Evotec to acquire Aptuit
Expanding leadership in external innovation
Forward-looking statements

Information set forth in this presentation 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 presentation. 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.
Welcome from the management team

Investors call on acquisition of Aptuit

Werner Lanthaler, CEO
Enno Spillner, CFO
Mario Polywka, COO
Cord Dohrmann, CSO
Agenda

Strategic rationale and transaction overview

Introduction to Aptuit and combined business

Financials

Next steps
Vision to lead services for external innovation and build co-owned pipeline

Our strategic agenda

- Restructuring
- Capital efficiency for sustainability
- First Cure X investments
- Business segmentation
- Investments in discovery service platform
- Performance-based integrated discovery and clinical alliances
- Cure X/Target X strategy
- Global leadership position in drug discovery and development
- Highest quality drug discovery and pre-clinical services
- Cure X/Target X alliances & “Academic BRIDGE” strategy
- Company formations to accelerate drug discovery and product development
Building highest quality integrated external innovation platform

Constant upgrade and improvement of technologies

<table>
<thead>
<tr>
<th>Year</th>
<th>Target ID/validation</th>
<th>Compound management</th>
<th>Assay development</th>
<th>Screening</th>
<th>Lead optimisation</th>
<th>Pre-clinical</th>
</tr>
</thead>
</table>
| 2013 | Customised cell-based assays and cell lines | 2014 Validated portfolio of assays and disease models | 2015 Comprehensive compound/library management capabilities | 2016 *In vitro* ADME-PK services | 2017 INDiGO® (IND enabling), drug discovery and high-end CMC

1) Chemistry, Manufacturing and Controls
## Compelling transaction rationale for acquisition

### Overview – Acquisition of Aptuit

| Capabilities, Capacities & Customers | • Unique cost and time efficient approach for translation of PDCs into clinic (INDiGO®)  
| | • Best-in-class, integrated capabilities offer end-to-end solutions across drug discovery, pre-clinical and high-end CMC (Chemistry, Manufacturing & Control)  
| | • Discovery expertise in complementary fields and therapeutic areas with highly experienced and respected teams  
| | • World-leading CMC to serve especially high-end niche markets  
| | • Complementary customer base to Evotec with high degree of repeat business  
| | • Demonstrated value with successes in development, cost and time savings  
| | • Approx. 750 employees, mainly scientists, with >30% PhDs |
# Fast execution and immediate value generation

**Overview – Acquisition of Aptuit**

## Financials & Transaction

- Highly accretive to revenue growth with strong margins and solid cash generation:
  - 2016 Revenues: € 88 m; 2017(e) Revenues of ~€ 100 - 110 m
  - 2016 EBITDA: € 11 m; 2017(e) EBITDA of ~€ 20 - 22 m
  - Strong growth above market expected
  - Good long-term visibility of future business
- Consideration of $ 300 m (approx. € 256 m\(^1\)) in cash for the acquisition of 100% of Aptuit’s share capital
- Financial commitment for the acquisition covered through Evotec’s cash and a new € 140 m debt facility (pro-forma net debt/EBITDA of approx. 1.6)
- Transaction is subject to customary closing conditions, expected to close latest in Q3 2017

\(^1\) EUR/USD calculated at 1.17
# Global centres of excellence for external innovation

Evotec’s global footprint post integration

<table>
<thead>
<tr>
<th>Location</th>
<th>Employees</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Princeton, Watertown, Branford (USA)</td>
<td>~110</td>
<td>Compound ID, selection and acquisition, Compound QC, storage and distribution, Cell &amp; protein production, ADME-Tox, DMPK</td>
</tr>
<tr>
<td>Abingdon/ Alderley Park (UK)</td>
<td>~570</td>
<td>Medicinal chemistry, ADME-Tox, DMPK, Structural biology, In vitro &amp; in vivo anti-infective platform/screening, Process development, CMC and Commercial manufacture, Pre-formulation</td>
</tr>
<tr>
<td>Toulouse (France)</td>
<td>~300</td>
<td>Compound management, Hit identification, In vitro &amp; in vivo oncology, Medicinal chemistry, ADME &amp; PK, Cell, protein &amp; antibody production</td>
</tr>
<tr>
<td>Verona (Italy), Basel (CH)</td>
<td>~590</td>
<td>Hit identification, In vitro &amp; in vivo biology, Medicinal Chemistry, Biomarker discovery and validation, INDiGO®, CMC</td>
</tr>
<tr>
<td>Hamburg (HQ), Göttingen, Munich (Germany)</td>
<td>~430</td>
<td>Hit identification, In vitro &amp; in vivo biology, Chemical proteomics &amp; Biomarker discovery and validation, Cell &amp; protein production, Antibody discovery</td>
</tr>
</tbody>
</table>
Scientists at work for new products

Aptuit overview
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World-class in drug discovery and development
Aptuit overview (www.aptuit.com)

- Most comprehensive set of integrated early discovery to mid-phase drug development services in biotech and Pharma
- Unique mix of services including integrated drug discovery
  - IND enabling studies and support (INDiGO®)
  - Drug discovery platform with extended CNS, respiratory expertise
  - High-end CMC (Chemistry, Manufacturing & Control)
- Above-industry revenue growth and high RfP¹ win rates
- Based in Verona, Italy; Basel, CH and Oxford, UK (next door to Evotec’s Oxford facilities)
- About 750 employees working with more than 400 leading biotech and Pharma companies
- Highly accretive to Evotec’s revenue growth with strong margins and solid cash generation
- Founded 2004 with initial funding from Welsh Carson Anderson & Stowe (US PE Firm)

¹ Request for Proposal
Market dynamic supports extending value chain
Growing outsourcing market potential

Currently available outsourced market

Core DD and development outsourcing markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Total Market Size</th>
<th>Available Outsourced Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug Discovery</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>Pre-clinical</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>CMC</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td>Total Outsourced</td>
<td>48</td>
<td>13</td>
</tr>
</tbody>
</table>

Adjacent markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial API</td>
<td>17</td>
</tr>
<tr>
<td>Finished Drug</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: Evotec

1) API means Active Pharmaceutical Ingredients
Integrated offering improves efficiency

Adding world-class drug discovery, INDiGO® and high-end CMC

Drug Discovery
- Integrated solutions across the drug discovery process
- Adding expertise in multiple therapeutic areas, CNS, respiratory, fibrosis
- Outcome-based models utilising performance-based models improve business options
- Approx. 190 scientists

INDiGO®
- Seamless transition from DD to pre-clinic and IND through INDiGO®
- Reduces time and cost from PDC to IND
- Experienced project teams create tailor made solutions for each compound and indication
- Complete non-clinical packages
- Approx. 150 scientists

High-end CMC
- CMC capabilities fully support integrated drug substance and drug product development
- GMP manufacturing for clinical development programmes
- Broad small molecule experience and high potency capabilities
- Niche scale commercial API & Drug Product
- Approx. 350 scientists

API means Active Pharmaceutical Ingredients
A “one-stop-shop” for external innovation

Extension of Evotec’s value chain

Evotec including INDiGO® and CMC

Evotec including INDiGO®

Evotec today

Academia

Target ID/Validation

Hit-Identification

Lead Optimisation

Pre-clinical

Phase I

Phase II

Phase III

Approval

Market

Evotec's core competencies

Areas enhanced by acquisition of Aptuit

IP = Intellectual Property
IND = Investigational New Drug
Market leading solution for effective IND enabling

Benefits of INDiGO® process

- INDiGO® is a unique workflow process, accelerating early drug candidates into the clinic
- INDiGO® removes white space across the service continuum which results in efficiencies
- INDiGO® is implemented by highly experienced project teams
- >30 INDiGO® projects to date

**IND timeline reductions**
(# of weeks from first synthesis to IND submission)

**Cost benefits**
(Average cost from first synthesis to IND submission)
Strong support to create even higher value offerings

Synergies for EVT Innovate & EVT Execute

- **IND capabilities** supporting at pre-clinical testing stage
- Additional highly needed top-quality scientists & managers
- Additional expertise in key therapeutic areas
- INDiGO® and CMC capabilities

**EVT Innovate & EVT Execute**

- **RESPIRATORY**
  - Market potential > € 100 bn
- **NEURONAL DISEASES**
  - Market potential > € 500 bn
- **DIABETES & COMPLICATIONS**
  - Market potential > € 500 bn
- **FIBROSIS**
  - Market potential > € 100 bn
- **PAIN**
  - Market potential > € 50 bn
- **ONCOLOGY**
  - Market potential > € 150 bn
- **ANTI-INFECTIVES**
  - Market potential > € 30 bn
Complementary customer base offers cross-selling opportunities

Customer synergies with EVT Execute & EVT Innovate

- Highly complementary client bases, with limited overlap of customers
- Low customer/project concentration within Aptuit (no single project with >3% of sales)
- Significant cross-selling opportunities
  - Ability to offer existing Evotec partners pre-clinical and development services
  - Aptuit's customers will benefit from EVT focus on innovation in drug discovery
  - Transaction adds complementary high-quality capacity in early-stage drug development

Aptuit’s customer base

- 62% Small Pharma/Biotech
- 16% Large Pharma
- 11% Mid Pharma
- 6% Academia/Government/Foundations
- 5% Venture Capital
All Evotec offerings benefit, especially from INDiGO®

Significant operational benefits from acquisition

**EVT Execute**
“Expansion along logical next steps of outsourcing value chain”

- Leading integrated offering in industry “under one roof” and “within one network”
- Unique INDiGO® increases efficiency for partners, high-end CMC allows fully integrated process
- Revenue accretive and strong EBITDA as well as strong cash generation

**EVT Innovate**
“Scale and leverage for high risk – high reward biotech business”

- Platform accelerates and de-risks clinical asset progress and supports EVT Innovate with INDiGO®
- DD capacity expedites larger cooperation projects and adds new fields of expertise
- Broader financial and operating leverage for EVT Innovate expansion
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Accretive revenue growth and solid margin profile

Aptuit – Revenues and EBITDA

in € m

Revenues show strong growth

Solid EBITDA margins with further expansion potential

1) EUR/USD calculated at 1.17
Significant headroom to fund future operations post-acquisition

Transaction financing

in € m

- Cash reserve for operations and innovations: €85
- Cash at hand for transaction: €100
- Existing credit lines: €20
- Bank debt: €140
- Sum: €345

Debt financing on consolidated balance sheet (Rev > €300 m, Assets > €500 m) is available at excellent terms

- €187 m liquidity and €20 m credit line available to Evotec immediately
- €140 m available to contribute to transaction financing through debt financing
- Approx. €85 m liquidity will be kept as cash reserve for operations
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### Transaction to be effective latest by Q3 2017

#### Summary of acquisition

<table>
<thead>
<tr>
<th></th>
<th>Financial</th>
<th>Transaction</th>
<th>Next Steps</th>
</tr>
</thead>
</table>
| 1 | • Purchase of all of Aptuit shares with payment in cash | • The transaction is subject to customary closing conditions, including receipt of all regulatory approvals and is expected to close in Q3 2017 | • Further market communication on closing  
• Update on guidance after closing  
• Transition and smooth integration together with Aptuit both operationally and commercially |
QUESTIONS AND ANSWERS