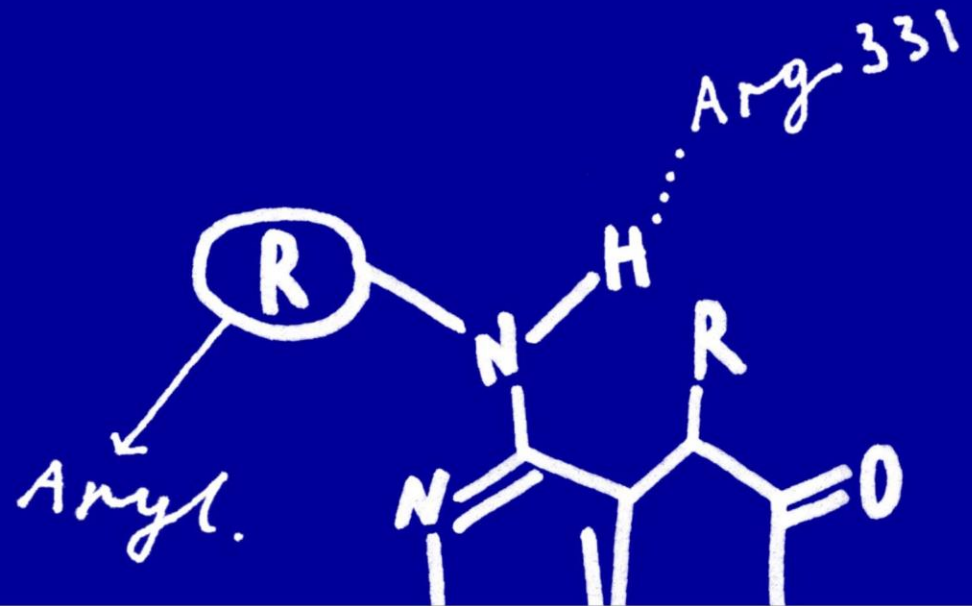


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Quarterly Statement Q1 2019 (unaudited)

# Very strong start into 2019



# Forward-looking statements & General information

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*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.*

**Note:**

*The 2018 and 2019 results are not fully comparable. The difference stems from the acquisition of Evotec ID (Lyon) SAS, effective 01 July 2018. The results from Evotec ID (Lyon) SAS are only included from 01 July 2018 onwards.*

*The accounting policies used to prepare this interim information are the same as those used to prepare the audited consolidated financial statements for the year ended 31 December 2018, except for the adoption of IFRS 16 as of 01 January 2019. From 01 January 2019 onwards, Evotec applies IFRS 16.*

# Excellent scientific and operational progress

Significant events Q1 2019 – Evotec Group

## EVT Execute & EVT Innovate

- New and extended drug discovery and development agreements
- Pipeline progress with Phase II starts in Second Genome alliance (NASH<sup>1)</sup>) and in Bayer alliance (Chronic cough)
- Increased demand for INDiGO solutions
- Multiple important milestone achievements
- New licence agreement with Galapagos in fibrosis
- Driving innovation in anti-infective research through alliances with Helmholtz and GARDP<sup>2)</sup>
- Strategic agreement with The Mark Foundation in immunoncology based on Evotec's discovery platform *TargetAlloMod*
- BRIDGE model gaining further momentum

## Corporate

- Conversion into European Company (SE) effective 29 March 2019
- Repayment of debt bridge facility (€ 140 m) in context of Aptuit acquisition in August 2017 completed (after period-end)
- Participation in further financing round of Eternigen GmbH
- Outlook for 2019 confirmed

## Strong base business and high milestones

### Condensed income statement Q1 2019 – Evotec SE and subsidiaries

in € m<sup>1)</sup>

	Q1 2019	Q1 2018	% vs 2018
Revenues from contracts with customers <sup>2)</sup>	<b>103.8</b>	81.6	27%
Gross margin <sup>2)</sup>	<b>30.5%</b>	22.6%	–
• R&D expenses	<b>(14.4)</b>	(4.6)	211%
• SG&A expenses	<b>(14.8)</b>	(13.3)	11%
• Other op. income (expenses), net	<b>16.5</b>	6.0	178%
<b>Operating result</b>	<b>19.1</b>	<b>6.5</b>	192%
<b>Adjusted Group EBITDA<sup>3)</sup></b>	<b>30.0</b>	<b>14.0</b>	114%
<b>Net income</b>	<b>13.1</b>	<b>3.5</b>	278%

- Group revenue growth mainly due to strong performance in the base business and milestone contributions
- Gross margin in Q1 2019 impacted by better base margins, higher milestone contributions, and favourable FX effects
- Unpartnered R&D expenses of € 8.1 m (Q1 2018: € 4.6 m)
- Other operating income higher due to reimbursement of ID expenses and increased R&D tax credits
- Adjusted Group EBITDA in Q1 2019 positively affected by first-time application of IFRS 16 (€ 3.1 m)

<sup>1)</sup> Differences may occur due to rounding

<sup>2)</sup> 2018 data including reclasses of recharges according to IFRS 15

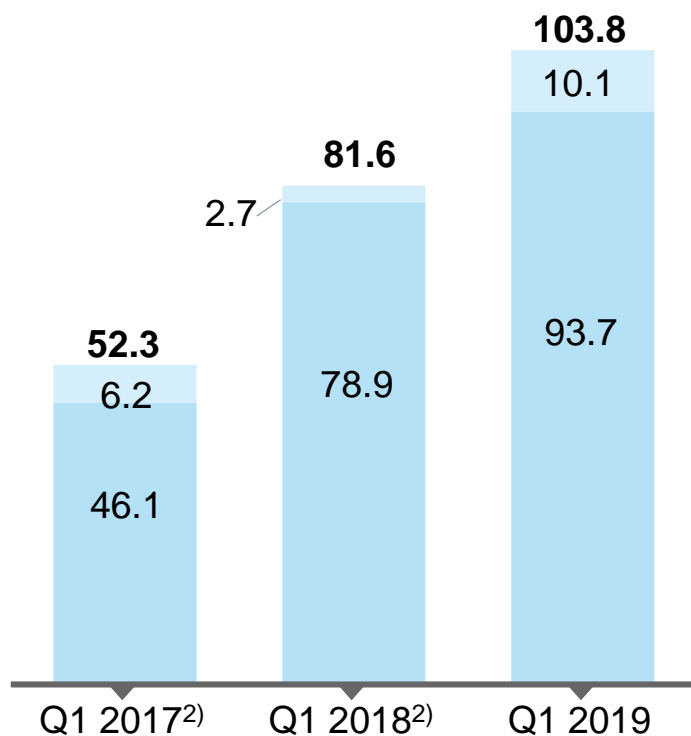
<sup>3)</sup> Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

# Continued growth path at strong margin

## Revenues & Gross margin overview

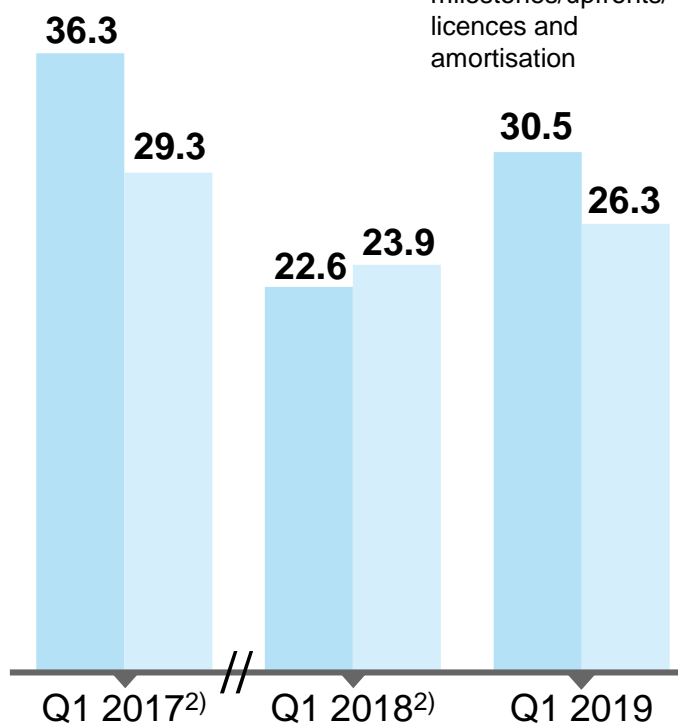
### Revenues from contracts with customers (in € m)

■ Base revenues  
■ Milestones/upfronts/licences



### Gross margin<sup>1)</sup> (in %)

■ Total Margin  
■ Margin excl. milestones/upfronts/licences and amortisation



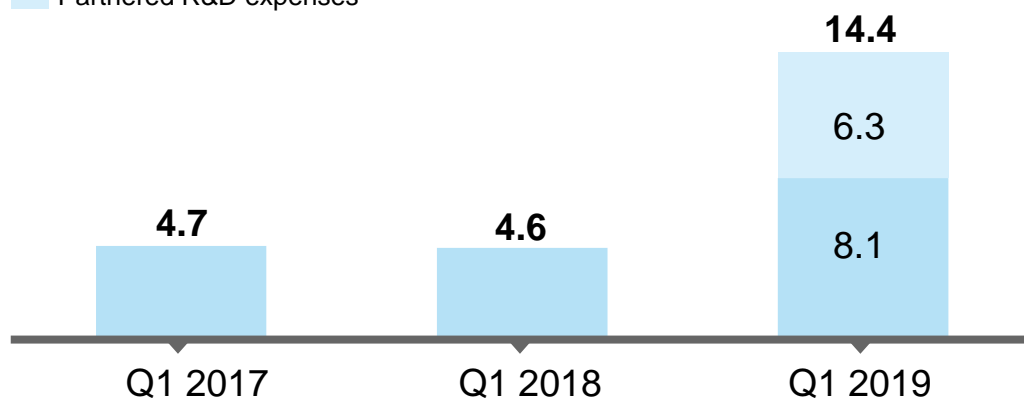
- Revenue growth due to strong performance in the base business and positive milestone contributions (e.g. Bayer, Boehringer Ingelheim, Second Genome)
- Favourable impact on gross margin following milestone contributions, higher margins in some business lines, and positive FX effects (1.5%-points)
- Gross margins from Q1 2018 onwards represent a different business mix and are affected by increased amortisation resulting from the PPA of strategic acquisitions

# Accelerated R&D investments, SG&A reflect growth

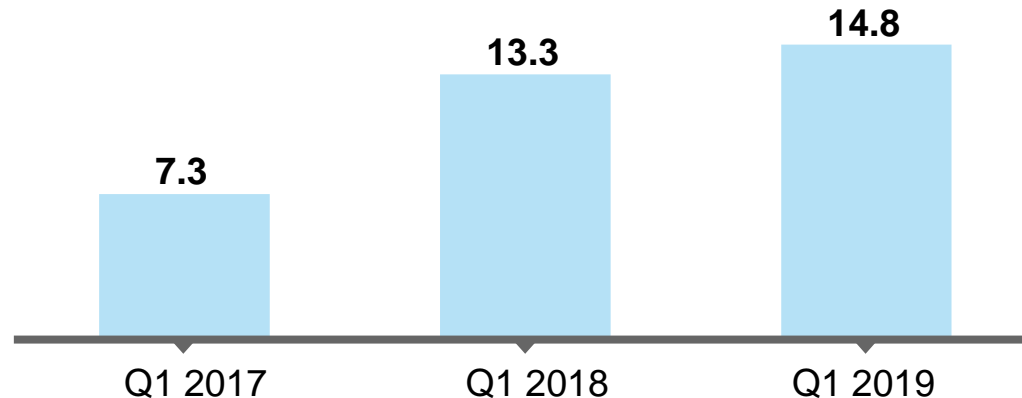
## R&D and SG&A expenses overview

### R&D expenses<sup>1)</sup> (in € m)

- Unpartnered R&D expenses
- Partnered R&D expenses



### SG&A expenses (in € m)



- Focused unpartnered R&D expenses in Q1 2019 mainly in metabolic and oncology projects as well as in iPSC research
- Partnered R&D expenses in infectious disease portfolio

- Increase in SG&A expenses in Q1 2019 mainly due to increased personnel expenses (addition of Evotec ID (Lyon)), consultancy fees, and overall Company growth

<sup>1)</sup> Since 2019, Evotec focuses its guidance and reporting during the course of 2019 on the “unpartnered R&D” part. ID expenses will be fully reimbursed by its partner Sanofi (“partnered R&D”). This split had not been applied in 2017 and 2018.

## Both segments fully on strategy

### Segment information Q1 2019 – Evotec SE and subsidiaries

in € m<sup>1)</sup>

	<b>EVT Execute</b>	<b>EVT Innovate</b>	<b>Inter- segment elimination</b>	<b>Not allocated<sup>2)</sup></b>	<b>Evotec Group</b>
Revenues	<b>100.3</b>	<b>18.8</b>	(18.8)	3.5	<b>103.8</b>
Gross margin	<b>29.0%</b>	<b>24.8%</b>	–	–	<b>30.5%</b>
• R&D expenses	<b>(0.1)</b>	<b>(16.3)</b>	2.0	–	<b>(14.4)</b>
• SG&A expenses	<b>(12.0)</b>	<b>(2.8)</b>	–	–	<b>(14.8)</b>
• Other op. income (expenses), net	<b>4.8</b>	<b>11.7</b>	–	–	<b>16.5</b>
<b>Operating result</b>	<b>21.8</b>	<b>(2.7)</b>	–	–	<b>19.1</b>
<b>Adjusted EBITDA<sup>3)</sup></b>	<b>32.3</b>	<b>(2.3)</b>	–	–	<b>30.0</b>

- Revenue growth in EVT Execute driven by strong performance in the base business and milestone contributions
- Gross margin in EVT Execute affected by high-margin base business; gross margin in EVT Innovate affected by larger contracts with higher material costs
- Increase in R&D expenses in EVT Innovate both in unpartnered and partnered R&D
- Significantly improved EBITDA for EVT Execute (Q1 2018: € 17.2 m), EVT Innovate EBITDA as planned

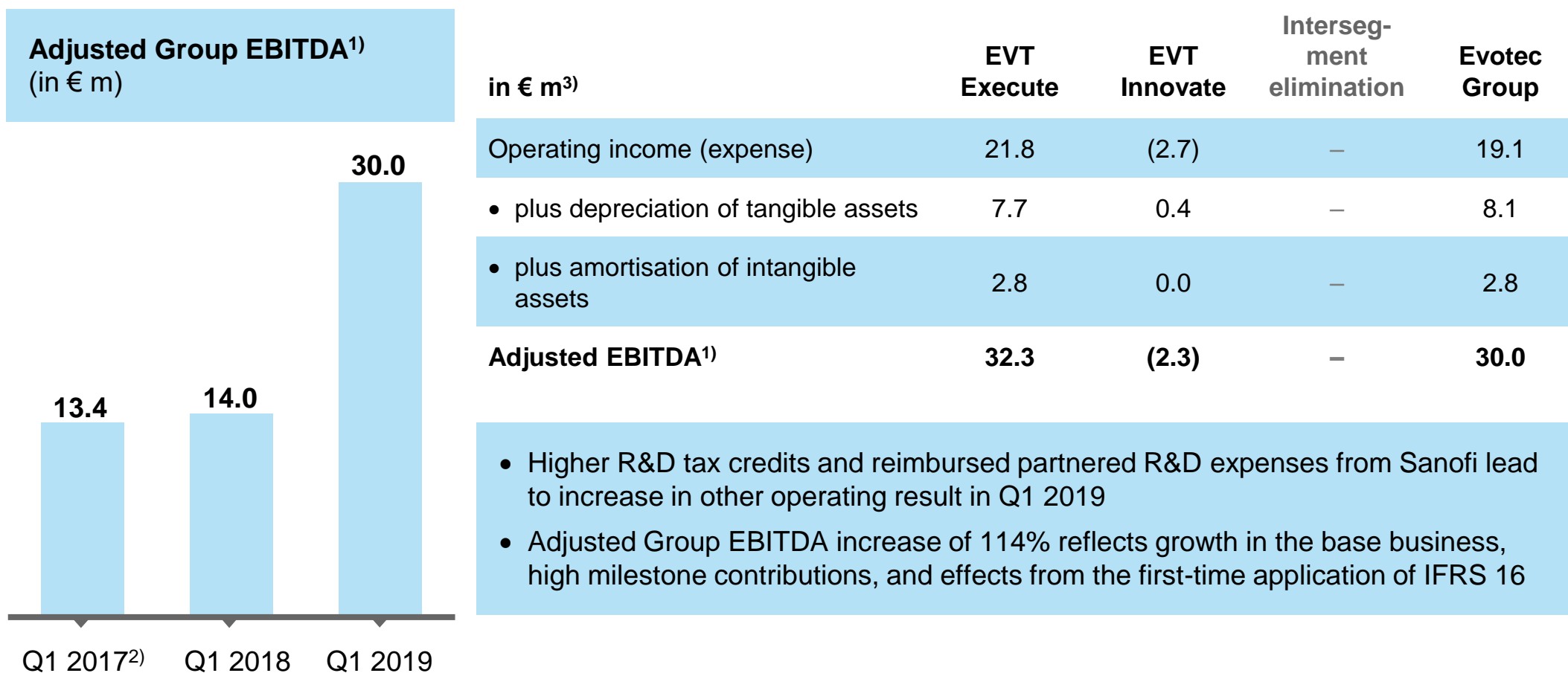
<sup>1)</sup> Differences may occur due to rounding

<sup>2)</sup> Revenues in the segments consist of revenues from contracts with customers without revenues from recharges as those are not of importance for the management to assess the economic situation of the segments.

<sup>3)</sup> Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

# Strong business performance reflected in EBITDA

## Adjusted Group EBITDA overview



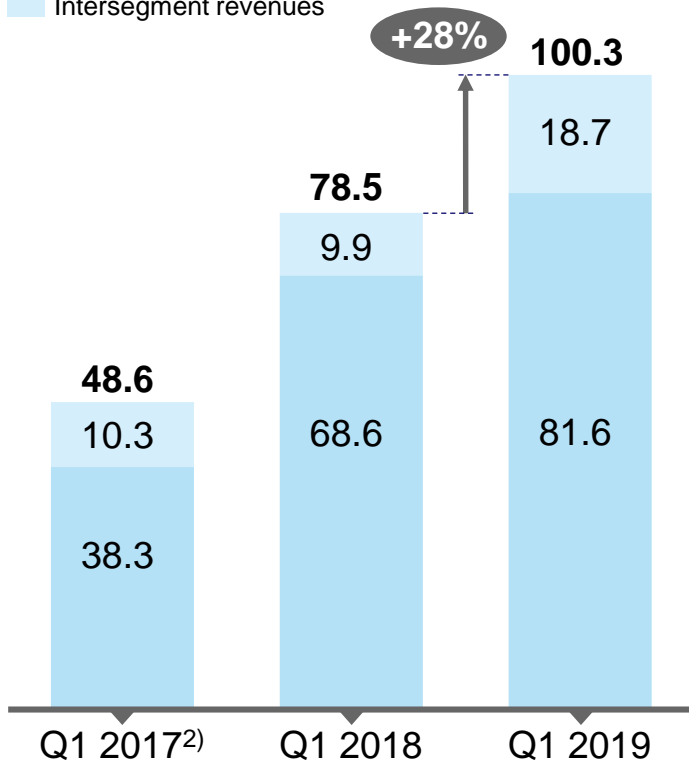


# Good momentum across all business lines

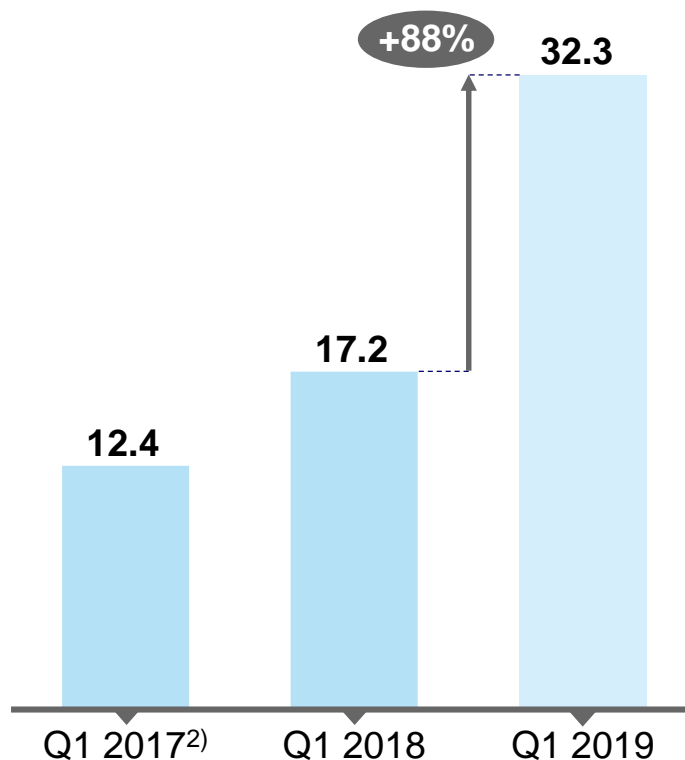
## EVT Execute – Key performance indicators Q1 2019

### Revenues (in € m)

External revenues  
Intersegment revenues



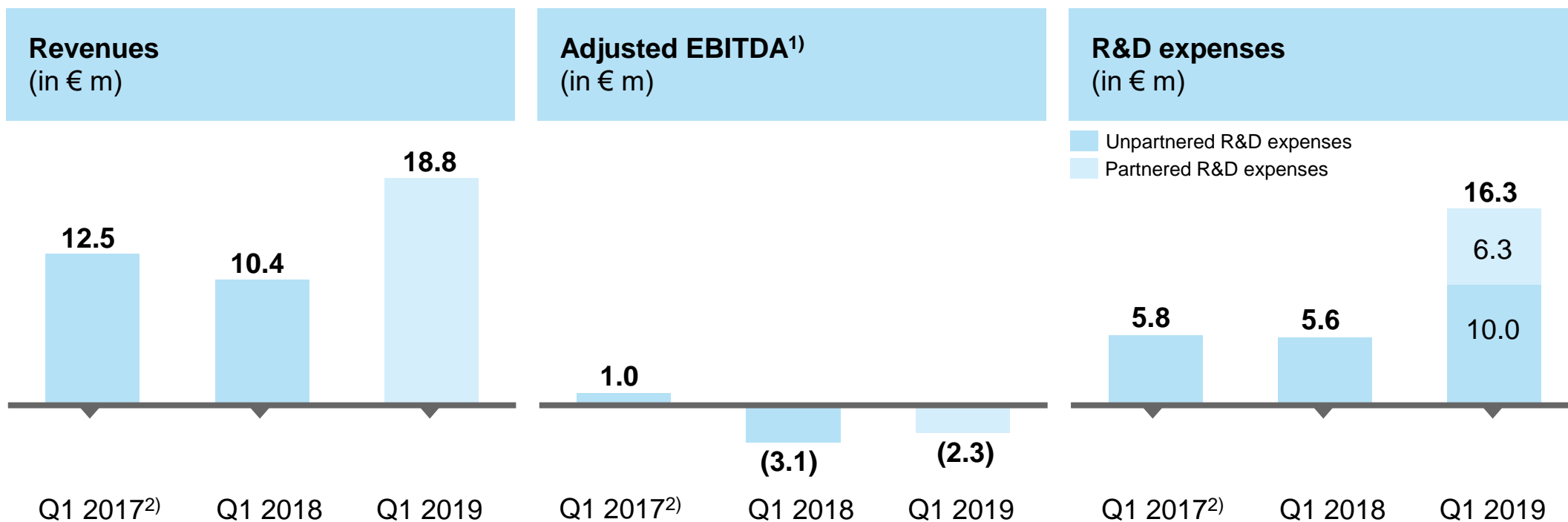
### Adjusted EBITDA<sup>1)</sup> (in € m)



- Revenue growth in EVT Execute driven by strong performance in the base business and milestone contributions
- Significant upswing of adjusted EBITDA mainly due to the strong growth in revenues and first-time application of IFRS 16

# Continued focus on acceleration of platform innovation

## EVT Innovate – Key performance indicators Q1 2019

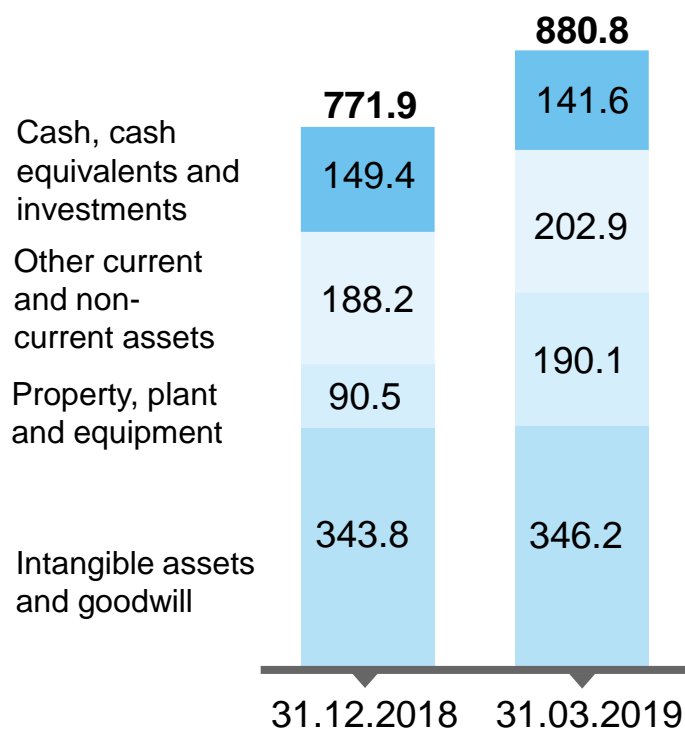


- Revenues in Q1 2019 positively impacted by strong performance in the base business as well as milestone and upfront contributions from new and ongoing partnerships
- Adjusted EBITDA in Q1 2019 as expected following higher expenses in Q1 2019
- Unpartnered R&D expenses in Q1 2019 with a focus on metabolic and oncology projects and iPSC research; partnered R&D expenses of € 6.3 m fully reimbursed by Sanofi

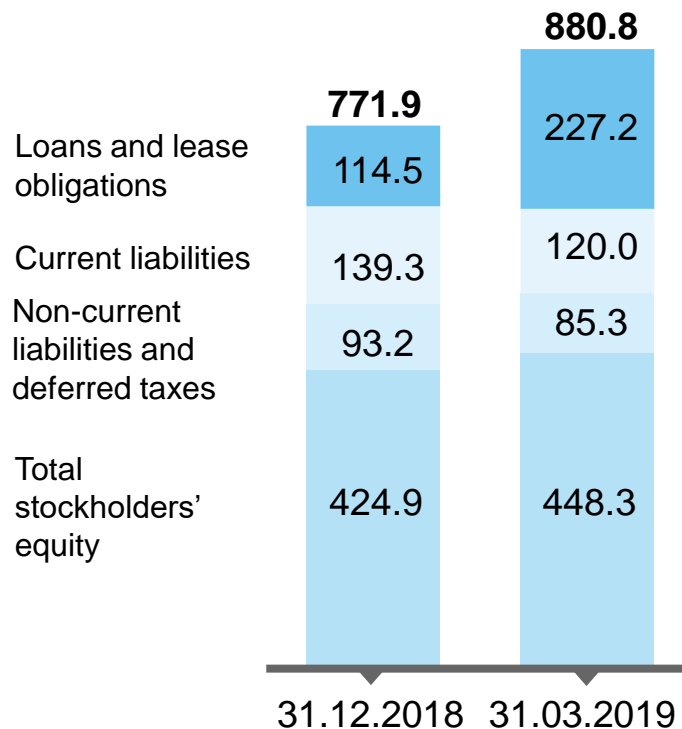
# Significant impact of new IFRS 16 standard

Balance sheet and liquidity – 31 March 2019 versus 31 December 2018

## Assets (in € m)



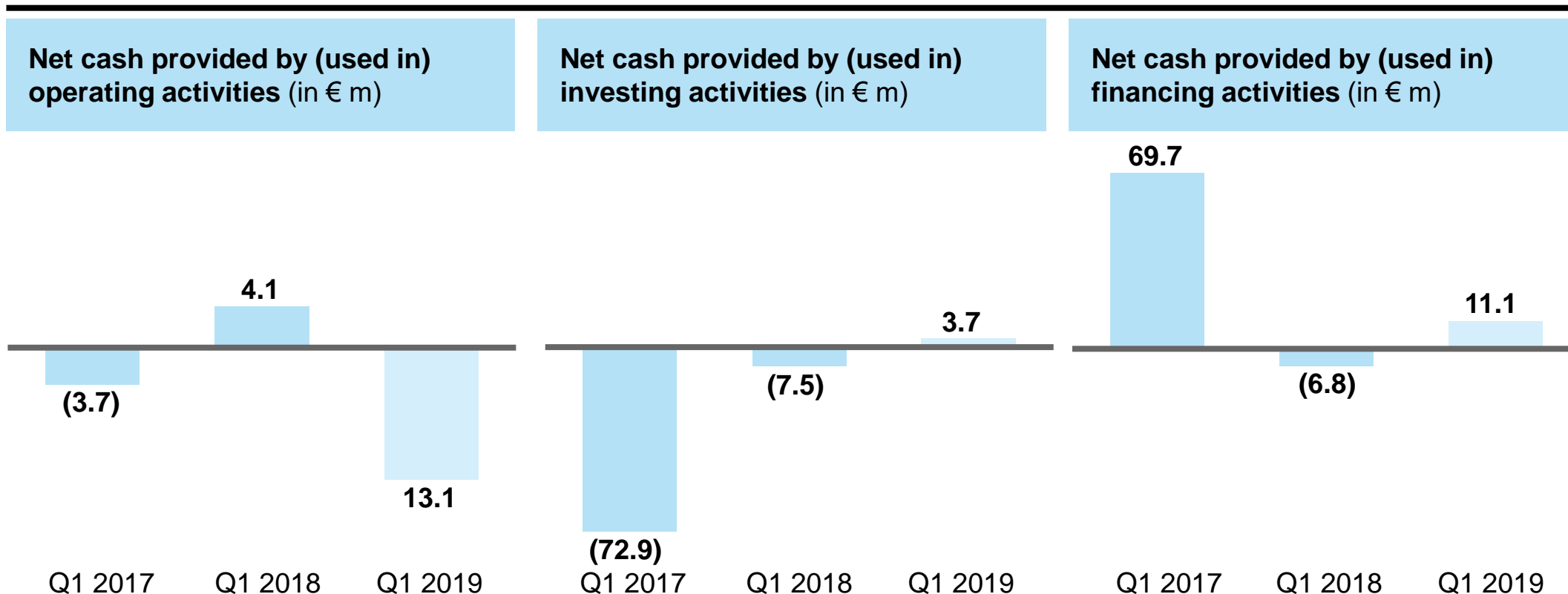
## Liabilities & Stockholders' equity (in € m)



- Increase in property, plant and equipment following capitalisation of operating leases as fixed assets (€ 100.3 m) (IFRS 16 application)
- Higher non-current assets due to increase in R&D tax receivables
- Loans and finance leases heavily affected by first-time application of IFRS 16 (€ 102.3 m)
- Decrease in non-current liabilities due to lower contract liabilities
- Strong equity ratio of 50.9% (31 December 2018: 55.0%)

## Cash flow according to plan

Cash flow – Q1 2019 versus prior-year period



- Operating cash flow in Q1 2019 mainly affected by seasonal high cash outflow and a reduction in contract liabilities
- Investing cash flow in Q1 2019 includes € 10.5 m proceeds from sale of current investments off-set by capital expenditures
- Cash flow from financing activities in Q1 2019 mainly impacted by a new tranche of the European Investment Bank loan (€ 11.2 m)
- Strong liquidity position at € 141.6 m (31 December 2018: € 149.4 m)

# Guidance 2019 confirmed

## Overview – Guidance 2019

in € m

KPIs	Guidance 2019	Actual 2018
Group revenues from contracts with customers without revenues from recharges	<b>Approx. 10% growth</b>	€ 364.0 m <sup>1)</sup>
Unpartnered R&D expenses	<b>Approx. € 30-40 m</b>	€ 22.9 m
Adjusted Group EBITDA <sup>2)</sup>	<b>Improve by approx. 10% compared to 2018</b>	€ 92.0 m <sup>3)</sup>

<sup>1)</sup> 2018 total revenues excluding revenues from recharges according to IFRS 15

<sup>2)</sup> EBITDA is defined as earnings before interest, taxes, depreciation, and amortisation of intangibles. Adjusted EBITDA excludes contingent considerations, income from bargain purchase and impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

<sup>3)</sup> 2018 total adjusted Group EBITDA excluding € 3.5 m one-off effects in 2018

## **APPENDIX (unaudited)**

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# Consolidated interim statement of financial position as of 31 March 2019

## Balance sheet – Evotec SE and subsidiaries

<i>in T€ except share data</i>	<i>As of 31 March 2019</i>	<i>As of 31 Dec 2018</i>	<i>in T€ except share data</i>	<i>As of 31 March 2019</i>	<i>As of 31 Dec 2018</i>
<b>ASSETS</b>			<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current assets:</b>			<b>Current liabilities:</b>		
Cash and cash equivalents	111,630	109,055	Current loan liabilities	54,818	55,069
Investments	29,974	40,394	Current portion of lease obligations	12,293	1,850
Trade accounts receivables	48,817	45,938	Trade accounts payable	32,583	31,137
Accounts receivables from related parties	2,041	2,092	Provisions	23,570	27,979
Inventories	5,643	5,660	Contract liabilities	44,050	49,676
Current tax receivables	16,115	13,829	Deferred income	2,150	11,511
Contract assets	13,766	12,913	Current income tax payables	5,710	4,232
Other current financial assets	492	430	Other current financial liabilities	42	42
Prepaid expenses and other current assets	26,171	19,458	Other current liabilities	11,931	14,779
<b>Total current assets</b>	<b>254,649</b>	<b>249,769</b>	<b>Total current liabilities</b>	<b>187,147</b>	<b>196,275</b>
<b>Non-current assets:</b>			<b>Non-current liabilities:</b>		
Investments accounted for using the equity method and other long-term investments	28,578	28,963	Non-current loan liabilities	67,886	54,680
Property, plant and equipment	190,078	90,519	Long-term lease obligations	92,212	2,866
Intangible assets, excluding goodwill	121,021	122,989	Deferred tax liabilities	21,391	21,517
Goodwill	225,203	220,791	Provisions	21,028	19,986
Deferred tax asset	42,293	43,329	Contract liabilities	35,629	44,041
Non-current tax receivables	18,048	14,601	Deferred income	6,500	7,000
Other non-current financial assets	20	27	Other non-current financial liabilities	770	638
Other non-current assets	931	895	<b>Total non-current liabilities</b>	<b>245,416</b>	<b>150,728</b>
<b>Total non-current assets</b>	<b>626,172</b>	<b>522,114</b>	<b>Stockholders' equity:</b>		
<b>Total assets</b>	<b>880,821</b>	<b>771,883</b>	Share capital	149,765	149,063
			Additional paid-in capital	784,032	783,154
			Accumulated other comprehensive income	(20,671)	(27,200)
			Accumulated deficit	(465,739)	(481,013)
			<b>Equity attributable to shareholders of Evotec SE</b>	<b>447,387</b>	<b>424,004</b>
			Non-controlling interest	871	876
			<b>Total stockholders' equity</b>	<b>448,258</b>	<b>424,880</b>
			<b>Total liabilities and stockholders' equity</b>	<b>880,821</b>	<b>771,883</b>

# Consolidated interim income statement for the period from 01 January – 31 March 2019

## Profit and loss – Evotec SE and subsidiaries

<i>in T€ except share and per share data</i>	<i>Three months ended 31 March 2019</i>	<i>Three months ended 31 March 2018<sup>1)</sup></i>
Revenues from contracts with customers	103,849	81,637
Costs of revenue	(72,196)	(63,149)
<b>Gross profit</b>	<b>31,653</b>	<b>18,488</b>
<b>Operating income and (expenses)</b>		
Research and development expenses	(14,359)	(4,616)
Selling, general and administrative expenses	(14,762)	(13,294)
Other operating income	18,398	8,065
Other operating expenses	(1,872)	(2,112)
<b>Total operating expenses</b>	<b>(12,595)</b>	<b>(11,957)</b>
<b>Operating income</b>	<b>19,058</b>	<b>6,531</b>
<b>Non-operating income (expense)</b>		
Interest income	191	177
Interest expense	(1,061)	(447)
Share of the loss of associates accounted for using the equity method	(1,364)	(728)
Other income from financial assets	1	3
Foreign currency exchange gain (loss), net	434	(1,527)
Other non-operating income	106	3
<b>Total non-operating income (expense)</b>	<b>(1,693)</b>	<b>(2,519)</b>
<b>Income before taxes</b>	<b>17,365</b>	<b>4,012</b>
Current tax expense	(2,523)	(1,530)
Deferred tax income	(1,792)	973
<b>Total taxes</b>	<b>(4,315)</b>	<b>(557)</b>
<b>Net income</b>	<b>13,050</b>	<b>3,455</b>
<b>thereof attributable to:</b>		
Shareholders of Evotec SE	13,055	3,457
Non-controlling interest	(5)	(2)
<b>Weighted average shares outstanding</b>	<b>149,140,885</b>	<b>147,292,602</b>
<b>Net income per share (basic)</b>	<b>0.09</b>	<b>0.02</b>
<b>Net income per share (diluted)</b>	<b>0.09</b>	<b>0.02</b>



# Condensed consolidated interim statement of cash flows for the three months ended 31 March 2019

## Cash flow – Evotec SE and subsidiaries

<i>in T€</i>	<i>Three months ended 31 March 2019</i>	<i>Three months ended 31 March 2018</i>
<b>Cash flows from operating activities:</b>		
Net income	13,050	3,455
Adjustments to reconcile net income to net cash provided by operating activities	15,260	8,224
Change in assets and liabilities	(41,451)	(7,540)
<b>Net cash provided by (used in) operating activities</b>	<b>(13,141)</b>	<b>4,139</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments in associated companies and other long-term investments	(979)	(2,689)
Purchase of property, plant and equipment	(5,845)	(6,212)
Payment of subsequent contingent considerations	–	(1,460)
Proceeds from sale of current investments	10,533	2,835
<b>Net cash provided by (used in) investing activities</b>	<b>3,709</b>	<b>(7,526)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from option exercise	676	15
Proceeds from issuance of loans	28,399	4,000
Repayment lease obligation	(2,492)	(208)
Repayment of loans	(15,455)	(10,596)
<b>Net cash provided by (used in) financing activities</b>	<b>11,128</b>	<b>(6,789)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>1,696</b>	<b>(10,176)</b>
Exchange rate difference	879	511
Cash and cash equivalents at beginning of year	109,055	67,017
<b>Cash and cash equivalents at end of the period</b>	<b>111,630</b>	<b>57,352</b>

# Segment information for the period from 01 January – 31 March 2019

## Segment information-2018 & 2019 – Evotec SE and subsidiaries

2019 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Transition	Evotec Group
External revenues	81,571	18,824	–	3,454	103,849
Intersegment revenues	18,745	–	(18,745)	–	–
Costs of revenue	(71,240)	(14,155)	16,653	(3,454)	(72,196)
<b>Gross profit</b>	<b>29,076</b>	<b>4,669</b>	<b>(2,092)</b>	<b>–</b>	<b>31,653</b>
<b>Operating income and (expenses)</b>					
Research and development expenses	(131)	(16,320)	2,092	–	(14,359)
Selling, general and administrative expenses	(11,975)	(2,787)	–	–	(14,762)
Other operating income	6,466	11,932	–	–	18,398
Other operating expenses	(1,616)	(256)	–	–	(1,872)
<b>Total operating expenses</b>	<b>(7,256)</b>	<b>(7,431)</b>	<b>2,092</b>	<b>–</b>	<b>(12,595)</b>
<b>Operating income (loss)</b>	<b>21,820</b>	<b>(2,762)</b>	<b>–</b>	<b>–</b>	<b>19,058</b>
Interest result					(870)
Share of the loss of associates accounted for using equity method					(1,364)
Other income (expense) from financial assets, net					1
Foreign currency exchange gain (loss), net					434
Other non-operating income					106
<b>Income before taxes</b>					<b>17,365</b>
<b>EBITDA adjusted</b>	<b>32,330</b>	<b>(2,294)</b>		<b>–</b>	<b>30,036</b>



2018 in T€	EVT Execute	EVT Innovate	Intersegment eliminations	Transition	Evotec Group <sup>1)</sup>
External revenues	68,565	10,419	–	2,653	81,637
Intersegment revenues	9,979	–	(9,979)	–	–
Costs of revenue	(62,185)	(7,177)	8,866	(2,653)	(63,149)
<b>Gross profit</b>	<b>16,359</b>	<b>3,242</b>	<b>(1,113)</b>	<b>–</b>	<b>18,488</b>
<b>Operating income and (expenses)</b>					
Research and development expenses	(142)	(5,587)	1,113	–	(4,616)
Selling, general and administrative expenses	(11,524)	(1,770)	–	–	(13,294)
Other operating income	9,535	1,183	–	(2,653)	8,065
Other operating expenses	(4,260)	(505)	–	2,653	(2,112)
<b>Total operating expenses</b>	<b>(6,391)</b>	<b>(6,679)</b>	<b>1,113</b>	<b>–</b>	<b>(11,957)</b>
<b>Operating income</b>	<b>9,968</b>	<b>(3,437)</b>	<b>–</b>	<b>–</b>	<b>6,531</b>
Interest result					(270)
Share of the loss of associates accounted for using equity method					(728)
Other income (expense) from financial assets, net					3
Foreign currency exchange gain (loss), net					(1,527)
Other non-operating income					3
<b>Income before taxes</b>					<b>4,012</b>
<b>EBITDA adjusted</b>	<b>17,163</b>	<b>(3,148)</b>		<b>–</b>	<b>14,015</b>

## Important next dates

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### Financial calendar 2019

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Annual Report 2018		28 March 2019
Quarterly Statement Q1 2019		14 May 2019
Annual General Meeting 2019		19 June 2019
Half-year 2019 Interim Report		14 August 2019
Quarterly Statement 9M 2019		12 November 2019

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