Evotec

Partnered Drug Discovery and Development
Forward-looking statement

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.
Agenda

Overview

Partnered drug discovery & development

Financials & Outlook
Leading external drug discovery & development
Evotec – Company snapshot

<table>
<thead>
<tr>
<th>100+</th>
<th>€ 375 m+</th>
<th>€ 95 m+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-owned pipeline programmes with significant milestone &amp; royalty potential</td>
<td>Revenues(^1)</td>
<td>Adjusted Group EBITDA(^1)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>25+</th>
<th>2,700+</th>
<th>200+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years track record</td>
<td>Top-class employees</td>
<td>Long-term partnerships</td>
</tr>
</tbody>
</table>

\(^1\) In FY 2018
Medicine of the future will see radical change

Technologies & mega trends to more personalized medicine

**Next Wave of Technologies**

- Next gen sequencing
- More precise & early diagnostics
- iPSC & CRISPR gene editing
- RNAi technologies, CAR-T
- Checkpoint inhibitors
- Artificial intelligence, big data
- 3D printing, blockchain, wearables, sensors
- Real-world data, …

**Healthcare Mega Trends**

- Patient-centric medicine
- Digital health
- Predictive & preventive medicine
- Value-based care

**Integrated Drug Discovery**

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*evotec & Partners*
From fixed to variable costs

R&D outsourcing

in € bn

Capital Elasticity

Not outsourced

Outsourced

Building a co-owned portfolio in partnerships

Unique strategy and business approach
# Just right for Evotec

Summary & Key rationale of Just Biotherapeutics (Just.Bio) acquisition

## Modality expansion for end-to-end integrated solutions with Just.Bio
- ML (Machine learning)-based tools, smart processes and know-how enable efficient development and manufacturing of biologics
- Integrated value chain from discovery to market in small molecules and biologics

## Evotec to accelerate mission as initiated by Just.Bio
- Culture and talents fit scientific and operating excellence value proposition of Evotec
- Expanding US footprint in biologics hub Seattle
- Along Evotec’s strategy – Opening more co-ownership opportunities

## Strong synergy and growth potential with Just.Bio
- Synergy capitalizes on tremendous industry demand and tailwinds in biologics
- Just.Bio shows strong and high-quality growth despite early stage of company
- Consideration of up to $90 m including potential performance-based earn-outs
More flexibility for better defined patient populations

Changes in marketplace

Biologics global expected sales in $ bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($ bn)</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>221</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>~500</td>
<td>+126%</td>
</tr>
</tbody>
</table>

Avg. peak sales (SM & Biologics) in $ m

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales ($ m)</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>800</td>
<td>-42%</td>
</tr>
<tr>
<td>2017</td>
<td>465</td>
<td></td>
</tr>
</tbody>
</table>

The Opportunity

- Biologics market is large, growing and open for technology improvements
- High number of smaller volume products are in early pipelines
- Increasingly complex biologics (e.g. bsAbs)
- Ideal conditions for bespoke, flexible, high-quality, expert, integrated partner

5 year industry CAGR ~10%, >1,000 biologics in development

Founded 2014/15, Private, based in Seattle, WA (USA)

Approx. 90 employees

Key Investors: Arch Venture Partners, Merck & Co., Lilly Asia Ventures, Bill & Melinda Gates Foundation and employees

Partners & Customers: Biotechs, public institutions, foundations and Top-tier Pharma

>$ 20 m revenues in 2018 (approx. 3.5 years after inception); approx. EBITDA break-even in 2018
Adding Seattle, to become a top biologics hotspots

Global centres of excellence

Abingdon, Alderley Park
~680 employees

Hamburg, Göttingen, Munich
~610 employees

Verona, Basel
~660 employees

Branford, Princeton, Seattle, Watertown
~140 + approx. 90 employees and growing

Toulouse, Lyon
~550 employees
A powerful platform for biologics value chain

World-class services for biologics development: J.MD™, JP3®, and J.POD®

Academia | Target ID/Validation | Hit-Identification | Lead Optimisation | Pre-clinical | Phase I | Phase II | Phase III | Approval | Market
---|---|---|---|---|---|---|---|---|---

**Molecule Optimisation – J.MD™**
- Sequence evaluation for improved lead selection, humanisation and germline background diversity
- Ensures selection of best molecules for rapid and efficient manufacturability and formulation stability

**Process development – JP3®**
- Formulation design from clinical to commercial
- Stable cell line delivering high volumetric productivity
- Powerful analytical tools
- High-throughput tools for development of commercial-ready processes

**Manufacturing – J.POD®**
- cGMP drug substance manufacturing
- Automation and scale between clinical and commercial ops
- Rapid and efficient facility design, build, implementation
- Reduced or competitive drug substance COGs

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J.POD® are currently under construction for fastest possible initiation to build in USA and EU – expected 2021.
Agenda

Overview

**Partnered drug discovery & development**

Financials & Outlook
ONE fully integrated platform

EVT Execute & EVT Innovate

IP = Intellectual Property

IP stays with customers

IP stays with Evotec
**Improving quality and accelerating R&D**

**EVT Execute – Selected performance indicators**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compounds in highly selective library</td>
<td>1,000,000+</td>
<td></td>
</tr>
<tr>
<td>Investigational New Drug (IND) – Pre-clinical &amp; clinical candidates delivered (INDiGO)</td>
<td>&gt;50</td>
<td></td>
</tr>
<tr>
<td>Technology acquisitions</td>
<td>&gt;10</td>
<td></td>
</tr>
<tr>
<td>Repeat business</td>
<td>92%</td>
<td></td>
</tr>
<tr>
<td>Years average contract time</td>
<td>&gt;1.8</td>
<td></td>
</tr>
<tr>
<td>Faster delivery of data at improved quality</td>
<td>&gt;25%</td>
<td></td>
</tr>
</tbody>
</table>

1) Investigational New Drug  
2) Since 2012  
3) In FY 2018
**Strong and well-balanced global customer mix**

EVT Execute – Who are our partners?

<table>
<thead>
<tr>
<th>in %</th>
<th>Foundations</th>
<th>Biotech</th>
<th>RoW</th>
<th>USA</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-sized Pharma</td>
<td>17</td>
<td>36</td>
<td>3</td>
<td>36</td>
<td>61</td>
</tr>
<tr>
<td>Top 20 Pharma</td>
<td>31</td>
<td>46</td>
<td>6</td>
<td>17</td>
<td>61</td>
</tr>
<tr>
<td>Customer type Q1 2019¹</td>
<td>6</td>
<td>61</td>
<td>31</td>
<td>46</td>
<td>17</td>
</tr>
</tbody>
</table>

¹ Third-party revenues only
Strong portfolio of highest quality partners

EVT Execute alliances – Examples

<table>
<thead>
<tr>
<th>Company</th>
<th>Partnership Focus</th>
<th>Initiated</th>
</tr>
</thead>
<tbody>
<tr>
<td>CTDH</td>
<td>Huntington Disease</td>
<td>2006</td>
</tr>
<tr>
<td>UCB</td>
<td>Various indications</td>
<td>2011</td>
</tr>
<tr>
<td>SANOFI</td>
<td>Broad range of services</td>
<td>2015</td>
</tr>
<tr>
<td>NOVARTIS</td>
<td>DMPK services</td>
<td>2016</td>
</tr>
<tr>
<td>Abivax</td>
<td>Infectious diseases</td>
<td>2016</td>
</tr>
<tr>
<td>Astex Pharmaceuticals</td>
<td>Various indications</td>
<td>2016</td>
</tr>
<tr>
<td>LEO</td>
<td>Dermatology</td>
<td>2018</td>
</tr>
<tr>
<td>Novo Nordisk</td>
<td>Diabetes &amp; obesity</td>
<td>2018</td>
</tr>
<tr>
<td>Ferring Pharmaceuticals</td>
<td>Reproductive medicine and women's health</td>
<td>2018</td>
</tr>
<tr>
<td>Takeda</td>
<td>INDIGO, DD &amp; CMC</td>
<td>2015</td>
</tr>
<tr>
<td>STORM Therapeutics</td>
<td>Oncology</td>
<td>2016</td>
</tr>
<tr>
<td>Yumanity Therapeutics</td>
<td>CNS</td>
<td>2018</td>
</tr>
<tr>
<td>Tesaro</td>
<td>Oncology</td>
<td>2017</td>
</tr>
<tr>
<td>Roche</td>
<td>Oncology</td>
<td>2015</td>
</tr>
</tbody>
</table>
Building a co-owned pipeline

**EVT Innovate** – Selected performance indicators

<table>
<thead>
<tr>
<th>7</th>
<th>&gt;€1,000 bn</th>
<th>&gt;100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disease areas of core expertise(^1)</td>
<td>Unmet markets addressed</td>
<td>Co-owned pipeline programmes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10</th>
<th>&gt;10</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Co-owned assets</td>
<td>Unpartnered large R&amp;D initiatives</td>
<td>First-in-class and best-in-class approaches “Going for Cure not Symptoms”</td>
</tr>
</tbody>
</table>

\(^1\) CNS, Pain, Oncology, Respiratory, Diabetes/Metabolic diseases, Women’s health, Infectious disease
Creating massive upside with limited cost & risk
Example for co-owned deal structures

Performance-based components *(Illustrative)*

- Ø € 200 m Milestones (MS) per project
- Ø € 5-65 m
- Ø 8%
# Partnership portfolio

## Molecule | Therapeutic Area/Indication | Partner | Discovery | Pre-clinical | Phase I | Phase II
--- | --- | --- | --- | --- | --- | ---
EVT201 | CNS – Insomnia | | | | |  
BAY-1817080 | Chronic cough | | | | |  
ND (2) | Chronic cough | | | | |  
SGM-1019 (2) | Inflammation (NASH) | | | | |  
EVT401 | Immunology & Inflammation | | | | |  
Various | Women’s health – Endometriosis | | | | |  
Various | Women’s health – Endometriosis | | | | |  
CT7001 | Oncology | Carinoma | | | |  
Pain | | | | | |  
Various | Women’s health – Endometriosis | | | | |  
EVT816 | Oncology – Immunotherapy | | | | |  
ND (1) | Oncology (+ several discovery programmes) | | | | |  
ND (1) | Fibrosis | | | | |  
Various | Anti-infectives | | | | |  
Various | CNS, Metabolic, Pain & Inflammation | | | | |  
EVT801 | Oncology | | | | |  
Various ND | Nephrology | | | | |  
Various ND (1) | Immunology & Inflammation | | | | |  
Various ND (1) | Nephrology | | | | |  
Various ND (1) | Metabolic – Diabetes | | | | |  
Various | Oncology | | | | |  
Various | Immunology & Inflammation – Tissue fibrosis | | | | |  
Various | Neurodegeneration | | | | |  
ND (1) | Anti-bacterial | | | | |  
Various | All indications | | | | |  
ND (1) | Dermatological diseases | | | | |  
ND (1) | Fascioscapulohumeral Dystrophy | | | | |  
INDY inhibitor | Metabolic | | | | |  
Various | Fibrotic disease | | | | |  
TargetPicV | Antiviral | | | | |  
Various | Anti-infectives | | | | |  
Various | Internal: Oncology, CNS, Metabolic, Pain & Inflammation | | | | |  
ND (1) | Oncology | | | | |  
ND (1) | Novel antibiotics | | | | |  
ND (1) | Novel antibiotics | | | | |  
ND (1) | Oncology – Colorectal cancer | | | | |

\(1)\) Not disclosed  
\(2)\) Under review – Clinical trial currently on hold  
Note: Several projects have fallen back to Evotec, where Evotec does not intend to run further clinical trials unpartnered, e.g. EVT302, EVT101, …
Supported by AI – Re-defining the drug discovery paradigm

Game-changing platforms for better translation

1) Supported by AI – Re-defining the drug discovery paradigm

1) Artificial Intelligence & Machine Learning
World-leading initiative in nephrology

NURTuRE – Kidney disease processes, platforms and networks

"The anonymised data contained within the NURTuRE biobank has the potential to unlock answers to some of the biggest questions about CKD & NS."

Elaine Davies, Director of Research – Operations at Kidney Research UK
Patient-derived assays as new gold standard
World-leading iPSC processes and network

“IPS cells can become a powerful tool to develop new drugs to cure intractable diseases because they can be made from patients’ somatic cells.”

Shinya Yamanaka, Nobel prize laureate

 iPSC = Induced pluripotent stem cells
The funding gap

BRIDGEs over the “Valley of death”

- Basic Research
- Applied Research
- Technology Development and Demonstration
- Product Commercialisation and Market Development
- Market Entry and Market Volume

Sources of funding:
- Governments
- Sponsored Research
- Public Private Consortia
- Industry R&D
- Angel Investors
- Incubator Funds
- Venture Capital/Private Equity
- Corporate Venture Capital
- Project Finance
- Banks/Credit Lines

Funding gaps:
- Basic Research
- Applied Research
- Technology Development and Demonstration
- Product Commercialisation and Market Development
- Market Entry and Market Volume

Source: Derived from an article by Sustainable Development Technology Canada (2013)
**Long-term optionality with efficient translation**

**BRIDGEs & Equity participations – Examples**

<table>
<thead>
<tr>
<th>Company</th>
<th>Field/Partnership</th>
<th>Initiated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exscientia</td>
<td>Artificial Intelligence for automated drug design</td>
<td>2017</td>
</tr>
<tr>
<td>facio therapies</td>
<td>Facioscapulohumeral muscular dystrophy</td>
<td>2017</td>
</tr>
<tr>
<td>Eternergy</td>
<td>Metabolic disorders</td>
<td>2016</td>
</tr>
<tr>
<td>FIBROCOR</td>
<td>Fibrosis partnership with MaRS Innovation</td>
<td>2017</td>
</tr>
<tr>
<td>FORGE Therapeutics</td>
<td>Targeting metalloenzymes</td>
<td>2016</td>
</tr>
<tr>
<td>NURTORE</td>
<td>Kidney diseases</td>
<td>2017</td>
</tr>
<tr>
<td>Topas Therapeutics</td>
<td>Nanoparticle-based therapeutics</td>
<td>2016</td>
</tr>
<tr>
<td>Carrick Therapeutics</td>
<td>Innovative molecular pathways in oncology</td>
<td>2016</td>
</tr>
<tr>
<td>BRIDGE</td>
<td>Partnership with Oxford University and Oxford Sciences Innovation</td>
<td>2016</td>
</tr>
<tr>
<td>BRIDGE</td>
<td>Partnership with Arix and Fred Hutch</td>
<td>2017</td>
</tr>
<tr>
<td>BRIDGE</td>
<td>Partnership with MaRS Innovation</td>
<td>2017</td>
</tr>
<tr>
<td>BRIDGE</td>
<td>Partnership with Sanofi</td>
<td>2018</td>
</tr>
</tbody>
</table>
Agenda

Overview

Partnered drug discovery & development

Financials & Outlook
Long-term organic growth reflected in guidance

Financial history 2015-2019 (e) – Selected performance indicators

Approx. 10% Group revenue growth\(^1\) (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018(e)</th>
<th>2019(e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>127.7</td>
<td>164.5</td>
<td>263.8</td>
<td>364.0</td>
<td></td>
</tr>
</tbody>
</table>

\(^{1}\) 2018 total revenues excluding revenues from recharges according to IFRS 15

\(^{2}\) Evotec focuses its guidance and upcoming 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"); total of R&D expenses in 2018 of € 35.6 m (incl. ID-related expenses).

\(^{3}\) Before contingent considerations, income from bargain purchase and excluding impairments on goodwill, other intangible assets and tangible assets as well as the total non-operating result; 2018 total adjusted Group EBITDA excluding € 3.5 m one-off effects in 2018

\(^{4}\) Gross margin in the future may be more volatile due to the dependency of receipt of potential milestone or out-licensing payments, both having a strong impact on the gross margin, also new mix of business through Aptuit

€ 30-40 m unpartnered R&D expenses\(^2\) in 2019 (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018(e)</th>
<th>2019(e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.3</td>
<td>18.1</td>
<td>17.6</td>
<td>22.9</td>
<td></td>
</tr>
</tbody>
</table>

Approx. 10% adj. Group EBITDA growth\(^3\) (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018(e)</th>
<th>2019(e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.7</td>
<td>36.2</td>
<td>57.2</td>
<td>92.0</td>
<td></td>
</tr>
</tbody>
</table>

Strong gross margin\(^4\) (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018(e)</th>
<th>2019(e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>27.5</td>
<td>35.6</td>
<td>31.0</td>
<td>29.8</td>
<td></td>
</tr>
</tbody>
</table>
Both segments fully on strategy

Segment information Q1 2019 – Evotec SE and subsidiaries

<table>
<thead>
<tr>
<th>Segment</th>
<th>EVT Execute</th>
<th>EVT Innovate</th>
<th>Inter-segment elimination</th>
<th>Not allocated</th>
<th>Evotec Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>100.3 m</td>
<td>18.8 m</td>
<td>(18.8)</td>
<td>3.5 m</td>
<td>103.8 m</td>
</tr>
<tr>
<td>Gross margin</td>
<td>29.0%</td>
<td>24.8%</td>
<td></td>
<td></td>
<td>30.5%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>(0.1) m</td>
<td>(16.3) m</td>
<td>2.0 m</td>
<td></td>
<td>(14.4) m</td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>(12.0) m</td>
<td>(2.8) m</td>
<td></td>
<td></td>
<td>(14.8) m</td>
</tr>
<tr>
<td>Other op. income (expenses), net</td>
<td>4.8 m</td>
<td>11.7 m</td>
<td></td>
<td></td>
<td>16.5 m</td>
</tr>
<tr>
<td>Operating result</td>
<td>21.8 m</td>
<td>(2.7) m</td>
<td></td>
<td></td>
<td>19.1 m</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>32.3 m</td>
<td>(2.3) m</td>
<td></td>
<td></td>
<td>30.0 m</td>
</tr>
</tbody>
</table>

1) Differences may occur due to rounding
2) 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
3) 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

- Revenue growth in EVT Execute driven by strong performance in the base business
- Gross margin in EVT Execute driven by high-margin base business
- Increase in R&D expenses in EVT Innovate both in unpartnered and partnered R&D according to strategy
Strong team and shareholders for innovation

Management & shareholder structure

Management Board
- Werner Lanthaler (CEO)
  Long-time experience in Pharma and biotech
- Cord Dohrmann (CSO)
  Long-time experience in drug discovery
- Craig Johnstone (COO)
  Strong drug discovery and commercial track record
- Enno Spillner (CFO)
  Long-time experience in finance and biotech

Supervisory Board
- Wolfgang Plischke
  Ex-Bayer
- Bernd Hirsch
  Bertelsmann
- Claus Braestrup
  Ex-Lundbeck
- Iris Löw-Friedrich
  UCB
- Michael Shalmi
  Novo Holdings A/S
- Elaine Sullivan
  Carrick Therapeutics

Number of shares: 149.9 m
Listing: Frankfurt Stock Exchange (MDAX, TecDAX), OTCBB
52 week high/low: € 25.83/€ 14.28
**Strong outlook for 2019**

**Expected key milestones 2019**

- Continued strong growth and new integrated service alliances
- New co-owned partnerships from own R&D
- New clinical initiations and important progress of co-owned pipeline
- Important milestones from existing alliances
- Initiation of new BRIDGEs
- Corporate investing initiatives
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