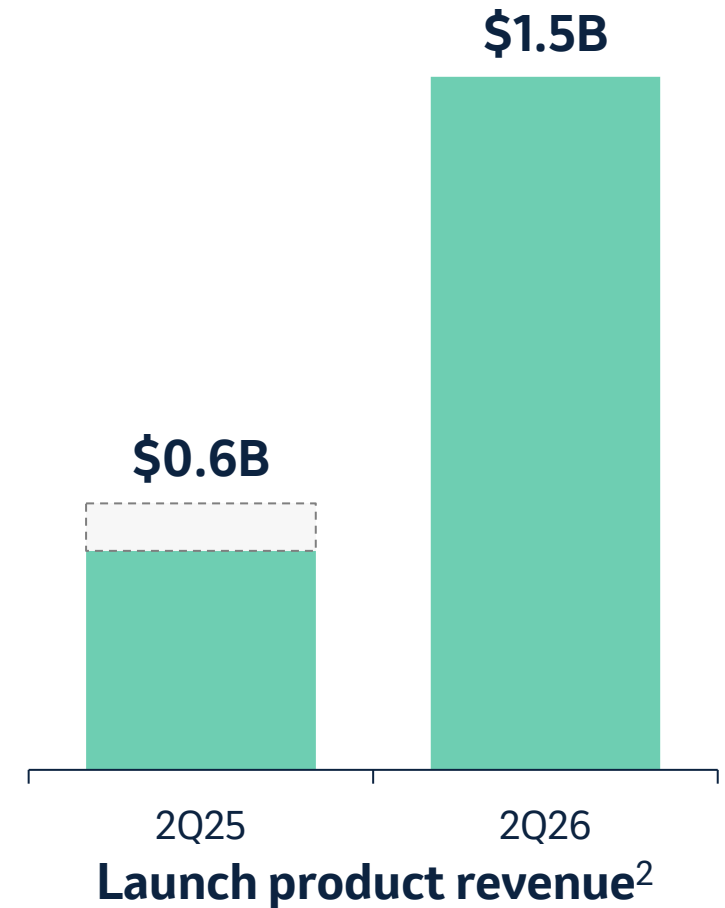
+5% growth
+4% ex-exchange



Animal Health

\$1.8B

+8% growth
+5% ex-exchange



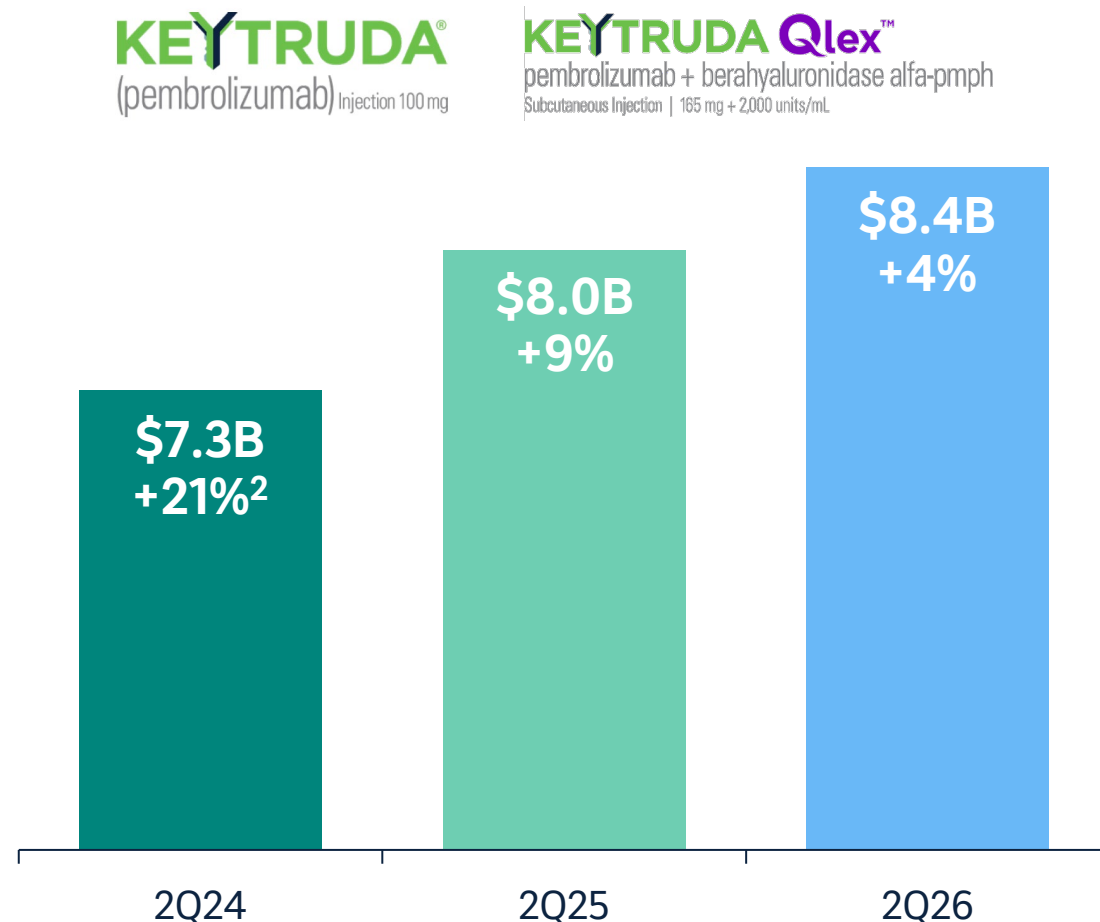
 OHTUVAYRE sales reported by Verona Pharma



Oncology: KEYTRUDA continues to benefit patients and drive growth

KEYTRUDA family¹ sales of \$8.4B increased 4% driven by strong uptake in earlier-stage cancers and robust demand from metastatic indications

- Growth driven by usage in tumors predominantly affecting women, including those with certain breast and cervical cancers
- Increased use of KEYTRUDA in combination with enfortumab vedotin in locally advanced or metastatic urothelial cancer
- KEYTRUDA QLEX sales of \$463M in 2Q26 following launch in 3Q25; permanent J-code effective April 1st

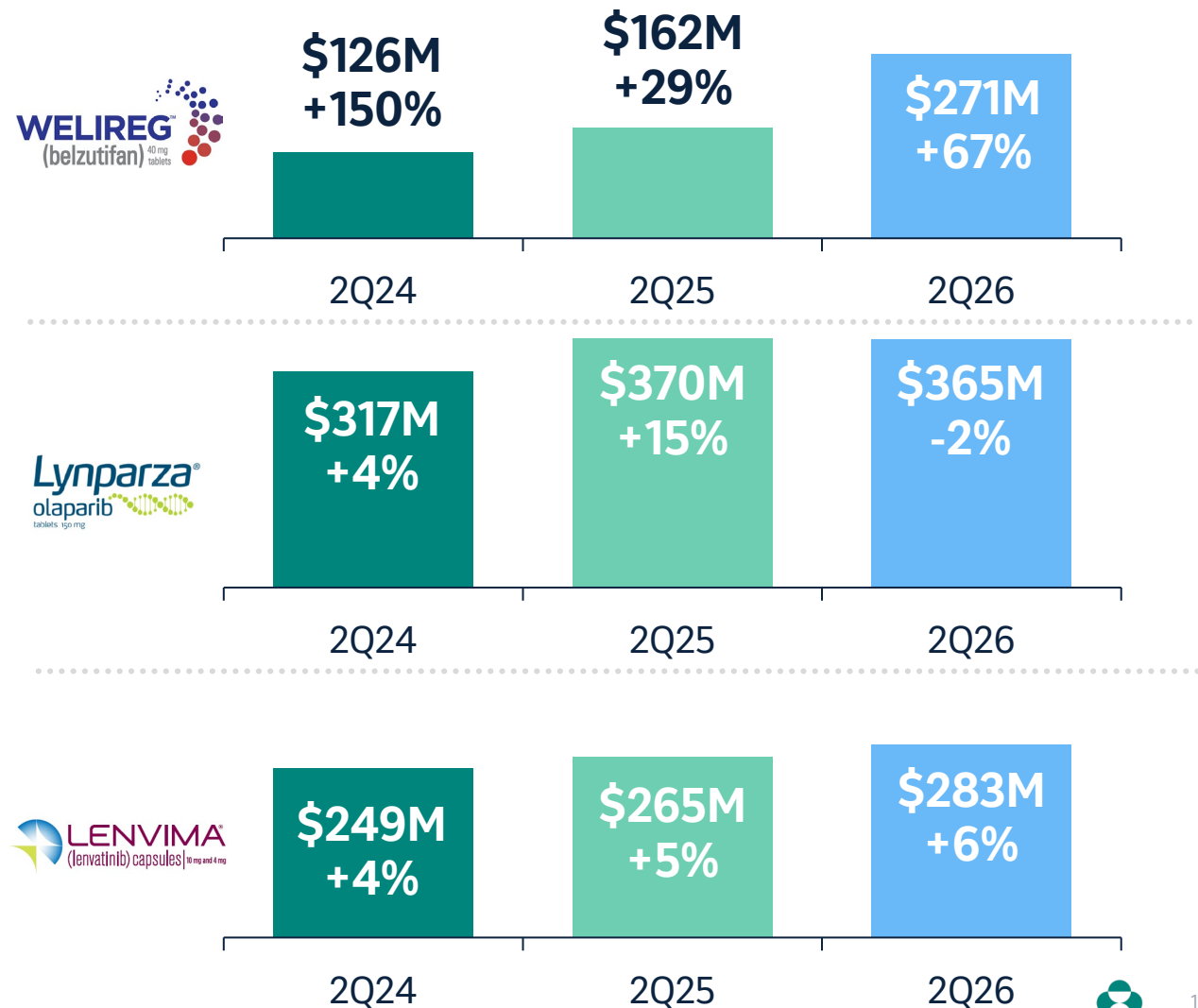


Oncology: Continued impact for patients across broad portfolio

WELIREG sales grew 67% driven by continued higher demand in the U.S. and launch uptake in international markets

Lynparza¹ alliance revenue relatively flat compared with prior year

Lenvima² alliance revenue grew 6%, primarily due to higher demand in the U.S., partially offset by net price



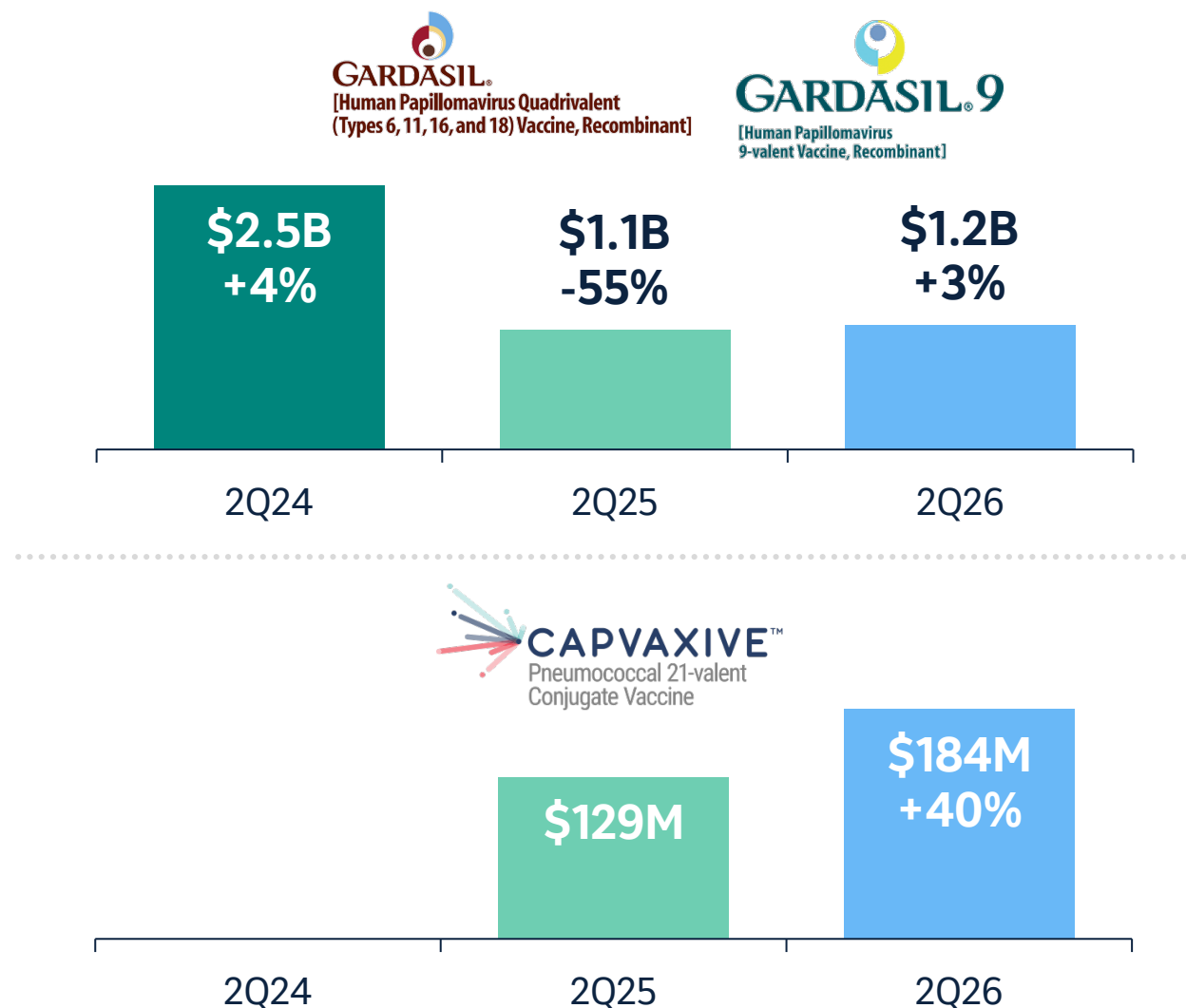
Vaccines & Infectious Diseases: Impacting lives globally

GARDASIL sales of \$1.2B increased 3% driven by higher sales in certain international markets

- In the U.S., sales were flat primarily due to lower demand and timing of CDC purchases, largely offset by price

CAPVAXIVE¹ sales of \$184M increased 40% driven by uptake from ongoing launches in certain international markets and higher demand in the U.S.

IDVYN² progress on access and reimbursement following recent launches in U.S. and Japan



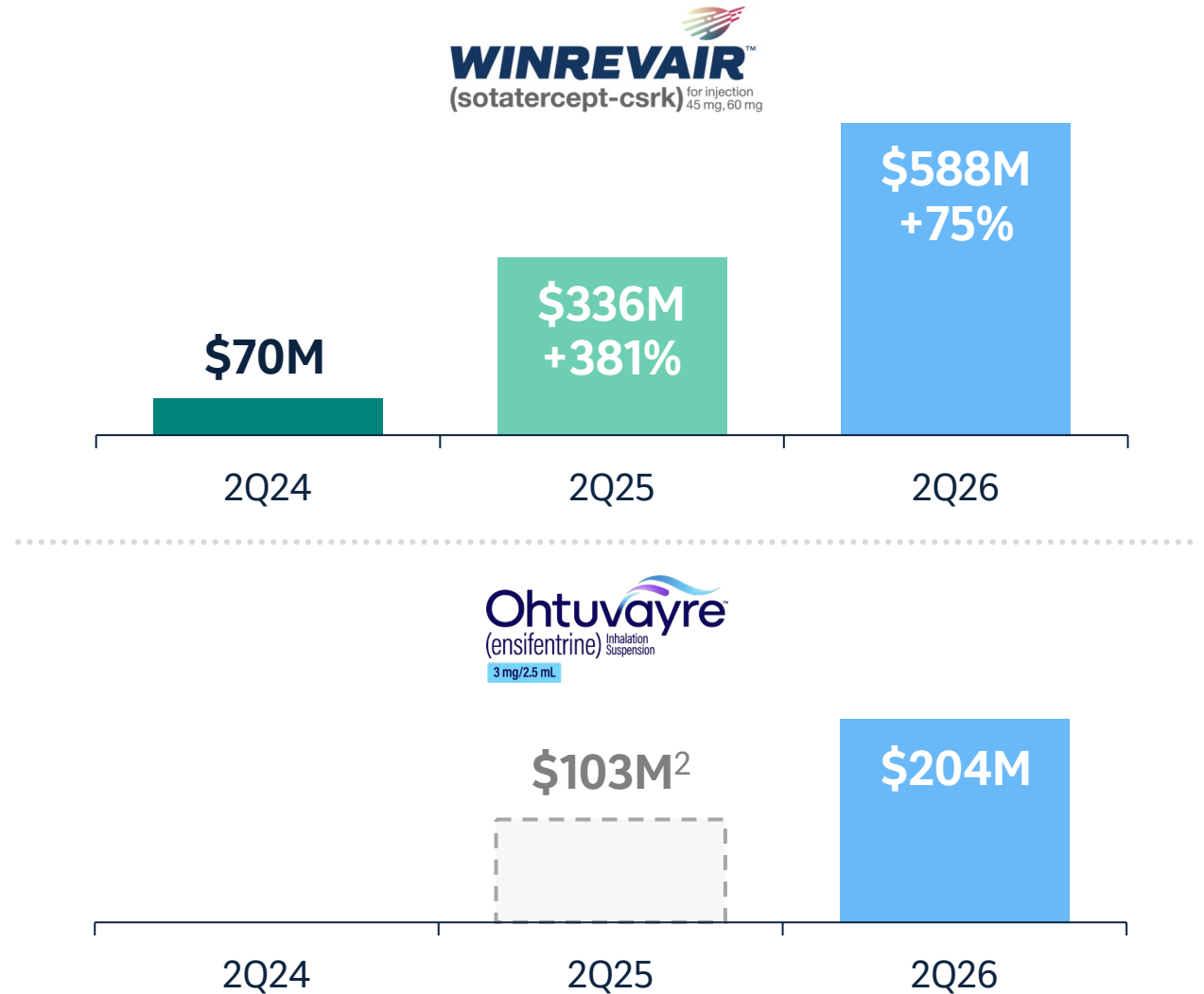
Cardiometabolic & Respiratory: Continuing to drive benefit for patients with successful ongoing launches

WINREVAIR sales of \$588M driven by continued growth in new patient starts and total prescriptions

- In the U.S., ~1,800 new patients prescribed and >34,000 total prescriptions dispensed
- Ex-U.S., making progress with ongoing launches

OHTUVAYRE¹ sales of \$204M reflect continued prescription demand

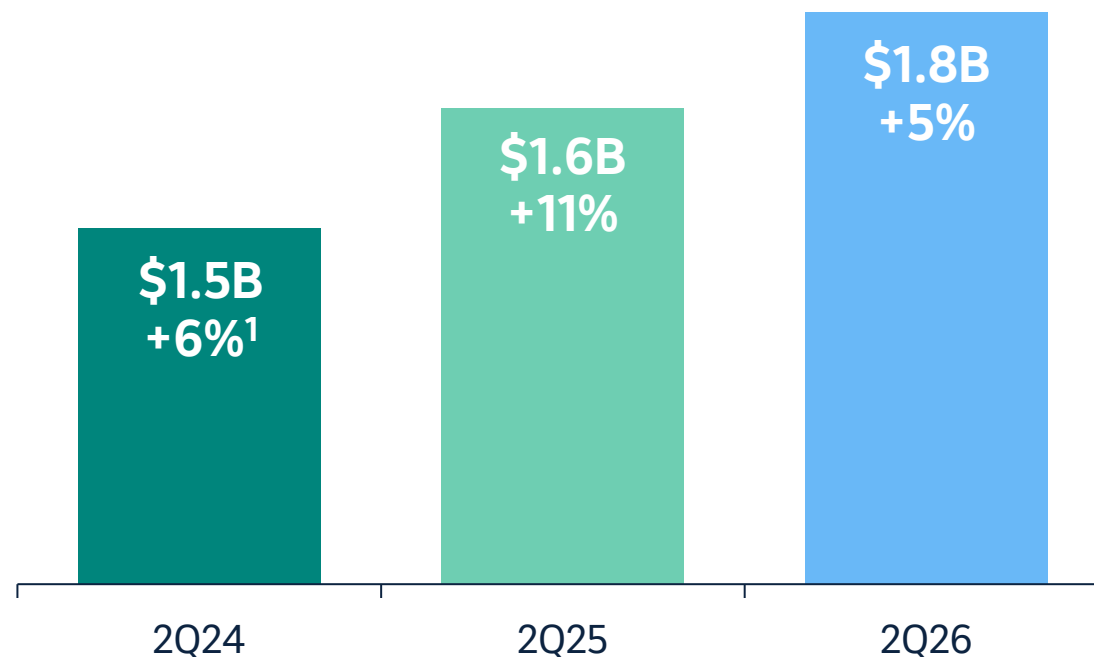
- Benefitted from specialty pharmacy purchase timing, which is expected to unwind in 3Q26



Animal Health: Solid growth driven by livestock and companion animal

Animal Health sales increased 5% to \$1.8B

- Livestock sales grew 6% driven by higher demand for ruminant and poultry products
- Companion Animal sales grew 5% driven by new product launches



Q2 2026 non-GAAP financial results summary¹

\$ in billions, except LPS / EPS amounts

	Q2 2026	Q2 2025	Change	Change Ex-FX
Sales	\$16.6	\$15.8	+5%	+4%
Non-GAAP Gross Margin	81.1%	82.2%	-1.1 pts	-1.5 pts
Non-GAAP Operating Expenses²	\$12.6	\$6.6	91%	90%
Non-GAAP Tax Rate	160.3%	15.0%	N/M	N/A
Non-GAAP (Loss) / Earnings Per Share^{3,4}	\$(0.13)	\$2.13	N/M	N/M

1. The company is providing certain 2026 and 2025 non-GAAP information that excludes certain items because of the nature of these items and the impact they have on the analysis of underlying business performance and trends. Management believes that providing this information enhances investors' understanding of the company's results because management uses non-GAAP results to assess performance. Management uses non-GAAP measures internally for planning and forecasting purposes and to measure the performance of the company along with other metrics. In addition, annual employee compensation, including senior management's compensation, is derived in part using a non-GAAP pretax income metric. This information should be considered in addition to, but not as a substitute for or superior to, information prepared in accordance with GAAP. For a description of the non-GAAP adjustments, see Table 2a attached to the earnings release. 2. Q2 2026 non-GAAP results include a charge of \$5.7 billion related to the acquisition of Terns Pharmaceuticals, Inc. (Terns). Q2 2025 non-GAAP results include \$200 million charge related to the closing of a license agreement with Jiangsu Hengrui Pharmaceutical Co., Ltd. (Hengrui Pharma). 3. Q2 2026 includes a charge of \$2.31 per share related to the acquisition of Terns. Q2 2025 includes a charge of \$0.07 per share related to the closing of a license agreement with Hengrui Pharma. 4. Q2 2026 GAAP LPS of \$(0.54).



Updated 2026 financial outlook

	Prior Guidance	Updated Guidance	Key Assumptions
Revenue	\$65.8B to \$67.0B	\$66.3B to \$67.3B	- Assumes ~1 percentage point positive impact from FX - Now implies +2% to +4% nominal (+1% to +3% ex-FX)
Non-GAAP Gross Margin Rate	~82.0%	~81.0%	Now includes higher inventory reserves
Non-GAAP Operating Expenses ¹	\$36.0B to \$36.8B	\$42.0B to \$42.7B	Now includes \$5.7B charge related to acquisition of Terns
Other (Income) / Expense	~\$1.3B of expense	~\$1.4B of expense	Incorporates financing costs related to acquisition of Terns
Tax Rate	~23.5% to 24.5%	~35.0% to 36.0%	Incorporates impact of non-tax deductible charge for Terns
Shares Outstanding	~2.48B	~2.48B	Assumes ~\$3B of share repurchases
Non-GAAP EPS ¹	\$5.04 to \$5.16	\$2.66 to \$2.76	- Incorporates ~\$2.31 impact related to upfront charge for acquisition of Terns - Now assumes ~\$0.15 positive impact from FX

1. Guidance does not assume additional significant potential business development transactions



Key modeling considerations

OHTUVAYRE

- Expect 3Q to be impacted by unwind of 2Q specialty pharmacy purchases
- Expect investments behind sales force and promotion to drive accelerated growth in 2027

U.S. KEYTRUDA

- Reaching peak penetration in several key indications
- Expect headwind from timing of wholesaler purchases in 3Q

U.S. BRIDION

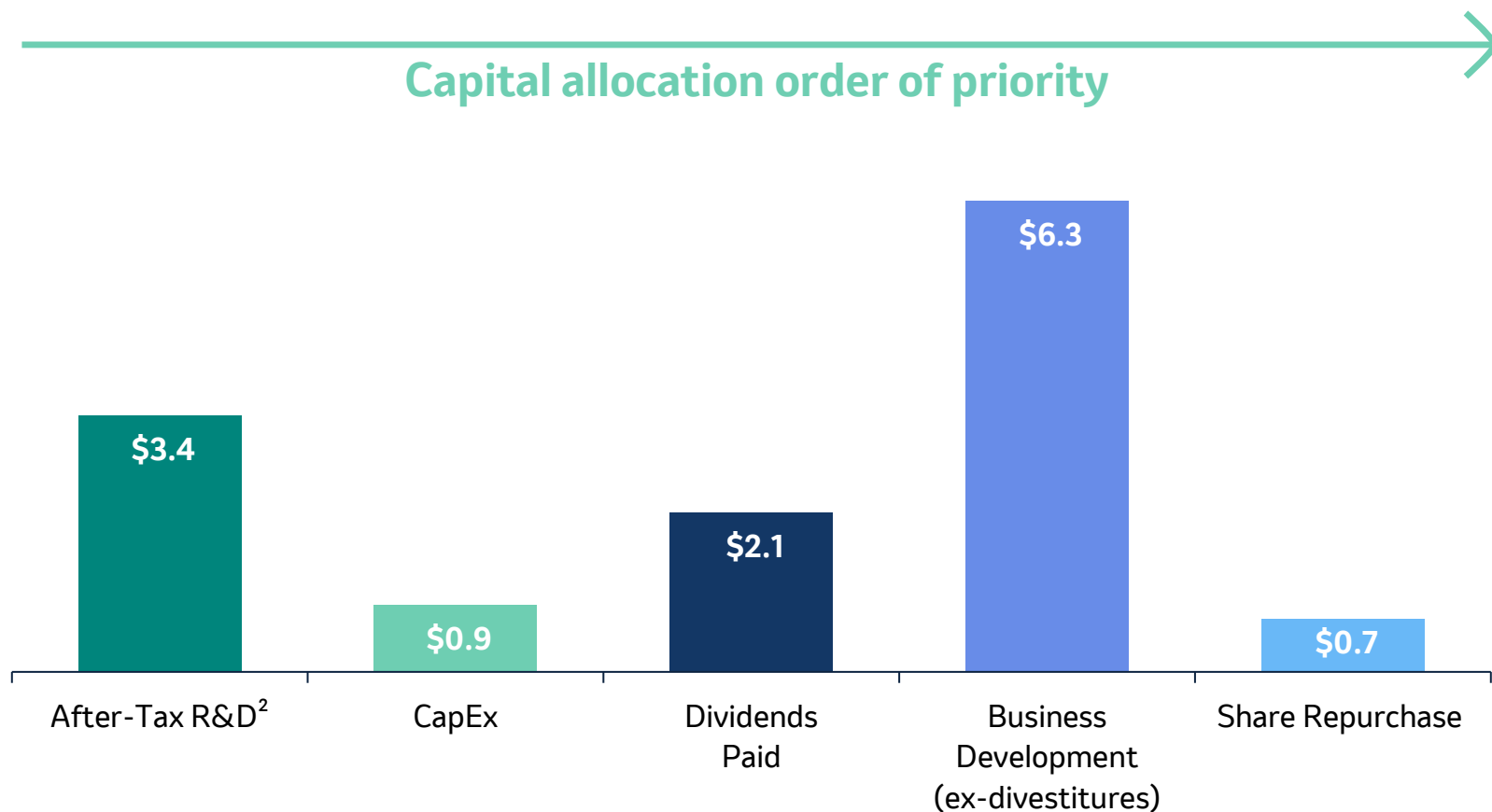
- Anticipate slower than previously expected sales decline due to lower generic competition

OTHER REVENUE

- Expect 2H26 to be significantly higher than 2H25 driven by revenue hedging program and expected milestone receipt in 4Q

Remain committed to balanced capital allocation strategy

Q2 Spend (\$ in billions)¹



Augmented our pipeline with value-enhancing **business development** while investing in our **pipeline** and **business** as well as returning **cash to shareholders**

1. Reflects quarter spend 2. Reflects R&D excluding Business Development



Research Update

Dr. Dean Y. Li
Executive Vice President and President,
Research Laboratories



LIPFENDRA the first and only approved oral PCSK9i

LIPFENDRA

- **First** FDA-approved **oral PCSK9 inhibitor** to reduce LDL-C in adults with hypercholesterolemia, along with diet and exercise
- ASCVD remains the **leading cause** of **morbidity** and **mortality** worldwide
 - Ongoing CORALreef Outcomes trial evaluating effect of LIPFENDRA on cardiovascular morbidity and mortality
- Currently under review by **EMA** and **China NMPA**
- Approval further validates **macrocyclic peptide platform**
- Evaluating potential **fixed-dose combinations** with **rosuvastatin** and **Lp(a)** (MK-7262)



Advancing innovative longer-acting oral treatment options for people living with HIV

Islatravir/lenacapavir¹

- Presented **positive results** from Phase 3 **ISLEND-1** and **ISLEND-2** studies demonstrating **ISL/LEN** was effective in adults with virologically suppressed HIV who switched from BIC/FTC/TAF or other oral SoC
- Data support potential for ISL/LEN to be **first once-weekly oral treatment option**

Islatravir/ulonivirine

- Presented positive Phase 2b results for **ISL+ULO** demonstrating maintenance of viral suppression in adults with virologically suppressed HIV who switched from BIC/FTC/TAF
- **Advancing to Phase 3** in new-to-treatment and treatment experienced populations of adults living with HIV

Important updates across infectious disease programs

MK-1406

- Phase 3 **ANCHOR study** completed enrollment in Southern Hemisphere
- Plan to enroll second Northern Hemisphere flu season to broaden geographic footprint and support **robust global registration strategy**
- Continue to anticipate potential **approval in 2029**

CAPVAXIVE

- **FDA approved expanded indication** for children and adolescents aged 2 through 17 years who are at increased risk for pneumococcal disease

Important progress in immunology clinical development program

Tulisokibart

- Announced **positive topline results** of induction-only study in moderately to severely active ulcerative colitis
- **First anti-TL1A** mAb to demonstrate **positive results** in a **Phase 3** trial

ATLAS-UC

Study 1

~720 patients

52-week induction and maintenance

Ongoing

Study 2

~300 patients

12-week induction-only

POSITIVE TOPLINE

PCD: Aug 2026

Broadest TL1A development program



Gastroenterology



Dermatology



Rheumatology

Continuing to advance cancer care with broad, differentiated portfolio and pipeline

Positive topline results

- **KEYNOTE-C93**: Announced study evaluating **KEYTRUDA** monotherapy met primary endpoint of **PFS** for certain patients with advanced or recurrent **endometrial cancer** with dMMR tumors versus platinum doublet chemotherapy
- **TroFuse-005**: Announced study evaluating **sac-TMT¹** met primary endpoints of **OS** and **PFS** in patients with advanced or recurrent **endometrial cancer** who have progressed after platinum-based chemotherapy and anti-PD-1/L1
 - **First TROP2 ADC** to **improve OS and PFS** compared to chemotherapy in certain patients with advanced or recurrent endometrial cancer
 - **First positive readout** from 17 **global Phase 3 TroFuse studies**

Recent approvals

- **KEYNOTE-905¹**: EC approved KEYTRUDA with enfortumab vedotin as neoadjuvant treatment and then continued after radical cystectomy as adjuvant treatment for resectable cis-ineligible MIBC
- **KEYNOTE-D19¹**: FDA approved KEYTRUDA and KEYTRUDA QLEX each with sacituzumab govitecan for 1L treatment of PD-L1 positive (CPS ≥ 10) unresectable locally advanced or metastatic TNBC
- **KEYNOTE-B15¹**: FDA approved KEYTRUDA and KEYTRUDA QLEX each with enfortumab vedotin-ejfv as neoadjuvant treatment and then continued after cystectomy as adjuvant treatment for the treatment of MIBC
- **LITESPARK-022**: FDA approved KEYTRUDA and KEYTRUDA QLEX each with WELIREG for adjuvant treatment of certain patients with clear cell RCC
 - **13** KEYTRUDA-based regimens now approved in **earlier stage cancer**

Significant late-stage pipeline milestones expected over next six months

Cardiometabolic & respiratory

WINREVAIR

- HYPERION PDUFA date September 21st

Immunology

Tulisokibart

- PCD in August for Phase 3 ATLAS trial in UC
- Presentation of detailed findings from Phase 2 study in HS

Ophthalmology

Remigromig (MK-3000)

- PCD in September for Phase 3 BRUNELLO trial in DME

Oncology

WELIREG

- LITESPARK-011 PDUFA date October 4th

I-DXd¹

- IDeate-Lung01 PDUFA date October 10th

Sac-TMT¹

- Presentation of detailed findings from Phase 3 TroFuse-005 trial

ESMO Investor Event

- Monday, October 26th at 6 p.m. CET / 1 p.m. ET



Q&A



Robert M. Davis
Chairman and Chief Executive Officer



Caroline Litchfield
Executive Vice President and Chief Financial Officer



Dr. Dean Y. Li
Executive Vice President and President, Research Laboratories



Peter Dannenbaum
Senior Vice President, Investor Relations



Appendix

Q2 2026 GAAP financial results summary

\$ in billions, except LPS / EPS amounts

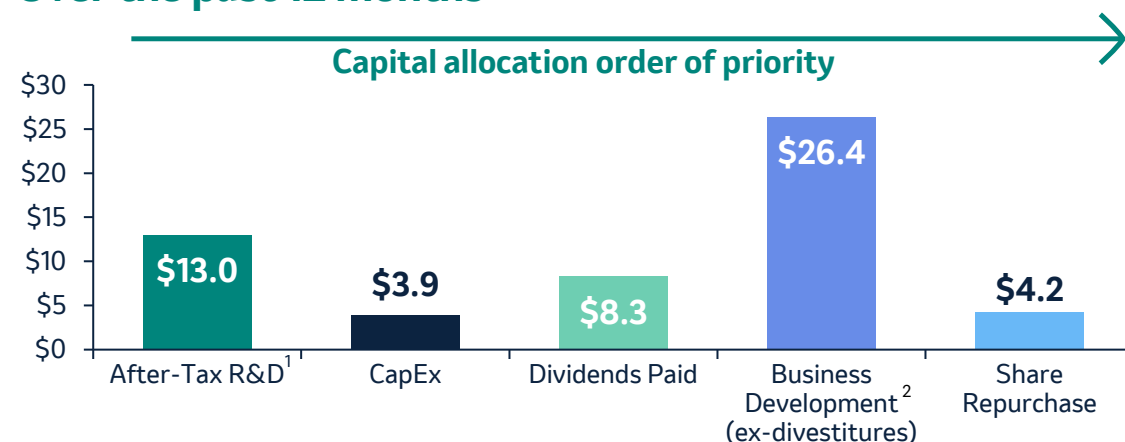
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Sales	\$16.6	\$15.8	+5%	+4%
Operating Expenses (SG&A and R&D)^{1,2}	\$12.6	\$6.7	89%	88%
Tax Rate	-95.9%	11.4%	N/M	N/A
GAAP (Loss) / Earnings per Share^{1,2}	\$(0.54)	\$1.76	N/M	N/M

1. Q2 2026 GAAP results include a charge of \$5.7 billion, or \$2.31 negative EPS impact, related to the acquisition of Terns 2. 2Q25 GAAP results include \$200 million charge, or \$0.07 negative EPS impact, related to the closing of a license agreement with Hengrui Pharma



Executing upon balanced capital allocation strategy

Over the past 12 months



Capital investments

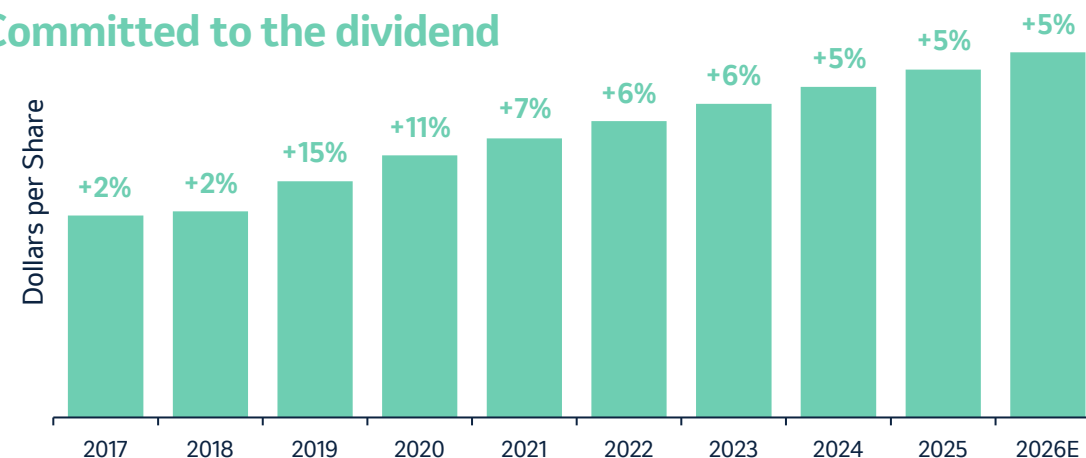
2026 to 2030

~\$19B

Over 5 years, including more than \$14B in the U.S.

Well-positioned balance sheet with capacity to fund **additional value-enhancing business development opportunities**

Committed to the dividend



Broad and innovative pipeline to address significant unmet medical needs

Phase 2		Phase 3		Under regulatory review
Oncology MK-1022 (patritumab deruxtecan) ¹ Biliary Bladder Cervical Endometrial Esophageal Gastric HCC Melanoma NSCLC Ovarian Pancreatic Prostate MK-1045 Hematological Malignancies MK-1084 (calderasib) ¹ Solid Tumors MK-2400 (ifinatamab deruxtecan) ¹ Biliary Bladder Breast Cervical Endometrial HCC HNSCC Melanoma NSCLC Ovarian Pancreatic Solid Tumors MK-2870 (sacituzumab tirumotecan) ¹ Biliary Esophageal Neoplasm Malignant Pancreatic		Oncology MK-1022 (patritumab deruxtecan) ¹ Breast MK-1026 (nemtabrutinib) Hematological Malignancies MK-1084 (calderasib) ¹ CRC NSCLC MK-2140 (zilovetamab vedotin) Hematological Malignancies MK-2400 (ifinatamab deruxtecan) ¹ Esophageal Prostate SCLC (EU) MK-2870 (sacituzumab tirumotecan) ¹ Bladder Breast Cervical Endometrial Gastric NSCLC Ovarian		Oncology MK-2400 (ifinatamab deruxtecan) ¹ Previously Treated Extensive-Stage SCLC (U.S.) KEYTRUDA (MK-3475) Cisplatin Eligible MIBC (EU, JPN) Cisplatin Ineligible MIBC (JPN) Newly Diagnosed High-Risk Endometrial (EU) Platinum-Resistant Recurrent Ovarian (JPN) WELIREG (MK-6482) Clear Cell RCC Following Nephrectomy (EU) ⁵ Previously Treated Advanced RCC (U.S., EU, JPN) ^{1,6} Cardiomatabolic & Respiratory LIPFENDRA (MK-0616) Primary Hypercholesterolemia or Mixed Dyslipidemia (EU) WINREVAIR (MK-7962) Pulmonary arterial hypertension (U.S.) Infectious Diseases IDVYNZO (MK-8591A) HIV-1 Infection (EU)
Cardiomatabolic & Respiratory MK-5475 (frespaciguat) PH-COPD MK-5884A (ensifentrine + glycopyrrolate) COPD MK-6024 (efinopegdutide) MASH MK-7262 Atherosclerosis WINREVAIR (MK-7962) Pulmonary Hypertension due to Left Heart Disease		Immunology KEYTRUDA (MK-3475) SCLC MK-3543 (bomedemstat) Myeloproliferative Disorders MK-5684 (opevesostat) Prostate MK-5909 (raludotatug deruxtecan) ¹ Ovarian LYNPARZA (MK-7339) ¹ NSCLC SCLC V940 (intismeran autogene) ¹ Melanoma NSCLC		Immunology MK-7240 (tulisokibart) Crohn's Disease Ulcerative Colitis Infectious Diseases MK-1406 Influenza LAGEVRIO (MK-4482) ^{1,3} COVID-19 (U.S.) MK-8527 (alimatavir) HIV-1 PrEP MK-8591D (islatravir + lenacapavir) ^{1,2} HIV-1 Infection Vaccines V181 Dengue Fever Virus
Neuroscience MK-2214 Alzheimer's Disease		Ophthalmology MK-3000 (remigromig) ⁴ Diabetic Macular Edema MK-8748 ⁴ Neovascular Age-Related Macular Degeneration		

As of August 4, 2026

1. Being developed in a collaboration 2. On FDA partial clinical hold for higher doses of islatravir than those used in current clinical trials 3. Available in the U.S. under Emergency Use Authorization, which will terminate effective June 29, 2027 4. Program is in Phase 2/3 studies 5. Under review for combination use with KEYTRUDA 6. Under review in Japan for Lenvima, used in combination with WELIREG



Acronyms

ADC = Antibody-drug conjugate

ASCO = American Society of Clinical Oncology

ASCVD = Atherosclerotic cardiovascular disease

B7-H3 = B7 homolog 3

BIC/FTC/TAF = bictegravir/emtricitabine/tenofovir alafenamide

BTKi = Bruton Tyrosine Kinase inhibitor

CDH6 = Cadherin-6

COPD = Chronic obstructive pulmonary disease

CPS = Combined positive score

CRC = Colorectal cancer

CYP11A1 = Cytochrome P450 Family 11 Subfamily A Member 1

DLL3 = Delta-like ligand 3

dMMR = Deficient DNA mismatch repair

DME = Diabetic macular edema

EC = European Commission

EMA = European Medicines Agency

ESMO = European Society for Medical Oncology

HCC = Hepatocellular carcinoma

HER3 = Human epidermal growth factor receptor 3

HIV-1 = Human Immunodeficiency Virus Type 1

HNSCC = Head and neck squamous cell carcinoma

I-DXd = Ifinatamab deruxtecan

INT = Individualized neoantigen therapy

ISL = islatravir

KRAS = Kirsten rat sarcoma viral oncogene homolog

LDL-C = Low-density lipoprotein cholesterol

LEN = lenacapavir

Lp(a) = Lipoprotein(a)

LSD1 = Lysine specific demethylase 1

mAb = Monoclonal antibody

MASH = Metabolic Dysfunction-Associated Steatohepatitis

MIBC = Muscle invasive bladder cancer

NSCLC = Non-small cell lung cancer

NMPA = National Medical Products Administration

NRTI = Nucleoside reverse transcriptase inhibitor

NNRTI = Non-nucleoside reverse transcriptase inhibitor

OS = Overall survival

PCD = Primary completion date

PCSK9 = Proprotein convertase subtilisin/Kexin type 9

PD-1/PD-L1 = Programmed cell death protein-1/Programmed cell death ligand-1

PDUFA = Prescription Drug User Fee Act

PFS = Progression free survival

RCC = Renal cell carcinoma

ROR1 = Receptor tyrosine kinase-like orphan receptor 1

SCLC = Small cell lung cancer

SoC = Standard of care

TIE2 = Tyrosine kinase with immunoglobulin-like and EGF-like domains 2

TKI = Tyrosine kinase inhibitor

TL1A = Tumor Necrosis Factor-like Ligand 1A

TNBC = Triple negative breast cancer

TROP2 = Trophoblast cell surface antigen-2

UC = Ulcerative colitis

ULO = ulonivirine

VEGF = Vascular endothelial growth factor

