

EVOTEC AND MARS INNOVATION ANNOUNCE FIRST FUNDED PROJECT UNDER LAB150 BRIDGE

▶ *TARGETING UNMET MEDICAL NEED IN SKIN INFLAMMATORY CONDITIONS*

Hamburg, Germany, and Toronto, Canada, 15 February 2018:

Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX, ISIN: DE0005664809) and MaRS Innovation announced today that they have identified the first project to be developed under their LAB150 partnership.

After signing a collaboration agreement in September 2017, the first project within this academic BRIDGE has now been identified. The project aims to develop kallikrein-targeting compounds as novel topical drugs for the rare but severe inflammatory skin disease 'Netherton Syndrome' as well as the broader disorder atopic dermatitis. Skin kallikreins are expressed in the outer layer of the human skin and represent an attractive target. Extensive research over many years from the laboratory of Dr Eleftherios P. Diamandis at Mount Sinai Hospital, part of Sinai Health System in Toronto, has shown that excessive activity of kallikreins is central to the development of skin inflammation.

Approximately 2-5% of the general population and 20-30% of newborns suffer from skin inflammatory diseases, which significantly impede their quality of life. Current options are limited to general immune-suppressants (steroids) or systemic anti-inflammatory biologics.

"There is a clear unmet medical need for the development of novel topical drugs that can prevent inflammation before it becomes full-blown, especially in the paediatric population", **mentions Dr Ioannis Prassas, one of the co-investigators on this project** along with Drs Diamandis and Antoninus Soosaipillai.

The team has completed a series of drug screening activities which have led to the identification of some very promising novel kallikrein inhibitors.

"We are very excited to team up with renowned partners like Evotec and MaRS Innovation under the LAB150 partnership. Access to capital, Evotec's world-class drug discovery infrastructure and MaRS Innovation's commercialisation expertise is a recipe

for success”, **says Dr Diamandis.**

Dr Rafi Hofstein, President & CEO of MaRS Innovation, says: “We are excited to propel this project through LAB150 – an important bridge for our members. The outcome of the project out of the Diamandis lab is a potential game changer for the health of many children, with stellar foundational scientific technology to be the inaugural LAB150 project.”

Dr Werner Lanthaler, CEO of Evotec, comments: “Following the positive outcome of further drug discovery efforts that are conducted jointly at Evotec and at Dr Diamandis’ lab, the foundation of a new company is planned in order to make these therapies available to patients in the most efficient and effective manner through LAB150.”

ABOUT LAB150

LAB150 is a collaboration between MaRS Innovation and Evotec AG designed to accelerate drug discovery. We bring scientists, investors and company building expertise together to rapidly deliver concepts to the marketplace. The mission of LAB150 is three-pronged: To develop and identify commercialisable assets based on disease-related novel biological pathways; To significantly shorten the drug discovery timeline and; To generate viable start-up companies with high potential for success. The name commemorates Canada’s 150th birthday in 2017, the year in which the LAB150 partnership was formed. For more information, please visit www.LAB150.com.

ABOUT MARS INNOVATION

MaRS Innovation is a leading provider of commercialisation services, early-stage funding, and deal-brokering with industry and private investors. As a member-based organisation made up 15 Member institutions, MaRS Innovation’s mandate is to drive the commercialisation of their most promising research breakthroughs. MaRS Innovation’s portfolio consists of early-stage assets and companies. Our team leverages its deep expertise and experience to mature our portfolio via important global and strategic partnerships. With an active portfolio of more than 40 companies which have raised in excess of \$200M from global investors, and with the creation of more than 400 direct jobs, MaRS Innovation is truly a leader in the commercialisation field. For more information please visit www.marsinnovation.com.

ABOUT EVOTEC AG

Evotec is a drug discovery alliance and development partnership company focused on rapidly progressing innovative product approaches with leading pharmaceutical and biotechnology companies, academics, patient advocacy groups and venture capitalists. We operate worldwide providing the highest quality stand-alone and integrated drug discovery solutions, covering all activities from target-to-clinic to meet the industry’s need for innovation and efficiency in drug discovery (EVT Execute). The Company has established a unique position by assembling top-class scientific experts and integrating state-of-the-art technologies as well as substantial experience and expertise in key therapeutic areas including neuroscience, diabetes and complications of diabetes, pain and inflammation, oncology and infectious diseases. On this basis, Evotec has built a broad and deep pipeline of more than 80 partnered product opportunities at clinical, pre-clinical and discovery stages (EVT Innovate). Evotec has established multiple long-term discovery alliances with partners including Bayer, CHDI, Sanofi or UCB and development partnerships with e.g. with Sanofi in the field of diabetes, with Pfizer in the field of tissue fibrosis and Celgene in the field of neurodegenerative diseases. For additional information please go to www.evotec.com and follow us on Twitter [@EvotecAG](https://twitter.com/EvotecAG).

FORWARD LOOKING STATEMENTS

Information set forth in this press release contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgement of Evotec as of the date of this press release. Such forward-looking statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in these forward-looking statements. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based.