2023 First Quarter Financial and Corporate Update

MAY 2, 2023

Forward-Looking Statements

Except for the historical information set forth herein, the matters set forth in this release contain predictions, estimates and other forward-looking statements, including any discussion of the following: Incyte's potential for continued performance and growth; Incyte's financial guidance for 2023, including its expectations regarding sales of Jakafi; expectations with respect to demand for and uptake of Opzelura; the potential for ruxolitinib cream to expand into other indications; expectations regarding the potential and progress of programs in our pipeline and the delivery of same; expectations regarding ongoing clinical trials and clinical trials to be initiated, including the LIMBER program, INCA33989 (mCALR) in MF and ET, a Phase 1 study evaluating ruxolitinib BID in combination with Cellenkos' CK0804 in MF, axatilimab in cGVHD (alone and in combination with ruxolitinib), Incyte's oral PD-L1 program, a phase 3 trial of ruxolitinib cream in pediatric AD, phase 2 and 3 trials of povorcitinib in multiple indications and a phase 1 trial of auremolimab in vitiligo; our and our collaborators' potential for receiving additional regulatory approvals within the next 1-2 years and the corresponding potential for launches of new products and/or indications; Incyte's plan to work with the FDA to determine next steps for ruxolitinib extended-release (XR) tablets for once-daily (QD) use; expectations regarding ongoing launches by us and our collaborators; and our expectations regarding 2023 newsflow items.

These forward-looking statements are based on Incyte's current expectations and subject to risks and uncertainties that may cause actual results to differ materially, including unanticipated developments in and risks related to: further research and development and the results of clinical trials possibly being unsuccessful or insufficient to meet applicable regulatory standards or warrant continued development; the ability to enroll sufficient numbers of subjects in clinical trials and the ability to enroll subjects in accordance with planned schedules; the effects of the COVID 19 pandemic and measures to address the pandemic on Incyte's clinical trials, supply chain and other third-party providers, sales and marketing efforts and business, development and discovery operations; determinations made by the FDA, EMA, and other regulatory agencies; Incyte's dependence on its relationships with and changes in the plans of its collaboration partners; the efficacy or safety of Incyte's products and the products of Incyte's collaboration partners; the acceptance of Incyte's products and the products of Incyte's collaboration partners in the marketplace; market competition; unexpected variations in the demand for Incyte's products and the products of Incyte's collaboration partners; the effects of announced or unexpected price regulation or limitations on reimbursement or coverage for Incyte's products and the products of Incyte's collaboration partners; sales, marketing, manufacturing and distribution requirements, including Incyte's and its collaboration partners' ability to successfully commercialize and build commercial infrastructure for newly approved products and any additional products that become approved; greater than expected expenses, including expenses relating to litigation or strategic activities; variations in foreign currency exchange rates; and other risks detailed in Incyte's reports filed with the Securities and Exchange Commission, including its annual report for the year ended December 31, 2022. Incyte disclaims any intent or obligation to update these forward-looking statements.

FIRST QUARTER REVIEW

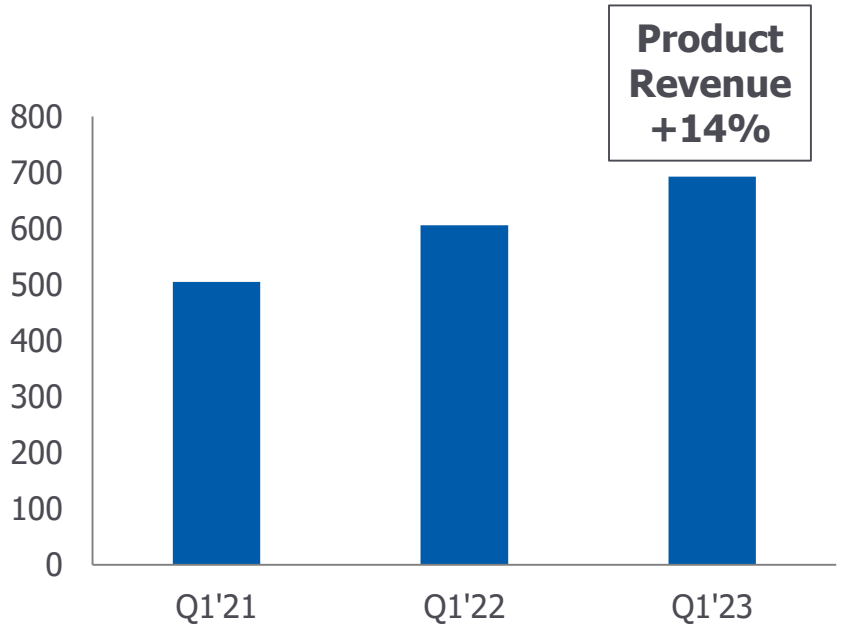
HERVÉ HOPPENOT – CEO

14% product revenues growth driven by Opzelura and new product launches

Jakafi® ruxolitinib (tablets) — **$580m** (+7% Y/Y)

Opzelura™ (ruxolitinib) cream 1.5% — **$57m** (+343% Y/Y)

Pemazyre® (pemigatinib) tablets — MINJUVI® tafasitamab — ICLUSIG® — **$57m** (+17% Y/Y)



New approvals

Opzelura™ (ruxolitinib) cream 1.5% — Vitiligo in Europe

ZYNYZ™ retifanlimab-dlwr Injection 500 mg[1] — MCC in US

MCC = Merkel cell carcinoma.
[1]Retifanlimab licensed from MacroGenics.

Key commercial updates for Jakafi and Opzelura

Jakafi® ruxolitinib (tablets)

Total patient growth (+7% Y/Y)

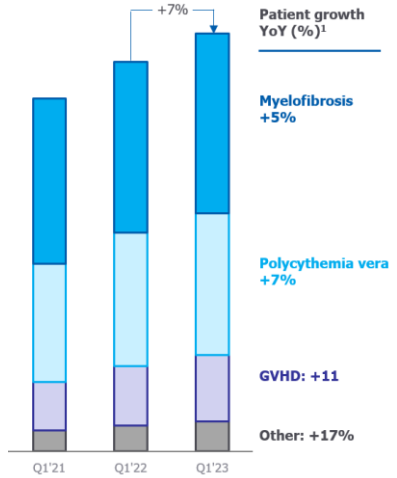
Higher GTN deductions

- Medicare coverage gap rebates and higher patient deductibles; increase in 340B purchases

Lower channel inventory

- $11 million impact versus Q1'22

Raising guidance range: $2.55B to $2.63B



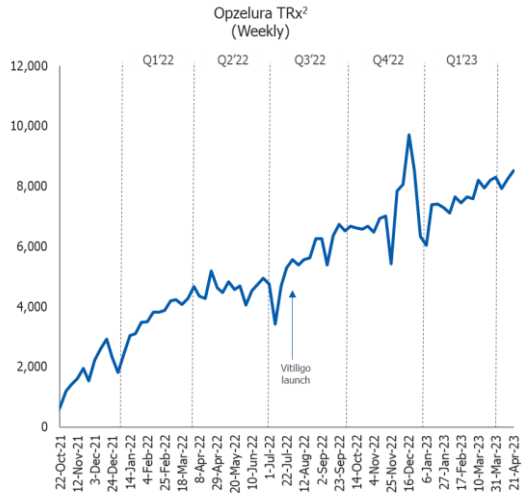
Opzelura™ (ruxolitinib) cream 1.5%

Volume

- Strong weekly growth trends of total prescriptions
  - ~60,000 new patients[1] in Q1
- Acceleration of refills at end of Q4 impacted Q1

Net price

- Higher GTN deductions in Q1 ← Increase in commercial co-pay due to reset of patient deductibles
- Customer mix with higher Medicaid utilization



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[1]Patient growth rates refer to total number of patients on therapy during Q1'23 vs Q1'22.
[2]TRx = Total prescriptions (Source: IQVIA NPA Market Dynamics 10/8/21- 04/21/23)

Focusing R&D resources on high potential programs

Focus on eight high potential first/best in class programs:

Opzelura	***5 indications under development***
Povorcitinib (JAK1)	***5 indications under development***
INCB99280 (oral PD-L1)	***PoC in solid tumors ongoing; combo studies initiating***
Zilurgisertib (ALK2)	***Combination with ruxolitinib***
INCB57643 (BET)	***Combination with ruxolitinib***
Axatilimab[1] (CSF-1R)	***Chronic GVHD; combo with ruxolitinib in 2023***
INCA33989 (mCALR)	***Entering clinical study in MF and ET***
Tafasitamab[2] (CD19)	***Two phase 3 ongoing in FL and DLBCL***

Early and other clinical programs

- **INCB123667** (CDK2)
- **INCA33890** (TGFβR2xPD1)
- **INCA32459** (LAG3xPD1)
- **Retifanlimab** (PD1 Ab)
- **Triplet LAG3 TIM3 PD1**
- **CK0804** (CB-Tregs)
- **Auremolimab** (IL-15Rβ)
- **Rux XR** (QD Ruxolitinib)

Program Discontinuations

- Parsaclisib in all indications (MF and wAIHA)
- Adenosine program (A2A/A2B, CD73)
- Anti-GITR agonist (INCAGN1876)
- AXL/MER (INCB81776)

[1]Development of axatilimab in collaboration with Syndax Pharmaceuticals.
[2]Development and U.S. commercialization of tafasitamab in collaboration with MorphoSys.

U.S. COMMERCIAL UPDATE

BARRY FLANNELLY – GENERAL MANAGER, NORTH AMERICA

Strong patient demand in all indications driving uptake of Jakafi®

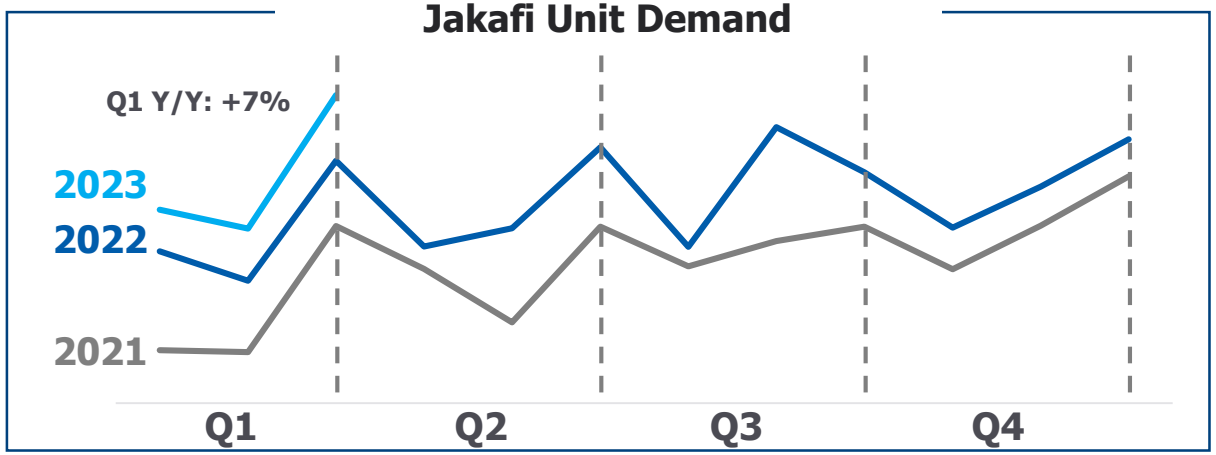
Jakafi® ruxolitinib (tablets)

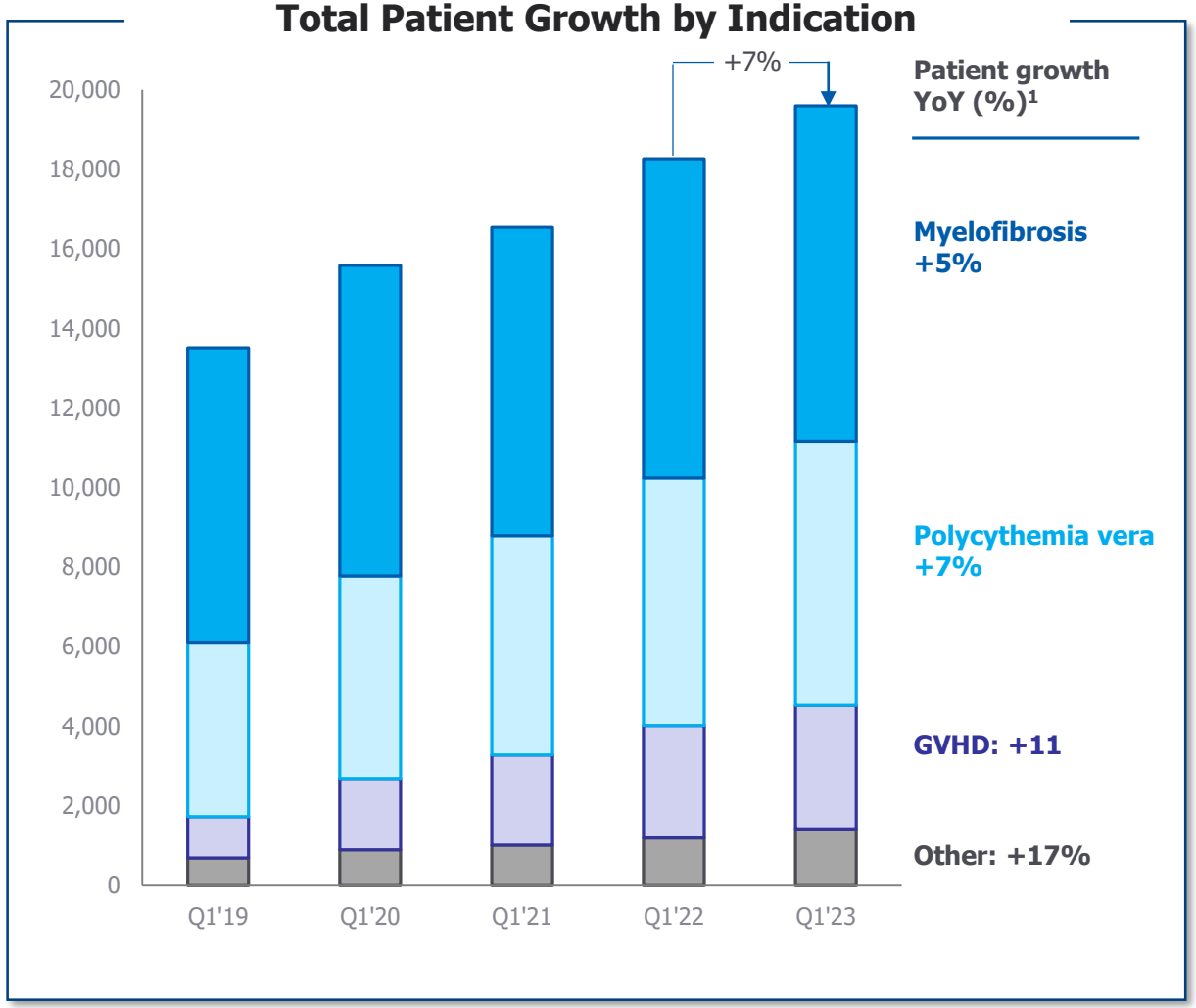
Q1'23 net sales $580m (+7% Y/Y)

Total patients grew across MF, PV and GVHD

- Patient demand increased 7% Y/Y
- New patient starts increased 8% Y/Y

Raising bottom-end of FY guidance to a new range of $2.55 billion to $2.63 billion





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Jakafi (ruxolitinib) is approved by the FDA for treatment of adults with intermediate or high-risk myelofibrosis, for treatment of adults with polycythemia vera who have had an inadequate response to or are intolerant of hydroxyurea and for the treatment of steroid-refractory acute GVHD and steroid-refractory chronic GVHD in adult and pediatric patients 12 years and older.

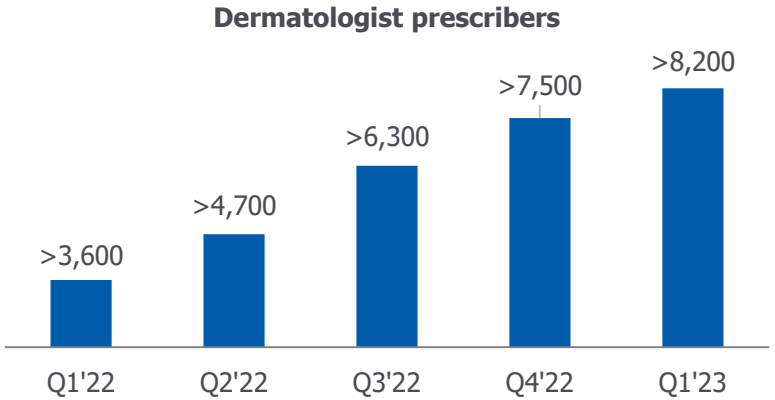
[1]Patient growth rates refer to total number of patients on therapy during Q1'23 vs Q1'22.

Positive momentum with Opzelura® launch continues through Q1

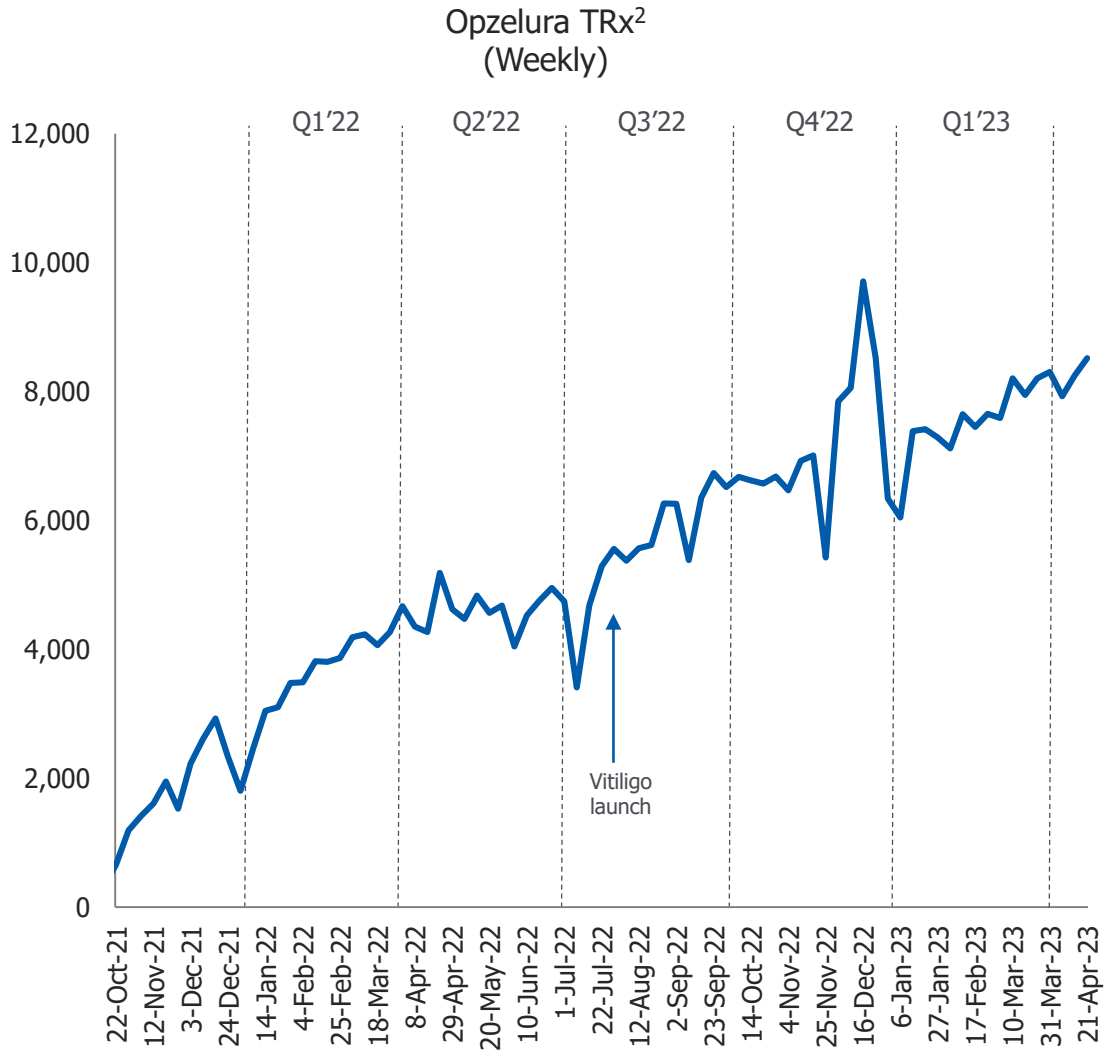
Opzelura™ (ruxolitinib) cream 1.5%

Q1'23 net sales $57m (+343% Y/Y)

- **Strong launch trends with weekly TRx growth**
  - ✓ ~60,000 new patients in Q1
- **>8,200 dermatologists have prescribed Opzelura**



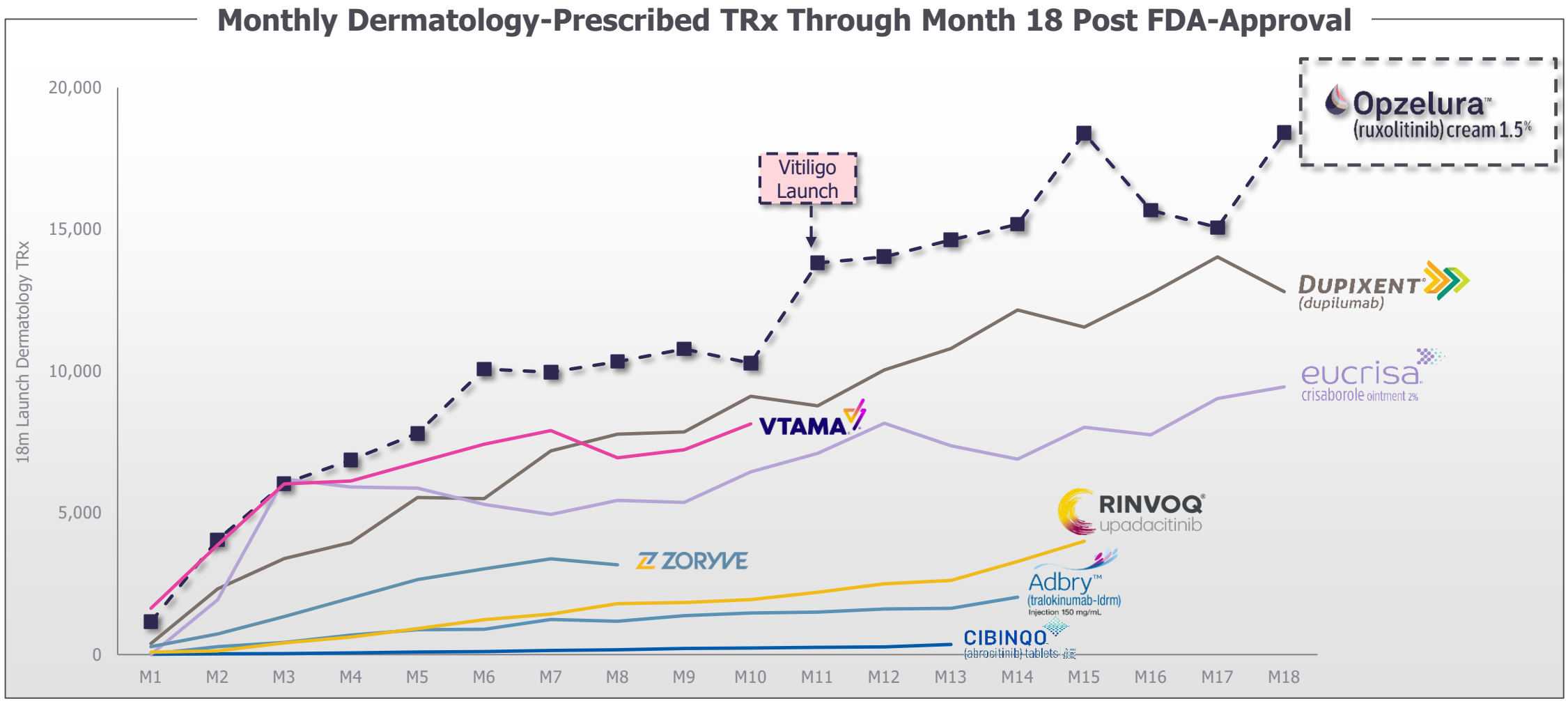
>97% of high-decile dermatologists have prescribed Opzelura



Incyte

TRx = Total prescriptions (Source: IQVIA NPA Market Dynamics 10/8/21- 04/21/23)

Opzelura launch has outperformed other brands prescribed by dermatologists



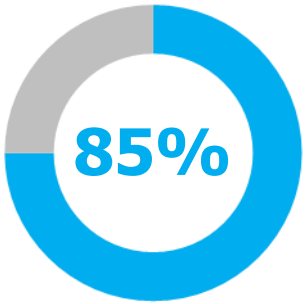
IVQIA New to Brand Monthly Audit from April 2017 to March 2023.

Successful vitiligo DTC campaign driving patient requests and usage

DTC Commercial Launch February 12, 2023

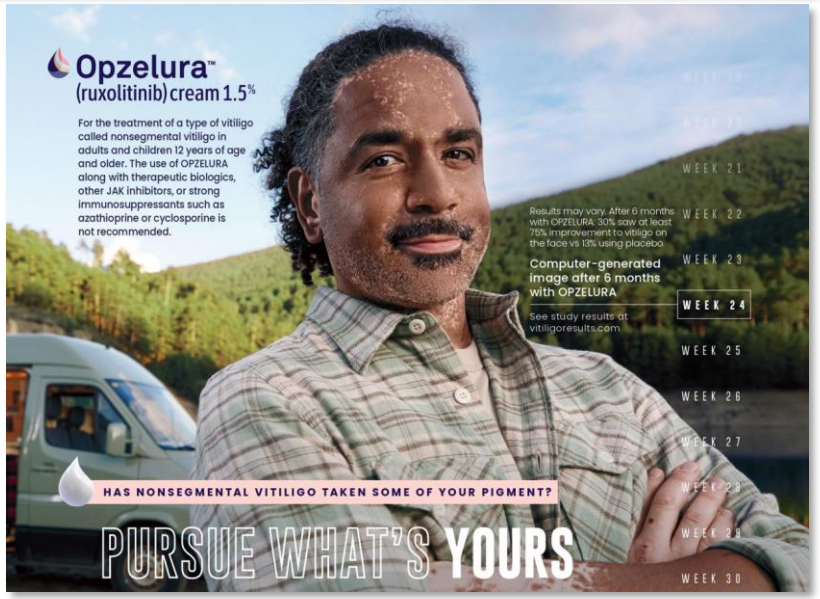
In a survey of ~100 dermatologists/NP/PAs:

1 out of 5 dermatologist's patients requested Opzelura[1]



of patient requests for Opzelura are filled[1]

Leading indicators point towards successful TV-DTC campaign in its first two weeks of launch



Results may vary. After 6 months with Opzelura: 30% saw at least 75% improvement to vitiligo on the face vs 13% using placebo. Computer-generated images.

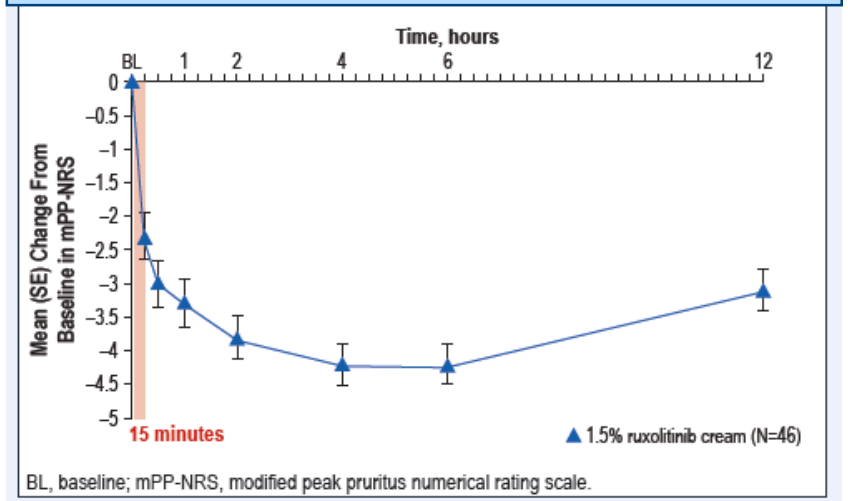
[1]Source: Source: Wave 2 ATU fielded February 3 – March 2

Driving new patient growth and patient adherence

Efficacy and itch reduction driving new patient growth

- ✓ Only topical therapy for AD with itch reduction in the label
- ✓ New data presented at RAD Conference 2023

Figure 1. Mean (SE) Change from Baseline in mPP-NRS Score[1]



BL, baseline; mPP-NRS, modified peak pruritus numerical rating scale.

Multiple initiatives ongoing to drive adherence

- ✓ Atopic dermatitis and vitiligo patient relationship and support programs to help patients start and stay on therapy
- ✓ Partnering with pharmacies to support patient adherence

Opzelura™
YOURS TRULY
SUPPORT PROGRAM

RAD = Revolutionizing Atopic Dermatitis
[1]Adapted from Bissonnette, R, MD, et al RAD 2023

Minjuvi and Pemazyre expanding into key markets in Europe

MONJUVI® tafasitamab-cxix | 200mg for injection, for intravenous use

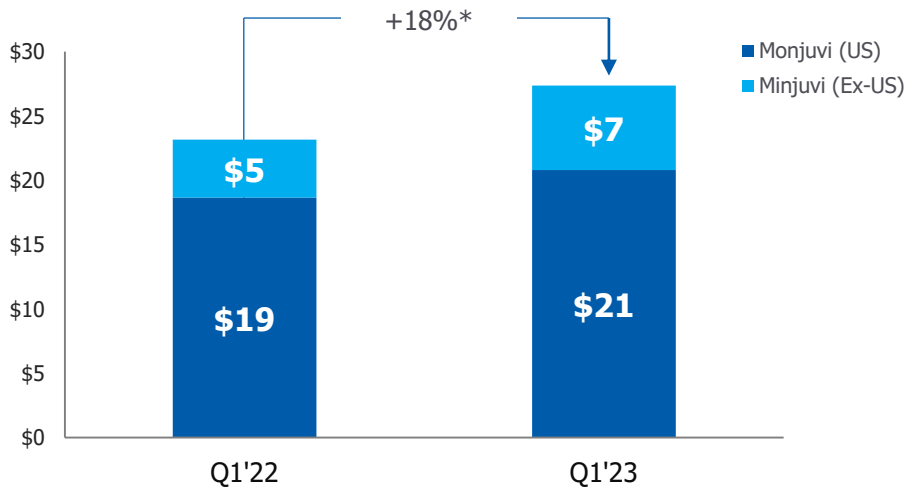
Q1'23 net sales $21m[1] (+11% Y/Y)

MINJUVI® tafasitamab

Q1'23 net sales $7m (+46% Y/Y)

- Monjuvi sales up 11% Y/Y; continued growth in Community accounts (75% of total volume)
- Minjuvi now reimbursed in six launch markets

Monjuvi[1]/Minjuvi net product revenues ($m)

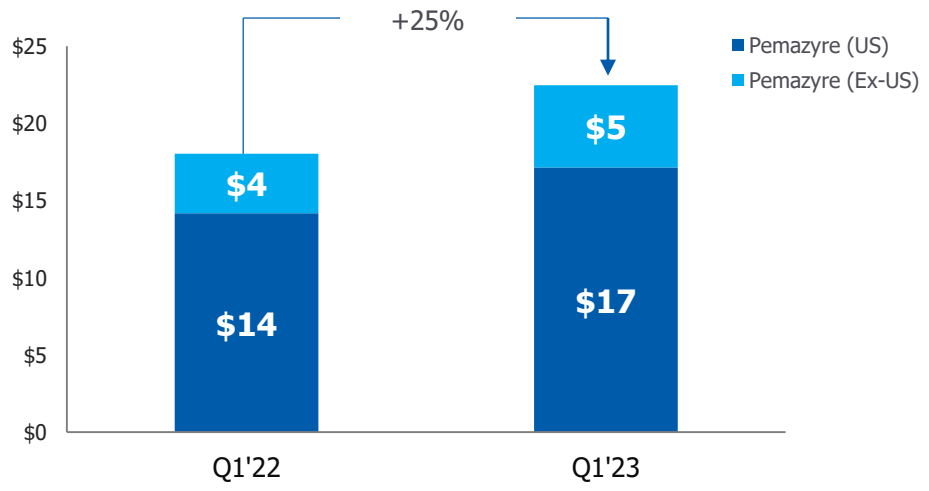


Pemazyre® (pemigatinib) tablets

Q1'23 net sales $22m (+25% Y/Y)

- Treatment of choice in CCA and MLN for eligible patients in the U.S.
- Pemazyre launch is ongoing in 10 key markets in Europe

Pemazyre net product revenues ($m)



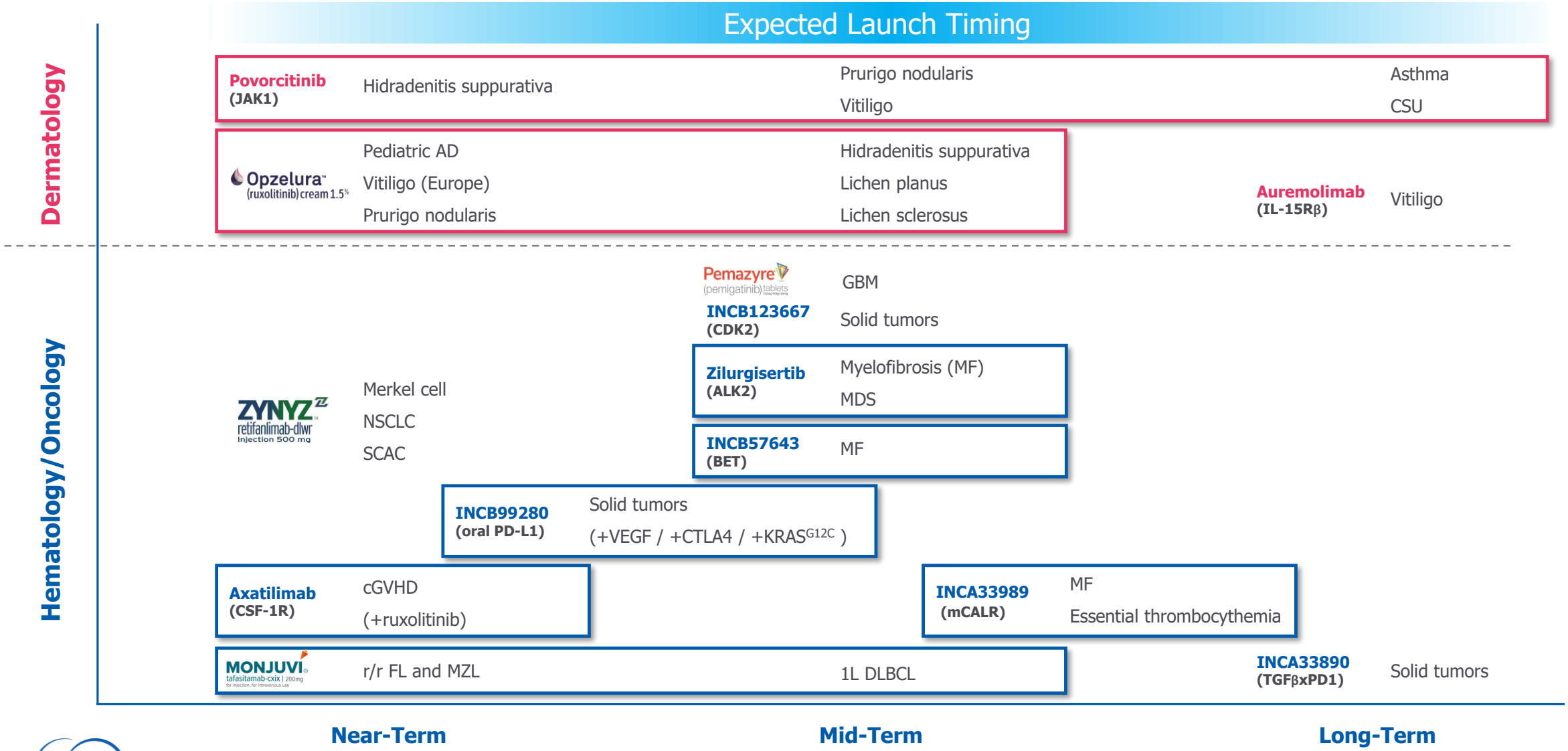
Development and U.S. commercialization of tafasitamab in collaboration with MorphoSys. Monjuvi (tafasitamab-cxix) is a CD19-directed cytolytic antibody indicated in combination with lenalidomide for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma (DLBCL) not otherwise specified, including DLBCL arising from low grade lymphoma, and who are not eligible for autologous stem cell transplant (ASCT). MLN = myeloid/lymphoid neoplasms. NTE = non transplant eligible.

[1]Monjuvi revenues recognized by MorphoSys and included in our collaboration (profit) loss sharing line item on our condensed consolidated statement of operations

CLINICAL DEVELOPMENT

STEVEN STEIN – CHIEF MEDICAL OFFICER

Focused efforts on 8 high potential programs



CSU = chronic spontaneous urticarial; MF = myelofibrosis; FL = follicular lymphoma; MZL = marginal zone lymphoma; DLBCL = diffuse large B-cell lymphoma; GBM = glioblastoma multiforme; cGVHD = chronic graft-versus-host disease

Dermatology: Extensive pipeline with several near-term opportunities

Opzelura

- ✓ Opzelura approved for **vitiligo in Europe** ***NEW***
- ✓ Phase 3 LTE **relapse and maintenance vitiligo** oral presentation at AAD 2023
- ✓ Phase 3 **pediatric atopic dermatitis** study completed enrollment ***data in H2'23***
- ✓ Two Phase 3 studies in **prurigo nodularis** initiated ***NEW***
- ✓ Phase 2 **hidradenitis suppurativa** study enrolling well

Povorcitinib

- ✓ Phase 2 oral presentation of 36-week data in non-segmental **vitiligo** in patients with ≥8% BSA at AAD ***NEW***
- ✓ Phase 2 oral presentation of 52-week data in moderate/severe **hidradenitis suppurativa** at EHSF
- ✓ Phase 2 **prurigo nodularis** study completed enrollment ***data in H2'23***
- ✓ Phase 2 **asthma** study being planned ***NEW***
- ✓ Phase 2 **chronic spontaneous urticaria** study being planned ***NEW***

Incyte

Opzelura approved in Europe as first and only therapy for repigmentation

Product Characteristics and Safety

4.1 Therapeutic indications

Opzelura is indicated for the treatment of non-segmental vitiligo with facial involvement in adults and adolescents from 12 years of age.

4.8 Undesirable effects

Summary of the safety profile

The most common adverse reaction is application site acne (5.8%).

Tabulated list of adverse reactions

Adverse reactions are ranked under headings of frequency, with the most frequent first, using the following convention: very common (≥ 1/10); common (≥ 1/100 to < 1/10); uncommon (≥ 1/1,000 to < 1/100); rare (≥ 1/10,000 to < 1/1,000); very rare (< 1/10,000); not known (cannot be estimated from the available data).

Table 1: Adverse reactions

System Organ Class	Frequency	Adverse Reaction
General disorders and administration site conditions	Common	Application site acne

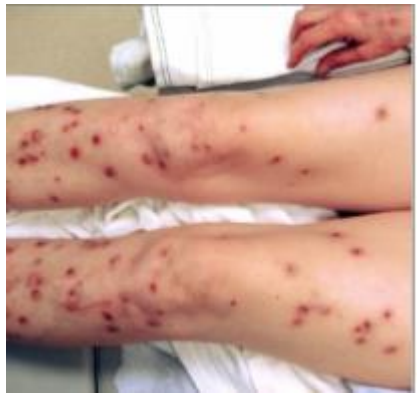
~1.5m+ diagnosed vitiligo patients in Europe

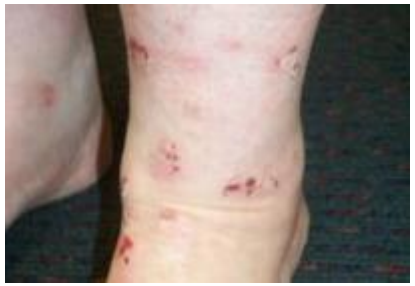
Dosing Guidelines	✓ **Adults and adolescents from 12 years of age** ✓ **Satisfactory repigmentation may require >24 wks Tx**
High Bar of Clinical Efficacy	**TRuE-V pivotal program** ✓ **24-week primary and key secondary endpoints** ✓ **52-week results, including F-VASI75/90, in label**
Safety Profile	✓ **No Black Triangle** ✓ **No special warnings or precautions as seen with oral JAK inhibitors** ✓ **Application site acne (5.8%) is the only listed adverse reaction**

Opzelura in two Phase 3 trials for prurigo nodularis; no topical Tx approved

Prurigo Nodularis

- Chronic, inflammatory skin disease that causes hard, itchy nodules
- Pruritus can be intense, and scratching can cause more lesions
- No oral or topical therapy approved

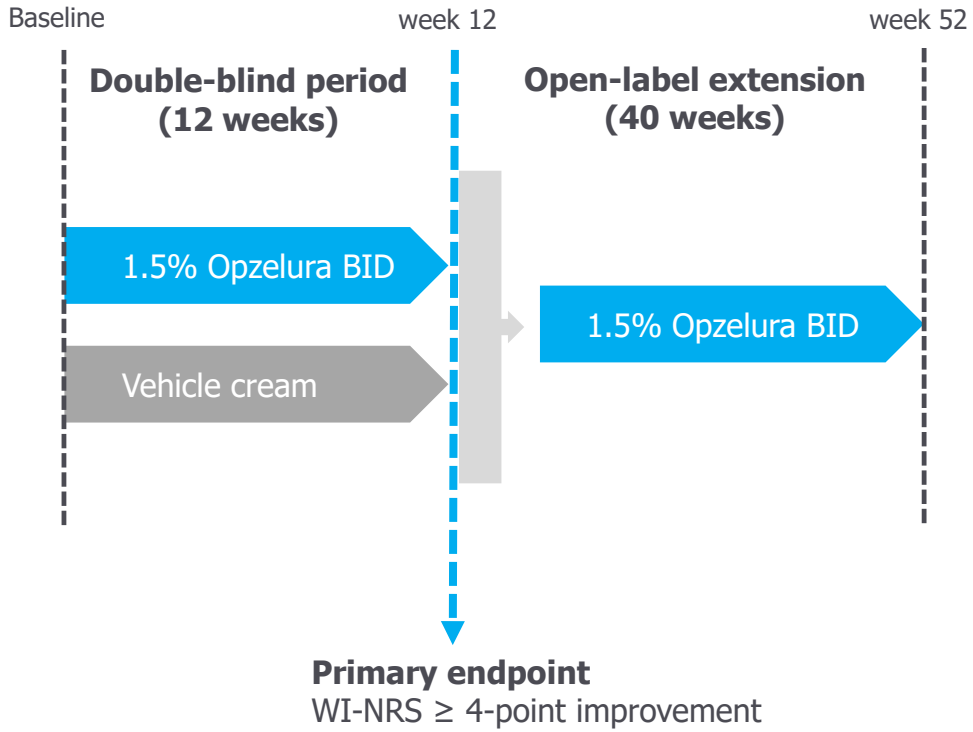




Baseline

- N=200
- ≥6 pruriginous lesions
- <20% BSA
- IGA-CPG-S score ≥ 2
- Baseline PN-related WI-NRS[1] ≥ 7

TRuE-PN1 / PN2



[1]WI-NRS = Worst-Itch Numeric Rating Scale

Opzelura has potential to provide value as first approved therapy or first topical therapy in multiple dermatologic conditions

Pipeline Indication	U.S. Approval Phase			U.S. Indication Prevalence	Current Unmet Need	U.S. Opzelura Position
	Clinical Proof of Concept	Pivotal	Approved			
AD (≥12 yrs)				5.5M drug-treated	MED	First Topical JAKi
Vitiligo				1.5M+ diagnosed	HIGH	First FDA-approved Tx
Pediatric AD (2-11 yrs)				2-3M[1]	MED	First Topical JAKi
Prurigo Nodularis				>200K[2]	HIGH	First Topical
Mild/Mod Hidradenitis Suppurativa				<150K[3]	HIGH	First Topical
Lichen Planus				>500K[4]	HIGH	First FDA-approved Tx
Lichen Sclerosus				<300K[5]	HIGH	First FDA-approved Tx

1. DRG; Silverberg JI. Dermatol Clin. 2017;35(3):283-289
2. Ständer S, Augustin M, Berger T, Elmariah S, Korman NJ, Weisshaar E, Yosipovitch G. Prevalence of prurigo nodularis in the United States of America: A retrospective database analysis. JAAD Int. 2020 Dec 1;2:28-30
3. Garg A, et al. Sex- and Age-Adjusted Population Analysis of Prevalence Estimates for Hidradenitis Suppurativa in the United States. JAMA Dermatol. 2017 Aug 1;153(8):760-764.
4. Li C, et al. Global Prevalence and Incidence Estimates of Oral Lichen Planus: A Systematic Review and Meta-analysis. JAMA Dermatol. 2020 Feb 1;156(2):172-181.
5. Melnick L, et al. Lichen sclerosus among women in the United States. Int J of Women's Derm. 2020;6(4):260-262

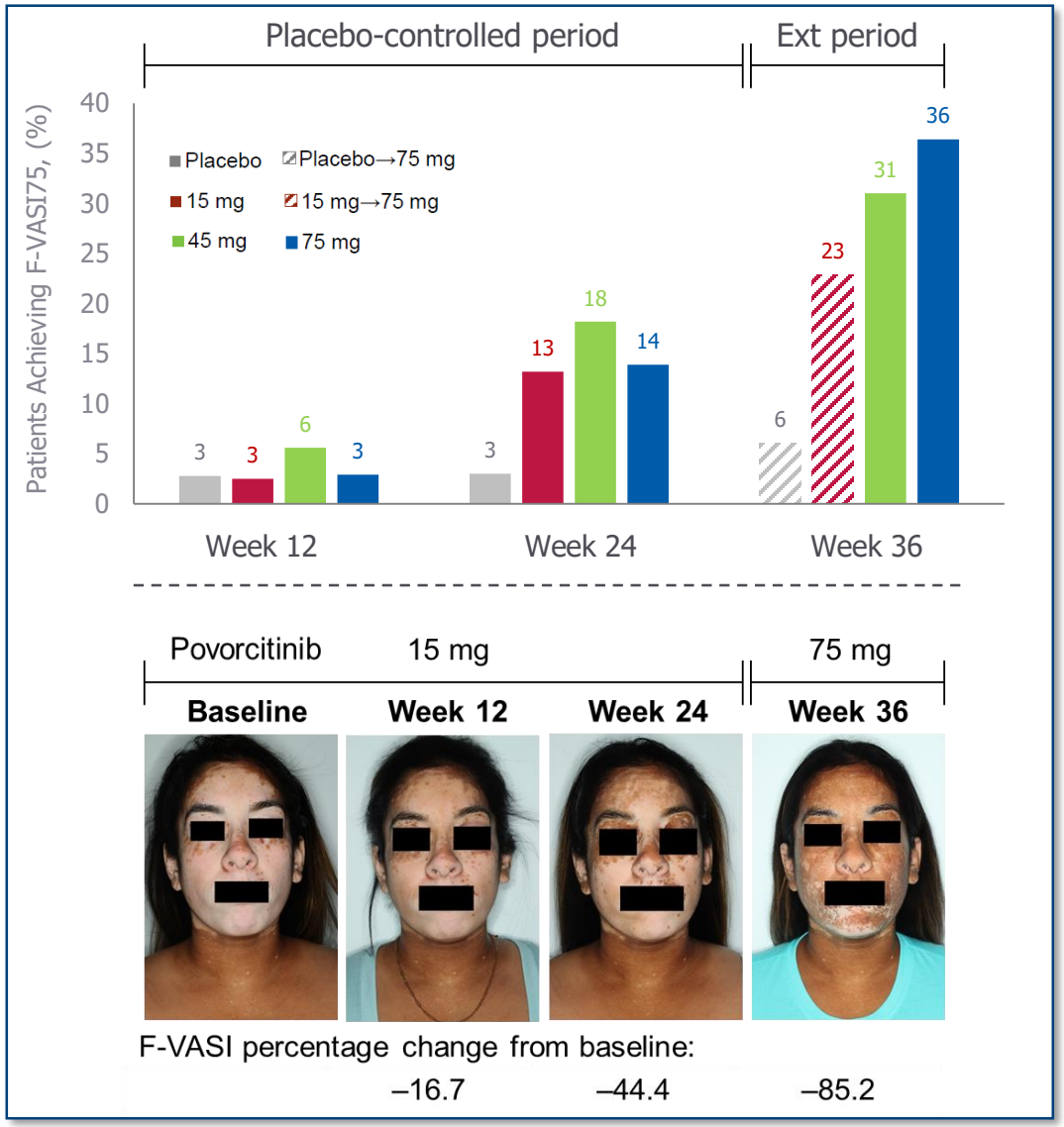
Povorcitinib moving into Phase 3 for vitiligo based on positive Phase 2 results

Phase 2 trial (n=171) evaluating povorcitinib in extensive nonsegmental vitiligo:

- Substantial repigmentation after 24 weeks of Tx
- Continued improvement seen through 36 weeks of Tx
- All doses generally well tolerated with favorable safety profile

Next Steps

- Phase 3 program in preparation



[1]Adapted from Pandya, A. et al. Efficacy and safety of povorcitinib for extensive vitiligo: results from a double-blind, placebo-controlled, dose-ranging phase 2b study. AAD 2023.

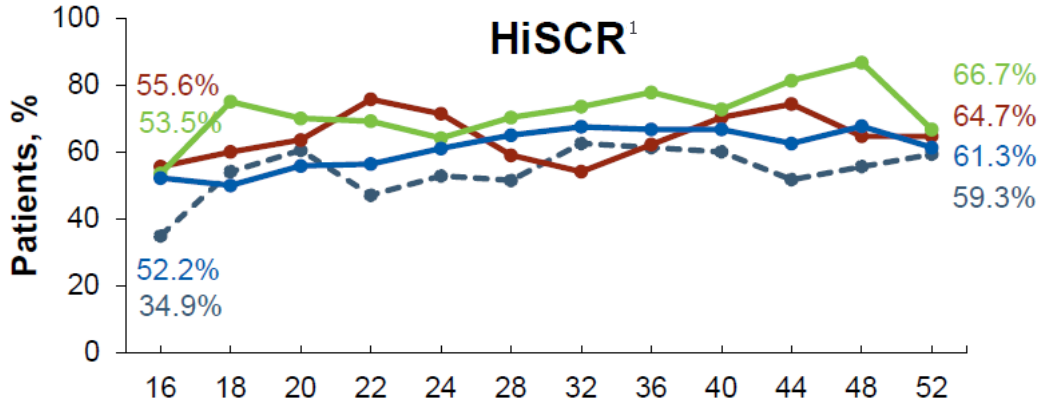
Povorcitinib treatment results in high levels of HiSCR response in HS patients

Phase 2 trial (n=209) evaluating povorcitinib in hidradenitis suppurativa (HS):

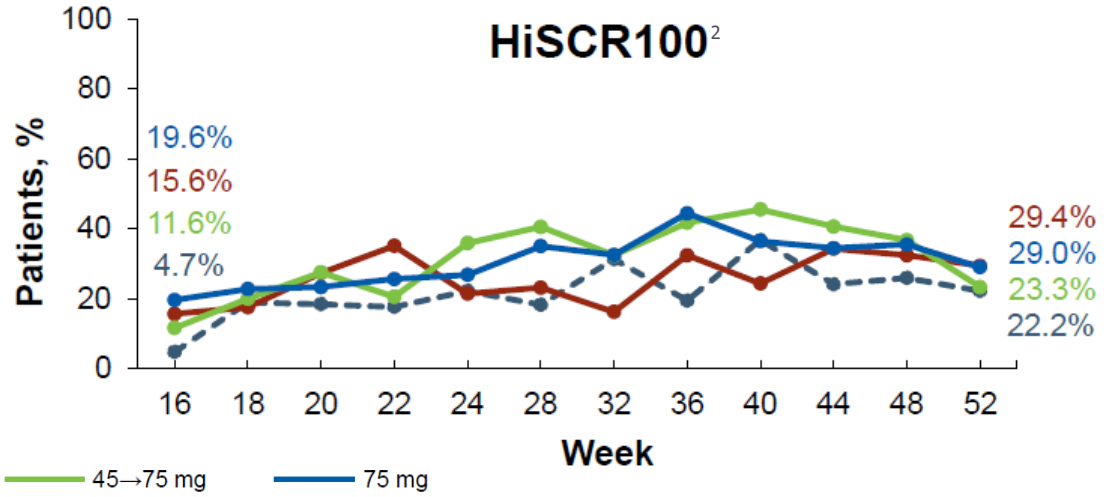
- 52-56% of povorcitinib treated patients achieved HiSCR50 at Week 16 vs 35% on PBO
  - ➢ Efficacy continued to improve for all treatment arms following switch to povorcitinib 75mg at Week 16 (OLE)
- 22-29% of povorcitinib treated patients achieved HiSCR100 at Week 52

Two Phase 3 trials (STOP-HS1 and STOP-HS2)

52% to 56% of patients achieved HiSCR50 at Week 16
59% to 67% of patients achieved HiSCR50 at Week 52



22% to 29% of patients achieved HiSCR100



Placebo→75 mg | 15→75 mg | 45→75 mg | 75 mg

[1]HiSCR50 = Defined as 50% reduction from baseline in AN count with no increase in the number of abscesses or draining tunnels.
[2]HiSCR100 = Defined as 100% reduction from baseline in AN count with no increase in the number of abscesses or draining tunnels.
Data adapted from Kirby, J, MD, MS, Med, et al. EHSF 2023.

Povorcitinib portfolio expanding into asthma and chronic spontaneous urticaria

Pipeline Indication	U.S. Approval Phase			U.S. Indication Prevalence	Current Unmet Need	U.S. Povorcitinib Position
	Clinical Proof of Concept	Pivotal	Approved			
Mod/Sev Hidradenitis Suppurativa	▬▬▬▬▬▶			>300K[1]	HIGH	First Oral
Vitiligo	┅┅┅┅┅▷			1.5M+ diagnosed	HIGH	Oral Tx
Prurigo nodularis	▬▬▶			>200K[2]	HIGH	First JAKi
Mod/Sev Asthma	┅┅┅▷			>750K[3] mod/sev	HIGH	First JAKi
Chronic spontaneous urticaria	┅┅┅▷			>300K[4] inadequately controlled on antihistamines	HIGH	First JAKi

┅┅┅▷ In planning

1. Calao M, Wilson JL, Spelman L, Billot L, Rubel D, Watts AD, Jemec GBE. Hidradenitis Suppurativa (HS) prevalence, demographics and management pathways in Australia: A population-based cross-sectional study. PLoS One. 2018 Jul 24;13(7)
2. Ständer S, Augustin M, Berger T, Elmariah S, Korman NJ, Weisshaar E, Yosipovitch G. Prevalence of prurigo nodularis in the United States of America: A retrospective database analysis. JAAD Int. 2020 Dec 1;2:28-30
3. Rönnebjerg L, Axelsson M, Kankaanranta H, Backman H, Rådinger M, Lundbäck B, Ekerljung L. Severe Asthma in a General Population Study: Prevalence and Clinical Characteristics. J Asthma Allergy. 2021 Sep 16;14:1105-1115
4. Maurer M. et al.The burden of chronic spontaneous urticaria is substantial: real-world evidence from ASSURE-CSU.Allergy. 2017; 72: 2005-2016

Hematology/Oncology: Multiple high potential programs with data in 2023

High potential programs

- ✓ **Zilurgisertib (ALK2)** dose escalation to 400mg + ruxolitinib; hemoglobin responses achieved ***data in H2'23***
- ✓ **INCB57643 (BET)** dose escalation to 6mg + ruxolitinib; signs of clinical activity ***data in H2'23***
- ✓ **INCA33989 (mCALR)** is on track for initiating clinical study in 2023
- ✓ AGAVE-201 evaluating **axatilimab** in cGVHD is fully enrolled ***data mid-2023***
- ✓ **Oral PD-L1 combination** studies with adagrasib ($KRAS^{G12C}$), ipilimumab (CTLA-4) and axitinib (VEGF) are in preparation
- ✓ Two phase 3 trials evaluating **tafasitamab** in r/r FL/MZL and 1L DLBCL are ongoing

Early stage programs / Other

- ✓ **INCB123667 (CDK2)** preclinical breast cancer data presented at AACR, dose escalation is ongoing in Phase 1 study ***NEW***
- ✓ **INCA33890 (TGFβR2 x PD1)** preclinical data presented at AACR; Phase 1 study to initiate in 2023 ***NEW***
- ✓ **Zynyz (retifanlimab)** approved in Merkel cell carcinoma (MCC); Phase 3 in SCAC and NSCLC enrolling well ***NEW***

Incyte

Development of axatilimab in collaboration with Syndax Pharmaceuticals. Retifanlimab licensed from MacroGenics. Development of INCA33890 in collaboration with Merus.

ALK2 and BET combination studies enrolling well; mCALR to enter clinic in '23

Zilurgisertib (ALK2) in MF

Dose escalation ongoing

- 400mg QD in combination w/rux
- Newly diagnosed patient arm being added

Early signals of clinical activity

- Hepcidin suppression, hemoglobin (Hgb) responses

Safety profile

- No DLTs

INCB57643 (BET) in MF

Dose escalation ongoing

- 6mg QD in combination w/rux

Early signals of clinical activity

- Reductions in spleen length, SVR35, symptoms and Hgb improvement

Safety profile

- Tolerable at current dose levels

Other

INCA33989 (mCALR) in MF/ET

- Entering clinic in 2023

CK0804[1] in MF

- Enrollment ongoing; no DLTs

Axatilimab in cGVHD

- AGAVE-201 enrollment completed; results mid-2023
- Combination trial with ruxolitinib initiating in 2023

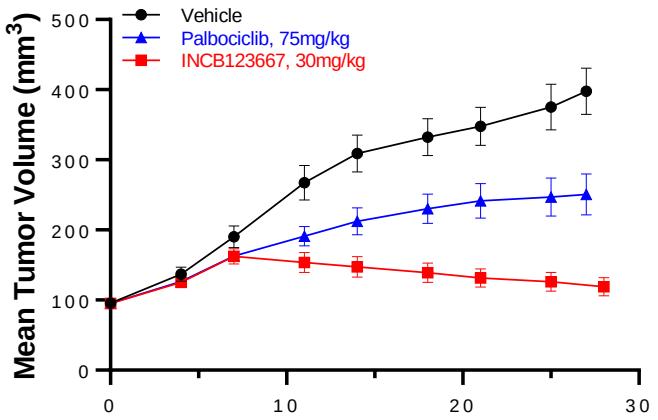
Ruxolitinib XR (QD)

- CRL received

[1]Development of CK0804 plus ruxolitinib in collaboration with Cellenkos. Development of axatilimab in collaboration with Syndax Pharmaceuticals.

CDK2 and TGFβR2 x PD1: Highlights from AACR

INCB123667 (CDK2)
Potential in tumors sensitive to CDK2 inhibition

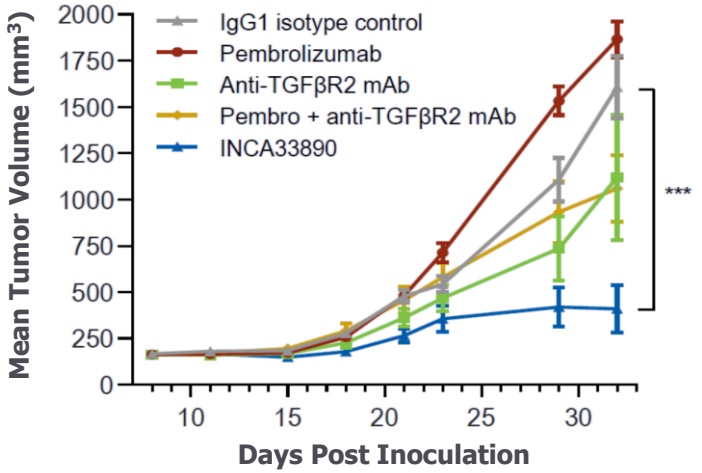


HCC1569 tumor xenograft

INCB123667 inhibits tumor growth in CCNE-high, HER2+ve tumors

- **INCB123667** is selective for CDK2 and avoids off-target activity on other CDKs
- Phase 1 study in patients with advanced malignancies ongoing

INCB33890 (TGFβR2 x PD1)
Potent antitumor efficacy in PD-1 resistant mouse models



A375 (melanoma) huCD34+ NSG Xenograft Model

Dual PD-1/TGFβR2 blockade achieves greater efficacy than the individual benchmark antibodies

- **INCB33890** is a bispecific antibody engineered to avoid historically observed toxicity of broad TGFβ pathway blockade
- Clinical development in checkpoint inhibitor–resistant and other cancers has been initiated

[1]Development of INCB33890 in collaboration with Merus.

Important updates expected in 2023

			1H 2023	2H 2023
MPNs/GVHD	**Ruxolitinib XR (QD)**	*MF, PV, GVHD*	**PDUFA (March 23)**	
	Axatilimab[1]	*cGVHD*	Pivotal data mid-23 (AGAVE-201)	
	Parsaclisib + ruxolitinib	*myelofibrosis*		Pivotal data (suboptimal responders)
	ALK2 + ruxolitinib	*myelofibrosis*		Combination data
	BET + ruxolitinib	*myelofibrosis*		Combination data
Other Hematology / Oncology	**Oral PD-L1**	*solid tumors*		Phase 2 data updates
	Oral PD-L1 combination	*solid tumors*	Initiation of combination program (KRAS, CTLA4, VEGF)	
Dermatology	**Ruxolitinib cream**	*vitiligo*	**EC approval (EU)** ✓	
	Ruxolitinib cream	*vitiligo*	Maintenance study data ✓	
	Ruxolitinib cream	*pediatric AD*		Phase 3 data
	Povorcitinib	*vitiligo*	Phase 2 data ✓	
	Povorcitinib	*prurigo nodularis*		Phase 2 data

[1]Development of axatilimab in collaboration with Syndax Pharmaceuticals.

FINANCIAL RESULTS

CHRISTIANA STAMOULIS – CFO

Non-GAAP adjustments

- Management has chosen to present financial highlights for the quarter ended March 31, 2023 and 2022 on both a GAAP and Non-GAAP basis in the belief that this Non-GAAP information is useful for investors.
- Management uses such information internally and externally for establishing budgets, operating goals and financial planning purposes. These metrics are also used to manage the Company's business and monitor performance. The Company adjusts, where appropriate, for expenses in order to reflect the Company's core operations.
- The Company believes these adjustments are useful to investors by providing an enhanced understanding of the financial performance of the Company's core operations. The metrics have been adopted to align the Company with disclosures provided by industry peers.
- As changes in exchange rates are an important factor in understanding period-to-period comparisons, Management believes the presentation of certain revenue results on a constant currency basis in addition to reported results helps improve investors' ability to understand its operating results and evaluate its performance in comparison to prior periods. Constant currency information compares results between periods as if exchange rates had remained constant period over period. The Company calculates constant currency by calculating current year results using prior year foreign currency exchange rates and generally refers to such amounts calculated on a constant currency basis as excluding the impact of foreign exchange or being on a constant currency basis. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP. Results on a constant currency basis, as the Company presents them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with GAAP.

Financial highlights: Revenues

$ millions	Q1 2023 GAAP	Q1 2022 GAAP	YoY Change (as reported)	YoY Change (constant currency [2])
Net product revenues	**693**	**606**	***14%***	***15%***
Jakafi	580	544	*7%*	*7%*
Other Hematology/Oncology [1]	57	49	*17%*	*22%*
Opzelura	57	13	*343%*	*343%*
Royalty revenues	**115**	**122**	***(6%)***	
Jakavi	77	71	*8%*	*16%*
Olumiant	34	48	*(29%)*	*(16%)*
Tabrecta	4	3	*20%*	*NA*
Pemazyre	0.4	-	*NM*	*NM*
Total net product and royalty revenues	**809**	**728**	***11%***	
Milestone and contract revenue	-	5	*(100%)*	*(100%)*
Total revenues	**809**	**733**	***10%***	

Totals may not add due to rounding.
For all periods there were no adjustments between GAAP and Non-GAAP revenues.
[1]Pemazyre in the U.S., EU, Japan and Iclusig and Minjuvi in the EU.
[2]Percentage change in constant currency is calculated using 2022 foreign exchange rates to recalculate 2023 results.

Financial highlights: Operating expenses

$ millions	Q1 2023 GAAP	Q1 2022 GAAP	*YoY Change*
COGS	**57**	**43**	***33%***
As a percentage of net product revenues	*8%*	*7%*	
R&D	**407**	**353**	***15%***
R&D – ongoing	404	333	*21%*
R&D – upfront and milestones	3	20	(87%)
SG&A	**316**	**210**	***51%***
(Profit) and loss sharing under collaboration agreements [1]	**(1)**	**5**	***(129%)***

Totals may not add due to rounding.

[1]Incyte's 50% share of the U.S. net commercialization (profit) loss for Monjuvi under our collaboration agreement with MorphoSys.

Financial guidance: Full year 2023

	Current	Previous
Net product revenues		
Jakafi net product revenues	$2.55 - $2.63 billion	$2.53 - $2.63 billion
Other Hematology/Oncology net product revenues[1]	$215 - $225 million	Unchanged
Costs and expenses		
GAAP Cost of product revenues	7 – 8% of net product revenues	Unchanged
Non-GAAP Cost of product revenues[2]	6 – 7% of net product revenues	Unchanged
GAAP Research and development expenses	$1,610 - $1,650 million	Unchanged
Non-GAAP Research and development expenses[3]	$1,485 - $1,520 million	Unchanged
GAAP Selling, general and administrative expenses	$1,050 - $1,150 million	Unchanged
Non-GAAP Selling, general and administrative expenses[3]	$965 - $1,060 million	Unchanged

[1]Pemazyre in the U.S., EU, Japan and Iclusig and Minjuvi in the EU.
[2]Adjusted to exclude the amortization of licensed intellectual property for Iclusig relating to the acquisition of the European business of ARIAD Pharmaceuticals, Inc. and the estimated cost of stock-based compensation.
[3]Adjusted to exclude the estimated cost of stock-based compensation.
A reconciliation from GAAP to Non-GAAP financial measures is provided on slide 34.

Q&A

FINANCIAL BACK-UP SLIDES

Financial highlights: Q1

$ millions	Q1 2023 GAAP	Q1 2022 GAAP	Q1 2023 Non-GAAP	Q1 2022 Non-GAAP	*YoY Change*
Net product revenues	**693**	**606**	**693**	**606**	***14%***
Jakafi	580	544	580	544	*7%*
Iclusig	28	26	28	26	*6%*
Pemazyre	22	18	22	18	*25%*
Minjuvi	7	5	7	5	*46%*
Opzelura	57	13	57	13	*343%*
Royalty revenues	**115**	**122**	**115**	**122**	***(6%)***
Jakavi	77	71	77	71	*8%*
Olumiant	34	48	34	48	*(29%)*
Tabrecta	4	3	4	3	*20%*
Pemazyre	0.4	-	0.4	-	*NM*
Total net product and royalty revenues	**809**	**728**	**809**	**728**	***11%***
Milestone and contract revenue	-	5	-	5	*(100%)*
Total revenues	**809**	**733**	**809**	**733**	***10%***
Costs and expenses	**784**	**617**	**719**	**561**	***28%***
COGS[1]	57	43	51	37	*38%*
R&D[2]	407	353	376	327	*15%*
R&D – ongoing[2]	404	333	373	307	*21%*
% total revenues	*50%*	*45%*	*46%*	*42%*	
R&D – upfront and milestones	3	20	3	20	
SG&A[3]	316	210	294	193	*53%*
% total revenues	*39%*	*29%*	*36%*	*26%*	
Loss on contingent consideration[4]	6	6	-	-	
(Profit) and Loss sharing under collaborating agreements	(1)	5	(1)	5	

Totals may not add due to rounding.
[1]Non-GAAP excludes $5.4 million of amortization of acquired product rights for Q1 2023 and 2022 and $0.8 million and $0.6 million of stock compensation for Q1 2023 and 2022, respectively.
[2]Non-GAAP excludes $31.0 million and $26.3 million of stock-based compensation for Q1 2023 and 2022, respectively.
[3]Non-GAAP excludes $21.6 million and $16.9 million of stock-based compensation for Q1 2023 and 2022, respectively.
[4]Non-GAAP excludes loss of $6.2 million and $6.4 million due to the change in fair value of contingent consideration for Q1 2023 and 2022, respectively.

2023 Financial guidance Non-GAAP reconciliation

	GAAP Guidance	Adjustments	Non-GAAP Guidance
Net product revenues			
Jakafi	$2.55 – $2.63 billion	-	$2.55 – $2.63 billion
Other Hematology/Oncology[1]	$215 – $225 million	-	$215 – $225 million
Costs and expenses			
COGS	7 – 8% net product revenues	Amortization of acquired product rights for Iclusig and stock-based compensation	6 – 7% net product revenues
R&D	$1,610 – $1,650 million	Stock-based compensation ($125 - $130 million)	$1,485 – $1,520 million
SG&A	$1,050 – $1,150 million	Stock-based compensation ($85 - $90 million)	$965 – $1,060 million

[1]Pemazyre in the U.S., EU, Japan and Iclusig and Minjuvi in the EU.