EVOTEC AND CELGENE ENTER INTO DRUG DISCOVERY COLLABORATION FOR NEURODEGENERATIVE DISEASES

Exclusive broad R&D collaboration based on Evotec’s iPSC platform
iPSCs – A paradigm shift in drug discovery

*Evotec’s industrialised iPSC-infrastructure represents one of the largest and most sophisticated iPSC-platforms in the industry*

**Mission**
- Develop novel therapies for a broad range of neurodegenerative diseases, based on Evotec’s unique patient-derived drug screening platform induced pluripotent stem cells (“iPSCs”)

**Background**
- The burden of neurological disease will remain a serious threat to public health
- iPSC-based models enable direct studies of human disease in a “dish”
- Vast majority of drugs do not address underlying causes
- Mostly poor (symptomatic) treatments that have been marketed for years

**Agreement with Celgene**
- Upfront payment of $ 45 m
- Potential milestones up to $ 250 m as well as up to low double-digit royalties on in-licensed programmes
- Initially five-year collaboration
- Focus on Amyotrophic lateral sclerosis (“ALS”), Alzheimer’s disease (“AD”), Parkinson’s disease (“PD”), and multiple other neurodegenerative diseases
- Celgene holds exclusive options to in-license worldwide rights to Evotec programmes developed from the company’s compound library
OUR DEDICATED
CORE IPSC TEAM
Expert scientists covering all aspects
of iPSC-based drug discovery
NEURODEGENERATIVE DISEASES
Huge unmet medical need with tremendous demand for new drugs

- **No cure** for most-known neurodegenerative diseases – Alzheimer’s disease, Parkinson’s disease, ALS (Lou Gehrig syndrome) or Huntington’s disease
- No approved drug is able to stop disease progression or is tackling the root of the disease
- Alzheimer’s disease – **No drug** available that can significantly slow down the progression of the disease
- For ALS there is just **one drug** approved, which has demonstrated to give a **2–3 month survival benefit** to ALS patients
- Currently there are no approved drugs for Huntington’s disease, which could slow the deadly progression of the disease. ALS is deadly as well (even more quickly)
- Most effective Parkinson drug (Levodopa) was introduced in 1967

**Increased clinical success rates are required to develop innovative drugs in this field**
- Majority of CNS related clinical trials failed over the past 20 years due to limited or no efficacy
- Between 2002 and 2012 413 Alzheimer’s disease trials were performed with a haunting failure rate of 99.6%
- With comparably longer clinical development timelines and larger trials, sunk costs within CNS amount to multi-billion Euros per annum
- Many innovators have been leaving the neurodegenerative drug discovery field

Global cost of care is approximately $650 billion, and expected to reach over $1 trillion by 2030
EKIDEN TO IPS CELLS

Yamanaka likened his scientific career in terms of the iPS cell technology to an Ekiden.

“When I started a long ekiden — a relay marathon by multiple runners — toward cellular reprogramming about a decade ago, not many teams joined the start of the race.”

“Owing to its simple and reproducible method, numerous laboratories around the world have started running in the ekiden ... I sincerely hope the technology will contribute to the development of new cures for people suffering from various diseases and injuries.”

Shinya Yamanaka
Nobel Prize laureate for revealing that adult cells can be programmed
Source: Nature medicine, Volume 15 (10), 2009

Why iPSC-based disease models?

- iPSC are made from adult specialised cells using a laboratory technique called reprogramming - that behave like embryonic stem cells
- Combining leading expertise in phenotypic screening, proteomics and iPSC handling provides a world leading platform
- Traditional pre-clinical CNS disease models are not predictive for humans
- iPSC-based models allow direct studies of human disease in a “dish”
- iPSC-based models allow early patient stratification
- iPSC-derived models provide superior translation to human disease and are expected to become a strong pillar of CNS drug discovery
- iPSC models are expected to accelerate pre-clinical development
- iPSC-based disease models will have a strong impact in most areas of discovery
- Phenotypic screens for modulation of disease phenotypes and underlying molecular pathways are expected to dominate future efforts
- Industrialisation of iPSC-based screening is still in its infancy

“The use of patient-derived disease models for drug-screening represents a paradigm shift as it places the testing of human disease relevance at the front end of the drug discovery process and is expected to lead to the discovery of more disease relevant drug candidates but also more focused clinical development paths.”

Dr Cord Dohrmann
CSO of Evotec
FROM SKIN TO BRAIN

Discovered in 2006, iPSCs have surprised many scientists and changed our thinking about how cells work.

Reprogramming has opened up exciting possibilities for studying and treating disease.

IPSC CAN MAKE ANY TYPE OF CELL IN THE BODY

The first IPS cells were made in 2006. It was the work of Nobel Laureate Shinya Yamanaka and colleagues – he won a Nobel Prize for the work in 2012.

Adding four specific genes convert adult cells into pluripotent stem cells.

From skin to brain, discovery of iPSCs in 2006 surprised many scientists and changed our thinking about how cells work.

Reprogramming has opened up exciting possibilities for studying and treating disease.
Significant funds are available for the development of iPSC technology and its use in drug discovery. A number of academic institutions have built up dedicated teams.

**USA**
- Significiant funds are available for the development of iPSC technology and its use in drug discovery.
- A number of academic institutions have built up dedicated teams.

**EUROPE**
- Evotec is leading the field of iPSC-based drug discovery by adapting the process to industrial scale and robustness.

**JAPAN**
- iPSC technology originated in Japan (Prof. Yamanaka of Kyoto University).
- Academia, large Pharma and biotechnology company have started further development of the technology.

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- Banking
- Quality control
- Differentiation
- Disease modeling
- Adaption to high-throughput
- Small molecules
- Biologics
- Target deconvolution
- Biomarker identification
Unique collaboration with Harvard Stem Cell Institute

Evotec’s iPSC platform has been developed over the last five years with the goal to industrialise iPSC-based drug screening in terms of throughput, reproducibility and robustness to reach the highest industrial standards. That effort was enabled by a research collaboration and license agreement with Harvard University involving world-leading scientists at the Harvard Stem Cell Institute. In particular, a collaboration termed CureMotorNeuron that was initiated in 2013 with the laboratories of Professors Kevin Eggan, PhD, and Lee Rubin, PhD, resulted in significant contributions to the platform. Additional aspects of the platform were built up through Evotec’s more than 10-year collaboration with the CHDI Foundation in the field of Huntington’s disease.