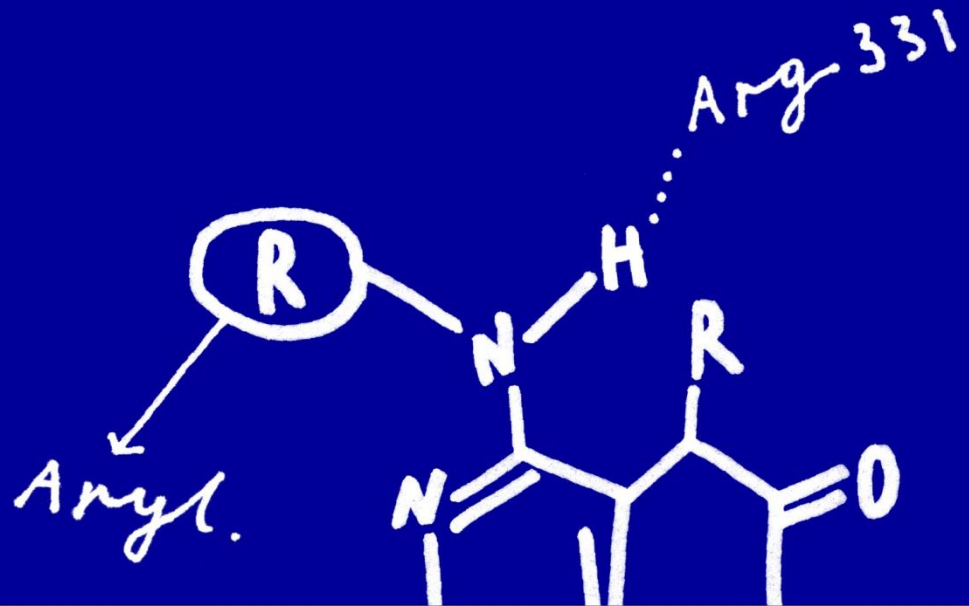


# Leadership in drug discovery

## Proposed acquisition of Cyprotex



## Forward-looking statements

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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.

# Welcome

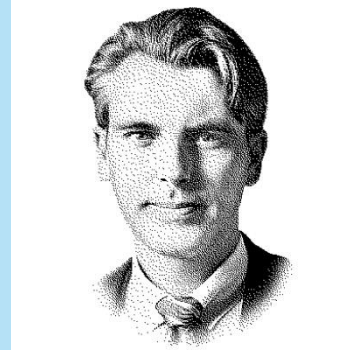
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## The Management Team

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**Werner Lanthaler, CEO**



**Enno Spillner, CFO**



**Mario Polywka, COO**



**Cord Dohrmann, CSO**

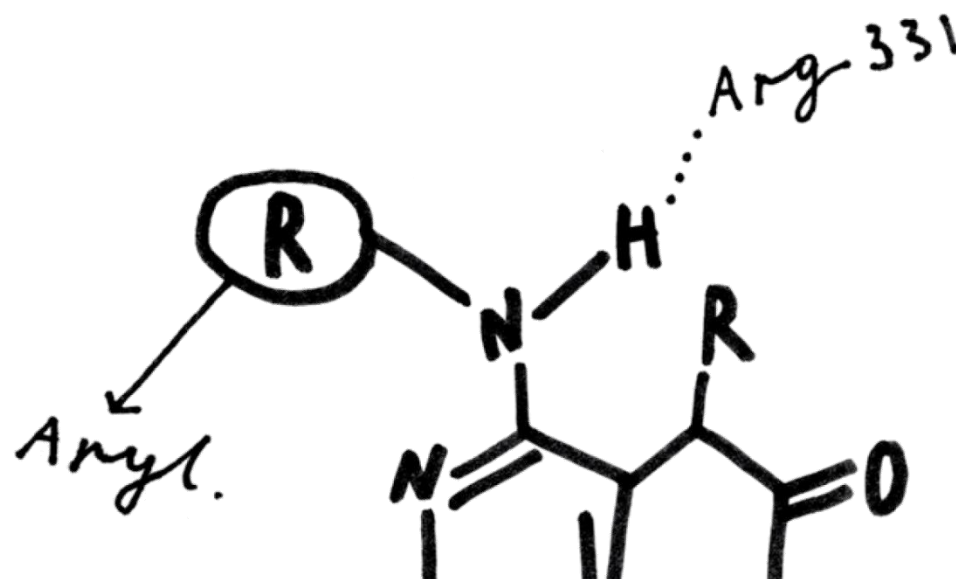
# Agenda

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## Executive summary

Leadership in drug discovery

Summary & next steps



# Offer expected to close before end of 2016

## Summary and rationale of acquisition of Cyprotex

- World leader in pre-clinical ADME-Tox and DMPK testing\*
  - 136 employees operating from 4 sites in the UK and USA
  - H1 2016 revenues of GBP 8.73 m (€ 9.78 m\*\*); underlying EBITDA of GBP 2.34 m (€ 2.62 m\*\*)
  - Listed on UK AIM market
- Strong addition to Evotec's drug discovery platform
  - Strengthens EVT Execute stand-alone capabilities
  - Early screening and predictive ADME accelerates early decision making in integrated drug discovery projects
- Offer: Issued share capital and funding of all existing debt of Cyprotex PLC for approx. GBP 55.36 m (€ 62.0 m\*\*) paid in cash
  - Offer of 1.60 GBP/share represents a 9.4% premium to VWAP of past 30 trading days
  - >50% Cyprotex shareholder irrevocables in place; intention to implement and secure transaction by a scheme of arrangement
- Full financial commitment for acquisition covered through Evotec's cash on balance sheet
  - Acquisition adds high-quality revenue and accretive EBITDA
  - If accepted by >75% of shareholders, deal should close by end of 2016



#RESEARCHNEVERSTOPS

NEWS RELEASE, 26 OCTOBER 2016

### **EVOTEC ANNOUNCES ITS INTENT TO ACQUIRE CYPROTEX PLC**

- Acquisition would add world-leading high-quality ADME-Tox services and strengthen Evotec's leadership in drug discovery

- Evotec will pay approximately £ 55.36 m (€ 62.00 m) in cash for the full share capital of Cyprotex and funding of all existing debt of the AIM-listed company

- Proposed acquisition, unanimously recommended by the board of Cyprotex, is expected to close before year-end 2016

**Hamburg, Germany, 26 October 2016:**

Evotec AG (Frankfurt Stock Exchange: EVT, TecDAX, ISIN: DE0005664809) today announced that it has made an offer to acquire Cyprotex PLC ("Cyprotex", AIM: CRX-GB), a specialist pre-clinical contract research organisation in ADME-Tox and DMPK. Cyprotex serves the industry's increasing requirement for earlier drug screening, regulatory requirements and reducing the reliance on animal testing.

The proposed acquisition, which has been unanimously recommended by the board of Cyprotex, is expected to close before year-end 2016. Evotec will pay approximately £ 55.36 m (€ 62.00 m; £/€ exchange rate of 1.12) in cash for the acquisition of all 26.1 million issued and to be issued Cyprotex shares and the funding of all existing company debt. The offer of 1.60 £ per Cyprotex share reflects a 9.4% premium to the VWAP of the past 30 trading days at AIM. The offer is intended to be implemented by a scheme of arrangement regulated by the UK takeover code, with already >50% shares secured irrevocable. The acquisition will add to Evotec's revenues and be accretive to Evotec's 2017 EBITDA.

Cyprotex is the world's largest contract research organisation specialising in pre-clinical ADME-Tox and DMPK serving the Pharmaceutical, Chemical, Agrochemical and Cosmetics markets. Cyprotex, headquartered in the UK, was founded in 1999 and is publicly traded on AIM (CRX). It has 136 employees working from sites at Macclesfield and Alderley Park, both of which are located near Manchester in the UK, and at

For further information, please contact: Gabriele Hansen VP, Corporate Communications & Investor Relations, gabriele.hansen@evotec.com, T: +49 (0)40 560 81-255, F: +49 (0)40 560 81-333, www.evotec.com

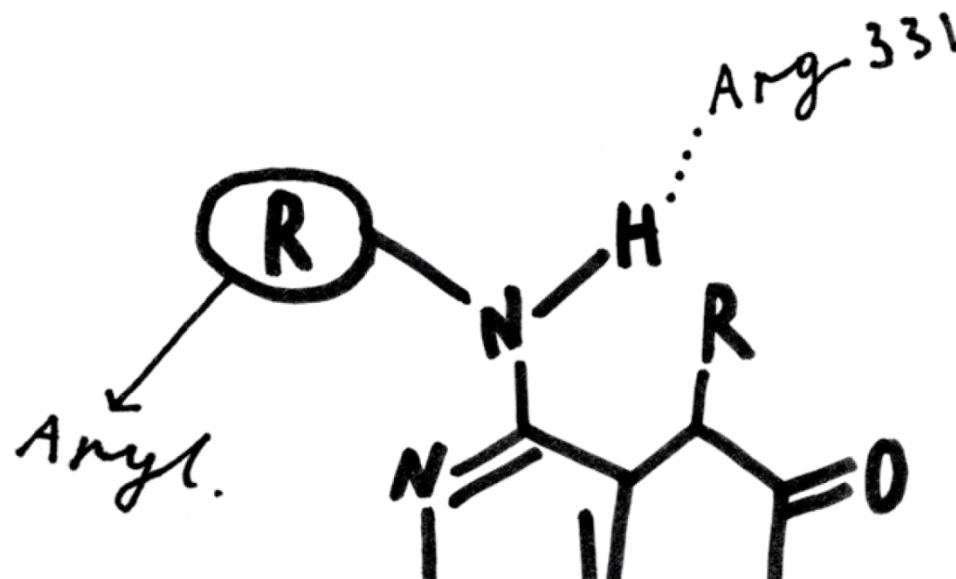
# Agenda

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Executive summary

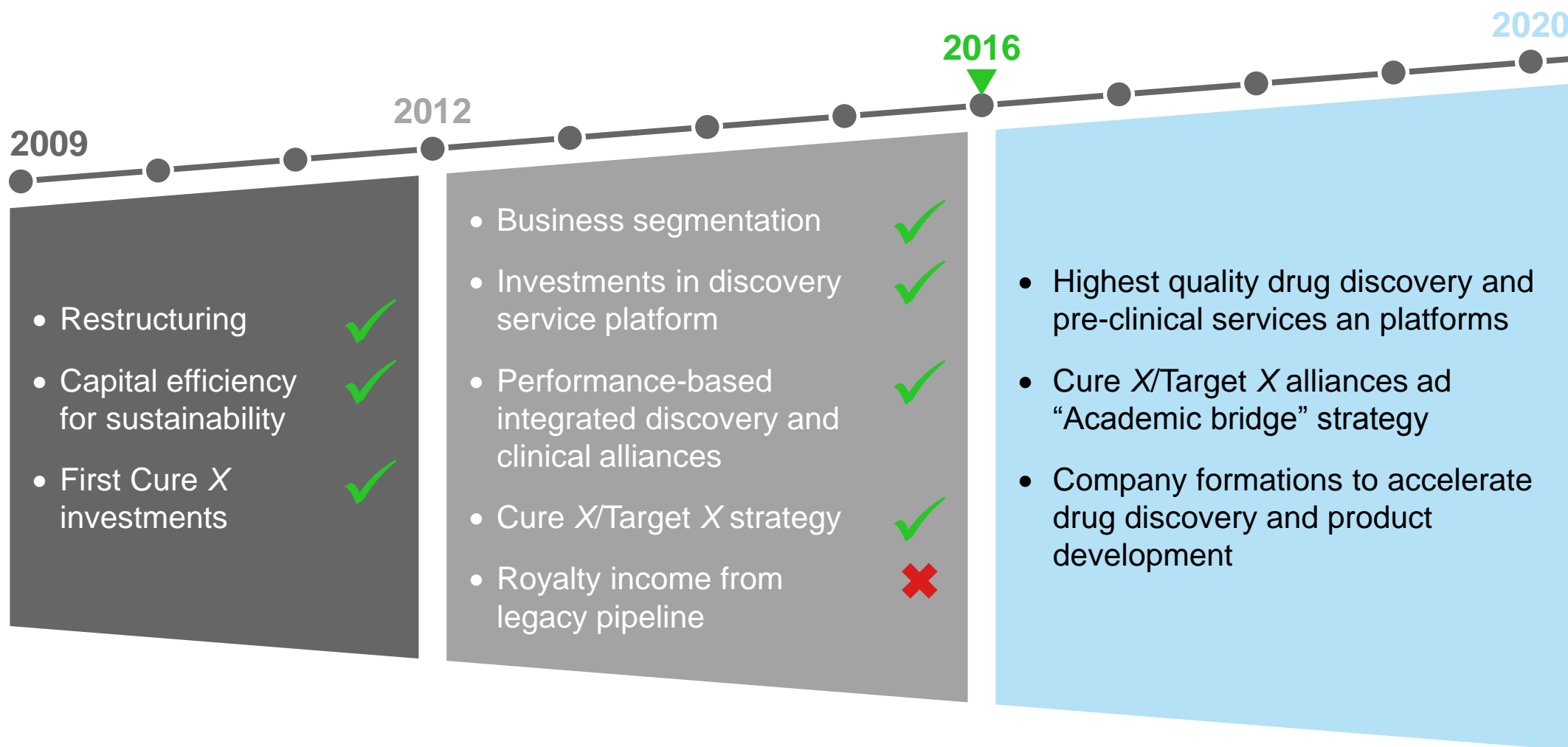
**Leadership in drug discovery**

Summary & next steps



# Best-in-class discovery services & co-owning drugs

## Evotec's strategy overview



# Leading the macro trend of R&D productivity

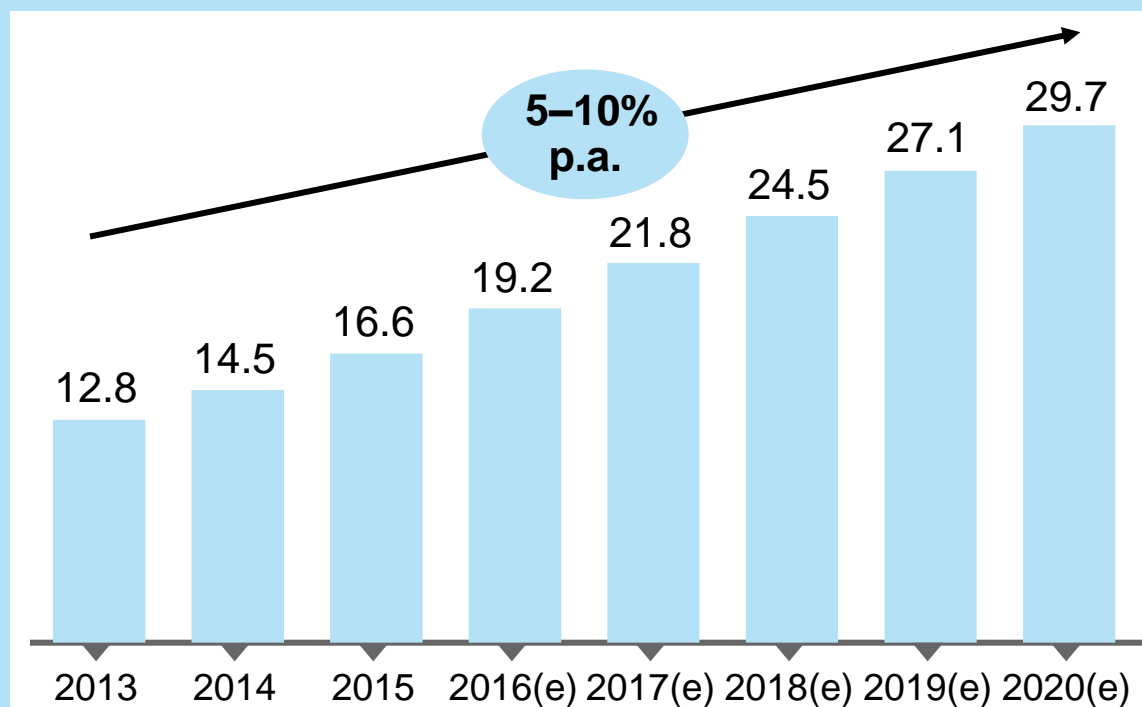
## Market dynamics in drug discovery

### Growth drivers

- 1 Increasing comfort with outsourcing also in drug discovery
- 2 Higher R&D capital efficiency through switch from fixed costs to variable business models
- 3 Ability to adjust investments proportional to portfolio needs for Pharma and biotech

### Drug discovery outsourcing is a macro trend

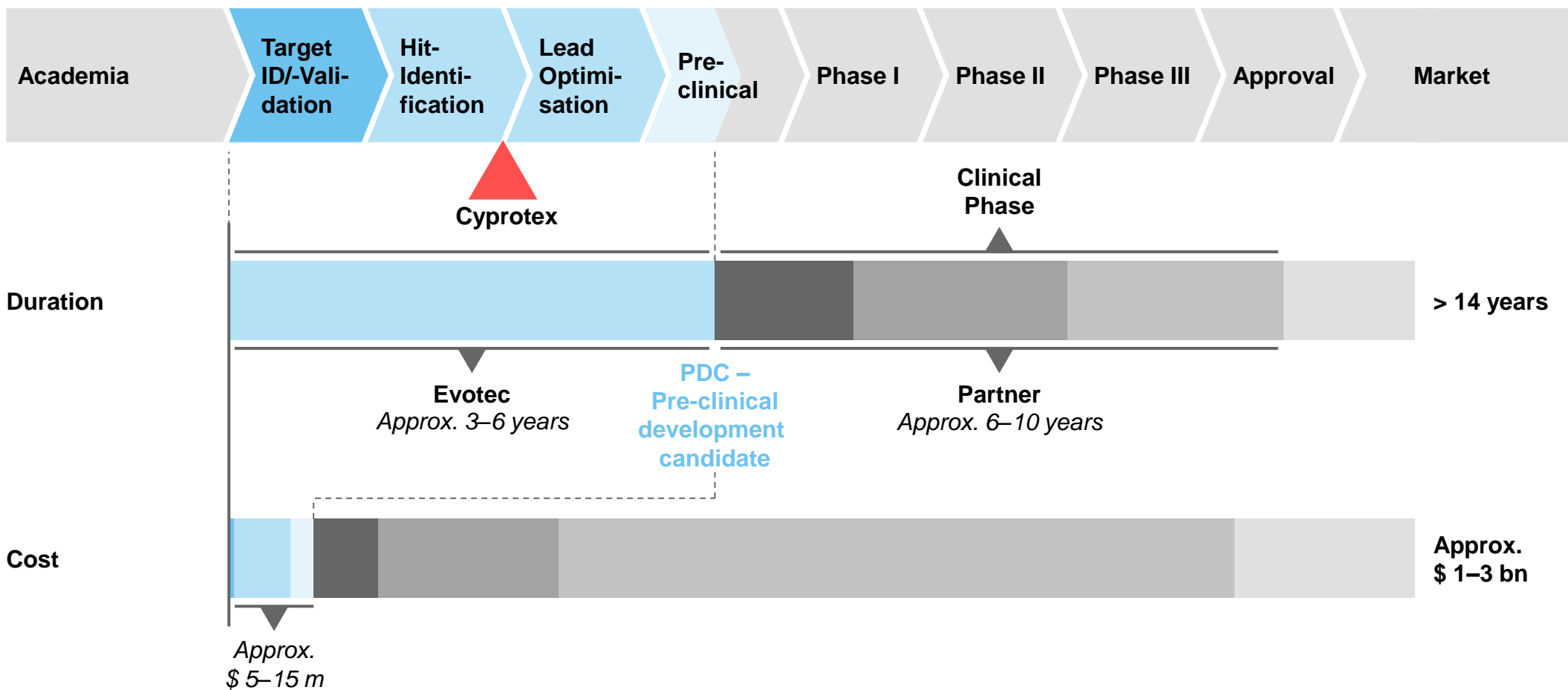
Market overview – Revenues, in \$ bn





# Cyprotex is right in our “Sweet spot”

Generating the Pre-clinical Development Candidate (PDC)






Evotec's core competencies

# Constant upgrade and improvement of technologies

Acquisitions and consolidation to build integrated drug discovery platforms

				
<p><b>2010</b> TI/TV platform in diabetes/metabolic disease</p>	<p><b>2011</b> Comprehensive compound/library management</p>	<p><b>2012</b> Rapid Fire/MS screening</p>	<p><b>2011</b> Versatile proteomics platform, compound profiling, biomarkers</p>	<p><b>2013</b> Access to patient-derived iPS cell lines</p>



		<p>Evotec (France)</p>	
<p><b>2013</b> Customised cell-based assays and cell lines</p>	<p><b>2014</b> Validated portfolio of assays and disease models</p>	<p><b>2015</b> Comprehensive compound/library management capabilities</p>	<p><b>2016</b> <i>In vitro</i> ADME-PK services</p>

# Expanding leadership in drug discovery with acquisition of strategic niche player

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## Strategic rationale

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**1**

Adding the most comprehensive pre-clinical ADME-Tox full service and know-how to strengthen Evotec's drug discovery platform portfolio

**2**

Dovetails with Evotec's strategic compound profiling activities and strengthens integrated drug discovery competence for our partners

**3**

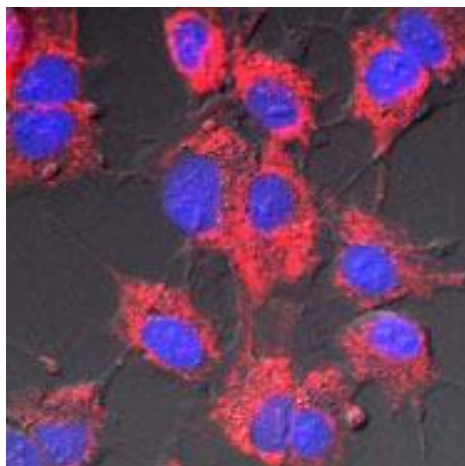
Addresses market's increasing requirement to screen drug liabilities at an early stage

**4**

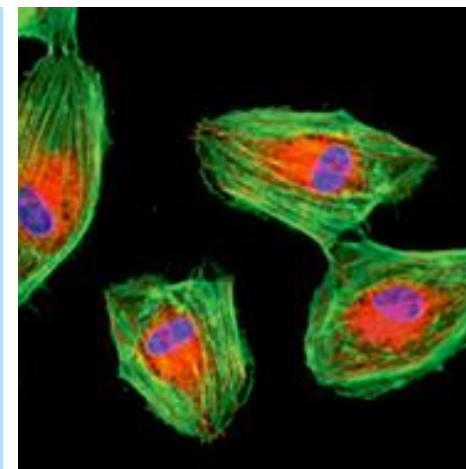
Strong revenue and EBITDA growth and good bottom-line contribution

# Industry leader in pre-clinical ADME-Tox

## Cyprotex summary

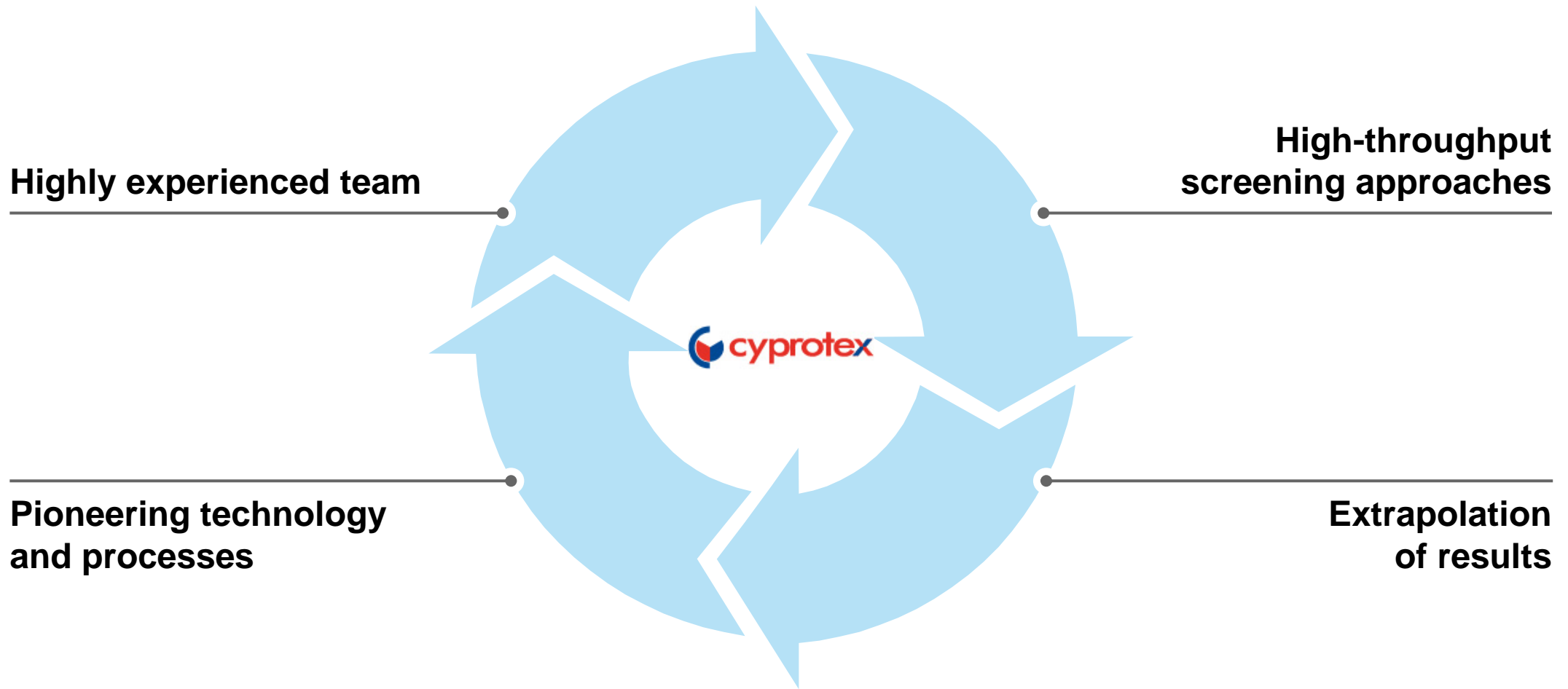


- Founded 1999, Cyprotex, publicly listed on AIM
- Unique portfolio and high-margin services:
  - *In vitro* ADME-PK
  - *In vitro* Toxicology
  - *In silico* PK
  - Biosciences (efficacy in cell-based assays)
- Based in Macclesfield and Alderley Park (UK) – Watertown and Kalamazoo (USA)
- About 136 employees
- Worked with more than 1,500 partners/customers
- Strong financial performance:
  - Revenues 2015: GBP 15.61 m (€ 17.48 m\*); underlying EBITDA GBP 3.40 m (€ 3.81 m\*)
  - H1 2016 Revenues: GBP 8.73 m (€ 9.78 m\*); underlying EBITDA GBP 2.34 m (€ 2.62 m\*)



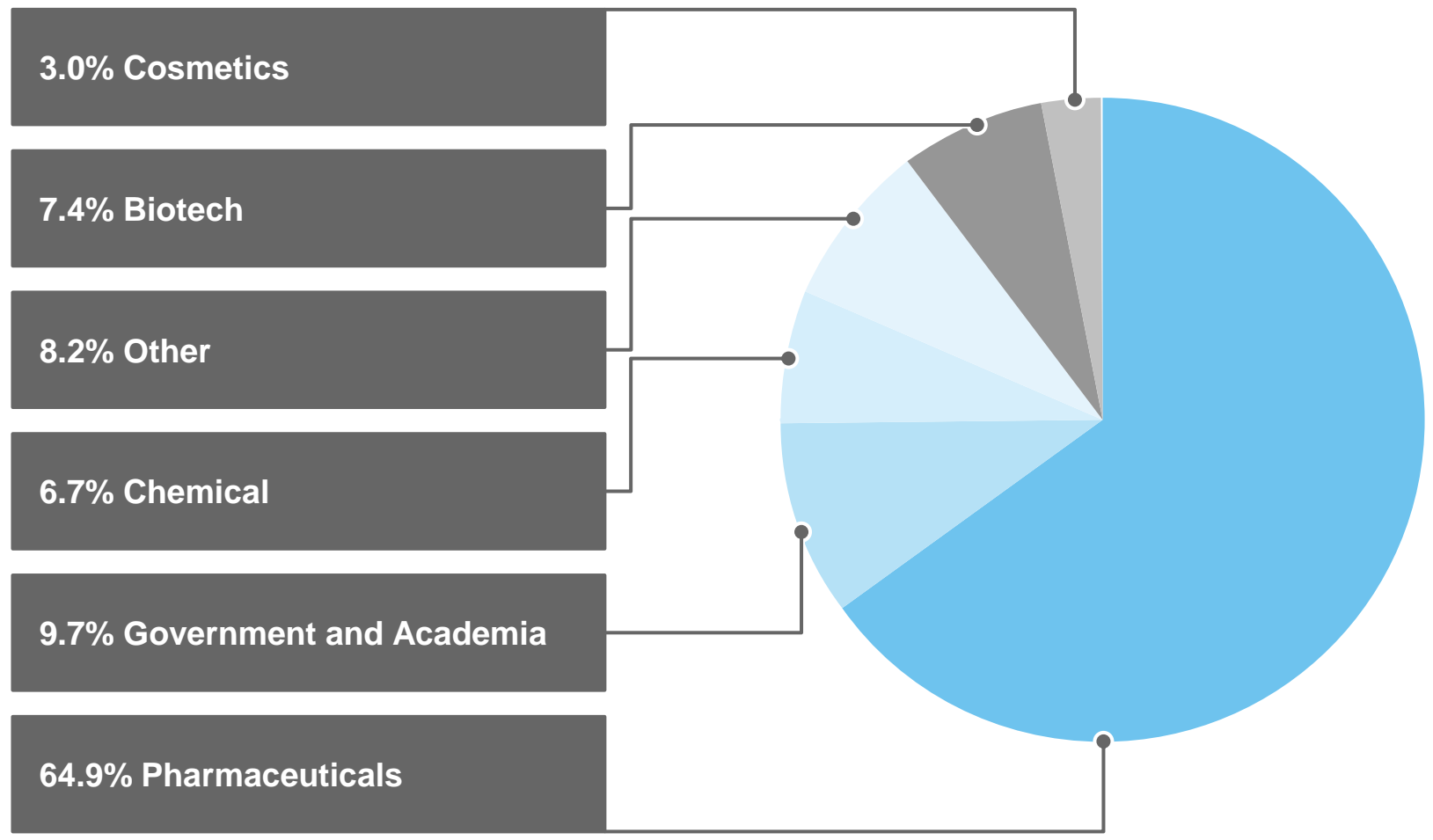
# Highly experienced team with best-in-class technology

Cyprotex – Differentiating factors



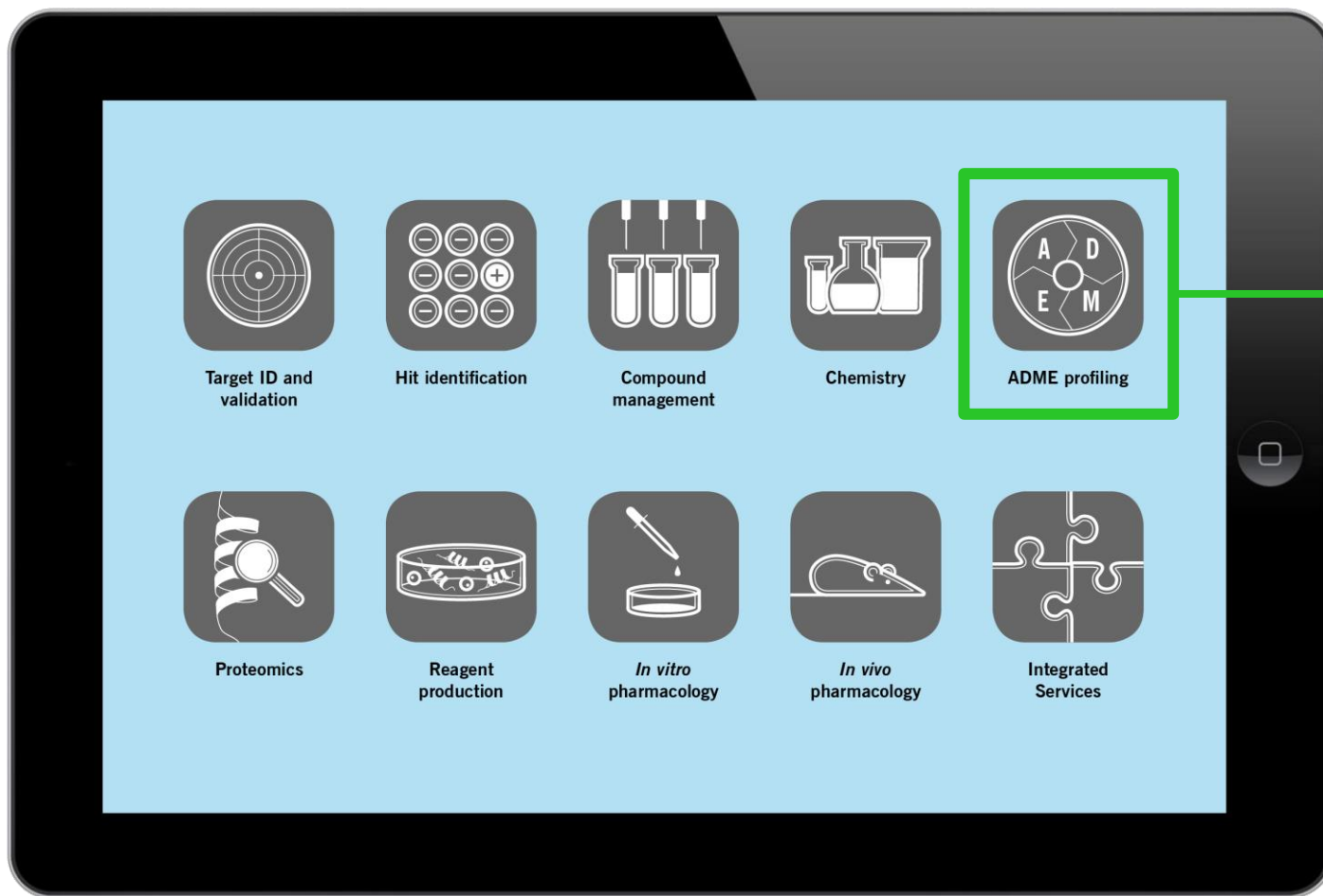
# Strong overlap in client base

## Cyprotex – Client Base



# Building No 1 position in drug discovery outsourcing

EVT Execute & Cyprotex



Comprehensive suite of high-throughput ADME assays

Proprietary toxicology and *in silico* PK offerings

Stand-alone and integrated drug discovery support

# Growth and financial performance reflect outsourcing trend

## Summary – Cyprotex financials

	GBP m	2013	2014	2015	H1 2016
<b>Growth drivers</b>					
<ul style="list-style-type: none"> <li>• General increase in market outsourcing</li> <li>• Continued strong business in HT ADME in EU</li> <li>• Increasing customer build-up in USA through Watertown site</li> <li>• Market access to 3D cellular tox models</li> <li>• Roll-out of GLP genotoxicity services from Kalamazoo</li> </ul>					
Revenue		9.8	11.6	15.6	8.7 (€ 9.8*)
Growth		–	18.4%	34.9%	26.0%
Underlying EBITDA		1.5	0.6	3.4	2.3 (€ 2.6*)
Growth %		–	(60%)	457%	113%
Clients Served		370	479	585	620
Growth %		–	30%	22%	6%



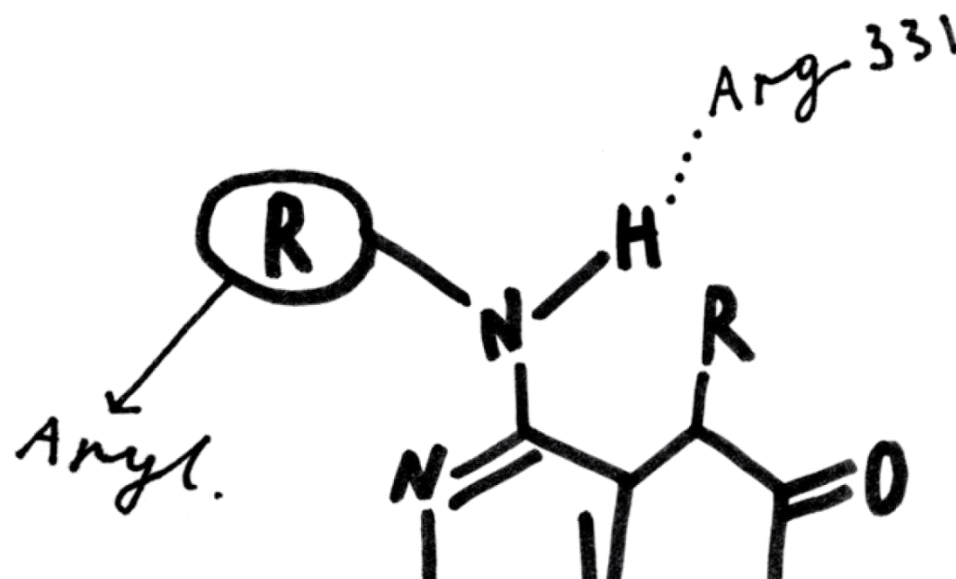
# Agenda

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Executive summary

Leadership in drug discovery

**Summary & next steps**



# Transaction to be effective by year-end 2016

## Summary of proposed acquisition

<b>1</b>	<b>Financial</b>	<ul style="list-style-type: none"><li>• Cash purchase of all issued and to be issued shares and the funding of all existing company debt; approx. GBP 55.36 m (€ 62.0 m*)</li><li>• &gt;50% shares already secured with irrevocables</li><li>• Financial commitment covered completely through Evotec's balance sheet</li></ul>
<b>2</b>	<b>Transaction Process</b>	<ul style="list-style-type: none"><li>• Acquisition of all outstanding Cyprotex shares and debts</li><li>• The proposed acquisition will be implemented by a scheme of arrangement</li><li>• Regulated by the City Code of Takeovers and Mergers</li><li>• Expected to close before year-end 2016</li></ul>
<b>3</b>	<b>Next Steps</b>	<ul style="list-style-type: none"><li>• Complete regulated process</li><li>• Further market communication on closing</li><li>• Integration into Evotec both operationally and commercially</li><li>• De-listing from AIM subsequent to completed transaction</li></ul>

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QUESTIONS  
AND ANSWERS

