

## **EVOTEC SE REPORTS RESULTS FOR THE FIRST NINE MONTHS 2020 AND PROVIDES CORPORATE UPDATE**

- ▶ *MULTIPLE NEW & EXTENDED DRUG DISCOVERY AND DEVELOPMENT ALLIANCES; VERY GOOD PROGRESS IN CO-OWNED PIPELINE*
- ▶ *INCREASING MOMENTUM DESPITE DIFFICULT BUSINESS ENVIRONMENT*
- ▶ *GUIDANCE FOR FULL-YEAR 2020 CONFIRMED; CAPACITY EXPANSION ON TRACK FOR SWIFT START TO 2021*

### **HIGHLIGHTS**

#### **CONTINUED STRONG PERFORMANCE IN BASE BUSINESS; ROBUST REVENUE GROWTH AND IMPROVING EBITDA IN Q3**

- ▶ Group revenues: 12% increase to € 360.4 m (9M 2019: € 321.4 m)
- ▶ Significant like-for-like base revenue growth (adjusted for portfolio and FX) up 19%
- ▶ Robust revenue growth in both segments: Total EVT Execute revenues up 14% to € 352.7 m (9M 2019: € 308.1 m); EVT Innovate revenues up 21% to € 74.7 m (9M 2019: € 61.8 m)
- ▶ Adjusted Group EBITDA of € 76.9 m (9M 2019: € 93.2 m) with good momentum in Q3
- ▶ Expanded investment in R&D with expenses of € 46.1 m (9M 2019: € 41.3 m); significant increase in unpartnered R&D of 30% to € 33.4 m (9M 2019: € 25.7 m)
- ▶ No material impact of COVID-19 pandemic on overall financial and strategic development so far; slight delays in the conclusion of contracts and milestone achievements

#### **EVT EXECUTE & EVT INNOVATE – MULTIMODALITY AND INTEGRATED PLATFORM SET FOR GROWTH IN DATA DRIVEN PRECISION MEDICINE**

- ▶ Multiple new and extended drug discovery and development agreements
- ▶ Just – Evotec Biologics on track for success
- ▶ Strategic alliance with Novo Nordisk to develop novel therapies for kidney diseases
- ▶ Access to QUOD biobank to expand patient database into liver disease
- ▶ Further milestone achieved in neurodegeneration alliance with Bristol Myers Squibb
- ▶ Expanded collaboration with Centogene into Gaucher disease
- ▶ Good progress in collaboration asset with Bayer – two clinical Phase II studies with P2X<sub>3</sub> antagonist BAY1817080/ Eliapixant were initiated by Bayer in September/October (for one study patient recruitment started after period-end)
- ▶ Important COVID-19 pandemic-related alliances with US DOD (Department of Defence) and grant from Bill & Melinda Gates Foundation (after period-end)

## CORPORATE

- ▶ Acquisition of the assets (mainly land and buildings) and takeover of staff from “Biopark by Sanofi SAS”, now “Campus Curie Toulouse”, making Evotec the full owner of the Toulouse (France) site
- ▶ Continued expansion of infrastructure to support future growth in Abingdon (UK) and Göttingen (GER)
- ▶ Mubadala Investment Company becomes strategic shareholder and Novo Holdings A/S reinforces its commitment, together investing € 250 m through a capital increase (after period-end)
- ▶ Renewal of contract with CEO Dr Werner Lanthaler for five years until 05 March 2026 (after period-end)

## GUIDANCE FOR FULL-YEAR 2020 CONFIRMED

- ▶ Unchanged business outlook compared to half-year report 2020, taking into account currently visible COVID-19 effects
- ▶ Group revenues from contracts with customers expected to range from € 440 – 480 m (2019: € 446.4 m)
- ▶ “Unpartnered Group R&D” expenses of approx. € 45 m (2019: € 37.5 m)
- ▶ Adjusted Group EBITDA expected to be in the range of € 100 – 120 m (2019: € 123.1 m)

## Key figures of consolidated income statement & segment information

Evotec SE & subsidiaries – First nine months of 2020

In T€	EVT Execute	EVT Innovate	Intersegment Eliminations	Transition <sup>4)</sup>	Evotec Group 9M 2020	Evotec Group 9M 2019
External revenues <sup>1)</sup>	269,860	74,692	–	15,862	360,414	321,362
Intersegment revenues	82,802	–	(82,802)	–	–	–
Costs of revenues	(262,154)	(68,668)	75,459	(15,862)	(271,225)	(222,553)
<b>Gross profit</b>	<b>90,508</b>	<b>6,024</b>	<b>(7,343)</b>	–	<b>89,189</b>	<b>98,809</b>
Gross margin in %	25.7	8.1	–	–	24.7	30.7
R&D expenses <sup>2)</sup>	(3,589)	(49,831)	7,343	–	(46,077)	(41,285)
SG&A expenses	(47,402)	(10,730)	–	–	(58,132)	(46,230)
Impairments of intangible assets and goodwill	–	–	–	–	–	(11,919)
Other operating income (expenses), net	13,661	36,645	–	–	50,306	47,050
<b>Operating result</b>	<b>53,178</b>	<b>(17,892)</b>	–	–	<b>35,286</b>	<b>46,425</b>
<b>Adjusted EBITDA<sup>3)</sup></b>	<b>92,303</b>	<b>(15,361)</b>	–	–	<b>76,942</b>	<b>93,216</b>

<sup>1)</sup> Revenues in the segments consist of revenues from contracts with customers without revenues from recharges as those are not of importance for management when assessing the economic situation of the segments.

<sup>2)</sup> Of which unpartnered R&D expenses of € 33.4 m in 9M 2020 (9M 2019: € 25.7 m)

<sup>3)</sup> Before contingent considerations, income from bargain purchase and excluding impairments on goodwill, other intangible and tangible assets as well as the total non-operating result; adjusted for negative exchange rate effects of € 0.5 m, EBITDA amounts to € 77.4 m

<sup>4)</sup> Not allocated to segments: Revenues from recharges according to IFRS 15

More detailed information and financial tables are available in our nine months quarterly statement published on the Evotec website under the following link:

<https://www.evotec.com/en/invest/financial-publications>.

### ***Webcast/Conference Call***

The Company is going to hold a conference call to discuss the results of the first nine months 2020 as well as to provide an update on its performance in the reporting period. The conference call will be held in English.

#### **Conference call details**

Date: **Thursday, 12 November 2020**

Time: **02.00 pm CET (08.00 am EST, 01.00 pm GMT)**

From Germany: +49 69 20 17 44 220

From France: +33 170 709 502

From Italy: +39 023 600 6663

From UK: +44 20 3009 2470

From USA: +1 877 423 0830

Access Code: 69782681#

A simultaneous slide presentation for participants dialling in *via phone* is available at <https://www.webcast-eqs.com/evotec20201112/no-audio>.

#### **Webcast details**

To join the *audio webcast* and to access the *presentation slides* you will find a link on our homepage [www.evotec.com](http://www.evotec.com) shortly before the event.

A replay of the conference call will be available for seven days and can be accessed from Germany by dialling +49 69 201744221, from UK by dialling +44 20 3364 5150 and from USA by dialling +1 (844) 307-9362.

The access code is 315597280#. The on-demand version of the webcast will be available on our website: <https://www.evotec.com/financial-reports>.

#### **ABOUT EVOTEC SE**

*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 and our more than 3,400 employees provide the highest quality stand-alone and integrated drug discovery and development solutions. We cover all activities from target-to-clinic to meet the industry's need for innovation and efficiency in drug discovery and development (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 neuronal diseases, diabetes and complications of diabetes, pain and inflammation, oncology, infectious diseases, respiratory diseases, fibrosis, rare diseases and women's health. On this basis, Evotec has built a broad and deep pipeline of approx. 100 co-owned product opportunities at clinical, pre-clinical and discovery stages (EVT Innovate). Evotec has established multiple long-term alliances with partners including Bayer, Boehringer Ingelheim, Bristol Myers Squibb, CHDI, Novartis, Novo Nordisk, Pfizer, Sanofi, Takeda, UCB and others. For additional information please go to [www.evotec.com](http://www.evotec.com) and follow us on Twitter [@Evotec](https://twitter.com/Evotec).*

*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.*