
Evotec

*Partnered Drug Discovery
and Development*

Forward-looking statement

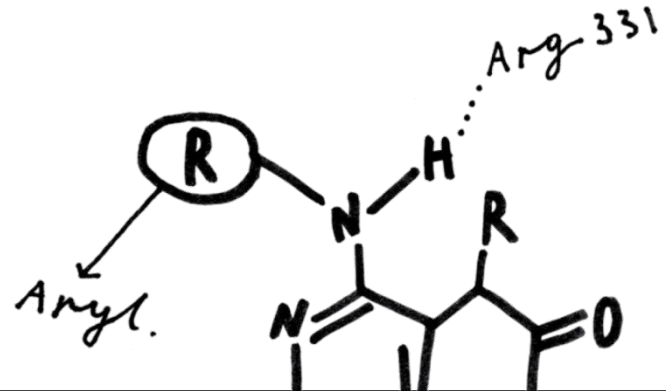
Information set forth in this presentation contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgement of Evotec as of the date of this presentation. Such forward-looking statements are neither promises 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

100+

Co-owned pipeline
programmes with significant
milestone & royalty potential

€ 375 m+

Revenues¹⁾

€ 95 m+

Adjusted Group EBITDA¹⁾

25+

Years track record

2,700+

Top-class employees

200+

Long-term partnerships

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

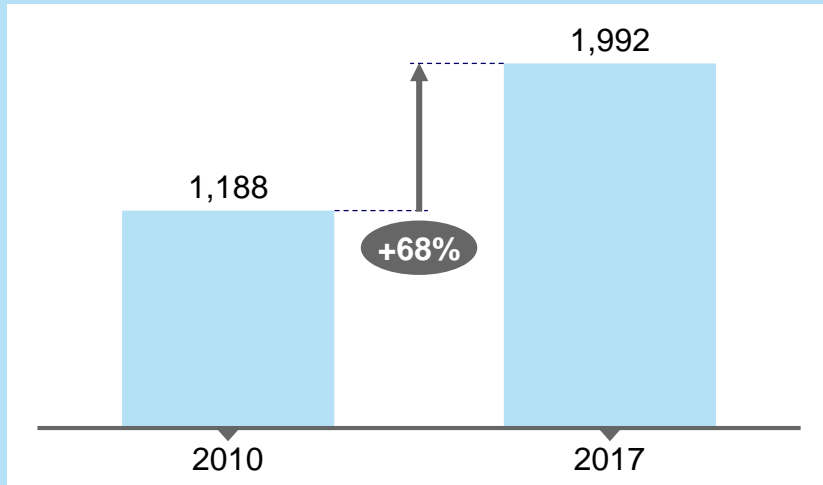
INTEGRATED DRUG DISCOVERY

The logo for evotec & Partners, featuring a blue circle with a smaller blue circle inside it, followed by the text "evotec & Partners" in a grey sans-serif font.

Productivity challenge will increase

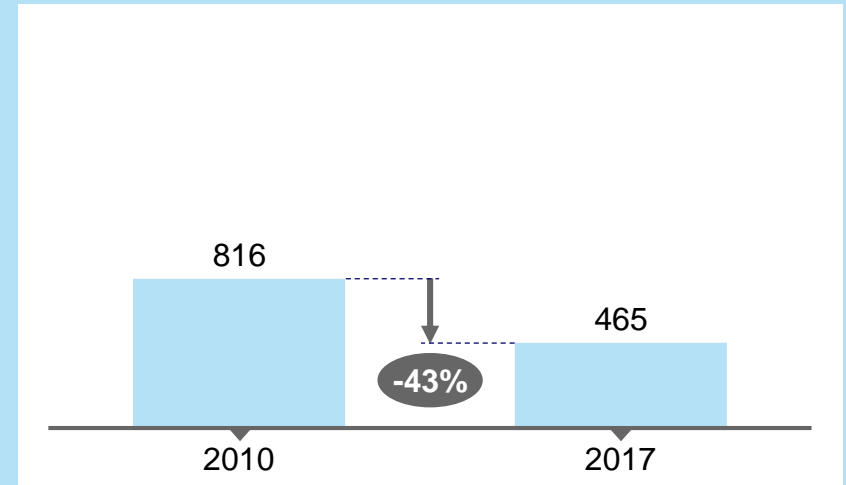
Development costs vs. average peak sales

Development Cost, \$ m



Cost per asset increased ~2/3rd since 2010

Sales, \$ m

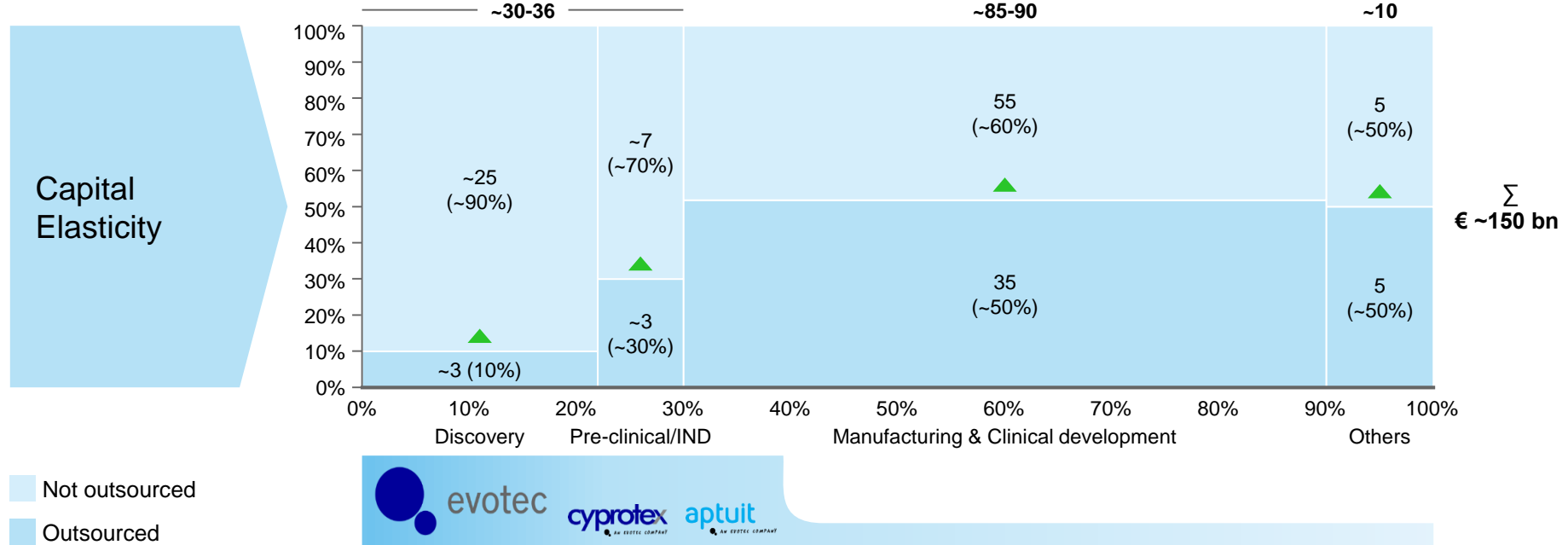


Average peak sales almost halved since 2010

From fixed to variable costs

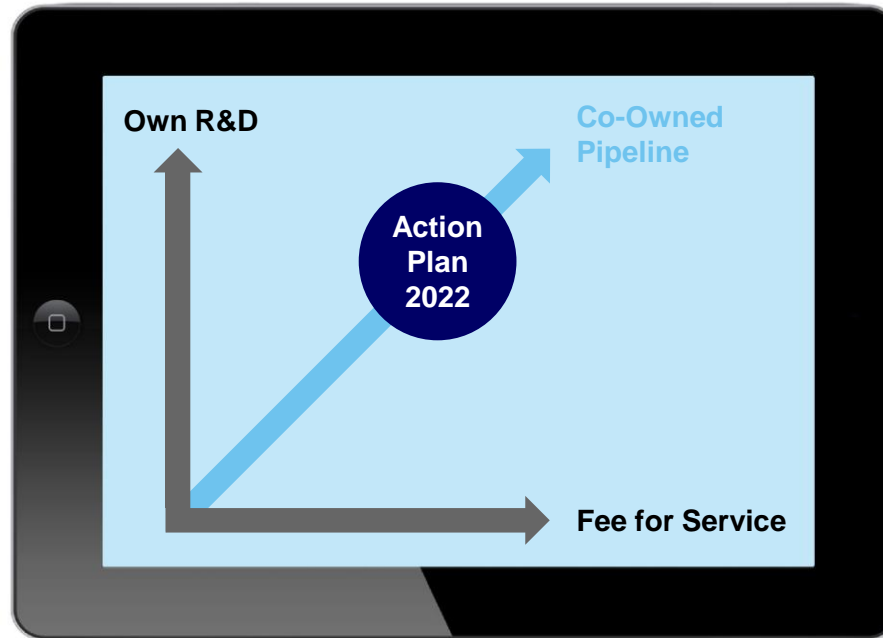
R&D outsourcing

in € bn



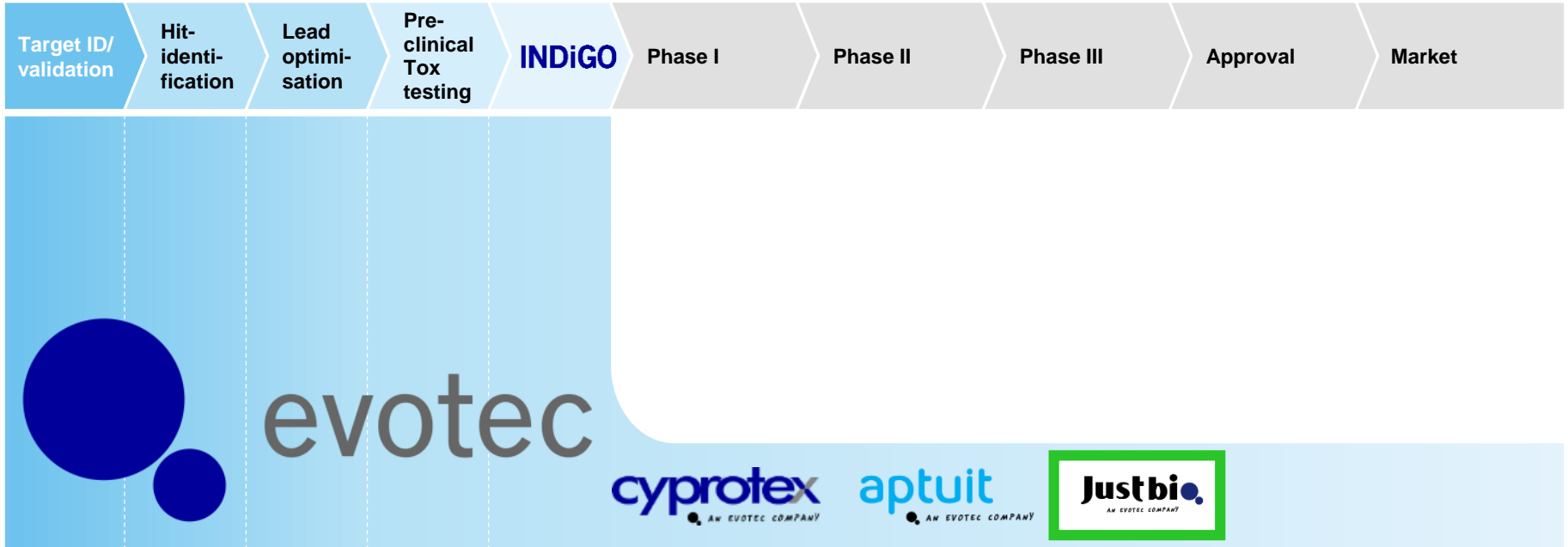
Building a co-owned portfolio in partnerships

Unique strategy and business approach – Action Plan 2022



R&D solutions up to IND and CMC manufacturing

Our core competencies

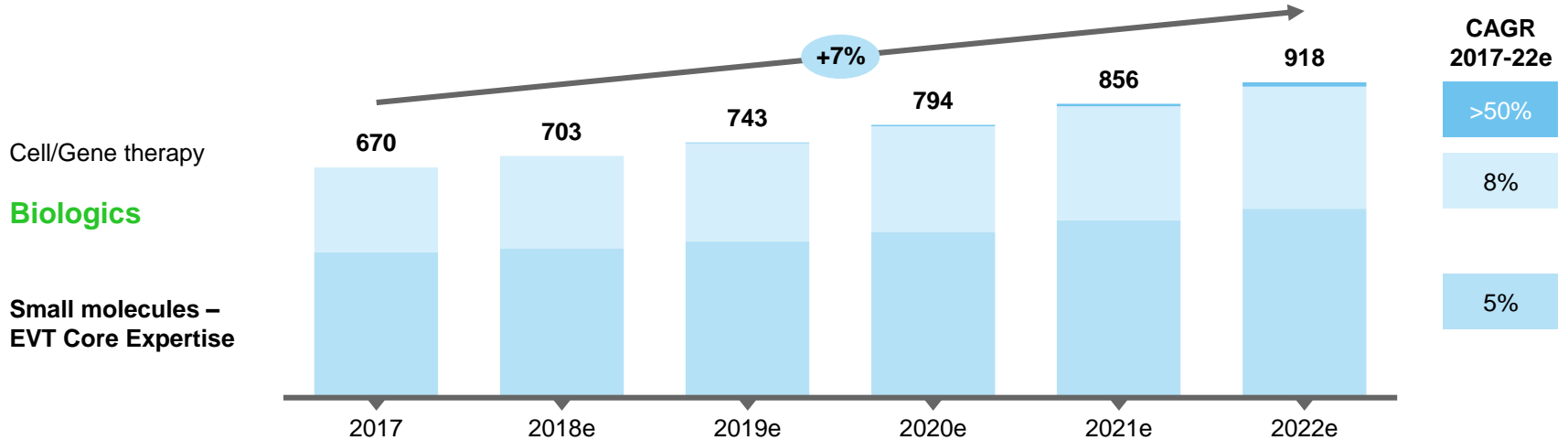


Multimodality R&D becomes reality

Small molecules, biologics & other modalities in R&D

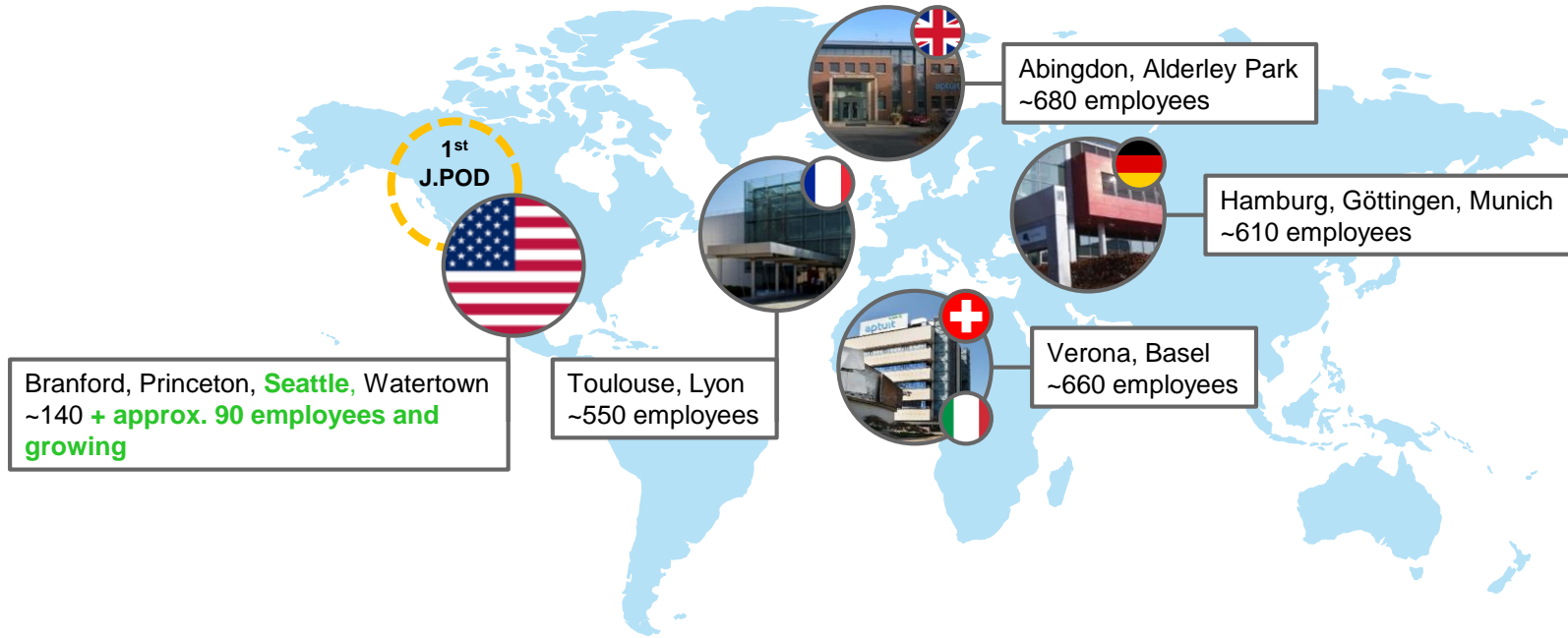
in US\$ bn

Global pharmaceutical market^{1), 2)}



> 2,700 x unique expertise

Global centres of excellence

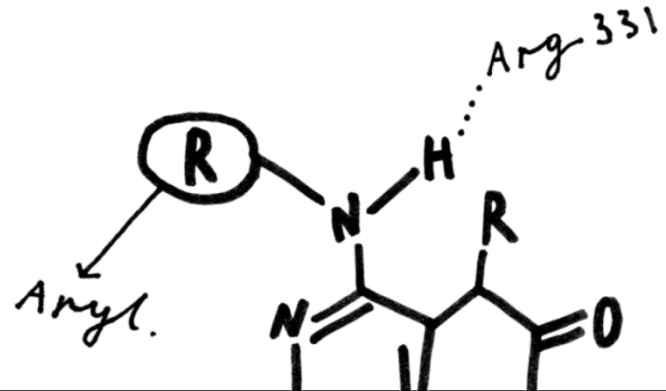


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ONE fully integrated platform

EVT Execute & EVT Innovate



Improving quality and accelerating R&D

EVT Execute – Selected performance indicators

1,000,000+

Compounds in highly
selective library

>50

IND¹⁾ – Pre-clinical &
clinical candidates
delivered (INDiGO)²⁾

>10

Technology acquisitions²⁾

92%

Repeat business³⁾

>1.8

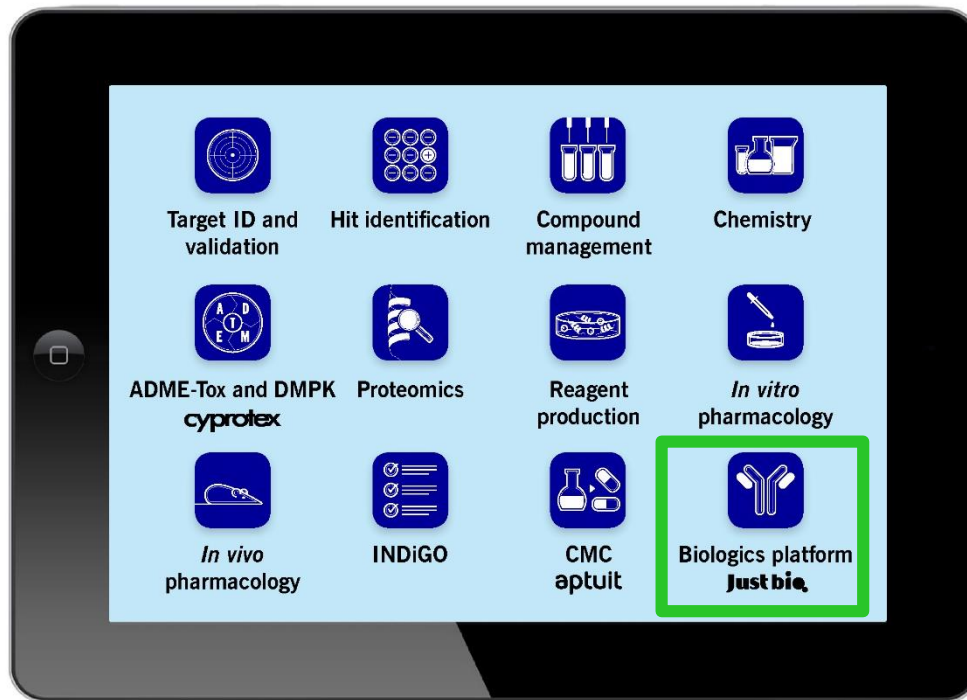
Years average
contract time

>25%

Faster delivery of data
at improved quality

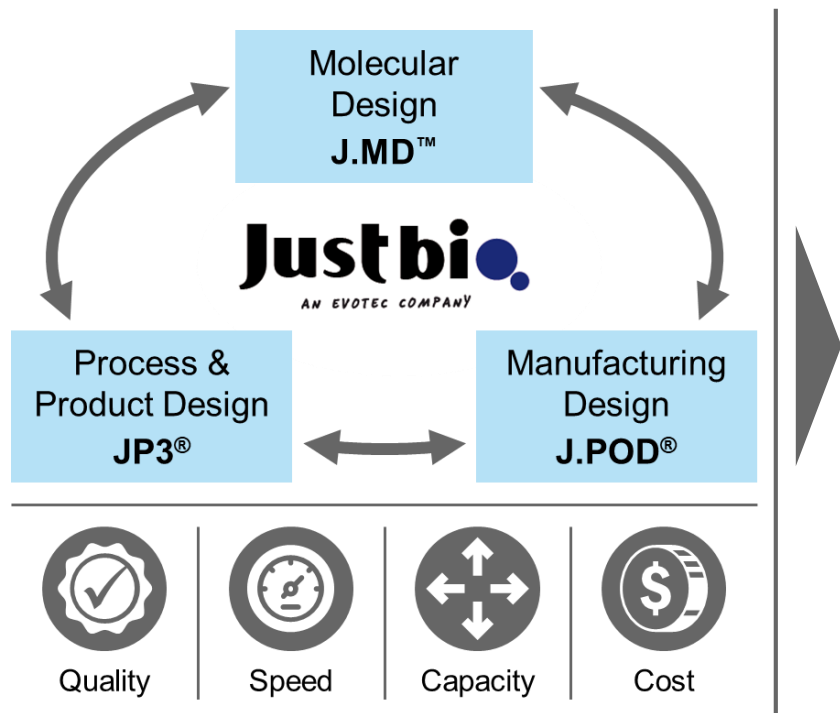
With “Just.Bio” – Even more integrated offering

Comprehensive service panel for external innovation



Building better molecules with better technologies

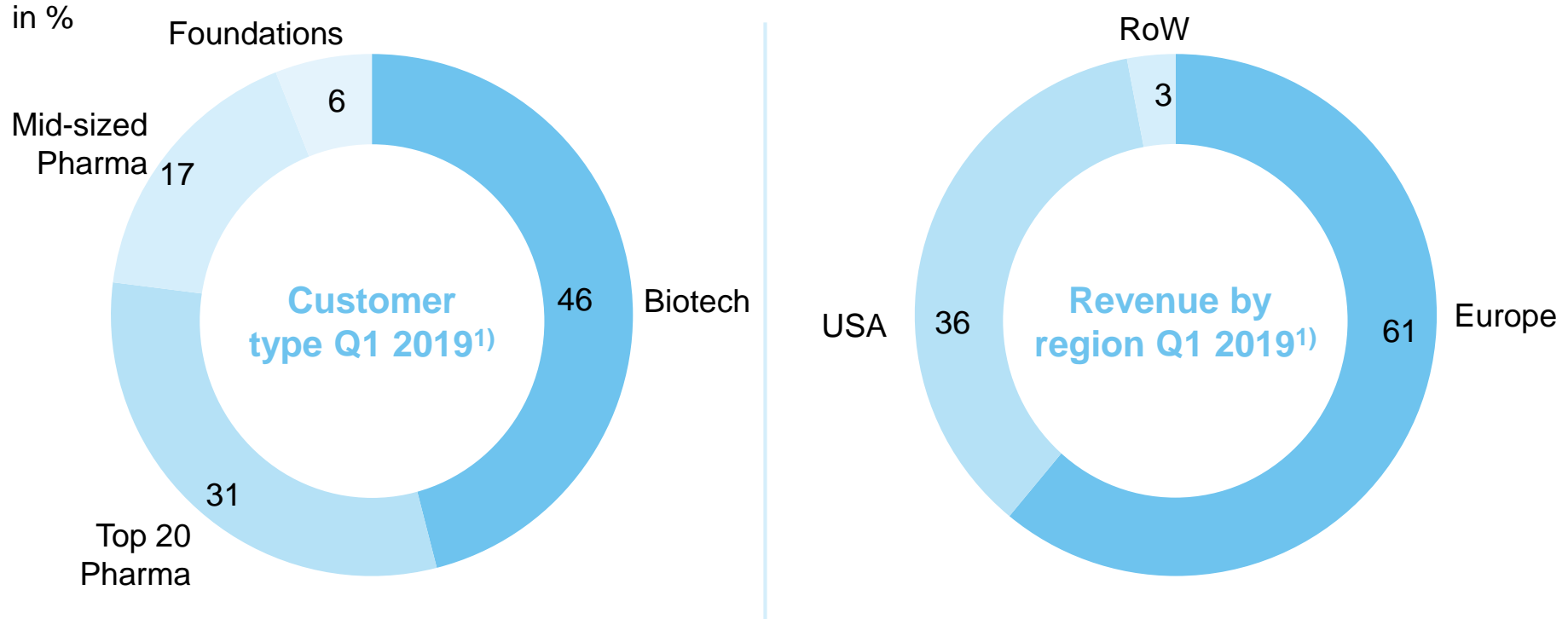
J.DESIGN Technology Platform



- **J.MD™ – Optimising molecules**
Using machine learning to design and select better biologics through molecular understanding and prediction with **Abacus™**, an ML software analysis tool
- **JP3® – Optimising process**
Leverages high throughput technologies to rapidly deliver robust manufacturing processes
- **J.POD® – Manufacturing¹⁾**
Unique solutions for design of flexible, deployable technologies and facilities needed to improve speed and cost-effectiveness of manufacturing up to commercial supply




Strong and well-balanced global customer mix

EVT Execute – Who are our partners?



Strong portfolio of highest quality partners

EVT Execute alliances – *Examples*

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

Building a co-owned pipeline

EVT Innovate – Selected performance indicators

7

Disease areas of
core expertise¹⁾

>€ 1,000 bn

Unmet markets
addressed

>100

Co-owned pipe-
line programmes

10

Clinical Co-
owned assets

>10

Unpartnered large
R&D initiatives

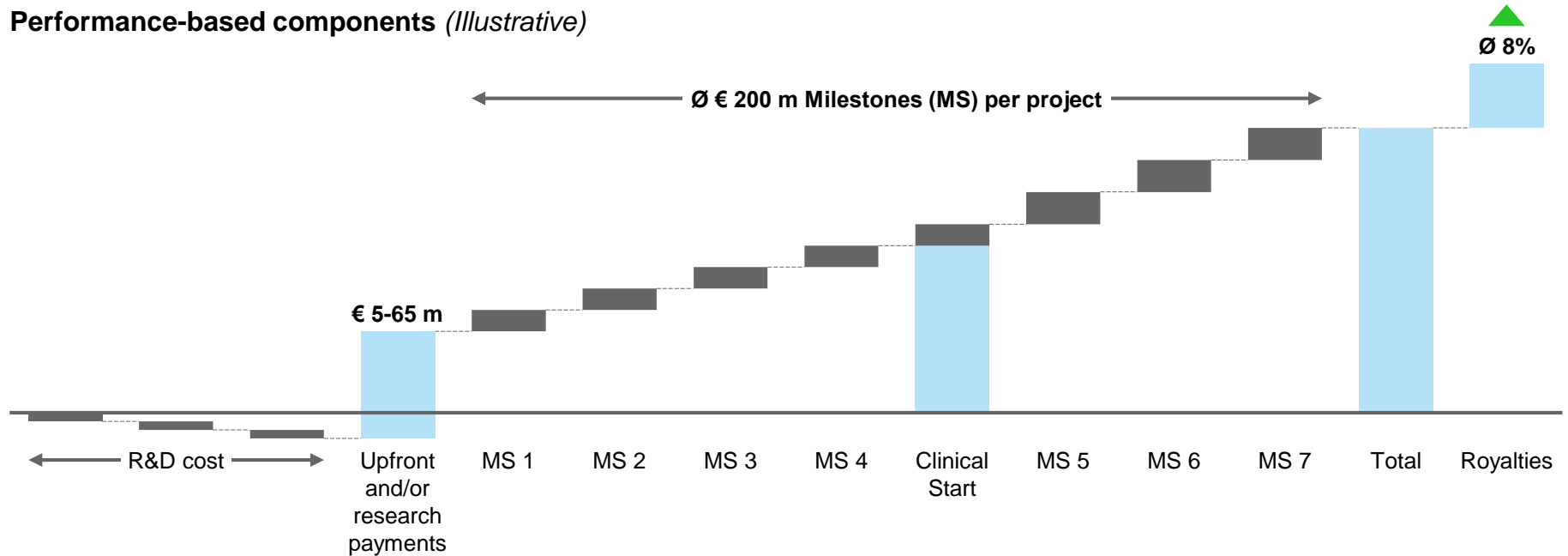
100%

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 ¹⁾	Chronic cough					
	SGM-1019 ²⁾	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					
Pre-clinical	Various	Respiratory					
	ND ¹⁾	Oncology					
	ND ¹⁾	Immunology & Inflammation					
	ND ¹⁾	Pain					
	Various	Women's health – Endometriosis					
	EVT801	Oncology					
	Target/ImmuniT	Oncology – Immunotherapy					
	ND ¹⁾	Oncology (+ several discovery programmes)					
	ND ¹⁾	Fibrosis					
	Various	Anti-infectives					NEW collaboration
Discovery	Various	CNS, Metabolic, Pain & Inflammation					
	Various ND ¹⁾	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⁾	Facioscapulohumeral Dystrophy					
	INDY inhibitor	Metabolic					
	Various	Fibrotic disease					
	Target/PicV	Antiviral					
	Various	Anti-infectives					
	Various	Internal: Oncology, CNS, Metabolic, Pain & Inflammation					
	ND ¹⁾	Oncology					NEW collaboration
	ND ¹⁾	Novel antibiotics					NEW collaboration
	ND ¹⁾	Novel antibiotics					NEW collaboration
	ND ¹⁾	Oncology – Colorectal cancer					NEW collaboration

Co-owned projects with great partners

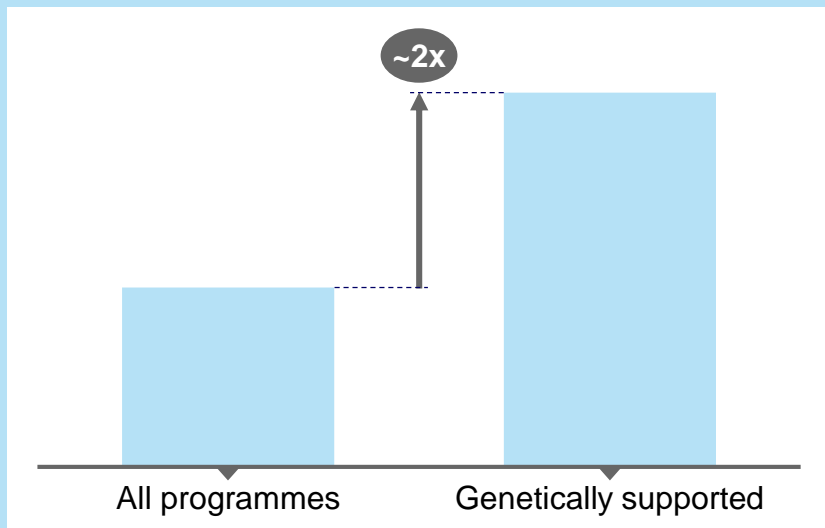
EVT Innovate alliances – *Examples*

 <p>Oncology I Multi-target alliance</p> <p><i>Initiated 2018</i></p>	 <p>Chronic kidney disease (“CKD”) Diabetic complications</p> <p><i>Initiated 2016</i></p>	 <p>Oncology Small molecule-immuno-therapies to complement check-point inhibitors¹⁾</p> <p><i>Initiated 2015</i></p>	 <p>Fibrosis Novel mechanisms in multi-organ fibrosis</p> <p><i>Initiated 2015</i></p>	 <p>Neurodegeneration iPSC-based drug discovery</p> <p><i>Initiated 2016</i></p>	 <p>Picornavirus Respiratory indications²⁾</p> <p><i>Initiated 2017</i></p>
 <p>Oncology II Targeted protein degradation</p> <p><i>Initiated 2018</i></p>	 <p>Endometriosis/Pain & Respiratory Non-hormonal treatments</p> <p><i>Initiated 2012</i></p>	 <p>Diabetes iPSC Beta Cell – Diabetes alliance</p> <p><i>Initiated 2015</i></p>	 <p>Oncology & Respiratory Multi-target alliance</p> <p><i>Initiated 2012</i></p>	 <p>Infectious diseases Open innovation alliance</p> <p><i>Initiated 2018</i></p>	 <p>Oncology Joint Venture on multiple targets</p> <p><i>Initiated 2016</i></p>

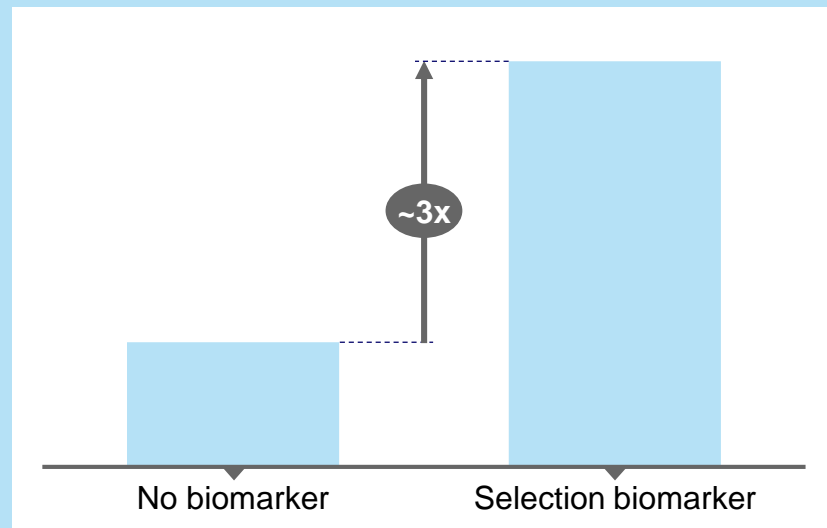
Better translation for better drugs

Genetics, biomarkers, and better technologies improving success

Human genetics supported targets¹⁾ (% success)

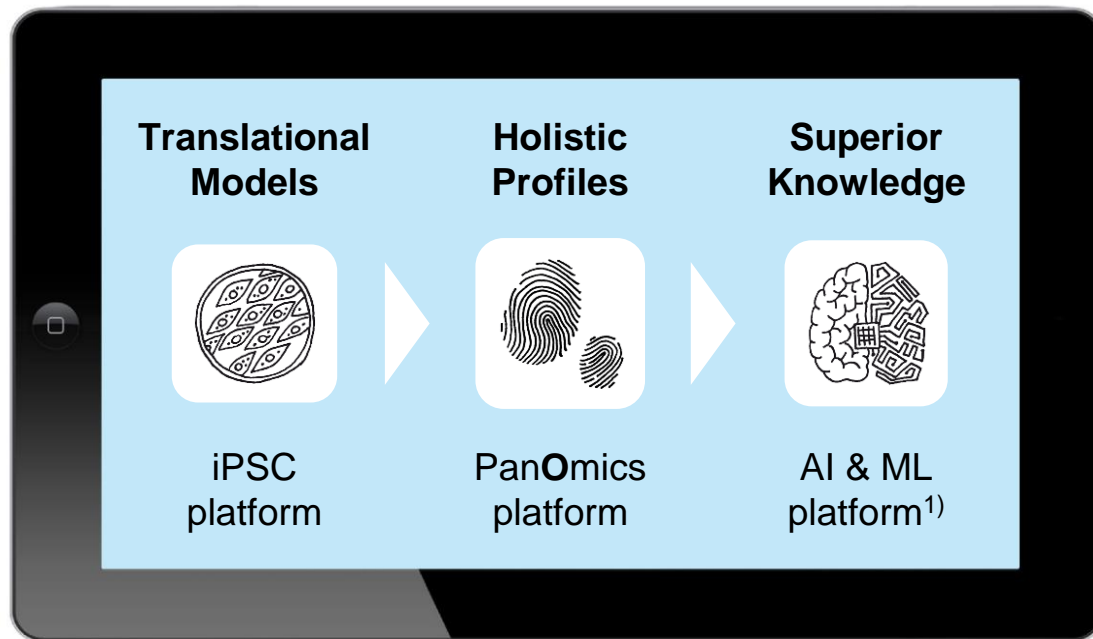


Biomarker-based patient stratification²⁾ (% success)



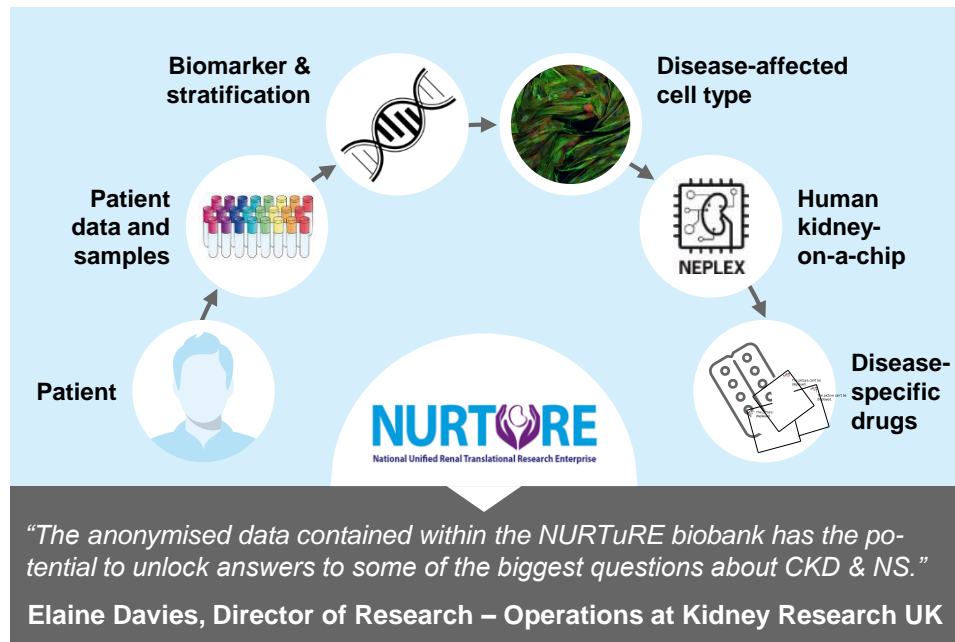
Re-defining the drug discovery paradigm

Game-changing platforms for better translation



World-leading initiative in nephrology

NURTuRE – Kidney disease processes, platforms and networks

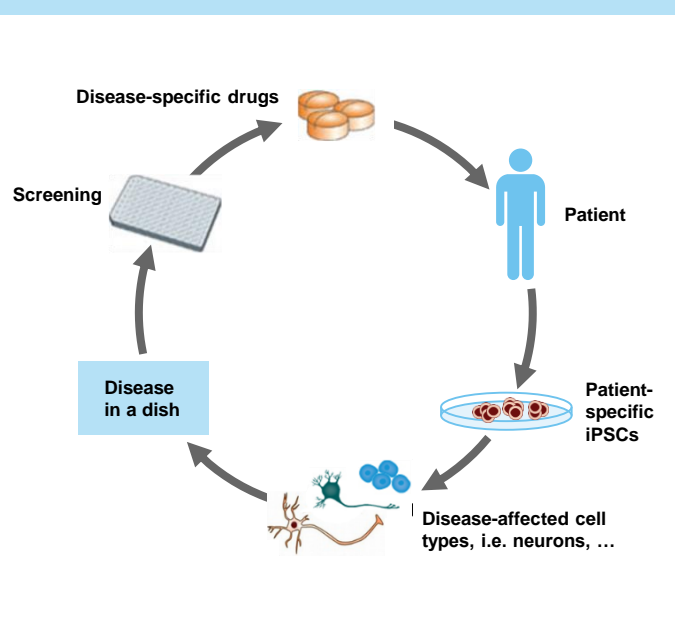


Patient-derived assays as new gold standard

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**



Opening doors to new indications

Patient-derived disease models as starting points



Established protocols

Motor neurons & Dopaminergic neurons

- Neurodegenerative disease

Cortical neurons

- Neurodegenerative disease
- Lysosomal storage disease
- Neurodevelopmental disease

Pancreatic beta cells

- Diabetes & complications

Under development

Microglia

- Neurodevelopmental diseases

Retina pigment epithelia

- Retinopathies

Kidney

- Chronic Kidney Diseases
- Polycystic Kidney Disease

Astrocytes

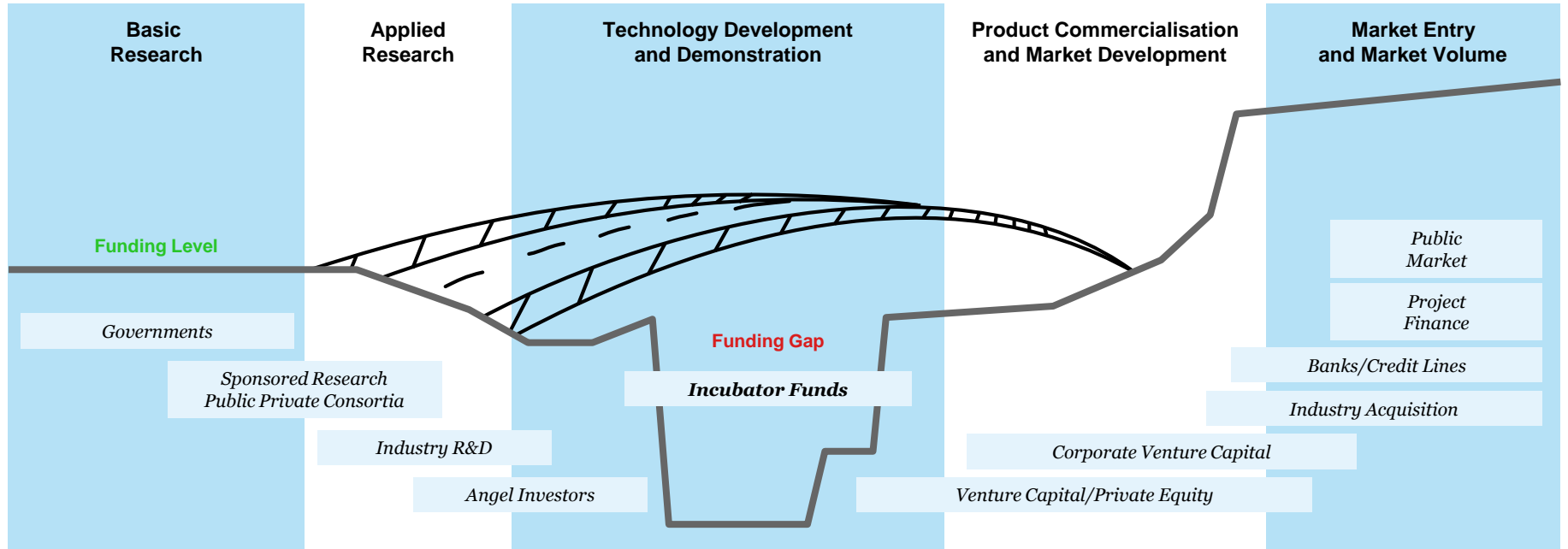
- CNS diseases
- Many orphan diseases

Oligodendrocytes

- Multiple sclerosis
- Selected LSDs

BRIDGEs over the “Valley of death“

The funding gap



Long-term optionality with efficient translation

BRIDGEs & Equity participations – *Examples*

Exscientia
DRIVEN BY KNOWLEDGE

Equity participation

Artificial Intelligence for automated drug design

Initiated 2017

facio
therapies

Equity participation

Facioscapulohumeral muscular dystrophy

Initiated 2017

 Eternugen

Equity participation

Metabolic disorders

Initiated 2016

 FIBROCOR

Equity participation

Fibrosis partnership with MaRS Innovation

Initiated 2017

 **FORGE**
Therapeutics

Equity participation

Targeting metalloenzymes

Initiated 2016

NURTURE
National Unified Renal Translational Research Enterprise

Consortium membership

Kidney diseases

Initiated 2017

Topas  Therapeutics

Spin-off

Nanoparticle-based therapeutics

Initiated 2016

Carrick
therapeutics

Equity participation

Innovative molecular pathways in oncology

Initiated 2016

 LAB282

BRIDGE

Partnership with Oxford University and Oxford Sciences Innovation

Initiated 2016

 LAB150

BRIDGE

Partnership with MaRS Innovation

Initiated 2017

 LAB591

BRIDGE

Partnership with Aris and Fred Hutch

Initiated 2018

 LAB031

BRIDGE

Partnership with Sanofi

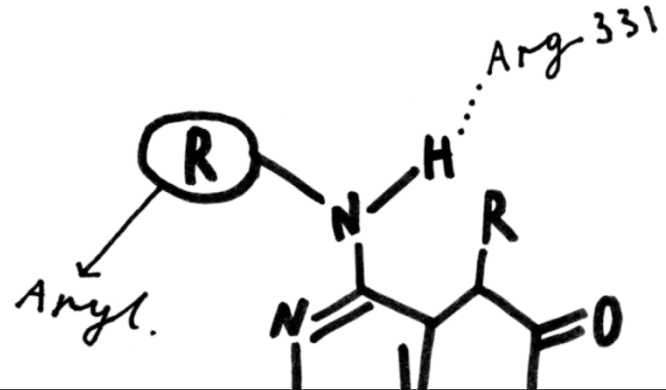
Initiated 2018

Agenda

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Partnered drug discovery & development

Financials & Outlook



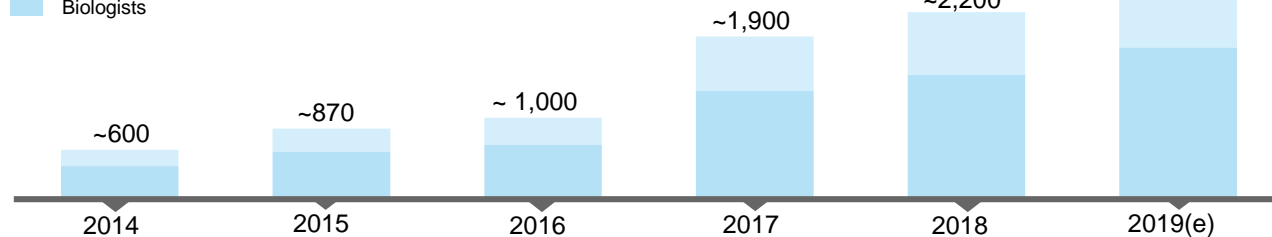
Culture to integrate talent is key for growth

Human Resources



Total operations personnel:

Chemists
Biologists

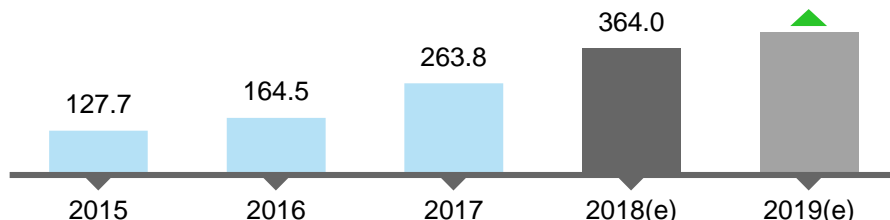


- Scientific background: Approx. 2/3 Biologists, 1/3 Chemists
- > 70% of employees with at least one academic qualification
- Approx. 40% of employees have worked for Evotec > 5 years
- > 7.9 years on average drug discovery and development experience
- > 54% female; > 60 nationalities
- > 250 new talents planned for 2019

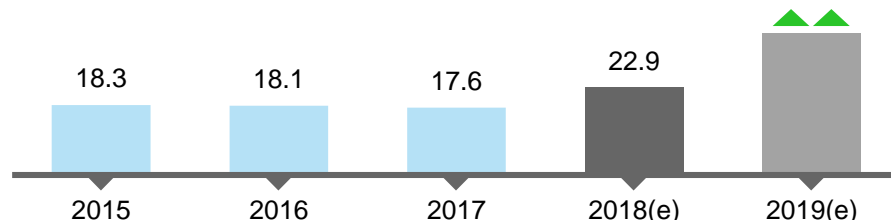
Long-term organic growth reflected in guidance

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

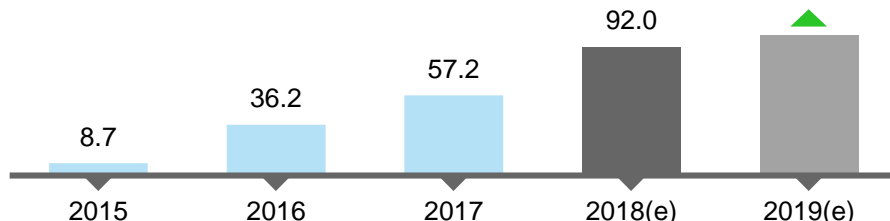
Approx. 10% Group revenue growth¹⁾ (in € m)



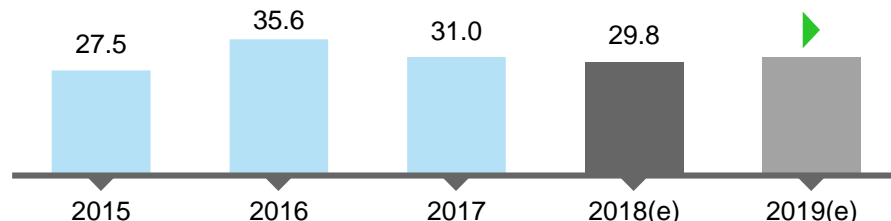
€ 30-40 m unpartnered R&D expenses²⁾ in 2019 (in € m)



Approx. 10% adj. Group EBITDA growth³⁾ (in € m)



Strong gross margin⁴⁾ (in %)



Strong base business and important milestones

Condensed income statement Q1 2019 – Evotec SE and subsidiaries

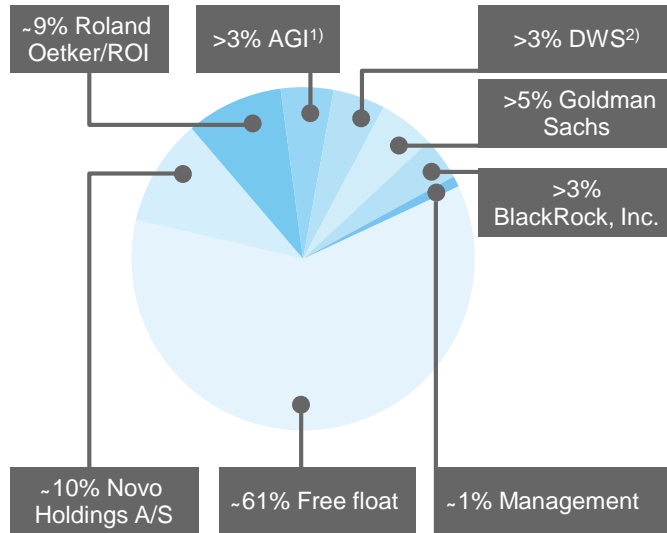
in € m¹⁾

	Q1 2019	Q1 2018	% vs 2018
Revenues from contracts with customers ²⁾	103.8	81.6	27%
Gross margin ²⁾	30.5%	22.6%	–
• R&D expenses	(14.4)	(4.6)	211%
• SG&A expenses	(14.8)	(13.3)	11%
• Other op. income (expenses), net	16.5	6.0	178%
Operating result	19.1	6.5	192%
Adjusted Group EBITDA³⁾	30.0	14.0	114%
Net income	13.1	3.5	278%

- Revenue growth mainly due to strong performance in base business and milestone contributions
- Gross margin Q1 2019 impacted by better base margins, higher milestone contributions, and favourable FX effects
- Unpartnered R&D expenses of € 8.1 m (€ 4.6 m)
- Other operating income up due to reimbursement of ID expenses and increased R&D tax credits
- Adjusted Group EBITDA in Q1 2019 positively affected by IFRS 16 (€ 3.1 m)

Strong team and shareholders for innovation

Management & shareholder structure



Number of shares: 149.9 m

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

52 week high/low: € 25.83/€ 14.28

Management Board

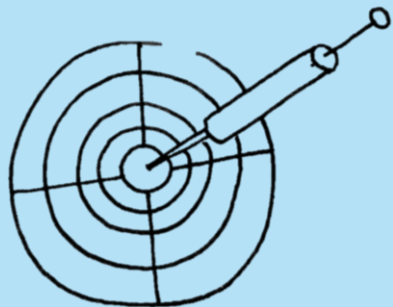
- **Werner Lanthaler (CEO)**
Long-time experience in Pharma and biotech
- **Cord Dohrmann (CSO)**
Long-time experience in drug discovery
- **Craig Johnstone (COO)**
Strong drug discovery and commercial track record
- **Enno Spillner (CFO)**
Long-time experience in finance and biotech

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

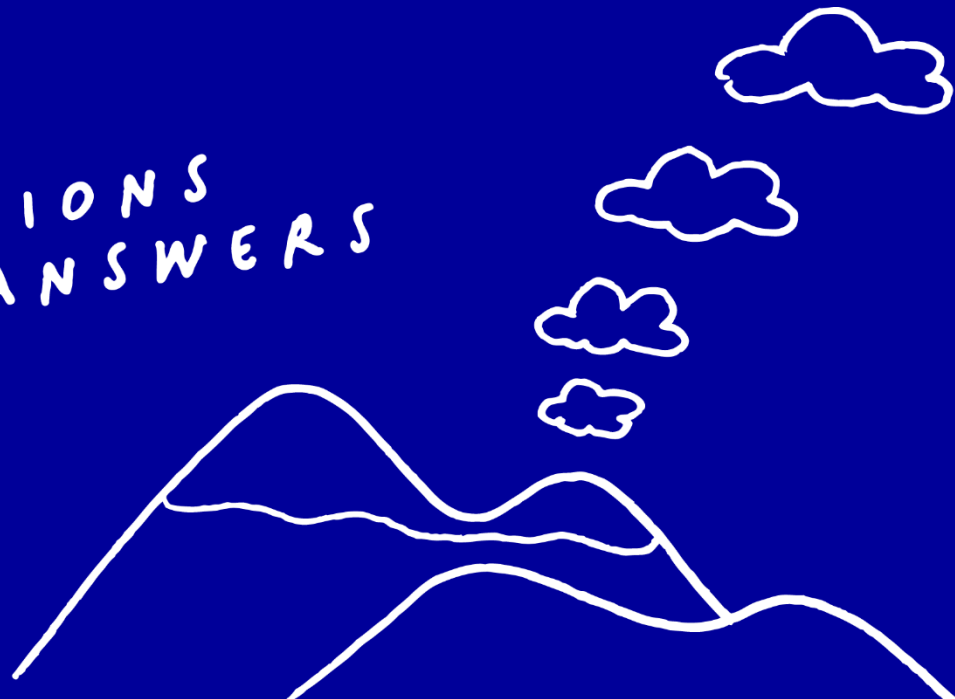
Strong outlook for 2019

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

QUESTIONS
AND ANSWERS



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