

## **EVOTEC COMPLETES ACQUISITION OF APTUIT**

- ▶ *ACQUISITION GROWS BUSINESS SUBSTANTIALLY AND EXPANDS POSITION AS LEADING PLAYER IN INTEGRATED OUTSOURCED DRUG DISCOVERY AND DEVELOPMENT SOLUTIONS (EXTERNAL INNOVATION)*
- ▶ *TOTAL DEAL VALUE OF \$ 300 M (APPROX. € 256 M) TO BE PAID IN CASH FROM EVOTEC'S BALANCE SHEET AND THROUGH DEBT FINANCING AT HIGHLY ATTRACTIVE TERMS*

### **Hamburg, Germany, 16 August 2017:**

Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX, ISIN: DE0005664809) today announced that, effective mid-August 2017, it has successfully completed the acquisition of Aptuit as announced in detail on 30 July 2017. This acquisition adds considerable business opportunities to further accelerate Evotec's long-term strategy to be the industry partner of choice for external innovation.

Evotec paid a total consideration of approx. \$ 300 m (approx. € 256 m; €/ \$ fx rate of 1.17) in cash for the acquisition of Aptuit from Welsh, Carson, Anderson & Stowe ("WCAS"), a leading private equity firm. The acquisition of 100% of the issued and outstanding equity interests of Aptuit is financed through a mix of existing cash reserves and an additional new € 140 m senior debt facility.

Aptuit, a partner research organisation for integrated outsourced drug discovery and development solutions, provides a complete set of integrated early discovery to mid-phase drug development services, including INDiGO®, an integrated and highly efficient process to IND submission, complemented by high-end integrated CMC. Aptuit has approx. 750 employees, mainly scientists, working across three state-of-the-art discovery, development and manufacturing facilities in Europe in Verona, Italy; Basel, Switzerland; and Oxford, United Kingdom. Completing more than 1,000 projects in 2016 (for over 400 customers), Aptuit has a very strong network in small, medium and large Biopharma and a high level of repeat business. Aptuit will continue to operate and serve its loyal client base in all currently existing segments under its current set-up. Employees and capabilities will be integrated into Evotec's global

drug discovery group, thereby creating the premier drug discovery and development innovation partner leveraging both companies' extensive partner networks, platforms and maximising commercial synergies.

### **Guidance updated for Evotec Group including Aptuit**

With the closing of the transaction, Evotec updates its financial targets for the year 2017.

- Total Group revenues are expected to increase by more than 40% compared to 2016 (2016: € 164.5 m),
- Adjusted Group EBITDA is expected to improve by more than 50% compared to 2016 (2016: € 36.2 m), and
- Group R&D expenses are expected to be approx. € 20 m.

This guidance update implies that the Aptuit business will be accretive to Evotec's 2017 revenues and adjusted EBITDA and is calculated on a €/\$ fx rate of 1.18.

**Dr Werner Lanthaler, Chief Executive Officer of Evotec, commented:** "The acquisition is a significant step forward in our vision to lead services for external innovation and to build a co-owned pipeline. This business combination strengthens Evotec's position to lead the megatrend of external innovation. We warmly welcome the Aptuit employees to the Evotec Group and look forward to working with them."

**Dr Mario Polywka, Chief Operating Officer of Evotec, added:** "We are pleased the acquisition has closed so quickly and we can now approach the exciting phase of welcoming the Aptuit employees and delivering our expanded offering to all our clients. Through this transaction, Evotec transforms itself from the premier innovation-led drug discovery company, delivering historically along the value chain and stopping at the PDC, the pre-clinical development candidate, to the premier drug discovery and development company delivering an end-to-end set of capabilities under one roof to seamlessly move into the clinic and beyond. Together with Aptuit, we will build global centres of excellence for external innovation for our partners and customers."

Aptuit's advisors to the transaction included: Cravath, PWC, Cain Brothers and William Blair. Evotec's advisors to the transaction included: Freshfields Bruckhaus Deringer, KPMG, Mercer and Rothschild.

#### *ABOUT APTUIT*

*Aptuit provides the most complete set of integrated early discovery to mid-phase drug development services in the pharmaceutical industry including Drug Design & Discovery, API Development and Manufacture, Solid State Chemistry, CMC, Preclinical and IND enabling GLP/GMP programs. Fully integrated drug discovery & development services are available from our facilities in the UK, Italy, and Switzerland. Aptuit is partnered with Welsh, Carson, Anderson & Stowe, one of the world's leading private equity investors focused exclusively on the healthcare and technology industries.*

**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](http://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.*