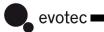
QUARTERLY STATEMENT Q1 2020

Quarterly Statement first quarter 2020

PUBLICATION DATE 14 MAY 2020



HIGHLIGHTS

- ▶ SUCCESSFUL START INTO 2020 WITH STRONG STRATEGIC POSITION
- ► CONTINUED POSITIVE FINANCIAL PERFORMANCE; NO MATERIAL IMPACT THROUGH COVID-19 PANDEMIC SO FAR
- IMPORTANT STRATEGIC STEP INTO GENE THERAPY
- ▶ GUIDANCE FOR FULL-YEAR 2020 CONFIRMED

STRONG PERFORMANCE IN BASE BUSINESS; INCREASED REVENUES DESPITE MODEST MILESTONE CONTRIBUTIONS IN Q1

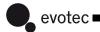
- ▶ 15% increase in group revenues from contracts with customers to € 119.4 m (Q1 2019: € 103.8 m)
- Strong revenue growth in both segments: EVT Execute revenues up 18% to € 118.2 m (Q1 2019: € 100.3 m), EVT Innovate revenues up 24% to € 23.3 m (Q1 2019: € 18.8 m)
- Stable adjusted Group EBITDA of € 30.0 m (Q1 2019: € 30.0 m); adjusted EBITDA of € 35.4 m for EVT Execute (Q1 2019: € 32.2 m)
- Increased commitment into unpartnered R&D with expenses of € 11.4 m (Q1 2019: € 8.1 m)
- Continued strong strategic liquidity position of € 320.7 m (31 December 2019: € 320.0 m)
- No material impact by COVID-19 pandemic on financial development so far

EVT EXECUTE & EVT INNOVATE – STRONG PERFORMANCE AND STRATEGIC POSITION IN BOTH BUSINESS SEGMENTS

- Important step into gene therapy with Evotec GT and multi-year gene therapy research alliance with Takeda
- New and extended drug discovery and development agreements in EVT Execute (e.g. Amgen, Ildong)
- ▶ Just Evotec Biologics on track for success: Strengthened position through first strategic J.POD® partnership with MSD and continued good construction progress of the first J.POD® facility in Seattle
- Advancement of an additional endometriosis programme into clinical Phase I within Bayer alliance, triggering a € 2m milestone payment
- Strengthening of Evotec's iPSC-based cell therapy platform EVOcells through licensing agreement with panCELLa
- Regaining global rights on iPSC-based beta cell replacement therapy from Sanofi and initiation of EVT Innovate initiative QRbeta Therapeutics (after period-end)
- Strategic equity investment and partnership with leon-nanodrugs expands formulation platform
- Evotec contributing to selected global initiatives to fight Tuberculosis and COVID-19

GUIDANCE FOR FULL-YEAR 2020 CONFIRMED

- Unchanged business outlook, taking into account currently visible negative COVID-19 effects
- Total group revenues expected to range from € 440 480 m (2019: € 446.4 m)
- Adjusted Group EBITDA expected to be in the range of € 100 120 m (2019: € 123.1 m)
- Unpartnered Group R&D expenses of approx. € 40 m



FINANCIAL HIGHLIGHTS

The following table provides an initial overview of the financial performance in the first quarter of 2020 compared to the same period in 2019. More detailed

information can be found on page 5 of this quarterly statement.

Key figures of consolidated income statement & segment information

Evotec SE & subsidiaries - First quarter of 2020

In T€	EVT Execute	EVT Innovate	Intersegment Eliminations	Not allocated (IFRS 15) ⁴⁾	Evotec Group Q1 2020	Evotec Group Q1 2019
External revenues1)	91,931	23,333	_	4,138	119,402	103,849
Intersegment revenues	26,315	-	(26,315)	_	_	_
Gross margin in %	29.3	4.6	_	_	27.9	30.5
R&D expenses2)	(1,310)	(16,200)	2,454	_	(15,056)	(14,359)
SG&A expenses	(14,053)	(3,201)	_	_	(17,254)	(14,762)
Other operating income (expenses), net	3,586	11,547	_	_	15,133	16,526
Operating result	22,872	(6,777)	_	_	16,095	19,058
				_		
Adjusted EBITDA ³⁾	35,413	(5,411)	_	_	30,002	30,036

¹⁾ 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.

So far, no material impact of COVID-19 pandemic on Evotec's business

Within the first quarter of 2020, all sites at Evotec were able to continue operations. New health and safety rules have been introduced quickly and working processes adjusted to protect Evotec's employees and secure operations. Despite this difficult environment, which mainly started to affect Evotec during March, no significant financial impact is recognisable so far.

OPERATIONAL HIGHLIGHTS

EVT EXECUTE

Important step into the gene therapy market

In the first quarter 2020, Evotec established Evotec GT, a dedicated initiative for research and development of

gene therapy-based projects, centered in Orth/Donau, Austria and signed a long-term research alliance with Takeda. The alliance covers selected Takeda gene therapy projects for core therapeutic areas as oncology, rare diseases, neuroscience and gastroenterology.

Multiple drug discovery and development alliances

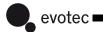
In the first quarter of 2020, the EVT Execute segment continued its strong progress. In the first three months of 2020, Evotec signed various new drug discovery and development agreements.

Evotec expanded its existing relationship with Amgen through a new agreement. The company will apply its integrated drug discovery and development platform to design and evaluate novel drug candidates for Amgen's proprietary development pipeline. The multi-year engagement aims to deliver small molecule pre-clinical

²⁾ Thereof unpartnered R&D expenses of \in 11.4 m in Q1 2020 (2019: \in 8.1 m)

³⁾ 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 positive exchange rate effects in the amount of \in 0.9 m, EBITDA amounts to \in 29.1 m

⁴⁾ Not allocated to segments: Material charges according IFRS 15



development ("PDC") and investigational new drug ("IND") ready candidates. The newly established engagement builds on an existing successful relationship between Evotec and Amgen.

Furthermore, Evotec and Ildong, a leading pharmaceutical company in South Korea, initiated a collaboration accessing Evotec's INDiGO platform. The collaboration aims to accelerate the development of several of Ildong's proprietary projects via access to Evotec's integrated platform.

Successful start for Just – Evotec Biologics

Just – Evotec Biologics had a very good start to 2020. With the signing of a multi-year cooperation with its first J.POD® partner MSD (the tradename of Merck & Co., Inc.) and of a development and manufacturing agreement with multiple other parties, Just - Evotec Biologics strengthened its position. Furthermore, Just -Evotec Biologics started with the development of a library of a new class of humanoid antibodies using a novel, AI-derived approach. After period-end, Just Evotec Biologics entered into a partnership with Ology Bioservices Inc. for the evaluation and analytical characterisation of antibodies against SARS-CoV-2. This project falls under a grant awarded to Ology Bio and Vanderbilt University Medical Center by the US department of Defense to develop, and manufacture monoclonal antibodies for treatment and prevention of infections.

EVT INNOVATE

Good pipeline progress

Bayer AG continues to progress the pipeline around the P2X3 molecule very effectively and has decided to advance a further programme from the endometriosis multi-target alliance into clinical Phase I development. As a result, Evotec received a milestone payment of \mathfrak{C} 2 m.

Continued expansion of iPSC leadership

In the first quarter Evotec signed a licensing and investment agreement with the biotech company

panCELLa. In the course of this collaboration, Evotec will expand its iPSC-based cell therapy platform EVOcells by getting access to panCELLa's proprietary iPS cell lines "iACT Stealth Cells™", genetically modified cells preventing immune rejection of derived cell therapy products ("cloaking").

After period-end, Evotec regained the global development and commercialisation rights of the iPSC-based programme for the treatment of diabetes from Sanofi. The beta cell programme has already achieved successful pre-clinical data demonstrating that they are functionally equivalent to primary human islets in their ability to normalise blood glucose levels in *in vivo* models over several months. Evotec will continue the development of the beta cell programme on its own within its EVT Innovate initiative "QRbeta Therapeutics". In parallel, Evotec will explore the best strategic options for further long-term development and commercialisation.

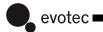
Stepping into nanotechnology

Evotec entered into the field of nanotechnology by signing a strategic partnership with the Munich-based company leon-nanodrugs, the leading enabler of nanotechnology for the pharmaceutical industry. In the first quarter, Evotec in parallel made a strategic investment in leon by leading the company's successful Series B funding round.

In the course of the cooperation, Evotec and leon will cooperate on selected development programmes and maximise the effectiveness of clinical and commercial medicines through nanotechnology.

Evotec joining global collaboration against tuberculosis and COVID-19

Evotec is member of the newly launched global collaboration to develop transformative treatment regimens for tuberculosis, called PAN-TB and is also member of ERA4TB, an international consortium to accelerate the development of comprehensive treatments against tuberculosis. Furthermore, Evotec is involved in selected activities in the global fight against COVID-19 (e.g. National Institute of Health).



REPORT ON THE FINANCIAL SITUATION AND RESULTS

Just-Evotec Biologics (JEB, former Just.Bio) was acquired effective July 2, 2019 and was fully consolidated in the group numbers from the respective date onwards. Hence, 2019 and 2020 numbers are not fully comparable for Q1.

1. Results of operations

Evotec's group revenues from contracts with customers for the first quarter of 2020 grew to € 119.4 m, a significant increase of 15% compared to the same period of the previous year (Q1 2019: € 103.8 m). This increase resulted primarily from a strong performance in the base business across all business lines, as well as the additional revenues from Just - Evotec Biologics (€ 7.9 m). Also, exchange rate effects had a positive impact of € 1.6 m on the group revenues. Evotec's base revenues for the first quarter 2020 were € 114.0 m (including impact from IFRS 15 of € 5.3 m), an increase of 22% over the same period of the previous year (Q1 2019: € 93.7 m). In total, revenues from milestones, upfront payments and licences decreased to € 5.4 m compared to last period (Q1 2019: € 10.1 m), including predominantly the milestone from Bayer. It has to be noted, that revenues from milestone payments can vary significantly from quarter to quarter.

Costs of revenue for the first quarter of 2020 amounted to € 86.1 m (Q1 2019: € 72.2 m) yielding a gross margin of 27.9% (Q1 2019: 30.5%). The margin in the first quarter 2019 was positively impacted by higher margin-rich milestone and upfront revenues compared to the first quarter 2020.

Total R&D expenses for the first quarter of 2020 increased as planned by nearly 5% to € 15.1 m (Q1 2019: € 14.4 m). Thereof, **unpartnered R&D expenses** increased to € 11.4 m (Q1 2019: € 8.1 m), mainly due to intensified research investments into oncology and platforms such as PanOmics and cell therapy.

Partnered R&D expenses amounted to & 3.7 m (Q1 2019: & 6.2 m), primarily related to its infectious disease portfolio. Whereas costs of the partnership with

Sanofi in this area are predominantly reported as R&D expenses the full reimbursement by Sanofi is recognised under other operating income.

SG&A expenses for the first quarter of 2020 increased by 17% to € 17.3 m (Q1 2019: € 14.8 m) and were mainly impacted by the consolidation of Just – Evotec Biologics, strategic measures and equity investments as well as personnel expenses due to an overall staff increase.

Other operating income and expenses, net in the first three months of 2020 amounted to $\[\]$ 15.1 m (Q1 2019: $\[\]$ 16.5 m) and was mainly influenced by reduced R&D tax credits at Verona site. Due to a change in the tax regulations in Italian legislation, a reduction in tax credits is expected. Accordingly, the **operating** result decreased to $\[\]$ 16.1 m (Q1 2019: $\[\]$ 19.1 m).

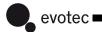
The **non-operating result** rose significantly to \mathbb{C} 7.9 m year-on-year (Q1 2019: \mathbb{C} (1.7 m)). Among other things, this was due to high foreign exchange gains of \mathbb{C} 4.4 m (Q1 2019: \mathbb{C} 0.4 m).

Adjusted Group EBITDA of the first three months of 2020 with € 30.0 m remained stable compared to the same period 2019 (Q1 2019: € 30.0 m) despite lower revenues from milestone payments, upfront and license contributions. In addition, favorable exchange rate developments had a positive effect of € 0.9 m on the Group EBITDA.

The **net result** in the first quarter of 2020 amounted to € 17.1 m (Q1 2019: € 13.1 m). The net result was positively affected by a favourable FX result and a gain from equity investments.

2. Operating segments EVT Execute and EVT Innovate

Revenues from the EVT Execute segment amounted to € 118.2 m (incl. intersegment revenues) in the first quarter of 2020, an increase of 18% compared to the same period of the previous year (Q1 2019: € 100.3 m). This increase was primarily caused by a strong base business, including a contribution of € 7.9 m by



Just – Evotec Biologics. Intersegment revenues amounted to € 26.3 m (Q1 2019: € 18.7 m). The EVT Execute segment recorded costs of revenue of € 83.6 m in the first three months of 2020 (Q1 2019: € 71.2 m), resulting in a gross margin of 29.3%, which was nearly at the same level compared to the first quarter of 2019 with 29.0%. The R&D expenses in the EVT Execute segment amounted to € 1.3 m (Q1 2019: € 0.1 m), SG&A expenses were at € 14.1 m (Q1 2019: € 12.0 m). In the first three months of 2020, the adjusted EBITDA of the EVT Execute segment reached € 35.4, an increase of 10% compared to the previous year (Q1 2019: € 32.3 m).

The EVT Innovate segment generated revenues in the amount of € 23.3 m (Q1 2019: € 18.8 m), consisting entirely of third-party revenues. This increase of 24% in EVT Innovate revenues was mainly driven by additional revenues in infectious disease (partnership with Bill & Melinda Gates Foundation) and kidney disease (Vifor partnership – Joint Venture NephThera). The gross margin amounted to 4.6% compared to 24.8% in the prior-year period due to lack of comparable amount of milestone revenues in Q1 2020. R&D expenses for the EVT Innovate segment with € 16.2 m stayed stable in the first three months of 2020 (Q1 2019: € 16.3 m). SG&A expenses amounted to € 3.2 m (Q1 2019: € 2.8 m).

The EVT Innovate segment reported an adjusted EBITDA of \mathfrak{C} (5.4) m (Q1 2019: \mathfrak{C} (2.3) m).

3. Financing and financial position

Cash provided by operating activities for the first three months of 2020 amounted to € 27.1 m (Q1 2019: € (13.1) m) and resulted mainly from receiving prepayments from the Bayer PCOS collaboration and the MSD J.POD® upfront payment. In addition, further milestone payments were received determining the positive cash inflow from operations whereas bonus payments were made this quarter.

Cash used in investing activities for the first quarter of 2020 amounted to \mathcal{E} (13.5) m compared to

cash provided by investing activities of $\mathfrak E$ 1.2 m in the same period of the previous year. In the first three months of 2020, the proceeds from the sale of current investments amounted to $\mathfrak E$ 10.8 m. The purchase of investments in associated companies and other long-term investments in the first three months of 2020 amounted to $\mathfrak E$ 4.9 m and included cash investments in leon-nanodrugs, panCELLa Inc., NephThera and Fibrocor. Capital expenditure in property plant and equipment increased to $\mathfrak E$ 16.3 m (Q1 2019: $\mathfrak E$ 8.4 m) due to $\mathfrak E$ 7.9 m specific investments in the new J.POD® facility in Redmond.

Cash used in financing activities for the first quarter of 2020 amounted to \mathbb{C} (3.6) m (Q1 2019: \mathbb{C} 11.1 m).

Liquidity, which includes cash and cash equivalents (€ 285.4 m) and investments (€ 35.3 m) amounted to € 320.7 m at the end of March 2020 and was basically unchanged compared to total liquidity at the end of 2019 (31 December 2019: € 320.0 m).

4. Assets, liabilities and stockholders' equity

Assets

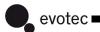
In the first three months of 2020, total assets increased to € 1,183.6 m (31 December 2019: € 1,180.9 m).

Trade accounts receivables and accounts receivables from associated companies and other long-term investments decreased to \bigcirc 74.6 m (31 December 2019: \bigcirc 83.6 m).

The decrease in current tax receivables to $\mathfrak E$ 16.2 m (31 December 2019: $\mathfrak E$ 22.8 m) is primarily related to payments received in the first quarter for R&D tax credits.

Prepaid expenses and other current assets increased significantly to \bigcirc 27.8 m (31 Dec 2019: \bigcirc 19.3 m) due to issues that had to be paid at the beginning of the year for the entire year 2020, such as insurances.

Investments accounted for using the equity method and other long-term investments amounted to € 46.2 m



(31 December 2019: € 41.2 m) and increased due to new cash investments in different companies and a fair value adjustment for the new Joint Venture NephThera which was partly offset by the share of the result of associates accounted for using the equity method.

Liabilities

Trade accounts payable increased to € 41.8 m (31 December 2019: € 31.3 m), mainly due to specific investments in the new J.POD® facility. Non-current lease obligations decreased to € 113.4 m (31 December 2019: € 117.5 m), mainly due to the regular repayments.

Stockholders' equity

As of 31 March 2020, Evotec's capital structure remained largely unchanged compared to the end of 2019. Due to the exercise of stock options and Share Performance Awards, there were in total 151,242,427 shares issued and outstanding with a nominal value of € 1.00 per share as of 31 March 2020.

Evotec's equity ratio as of 31 March 2020 slightly increased to 41,4% (31 December 2019: 40.5%).

FINANCIAL OUTLOOK

Guidance for full-year 2020 confirmed

In the first three months 2020, the business environment worldwide was affected by the outbreak of the COVID-19 pandemic and is forecasted to be even more impacted in the following quarters. Evotec's business also has felt the effects of the crisis, but so far not as materially as other sectors. Within the reporting period no significant negative impact on Evotec's business was recorded in context of the COVID-19 pandemic.

5. Human Resources

Employees

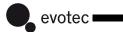
At the end of March 2020, 3,145 people were employed within the Evotec Group (31 December 2019: 3,030 employees).

However, further potential effects of the crisis in the coming months are difficult to predict due to risks and uncertainties which are beyond Evotec's control. At present, the management of Evotec confirms the financial guidance published in the 2019 Annual Report on 26 March 2020.

	Guidance 2020	31 December 2019
Group revenues from contracts with customers	€ 440 - 480 m ²⁾	€ 446.4 m
Unpartnered R&D expenses	Approx. € 40 m	€ 37.5 m
Adjusted Group EBITDA ¹⁾	€ 100 - 120 m ²⁾	€ 123.1 m

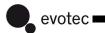
EBITDA is defined as earnings before interest, taxes, depreciation, and amortisation of intangibles. Adjusted EBITDA excludes contingent considerations, income from bargain purchase and impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

Despite the loss of $\mathfrak E$ 20 m subsidy payments from Sanofi and significantly ramping up J.POD® capacities



Evotec SE and Subsidiaries Consolidated interim statement of financial position as of 31 March 2020

	as of	as of
in T€ except share data	31 March 2020	31 December 2019
ASSETS		
Current assets:		
— Cash and cash equivalents	285,410	277,034
- Investments	35,250	42,988
— Trade accounts receivables	68,244	82,251
Accounts receivables from associated companies and other		
long-term investments	6,373	1,365
— Inventories	10,860	10,749
— Current tax receivables	16,155	22,777
— Contract assets	13,858	11,451
— Other current financial assets	611	1,640
— Prepaid expenses and other current assets	27,862	19,275
Total current assets	464,623	469,530
Non-aumout occate.		
Non-current assets:		
Investments accounted for using the equity method and other long-term investments	46,150	41,229
- Property, plant and equipment	245,698	239,229
— Intangible assets, excluding goodwill	113,228	116,994
— Intangible assets, excluding goodwin — Goodwill	252,916	
— Goodwin — Deferred tax asset	33,182	255,919 34,330
Non-current tax receivables	26,841	22,718
Other non-current financial assets	20,841	
— Other non-current assets — Other non-current assets	905	
Total non-current assets	724,093	711,382
Total assets	1,183,566	1,180,912
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
- Current loan liabilities	6,423	6,343
Current portion of lease obligations	15,156	14,388
— Trade accounts payable	41,792	31,319
— Provisions	25,454	33,150
— Contract liabilities	80,022	71,06
— Deferred income	4,082	2,338
— Current income tax payables	1,795	7,305
— Other current financial liabilities	459	190
— Other current liabilities	9,855	12,855
Total current liabilities	185,038	178,955
Non-current liabilities:		
- Non-current loan liabilities	324,442	324,886
- Long-term lease obligations	113,383	117,482
- Deferred tax liabilities	20,836	21,199
- Provisions	22,382	22,538
- Contract liabilities	23,235	33,78
- Contract habilities - Deferred income		
— Other non-current financial liabilities	4,770	5,038
Total non-current liabilities	509,056	524,928
Total non-current napinties	309,030	3-4,9-0
Stockholders' equity:		
— Share capital	151,242	150,90
— Additional paid-in capital	788,144	786,865
Accumulated other comprehensive income	(20,716)	(19,562
– Accumulated deficit	(429.198)	(441,177)
Equity attributable to shareholders of Evotec SE	489.472	477,029
	オーノ・オ/	4,,,0=9
Non-controlling interest	-	
Non-controlling interest Total stockholders' equity	489.472	477,029



Evotec SE and Subsidiaries Consolidated interim income statement for the period from 01 January to 31 March 2020

in $T\mathcal{E}$ except share and per share data	Three months ended 31 March 2020	Three months ended 31 March 2019
Revenues from contracts with customers	119,402	103,849
Costs of revenue	(86,130)	(72,196)
Gross profit	33,272	31,653
Operating income and (expenses)		
 Research and development expenses 	(15,056)	(14,359)
— Selling, general and administrative expenses	(17,254)	(14,762)
— Other operating income	16,943	18,398
— Other operating expenses	(1,810)	(1,872)
Total operating expenses	(17,177)	(12,595)
Operating income (loss)	16,095	19,058
Non-operating income (expense)		
— Interest income	1,085	191
— Interest expense	(2,750)	(1,061)
Share of the result of associates accounted for using the equity method	17	(1,364)
— Other income from financial assets	18	1
- Foreign currency exchange gain (loss), net	4,413	434
— Other non-operating income (expense) net	(8)	106
Total non-operating income (expense)	2,775	(1,693)
Income before taxes	18,870	17,365
— Current tax expense	(2,266)	(2,523)
— Deferred tax income	472	(1,792)
Total taxes	(1,794)	(4,315)
Net income	17,076	13,050
thereof attributable to:		
Shareholders of Evotec SE	22,226	13,055
Non-controlling interest	-	(5)
Weighted average shares outstanding	150,951,064	149,140,885
Net income per share (basic)	0.11	0.09
Net income per share (diluted)	0.11	0.09



Evotec SE

Evotec SE and Subsidiaries

Condensed consolidated interim statement of cash flows for the three months ended 31 March 2020

in T€	Three months ended 31 March 2020	Three months ended 31 March 2019
Cash flows from operating activities:	31 Mar en 2020	31 Mai en 2019
- Net income	17,076	13,050
— Adjustments to reconcile net income to net cash provided by operating activities	15,041	15,260
— Change in assets and liabilities	(4,985)	(41,451)
Net cash provided by (used in) operating activities	27,132	(13,141)
Cash flows from investing activities:		
— Purchase of current investments	(3,042)	1
— Purchase of investments in associated companies and other long-term investments	(4,904)	(979)
— Purchase of property, plant and equipment	(16,341)	(8,403)
- Proceeds from sale of current investments	10,779	10,533
Net cash used in investing activities	(13,508)	1,151
Cash flows from financing activities:		
- Proceeds from option exercise	326	676
- Proceeds from loans	41	28,399
— Repayment lease obligation	(3,564)	(2,492)
- Repayment of loans	(405)	(15,455)
Net cash provided by (used in) financing activities	(3,602)	11,128
Net decrease in cash and cash equivalents	10,022	(862)
— Exchange rate difference	(1,646)	3,437
— Cash and cash equivalents at beginning of year	277,034	109,055
Cash and cash equivalents at end of the period	285,410	111,630