REATA PHARMACEUTICALS

First Quarter 2020 Earnings Call

May 11, 2020

Forward-Looking Statements

This presentation contains certain “forward-looking” statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical or present facts, are forward-looking statements, including statements regarding our future financial condition, future revenues, projected costs, prospects, business strategy, and plans and objectives of management for future operations, including our plans to submit for regulatory filings. In some cases, you can identify forward-looking statements by terminology such as “believe,” “will,” “may,” “might,” “estimate,” “continue,” “anticipate,” “intend,” “target,” “project,” “model,” “should,” “would,” “plan,” “expect,” “predict,” “could,” “seek,” “goal,” “potential,” or the negative of these terms or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. These statements are based on our intentions, beliefs, projections, outlook, analyses, or current expectations using currently available information, and are not guarantees of future performance, and involve certain risks and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that our expectations will prove to be correct. Therefore, actual outcomes and results could materially differ from what is expressed, implied, or forecasted in these statements. Any differences could be caused by a number of factors including but not limited to: our expectations regarding the timing, costs, conduct, and outcome of our clinical trials, including statements regarding the timing of the initiation and availability of data from such trials; the timing and likelihood of regulatory filings and approvals for our product candidates; whether regulatory authorities determine that additional trials or data are necessary in order to obtain approval; our ability to obtain funding for our operations, including funding necessary to complete further development and commercialization of our product candidates; our plans to research, develop, and commercialize our product candidates; the commercialization of our product candidates, if approved; the rate and degree of market acceptance of our product candidates; our expectations regarding the potential market size and the size of the patient populations for our product candidates, if approved for commercial use, and the potential market opportunities for commercializing our product candidates; the success of competing therapies that are or may become available; our expectations regarding our ability to obtain and maintain intellectual property protection for our product candidates; the ability to license additional intellectual property relating to our product candidates and to comply with our existing license agreements; our ability to maintain and establish relationships with third parties, such as contract research organizations, suppliers, and distributors; our ability to maintain and establish collaborators with development, regulatory, and commercialization expertise; our ability to attract and retain key scientific or management personnel; our ability to grow our organization and increase the size of our facilities to meet our anticipated growth; the accuracy of our estimates regarding expenses, future revenue, capital requirements, and needs for additional financing; our expectations related to the use of our available cash; our ability to develop, acquire, and advance product candidates into, and successfully complete, clinical trials; the initiation, timing, progress, and results of future preclinical studies and developments and projections relating to our competitors and our industry.

Additional factors that could cause actual results to differ materially from our expectations can be found in our Securities and Exchange Commission filings. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors, nor can we assess the effects of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements. All forward-looking statements included in this presentation are expressly qualified in their entirety by these cautionary statements. The forward-looking statements speak only as of the date made and, other than as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Bardoxolone methyl and omaveloxolone are investigational drugs, and their safety and efficacy have not been established by any agency.

Introductory Remarks

Warren Huff

CEO and President

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First Quarter 2020 Business Update

Focus on conducting CARDINAL[1] and FALCON[2] during COVID-19, and filing NDAs[3] for bardoxolone and omaveloxolone

– Adjustments made to CARDINAL due to COVID-19 are working; integrity of year two is intact

– Blood-based endpoints enable data collection for safety and efficacy through at-home solutions

– FALCON screening may restart in the current quarter

– MOXIe[4] Part 2 trial of omaveloxolone was completed prior to the onset of the COVID-19 threat

– NDA submission timelines for bardoxolone and omaveloxolone remain unchanged

[1]CARDINAL: Pivotal study of bardoxolone in patients with Alport syndrome; [2]FALCON: Pivotal study of bardoxolone in patients with autosomal dominant polycystic kidney disease; [3]NDA: new drug application; [4]MOXIe: Pivotal study of omaveloxolone in patients with Friedreich's ataxia

Clinical Trials and Other Updates

Colin Meyer, M.D.

Chief Medical Officer

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Update of CARDINAL Trial of Bardoxolone in Alport Syndrome

Year two trial execution is on track

– Have implemented home health solutions to collect key efficacy and safety data from home visits

– Are shipping drug supply directly to patients' homes

– To date, over half of enrolled patients have completed the study

– Over 30 patients in the US and Europe have utilized home health visits

– In-clinic visits in Japan and Australia have continued without disruption

Update of FALCON Trial of Bardoxolone in ADPKD[1]

Planning to restart enrollment

– Implemented home health visits and direct shipment of drug supply to patients' homes

– No significant impact on data integrity

– Some trial sites are re-opening, and we will re-open sites individually once they are able to safely screen and enroll patients

– May resume screening this quarter

[1]*ADPKD: Autosomal Dominant Polycystic Kidney Disease*

Upcoming Presentations

The European Renal Association-European Dialysis and Transplant Association (ERA-EDTA) has accepted several abstracts from Reata and its collaborators for presentation at this year's Congress

"Kidney Effects in the MOXIe Trial: A Study of Omaveloxolone in Patients with Friedreich's Ataxia"

- FA[1] is a mitochondrial disease without traditional risk factors of CKD[2] such as hypertension or proteinuria
- Mean placebo eGFR[3] declines of 4.4 mL/min (overall) and 11.3 mL/min (pediatric patients) at Week 48, which are larger than observed in traditional forms of CKD, such as diabetic, hypertensive, etc.
- Validate that mitochondria play a critical role in maintaining kidney function
- Omaveloxolone improved kidney function relative to placebo on-treatment and off-treatment after washout

"KidneyCode: A Genetic Testing Program for Patients with Chronic Kidney Disease"

[1]FA: Friedreich's Ataxia; [2]CKD: Chronic Kidney Disease; [3]eGFR: estimated Glomerular Filtration Rate units of mL/min/1.73 m^2 are represented as mL/min

Reata is Sponsoring KIDNEYCODE, a Genetic Testing Program for Chronic Kidney Disease

Recent literature suggests a large number of Alport syndrome patients are currently undiagnosed or misdiagnosed[1]

KidneyCode is a genetic test that includes a panel of 17 genes, including those that cause Alport syndrome

KidneyCode is helping to identify prevalence of Alport syndrome

- Approximately half of patients with available results tested positive for mutations in COL4A genes
- Approximately half of patients with mutations in COL4A genes were misdiagnosed with another form of CKD

Three straightforward clinical risk factors able to identify patients with Alport Syndrome

- Risk factors include 1) CKD, 2) family history of CKD, and 3) hematuria
- 78% of patients with all three risk factors tested positive for mutations in COL4A genes

Misdiagnoses for Patients who have Alport Syndrome
ADPKD
Benign Familial Hematuria
Benign Hereditary Nephritis
Familial Hematuria
FSGS[2]
Hypertensive CKD
IgA Nephropathy
Thin Basement Membrane Disease
Congenital Familial Hematuria

[1]Groopman 2019; Bullich 2018; Malone 2014; Papazachariou 2014; [2]FSGS: focal segmental glomerulosclerosis

Financial Updates

Manmeet Soni

Chief Financial Officer

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Financial Update

	March 31, 2020	December 31, 2019
	(unaudited, in thousands)	
Cash and Cash Equivalents	**$ 624,488**	**$ 664,324**

We expect our current cash to fund our operations and capital expenditure requirements through the end of 2021

Condensed Statements of Operations	Three Months Ended March 31 (unaudited)	
	(in thousands, except share and per share data)	
	2020	2019
Total Collaboration Revenue	**$ 1,353**	**$ 7,770**
Expenses		
Research and development	47,653	26,114
General and administrative	20,787	10,038
Depreciation	278	170
Total Expenses	**68,718**	**36,322**
Net loss	**$ (48,939)**	**$ (29,154)**
Net loss per share (basic and diluted)	$ (1.47)	$ (0.98)
Weighted-average number of common shares used in net loss per share (basic and diluted)	33,222,085	29,830,114

Reconciliation of GAAP to Non-GAAP Financial Measures

	Three Months Ended March 31 (unaudited) (in thousands, except per share data)	
	2020	2019
Reconciliation of GAAP to Non-GAAP Research and development:		
GAAP Research and development	$ 47,653	$ 26,114
Less: Stock-based compensation expense	(11,516)	(1,691)
Non-GAAP Research and development	**$ 36,137**	**$ 24,423**
Reconciliation of GAAP to Non-GAAP General and administrative:		
GAAP General and administrative	$ 20,787	$ 10,038
Less: Stock-based compensation expense	(7,791)	(2,536)
Non-GAAP General and administrative	**$ 12,996**	**$ 7,502**
Reconciliation of GAAP to Non-GAAP Operating expenses:		
GAAP Operating expenses	$ 68,718	$ 36,322
Less: Stock-based compensation expense	(19,307)	(4,227)
Non-GAAP Operating expenses	**$ 49,411**	**$ 32,095**
Reconciliation of GAAP to Non-GAAP Net loss:		
GAAP Net loss	$ (48,939)	$ (29,154)
Add: Stock-based compensation expense	19,307	4,227
Non-GAAP Net loss	**$ (29,632)**	**$ (24,927)**
Reconciliation of GAAP to Non-GAAP Net loss per common share-basic and diluted:		
GAAP Net loss per common share-basic and diluted	$ (1.47)	$ (0.98)
Add: Stock-based compensation expense	0.58	0.14
Non-GAAP Net loss per common share-basic and diluted	**$ (0.89)**	**$ (0.84)**

Reconciliation of GAAP to Non-GAAP Financial Measures (Continued)

	Three Months Ended	
	March 31, 2020 (unaudited)	December 31, 2019
	(in thousands)	
Reconciliation of GAAP to Non-GAAP Operating expenses:		
GAAP Operating expenses	$ 68,718	$ 187,103
Less: Stock-based compensation expense	(19,307)	(12,291)
Less: Reacquired license rights	-	(124,398)
Non-GAAP Operating expenses	**$ 49,411**	**$ 50,414**
Reconciliation of GAAP to Non-GAAP Net loss:		
GAAP Net loss	$ (48,939)	$ (186,942)
Add: Stock-based compensation expense	19,307	12,291
Add: Reacquired license rights	-	124,398
Non-GAAP Net loss	**$ (29,632)**	**$ (50,253)**

Concluding Remarks

Warren Huff

CEO and President

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Reata at a glance

Chronic Kidney Disease Franchise

- Positive pivotal data for bardoxolone in Alport syndrome
- NDA planned for 2020
- Pipeline in rare forms of CKD
  - Pivotal ADPKD study ongoing
  - Positive proof-of-concept data in FSGS, IgAN[1], and T1D-CKD[2]

Neurology Franchise

- Positive pivotal data for omaveloxolone in Friedreich's ataxia
- NDA planned for 2020
- Plan to study omaveloxolone and RTA 901 in additional indications in neurological disease

Global Opportunity

- Few or no effective therapies currently approved for lead indications
- Reata possesses worldwide commercial rights to all pipeline assets[3]
- Commercial leadership in place for global commercial launches
- Robust intellectual property protection for bardoxolone and omaveloxolone

[1]IgAN: IgA nephropathy; [2]T1D-CKD: type 1 diabetes CKD; [3]ex-Asia for bardoxolone

Thank you

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