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# Evotec

*Partnered Drug Discovery  
and Development*

## Forward-looking statement

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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.

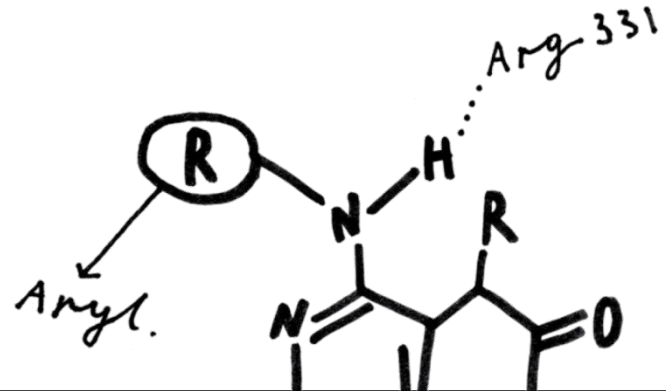
# Agenda

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## Overview

Partnered drug discovery & development

Financials & Outlook



# Leading external drug discovery & development

## Company snapshot

**100+**

Co-owned pipeline  
programmes with significant  
milestone & royalty potential

**€ 375.4 m**

Revenues<sup>1)</sup>

**€ 95.5 m**

Adjusted Group EBITDA<sup>1)</sup>

**25+**

Years track record

**2,600+**

Top-class employees

**200+**

Long-term partnerships

# Medicine of the future will see radical change

## Technologies & mega trends

### *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*

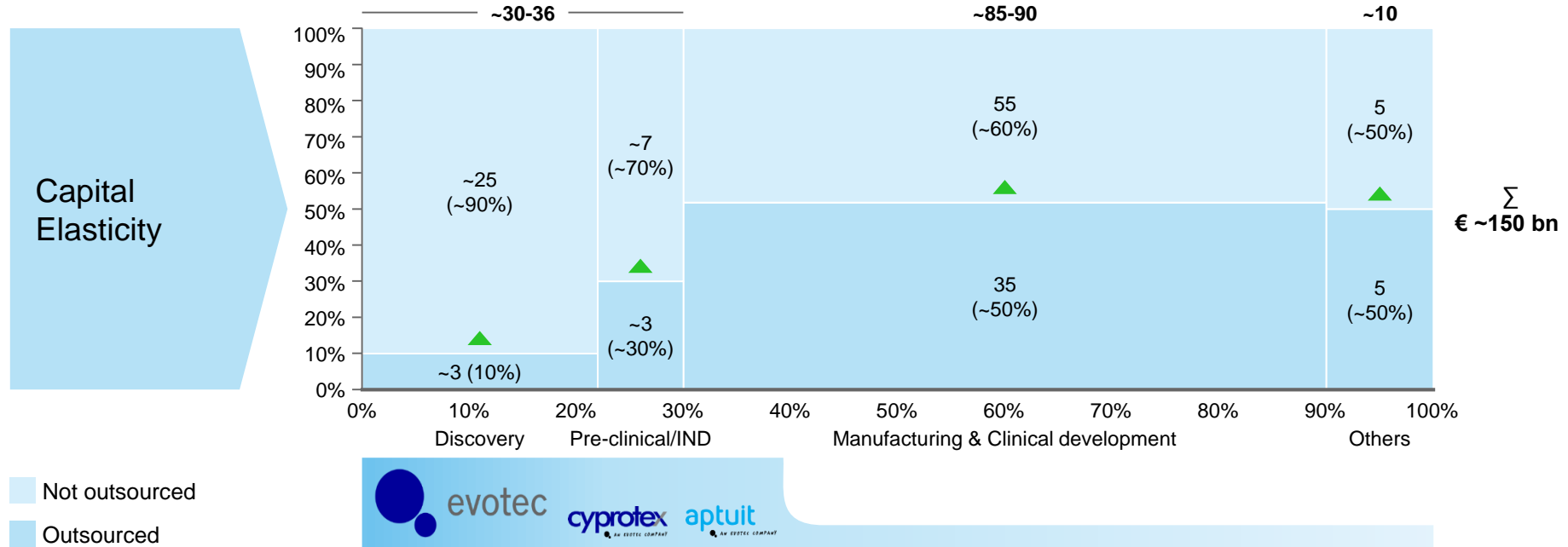


evotec & Partners

# From fixed to variable costs

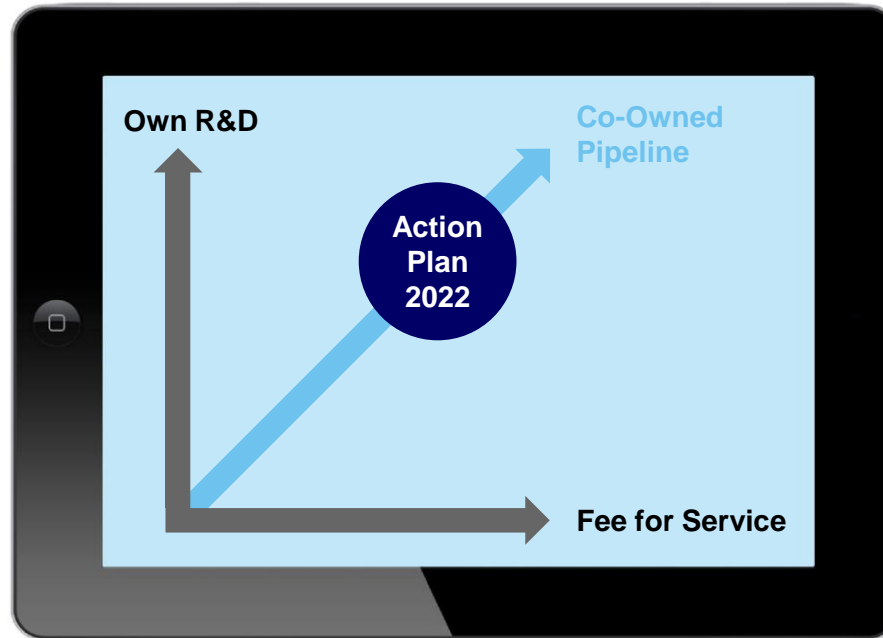
## R&D outsourcing

in € bn



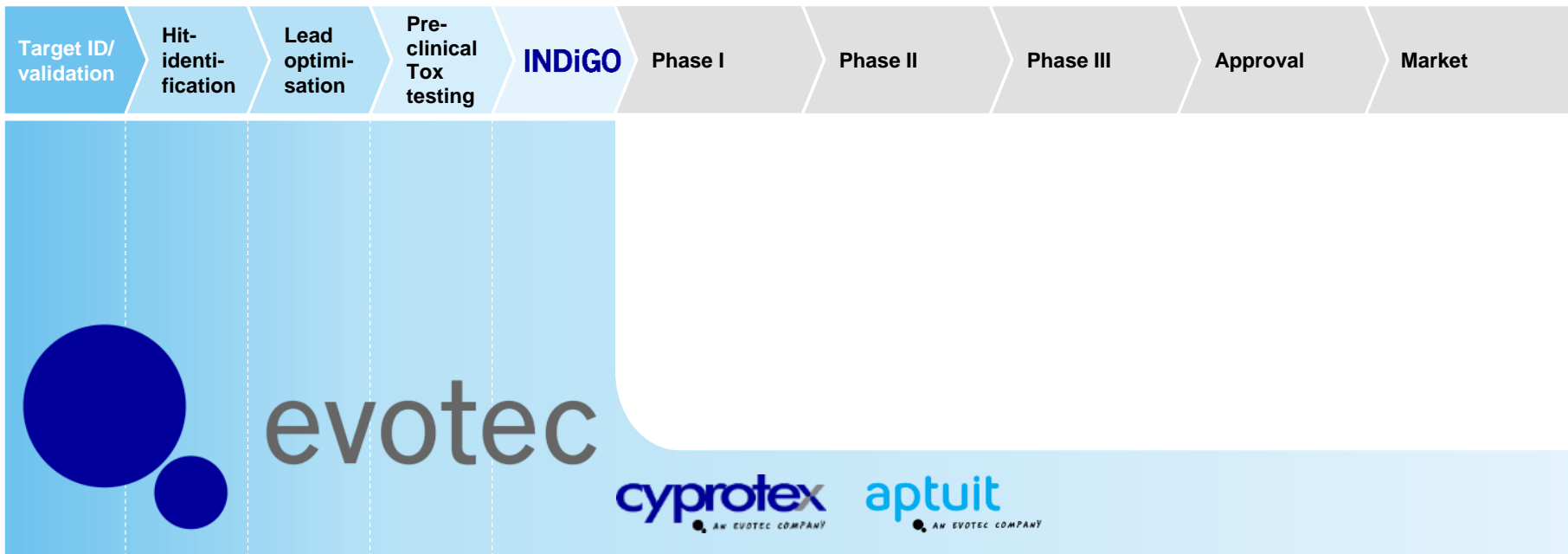
# Building a co-owned portfolio in partnerships

Unique strategy and business approach – Action Plan 2022



# R&D solutions up to IND and CMC manufacturing

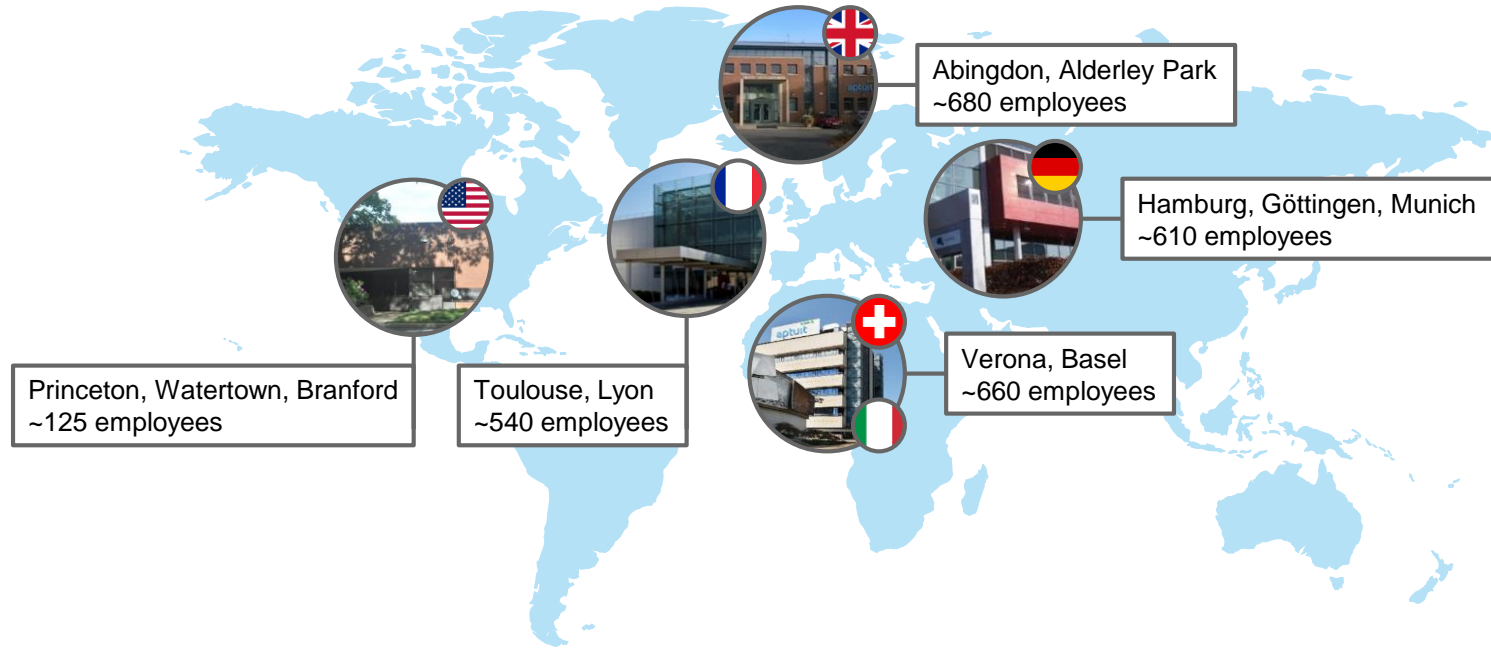
Our core competencies





## > 2,600 x unique expertise

Global centres of excellence



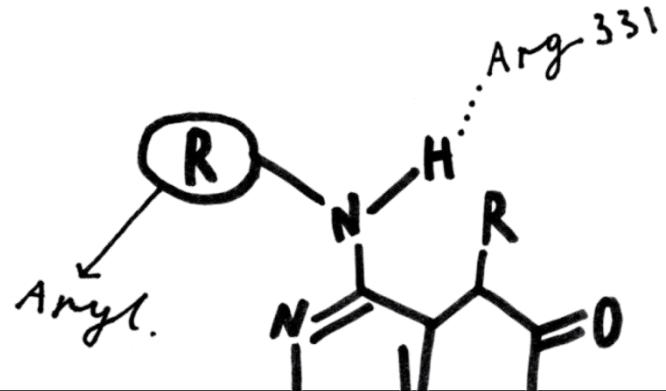
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Overview

**Partnered drug discovery & development**

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# ONE fully integrated platform

EVT Execute & EVT Innovate



# Improving quality and accelerating R&D

## EVT Execute – Selected performance indicators

**1,000,000+**

Compounds in highly  
selective library

**>50**

IND<sup>1)</sup> – Pre-clinical &  
clinical candidates  
delivered (INDiGO)<sup>2)</sup>

**>10**

Technology acquisitions<sup>2)</sup>

**92%**

Repeat business<sup>3)</sup>

**>1.8**

Years average  
contract time

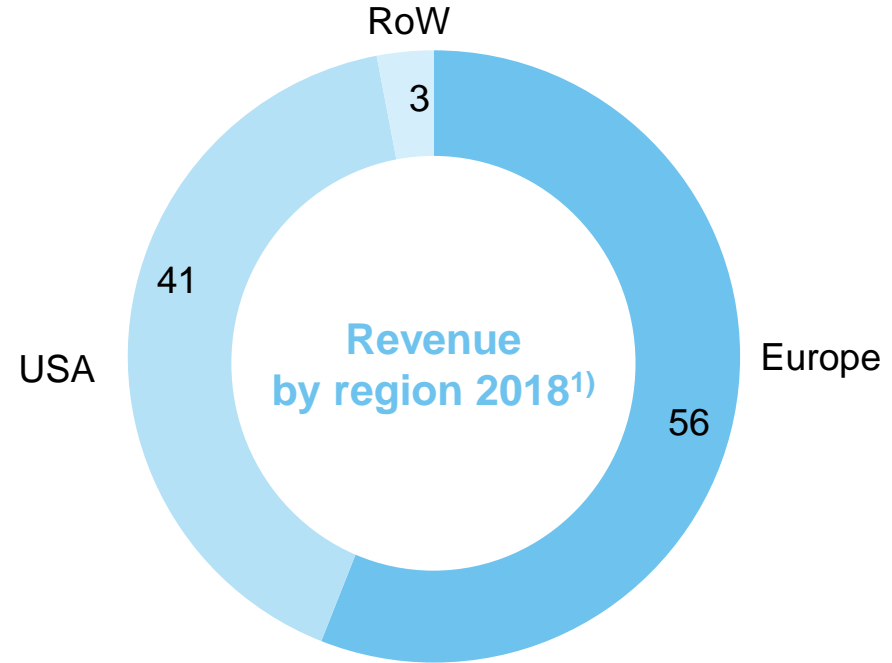
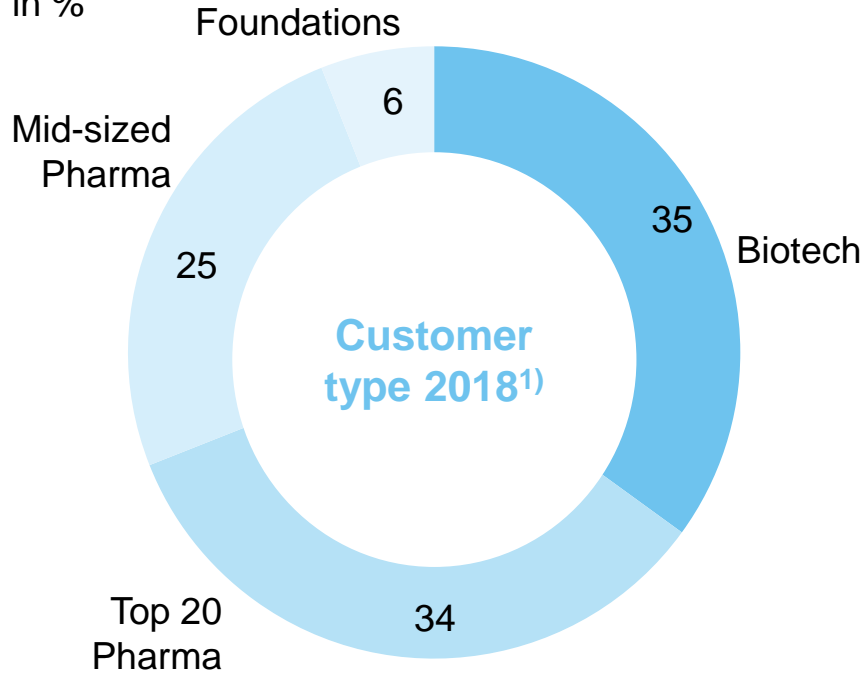
**>25%**

Faster delivery of data  
at improved quality

# Strong and well-balanced global customer mix

Who are our partners?

in %



# Strong portfolio of highest quality partners

## EVT Execute alliances – *Examples*

 <p><b>Partnership focused on Huntington Disease</b></p> <p><i>Initiated 2006</i></p>	 <p><b>Partnership focused on various indications</b></p> <p><i>Initiated 2011</i></p>	 <p><b>Partnership covering broad range of services</b></p> <p><i>Initiated 2015</i></p>	 <p><b>Partnership focused on DMPK services</b></p> <p><i>Initiated 2016</i></p>	 <p><b>Partnership focused on infectious diseases</b></p> <p><i>Initiated 2016</i></p>	 <p><b>Partnership focused on various indications</b></p> <p><i>Initiated 2016</i></p>	 <p><b>Partnership focused on dermatology</b></p> <p><i>Initiated 2018</i></p>
 <p><b>Partnership focused on diabetes &amp; obesity</b></p> <p><i>Initiated 2018</i></p>	 <p><b>Partnership focused on reproductive medicine and women's health</b></p> <p><i>Initiated 2018</i></p>	 <p><b>Partnership for INDiGO, DD &amp; CMC</b></p> <p><i>Initiated 2015</i></p>	 <p><b>Partnership focused on oncology</b></p> <p><i>Initiated 2016</i></p>	 <p><b>Partnership focused on CNS</b></p> <p><i>Initiated 2018</i></p>	 <p><b>Partnership focused on oncology</b></p> <p><i>Initiated 2017</i></p>	 <p><b>Partnership focused on oncology</b></p> <p><i>Initiated 2015</i></p>

# Building a co-owned pipeline

## EVT Innovate – Selected performance indicators

**7**

Disease areas of  
core expertise<sup>1)</sup>

**>€ 1,000 bn**

Unmet markets  
addressed

**>100**

Co-owned pipe-  
line programmes

**10**

Clinical Co-  
owned assets

**>10**

Unpartnered large  
R&D initiatives

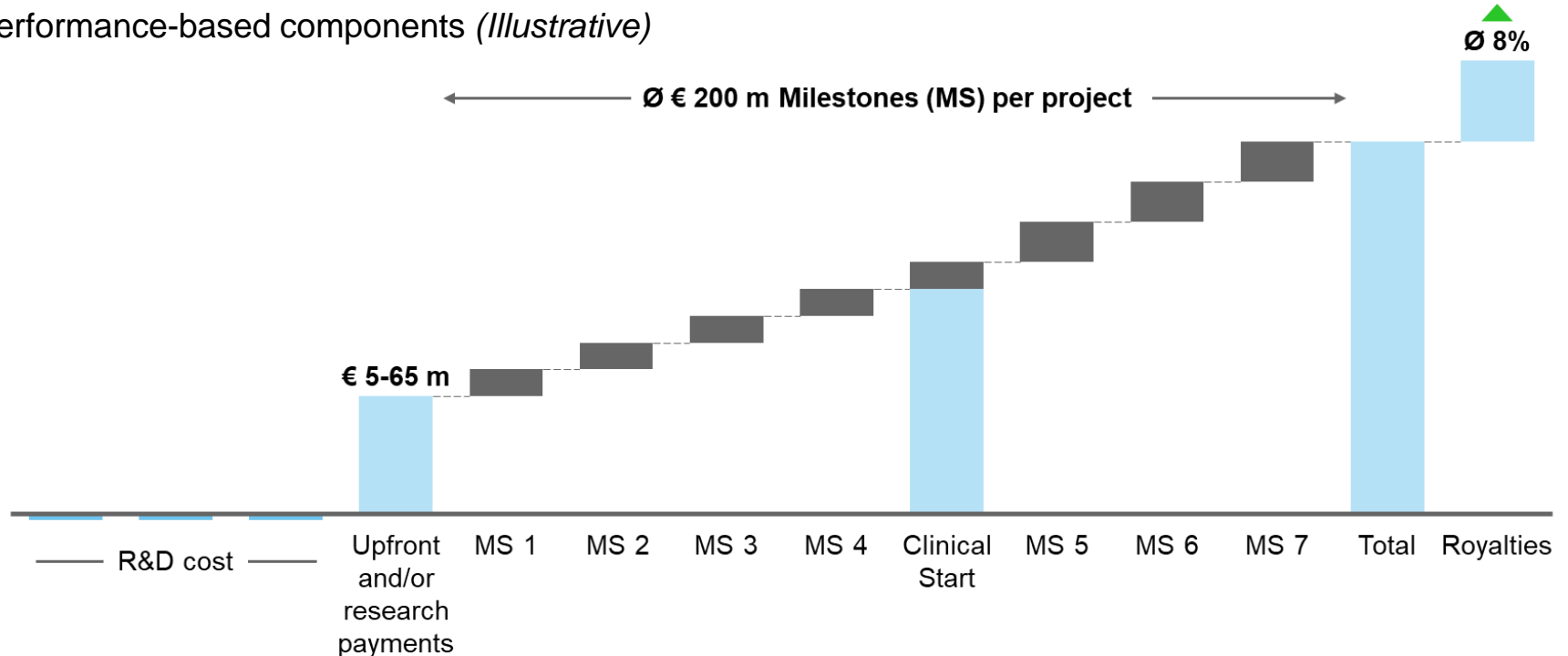
**100%**

First-in-class and best-in-  
class approaches “Going  
for Cure not Symptoms”

# Creating massive upside with limited cost & risk

Example for co-owned deal structures























Performance-based components (*Illustrative*)





# > 100 projects in fully invested pipeline

## Partnership portfolio

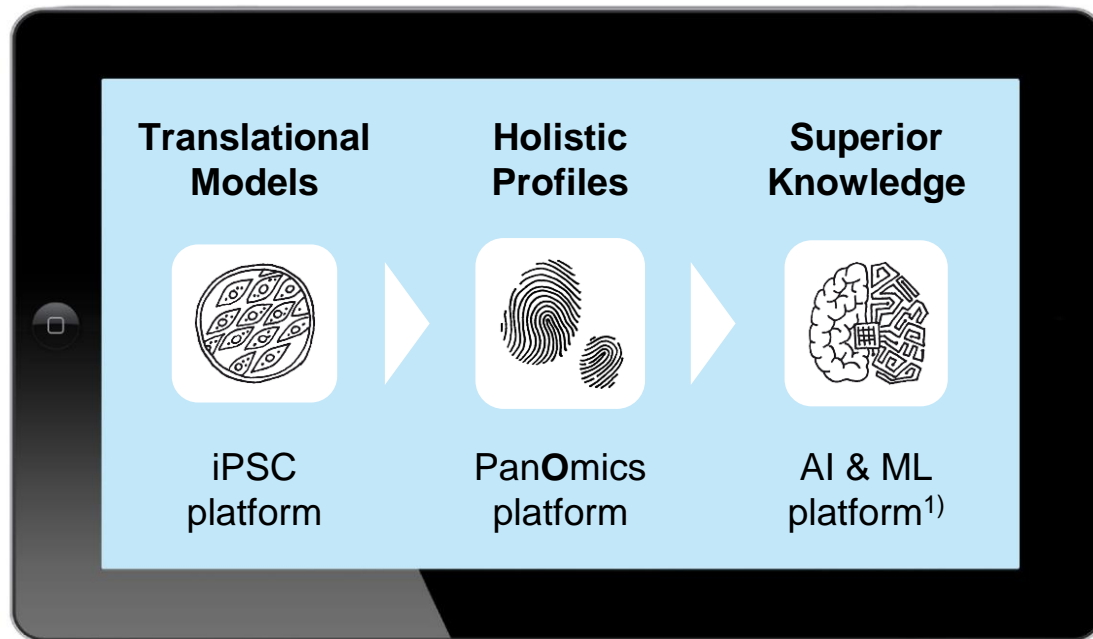
	Molecule	Therapeutic Area/Indication	Partner	Discovery	Pre-clinical	Phase I	Phase II
Clinical	EVT201	CNS – Insomnia					
	BAY-1817080	Chronic cough					
	ND <sup>1)</sup>	Chronic cough					Ph. II start
	SGM-1019	Inflammation (NASH)					Ph. II start
	EVT401	Immunology & Inflammation					
	Various	Women's health – Endometriosis					
	Various	Women's health – Endometriosis					
	Various	Women's health – Endometriosis					
	CT7001	Oncology					
	Various	Respiratory					
Pre-clinical	ND <sup>1)</sup>	Oncology					
	ND <sup>1)</sup>	Immunology & Inflammation					
	ND <sup>1)</sup>	Pain					
	Various	Women's health – Endometriosis					
	EVT801	Oncology					
	Target/ImmuniT	Oncology – Immunotherapy					
	ND <sup>1)</sup>	Oncology (+ several discovery programmes)					
	ND <sup>1)</sup>	Fibrosis					
	Various	Anti-infectives					NEW collaboration
	Various	CNS, Metabolic, Pain & Inflammation					
Discovery	Various ND <sup>1)</sup>	Nephrology					
	Various ND <sup>1)</sup>	Immunology & Inflammation					
	Various ND <sup>1)</sup>	Nephrology					
	Various ND <sup>1)</sup>	Metabolic – Diabetes					
	Various	Oncology					
	Various	Immunology & Inflammation – Tissue fibrosis					
	Various	Neurodegeneration					
	ND <sup>1)</sup>	Anti-bacterial					
	Various	All indications					
	ND <sup>1)</sup>	Dermatological diseases					
	ND <sup>1)</sup>	Facioscapulohumeral Dystrophy					
	INDY inhibitor	Metabolic					
	Various	Fibrotic disease					
	TargetP/cV	Antiviral					
	Various	Anti-infectives					
	Various	Internal: Oncology, CNS, Metabolic, Pain & Inflammation					
	ND <sup>1)</sup>	Oncology					NEW collaboration

<sup>1)</sup> Not disclosed

Note: Several projects have fallen back to Evotec, where Evotec does not intend to run further clinical trials unpartnered, e.g. EVT302, EVT101, ...

# Re-defining the drug discovery paradigm

Game-changing platforms for better translation

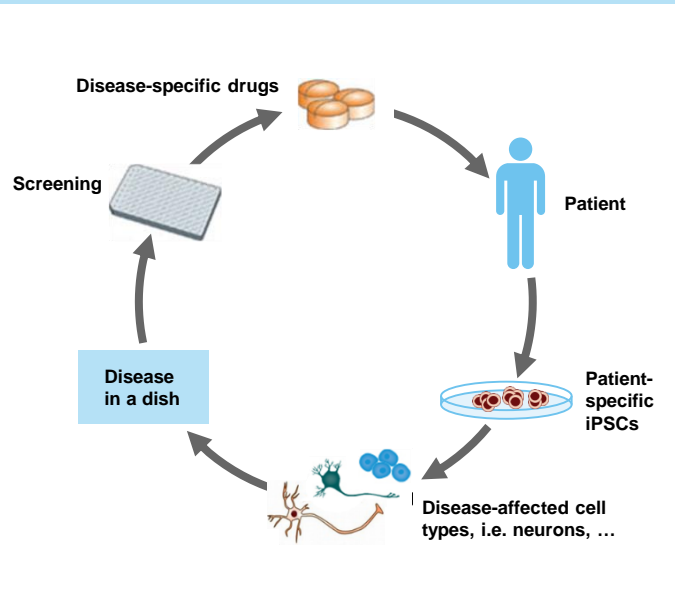


# Patient-derived assays as new gold standard

## World-leading iPSC processes and network

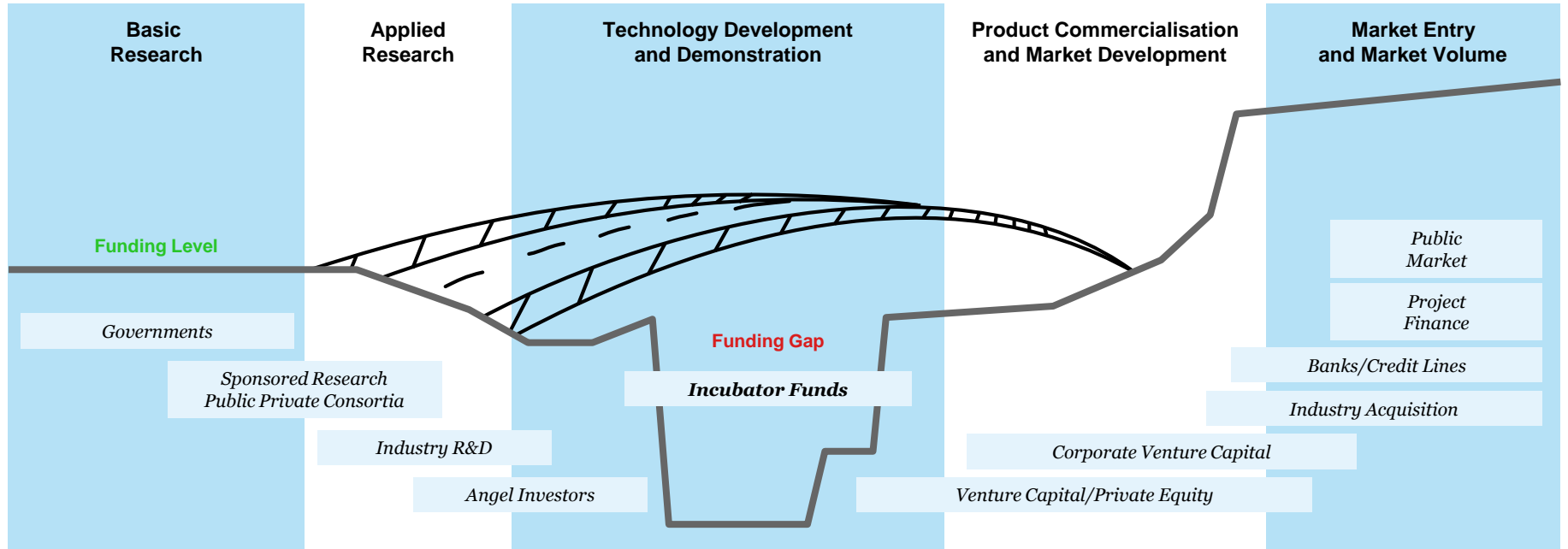
*“IPS cells can become a powerful tool to develop new drugs to cure intractable diseases because they can be made from patients’ somatic cells.”*

**Shinya Yamanaka,  
Nobel prize laureate**



# BRIDGEs over the “Valley of death“

## The funding gap



# Long-term optionality with efficient translation

## BRIDGEs & Equity participations – *Examples*

 <p><b>Equity participation</b></p> <p>Artificial Intelligence for automated drug design</p> <p><i>Initiated 2017</i></p>	 <p><b>Equity participation</b></p> <p>Facioscapulohumeral muscular dystrophy</p> <p><i>Initiated 2017</i></p>	 <p><b>Equity participation</b></p> <p>Metabolic disorders</p> <p><i>Initiated 2016</i></p>	 <p><b>Equity participation</b></p> <p>Fibrosis partnership with MaRS Innovation</p> <p><i>Initiated 2017</i></p>	 <p><b>Equity participation</b></p> <p>Targeting metalloenzymes</p> <p><i>Initiated 2016</i></p>	 <p><b>Consortium membership</b></p> <p>Kidney diseases</p> <p><i>Initiated 2017</i></p>
 <p><b>Spin-off</b></p> <p>Nanoparticle-based therapeutics</p> <p><i>Initiated 2016</i></p>	 <p><b>Equity participation</b></p> <p>Innovative molecular pathways in oncology</p> <p><i>Initiated 2016</i></p>	 <p><b>BRIDGE</b></p> <p>Partnership with Oxford University and Oxford Sciences Innovation</p> <p><i>Initiated 2016</i></p>	 <p><b>BRIDGE</b></p> <p>Partnership with MaRS Innovation</p> <p><i>Initiated 2017</i></p>	 <p><b>BRIDGE</b></p> <p>Partnership with Arix and Fred Hutch</p> <p><i>Initiated 2018</i></p>	 <p><b>BRIDGE</b></p> <p>Partnership with Sanofi</p> <p><i>Initiated 2018</i></p>

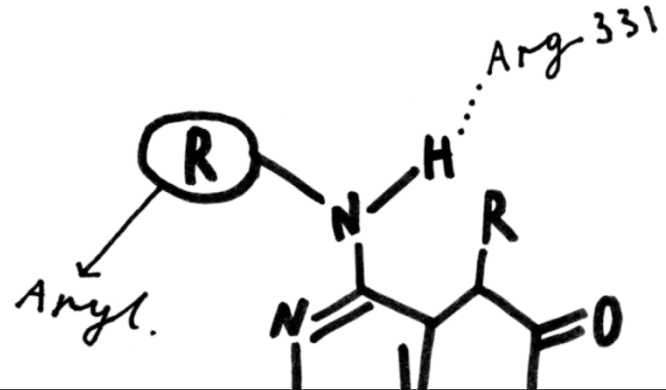
# Agenda

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Overview

Partnered drug discovery & development

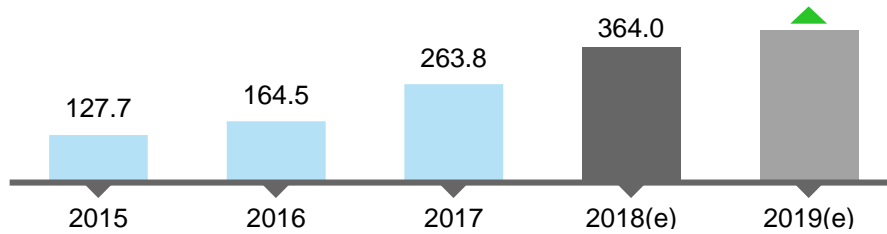
**Financials & Outlook**



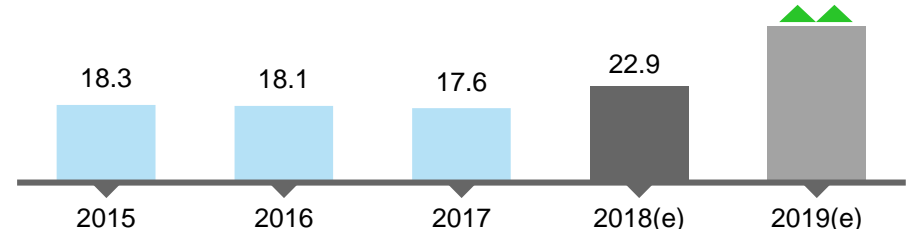
# Long-term organic growth reflected in guidance

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

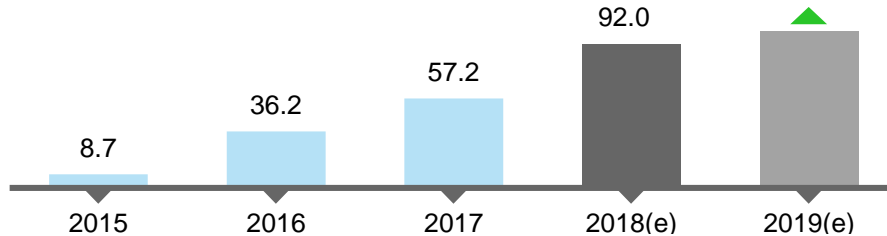
### Approx. 10% Group revenue growth<sup>1)</sup> (in € m)



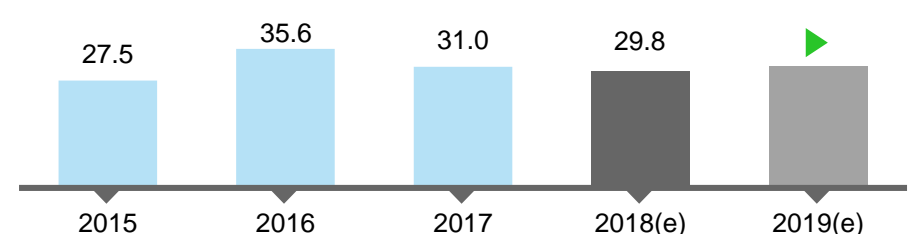
### € 30-40 m unpartnered R&D expenses<sup>2)</sup> in 2019 (in € m)



### Approx. 10% adj. Group EBITDA growth<sup>3)</sup> (in € m)



### Strong gross margin<sup>4)</sup> (in %)



<sup>1)</sup> 2018 total revenues excluding revenues from recharges according to IFRS 15

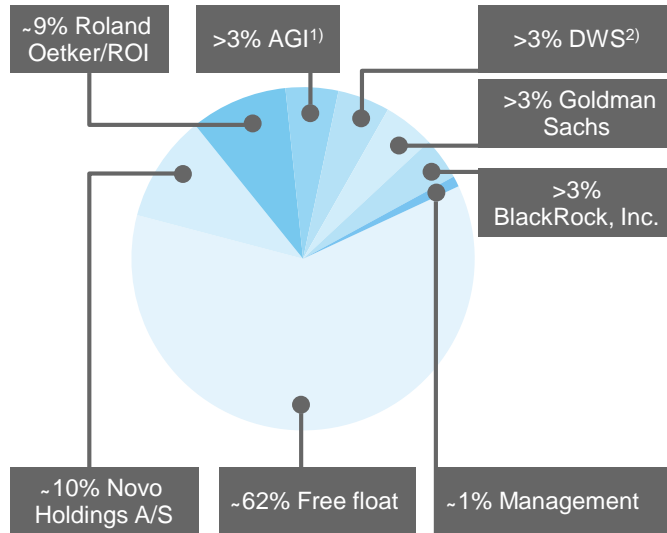
<sup>2)</sup> Evotec focuses its guidance and upcoming reporting during the course of 2019 on the "unpartnered R&D" part. ID expenses will be fully reimbursed by its partner Sanofi ("partnered R&D"); total of R&D expenses in 2018 of € 35.6 m (incl. ID-related expenses)

<sup>3)</sup> 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

<sup>4)</sup> 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

# Strong team and shareholders for innovation

## Management & shareholder structure



**Number of shares:** 149.8 m

**Listing:** Frankfurt Stock Exchange (MDAX, TecDAX), OTCBB

**52 week high/low:** € 24.73/€ 12.07

### 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

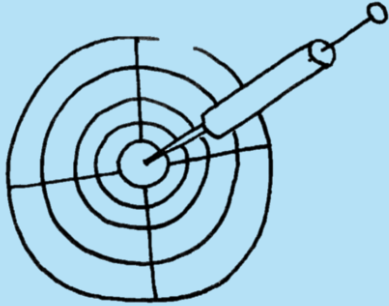
### Supervisory Board

- **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



# 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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QUESTIONS  
AND ANSWERS



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