
Evotec

Partnered Drug Discovery and Development

Forward-looking statement

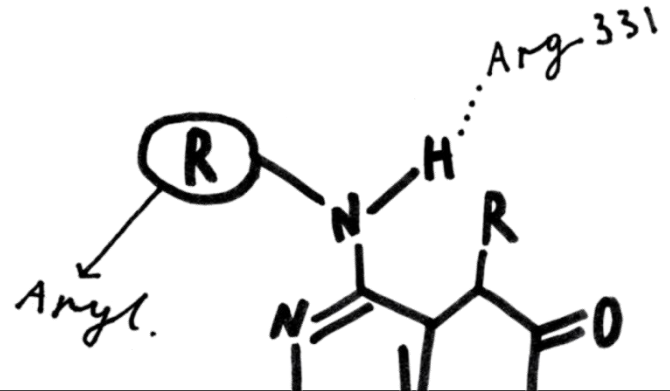
Information set forth in this presentation contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgement of Evotec as of the date of this presentation. Such forward-looking statements are neither promises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

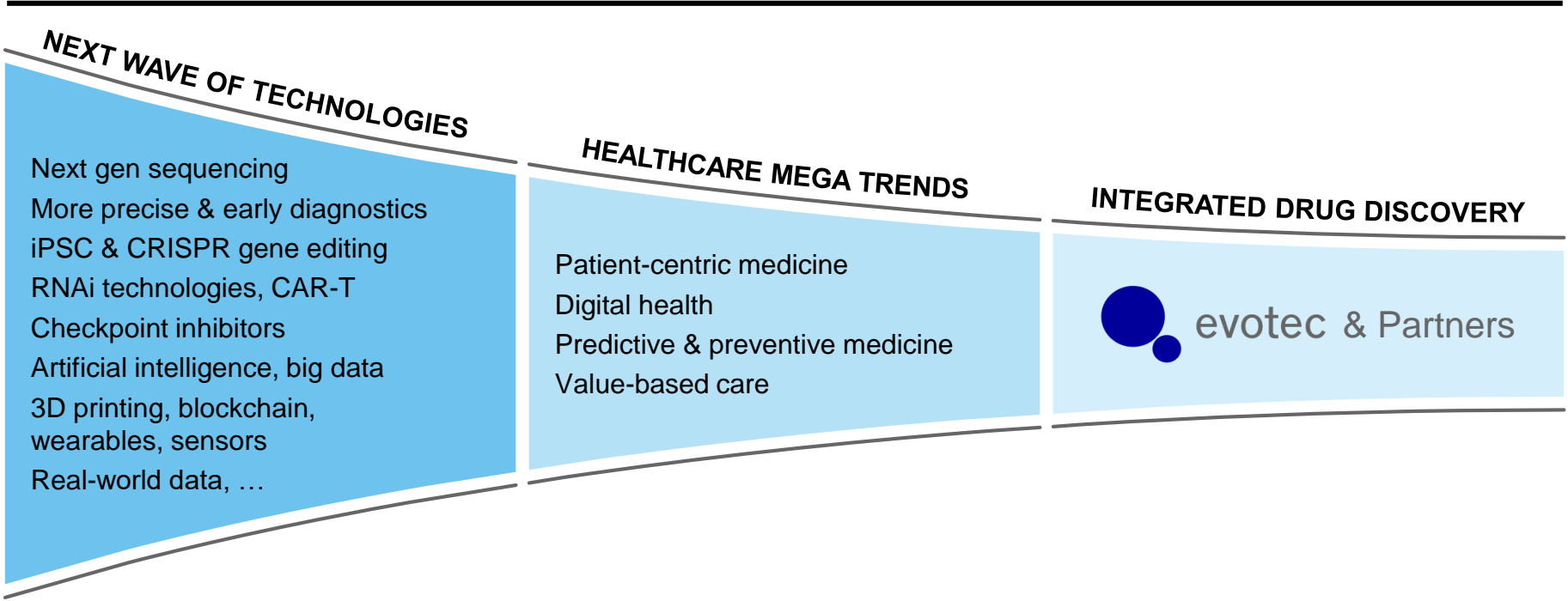
Top-class employees

200+

Long-term partnerships

Medicine of the future will see radical change

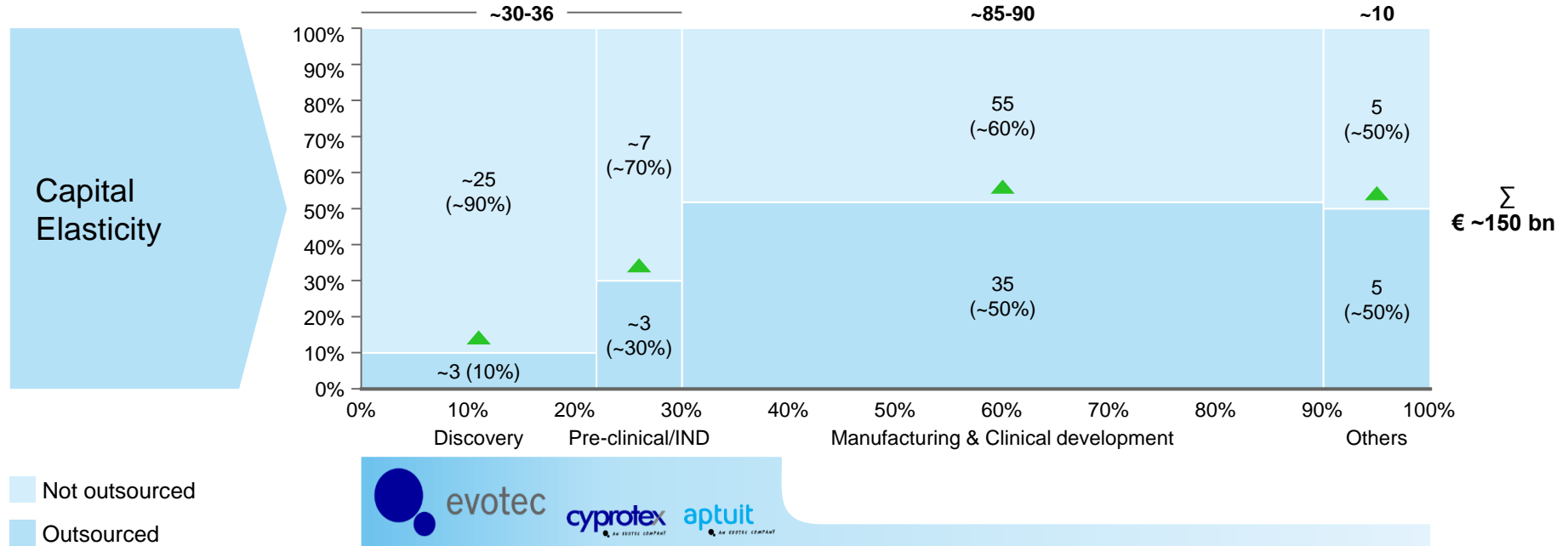
Technologies & mega trends to more personalized medicine



From fixed to variable costs

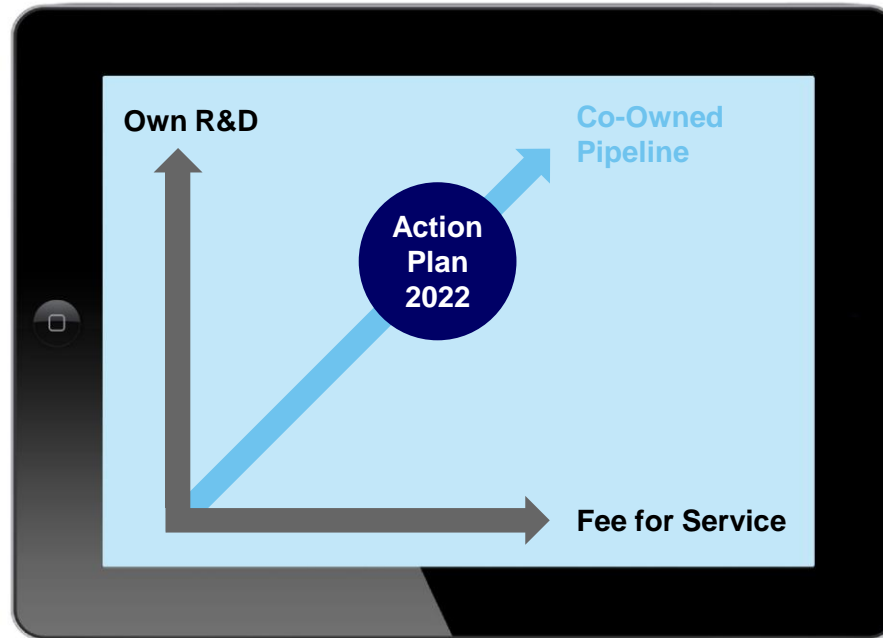
R&D outsourcing

in € bn



Building a co-owned portfolio in partnerships

Unique strategy and business approach



Just right for Evotec

Summary & Key rationale of Just Biotherapeutics (Just.Bio) acquisition



Modality expansion for end-to-end integrated solutions with Just.Bio

- ML (Machine learning)-based tools, smart processes and know-how enable efficient development and manufacturing of biologics
- Integrated value chain from discovery to market in small molecules and biologics



Evotec to accelerate mission as initiated by Just.Bio

- Culture and talents fit scientific and operating excellence value proposition of Evotec
- Expanding US footprint in biologics hub Seattle
- Along Evotec's strategy – Opening more co-ownership opportunities



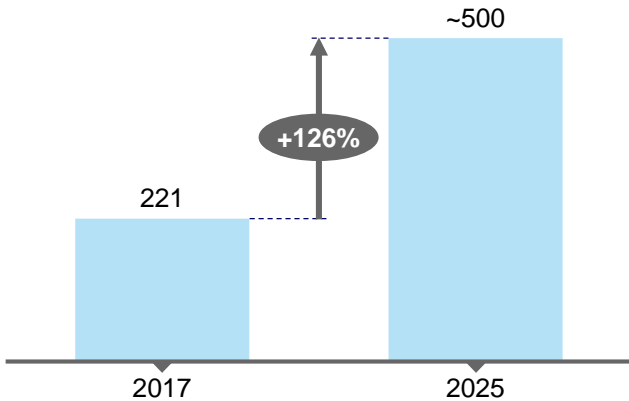
Strong synergy and growth potential with Just.Bio

- Synergy capitalizes on tremendous industry demand and tailwinds in biologics
- Just.Bio shows strong and high-quality growth despite early stage of company
- Consideration of up to \$ 90 m including potential performance-based earn-outs

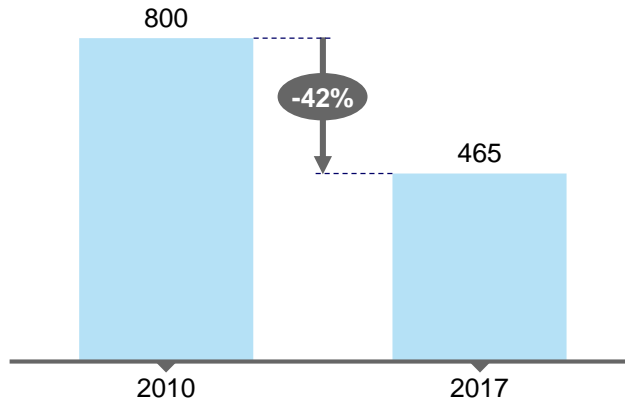
More flexibility for better defined patient populations

Changes in marketplace

Biologics global expected sales
in \$ bn



Avg. peak sales (SM & Biologics)
in \$ m



The Opportunity

- Biologics market is large, growing and open for technology improvements
- High number of smaller volume products are in early pipelines
- Increasingly complex biologics (e.g. bsAbs)
- Ideal conditions for bespoke, flexible, high-quality, expert, integrated partner

5 year industry CAGR ~10%, >1,000 biologics in development

Next-stage biologics with truly efficient technologies

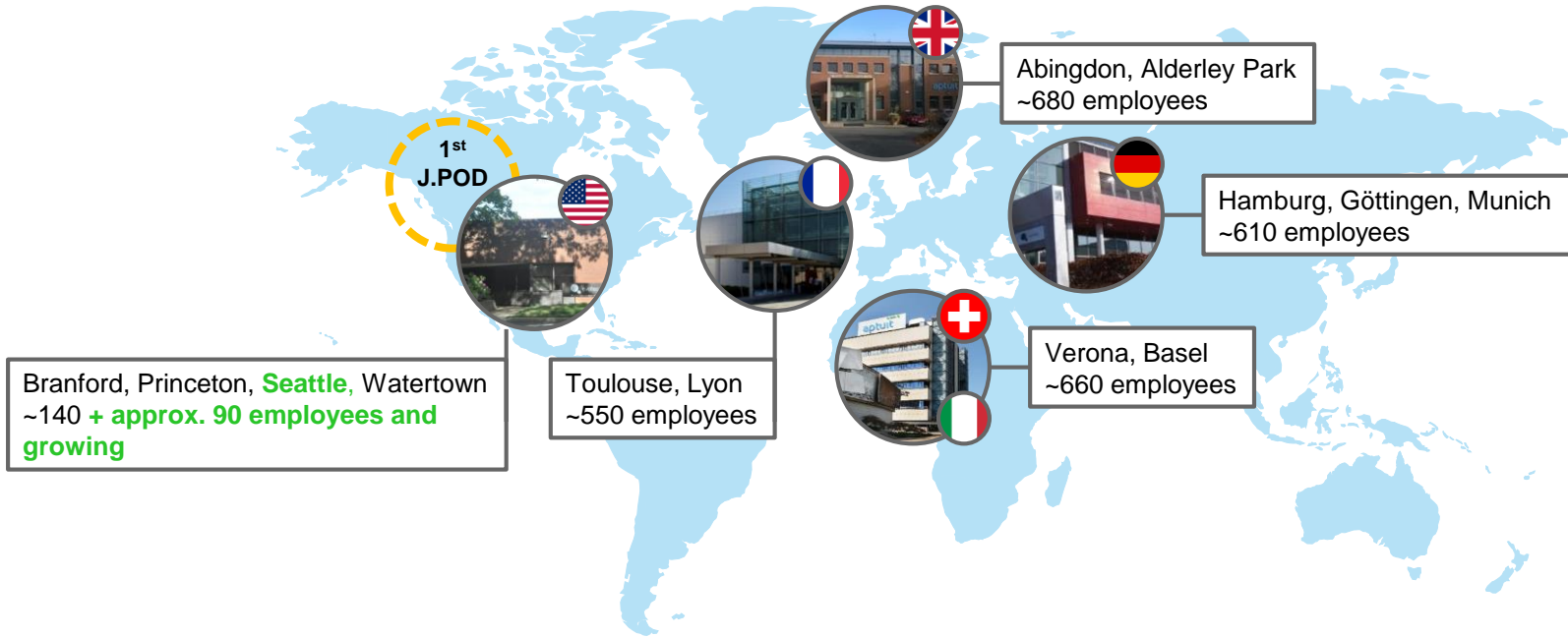
Overview – Just.Bio (www.justbiotherapeutics.com)

- Founded 2014/15, Private, based in Seattle, WA (USA)
- Approx. 90 employees
- Key Investors: Arch Venture Partners, Merck & Co., Lilly Asia Ventures, Bill & Melinda Gates Foundation and employees
- Partners & Customers: Biotechs, public institutions, foundations and Top-tier Pharma
- >\$ 20 m revenues in 2018 (approx. 3.5 years after inception); approx. EBITDA break-even in 2018



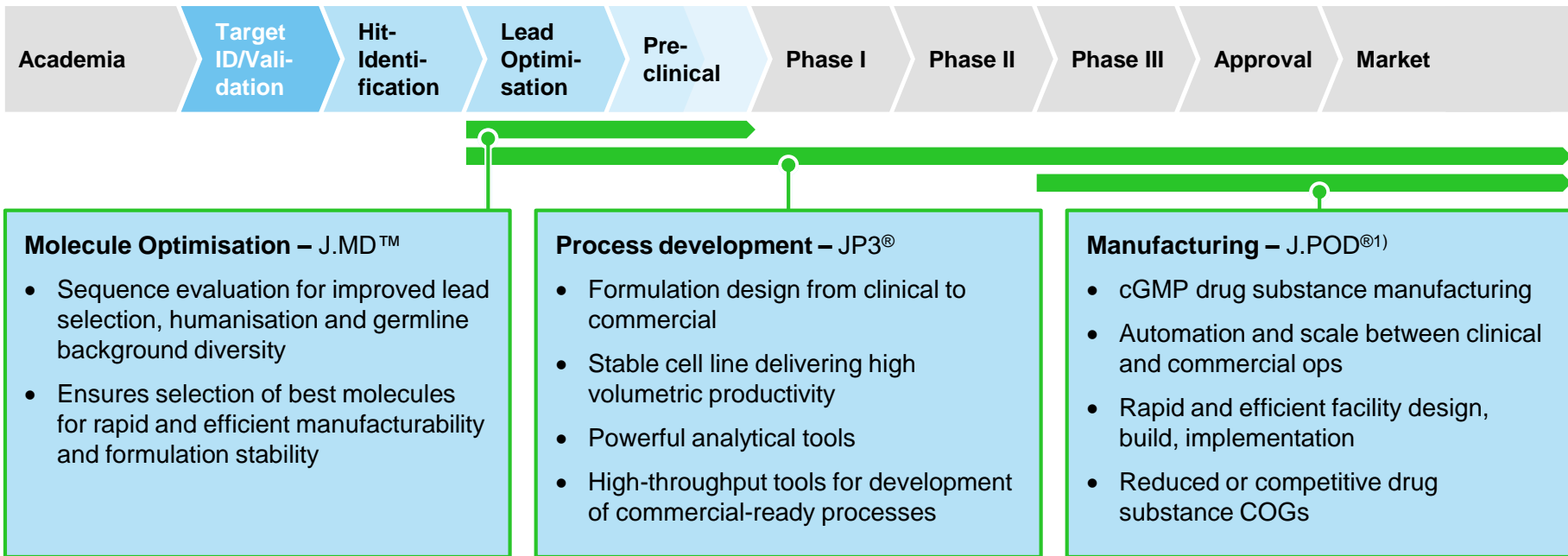
Adding Seattle, to become a top biologics hotspots

Global centres of excellence



A powerful platform for biologics value chain

World-class services for biologics development: J.MD™, JP3®, and J.POD®

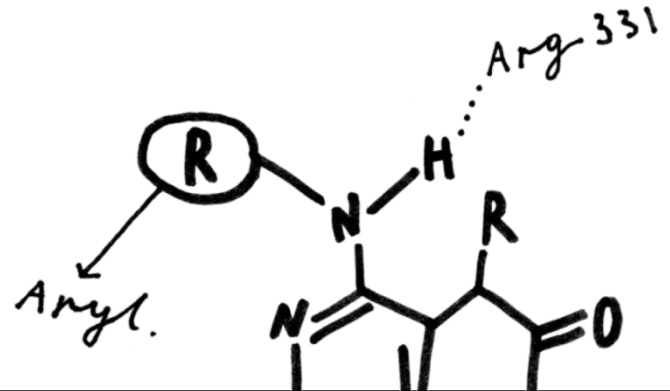


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ONE fully integrated platform

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

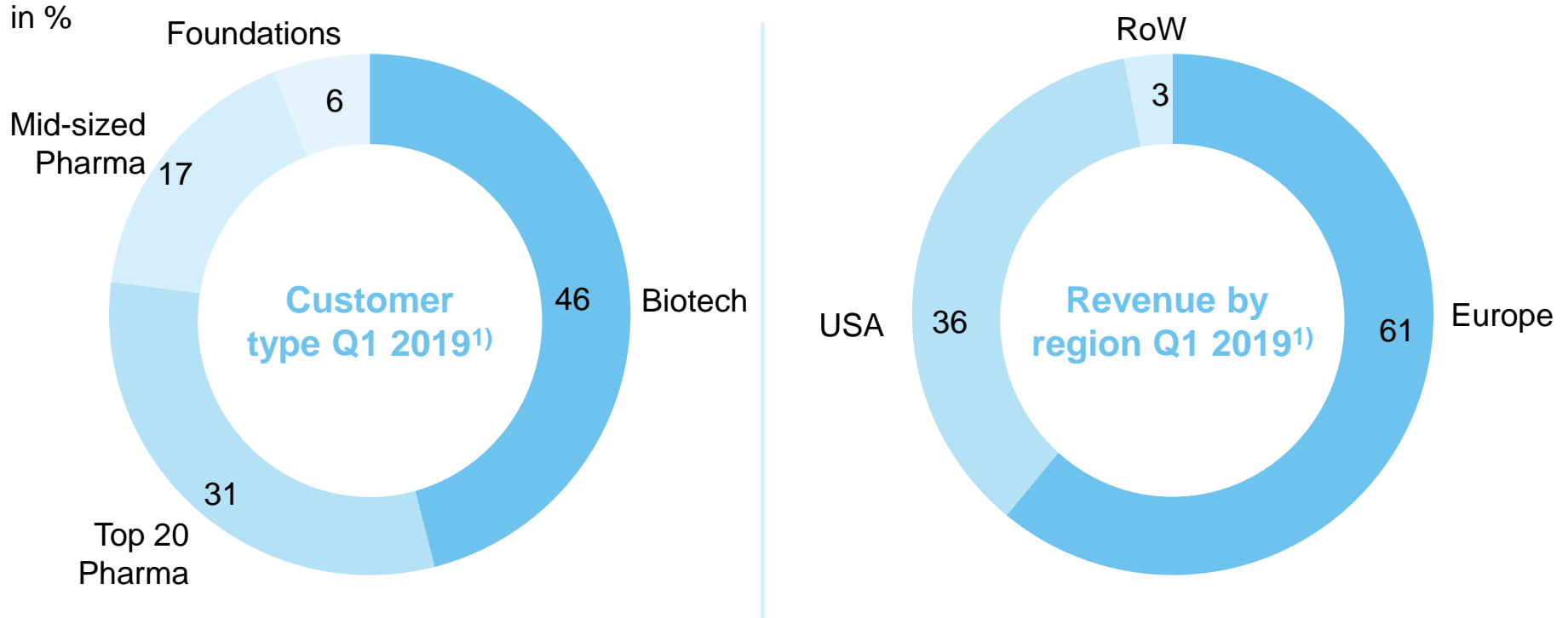
Years average contract time

>25%

Faster delivery of data at improved quality

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 pipeline programmes

10

Clinical Co-owned assets

>10

Unpartnered large R&D initiatives

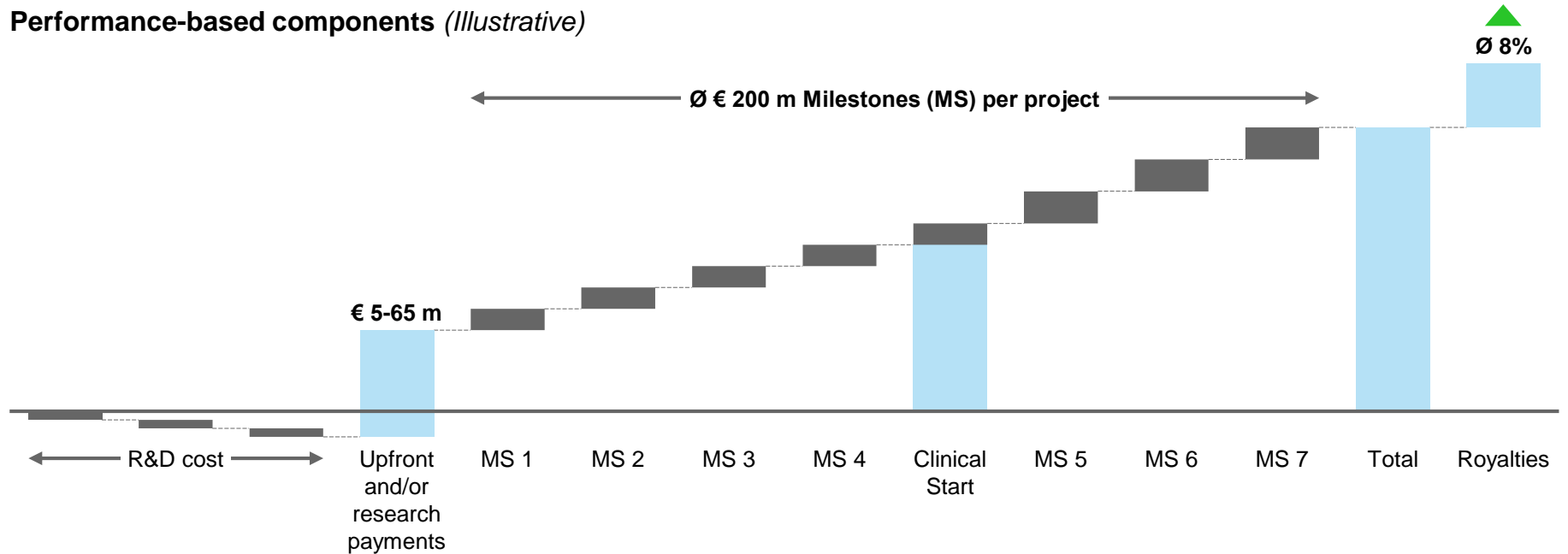
100%

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)					
	EVT401	Immunology & Inflammation					
	Various	Women's health – Endometriosis					
	Various	Women's health – Endometriosis					
	Various	Women's health – Endometriosis					
	CT7001	Oncology					
	Various	Respiratory					
ND ¹⁾	Oncology						
Pre-clinical	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	 >5 programmes				
	Various	CNS, Metabolic, Pain & Inflammation	 >10 further programmes				
	Discovery	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	 >5 programmes				
Various	Internal: Oncology, CNS, Metabolic, Pain & Inflammation	 >40 further programmes					
ND ¹⁾	Oncology						
ND ¹⁾	Novel antibiotics						
ND ¹⁾	Novel antibiotics						
ND ¹⁾	Oncology – Colorectal cancer						

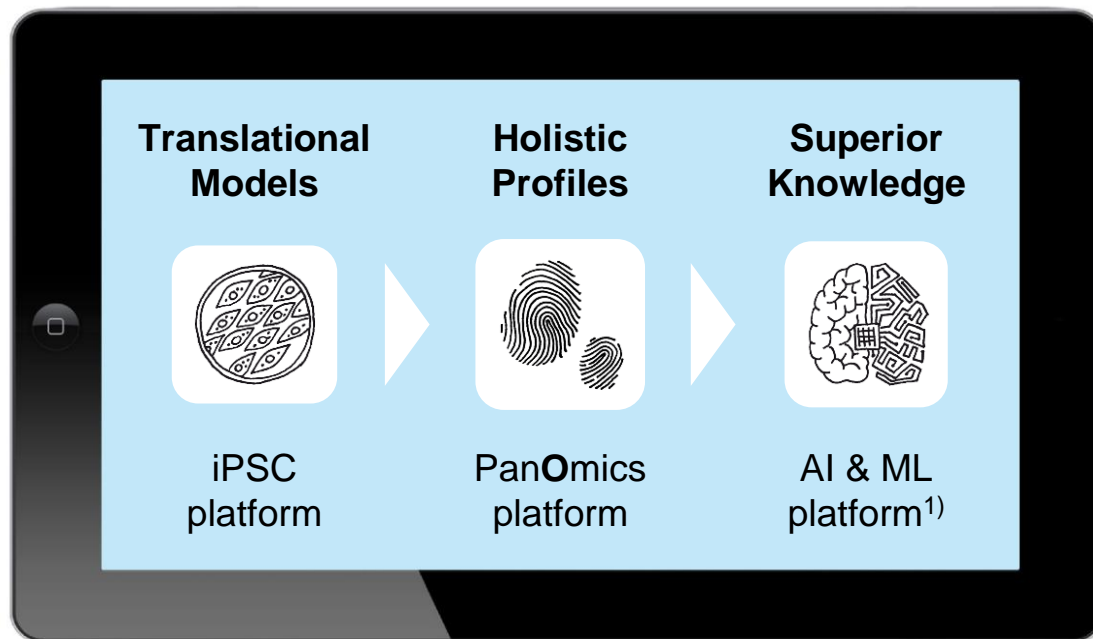
¹⁾ Not disclosed

²⁾ Under review – Clinical trial currently on hold

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

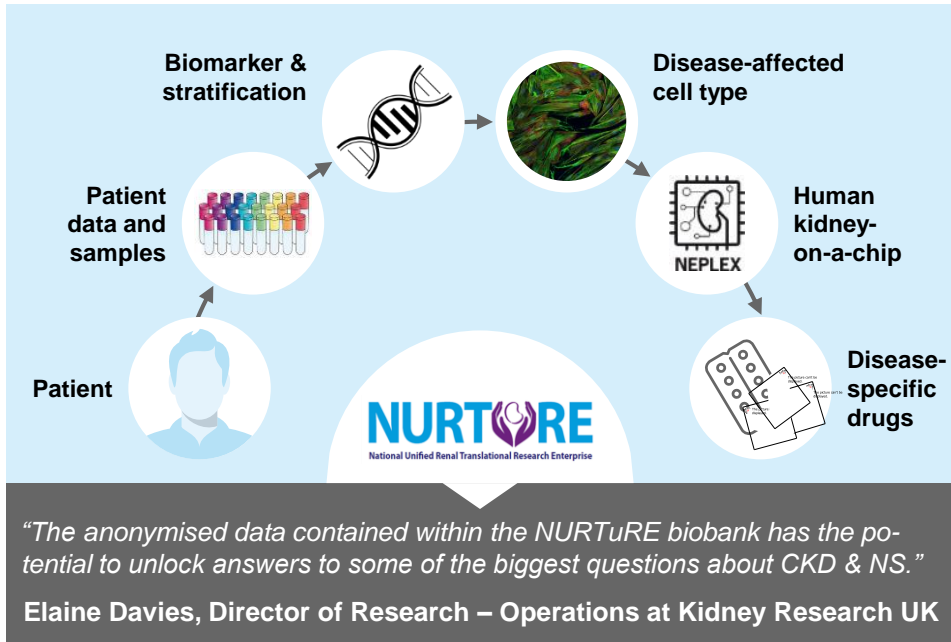
Supported by AI – Re-defining the drug discovery paradigm

Game-changing platforms for better translation



World-leading initiative in nephrology

NURTuRE – Kidney disease processes, platforms and networks

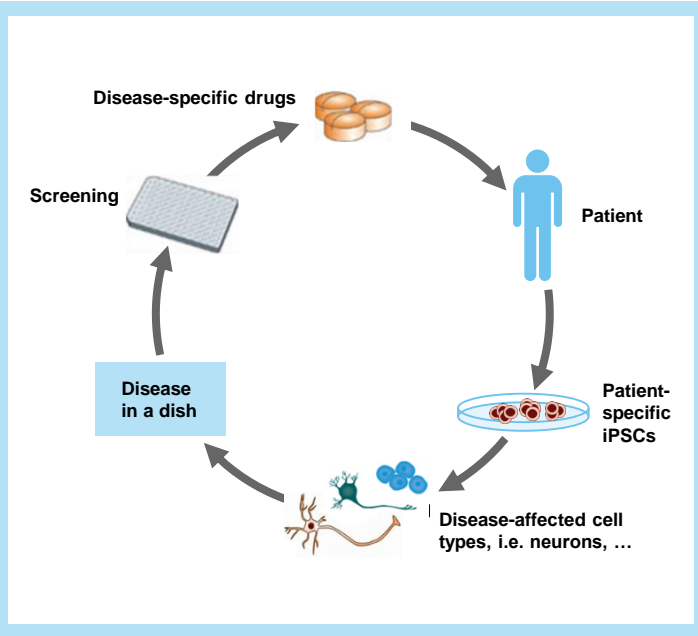


Patient-derived assays as new gold standard

World-leading iPSC processes and network

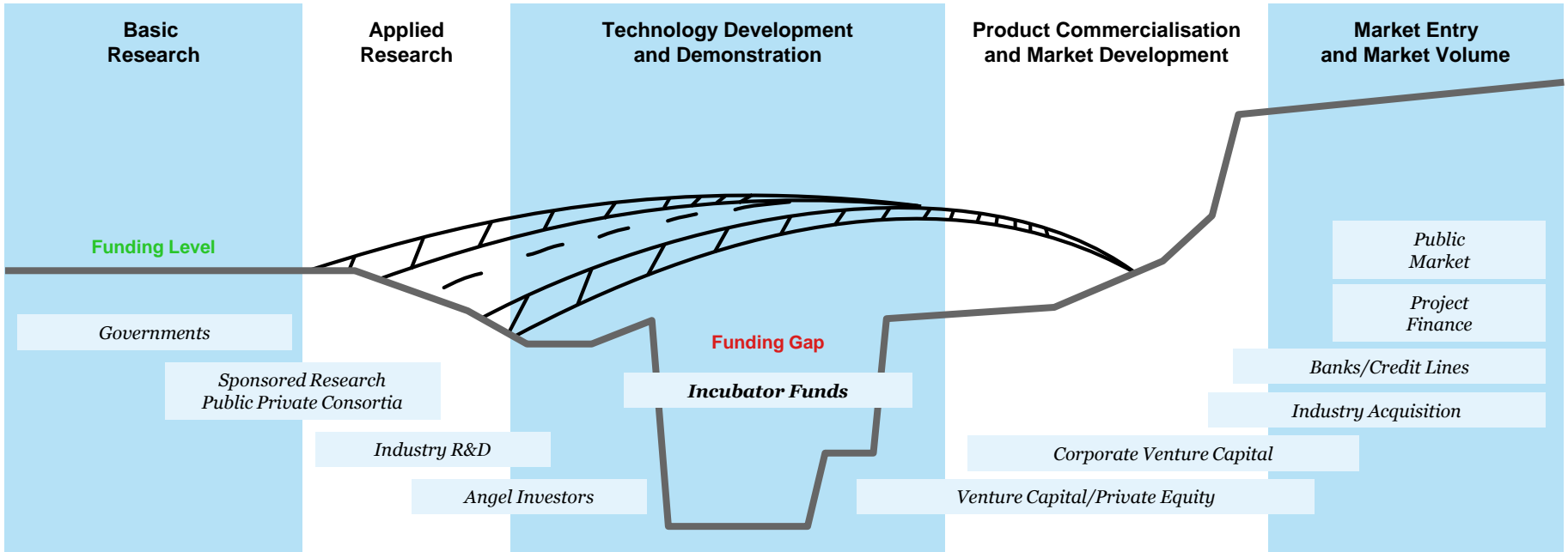
“iPS cells can become a powerful tool to develop new drugs to cure intractable diseases because they can be made from patients’ somatic cells.”

**Shinya Yamanaka,
Nobel prize laureate**



BRIDGEs over the “Valley of death“

The funding gap



Long-term optionality with efficient translation

BRIDGEs & Equity participations – *Examples*

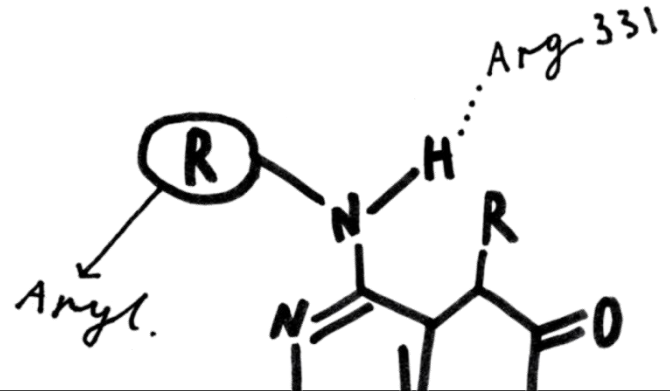
 <p>Equity participation</p> <p>Artificial Intelligence for automated drug design</p> <p><i>Initiated 2017</i></p>	 <p>Equity participation</p> <p>Facioscapulothoracic muscular dystrophy</p> <p><i>Initiated 2017</i></p>	 <p>Equity participation</p> <p>Metabolic disorders</p> <p><i>Initiated 2016</i></p>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

Agenda

Overview

Partnered drug discovery & development

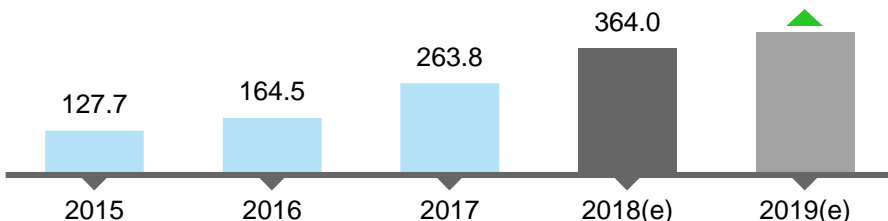
Financials & Outlook



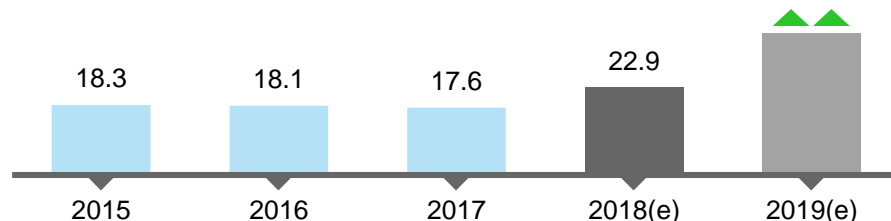
Long-term organic growth reflected in guidance

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

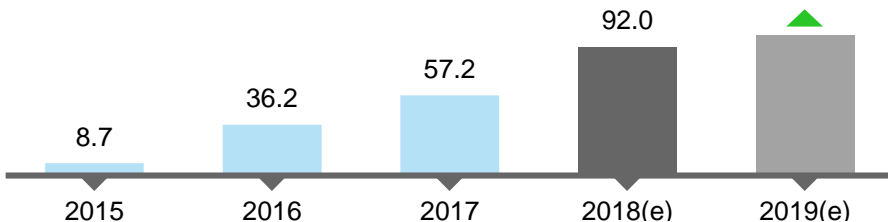
Approx. 10% Group revenue growth¹⁾ (in € m)



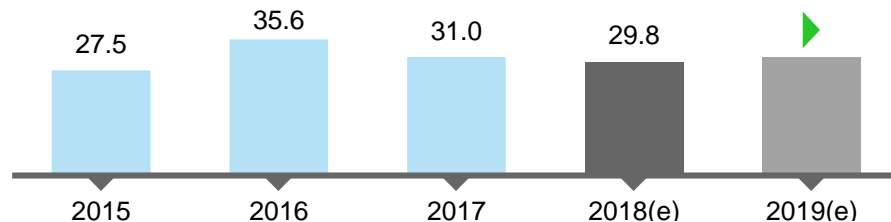
€ 30-40 m unpartnered R&D expenses²⁾ in 2019 (in € m)



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



Strong gross margin⁴⁾ (in %)



¹⁾ 2018 total revenues excluding revenues from recharges according to IFRS 15

²⁾ 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).

³⁾ 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

⁴⁾ 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

Both segments fully on strategy

Segment information Q1 2019 – Evotec SE and subsidiaries

in € m¹⁾

	EVT Execute	EVT Innovate	Inter- segment elimination	Not allocated²⁾	Evotec Group
Revenues	100.3	18.8	(18.8)	3.5	103.8
Gross margin	29.0%	24.8%	–	–	30.5%
• R&D expenses	(0.1)	(16.3)	2.0	–	(14.4)
• SG&A expenses	(12.0)	(2.8)	–	–	(14.8)
• Other op. income (expenses), net	4.8	11.7	–	–	16.5
Operating result	21.8	(2.7)	–	–	19.1
Adjusted EBITDA³⁾	32.3	(2.3)	–	–	30.0

- Revenue growth in EVT Execute driven by strong performance in the base business
- Gross margin in EVT Execute driven by high-margin base business
- Increase in R&D expenses in EVT Innovate both in unpartnered and partnered R&D according to strategy

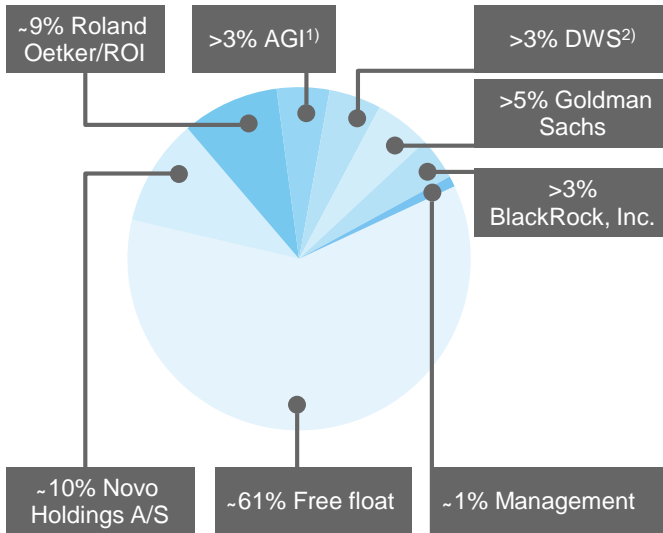
¹⁾ Differences may occur due to rounding

²⁾ 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

³⁾ Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

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

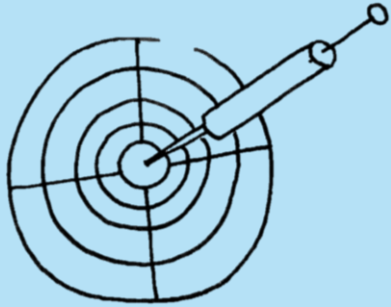
- **Werner Lanthaler (CEO)**
Long-time experience in Pharma and biotech
- **Cord Dohrmann (CSO)**
Long-time experience in drug discovery
- **Craig Johnstone (COO)**
Strong drug discovery and commercial track record
- **Enno Spillner (CFO)**
Long-time experience in finance and biotech

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

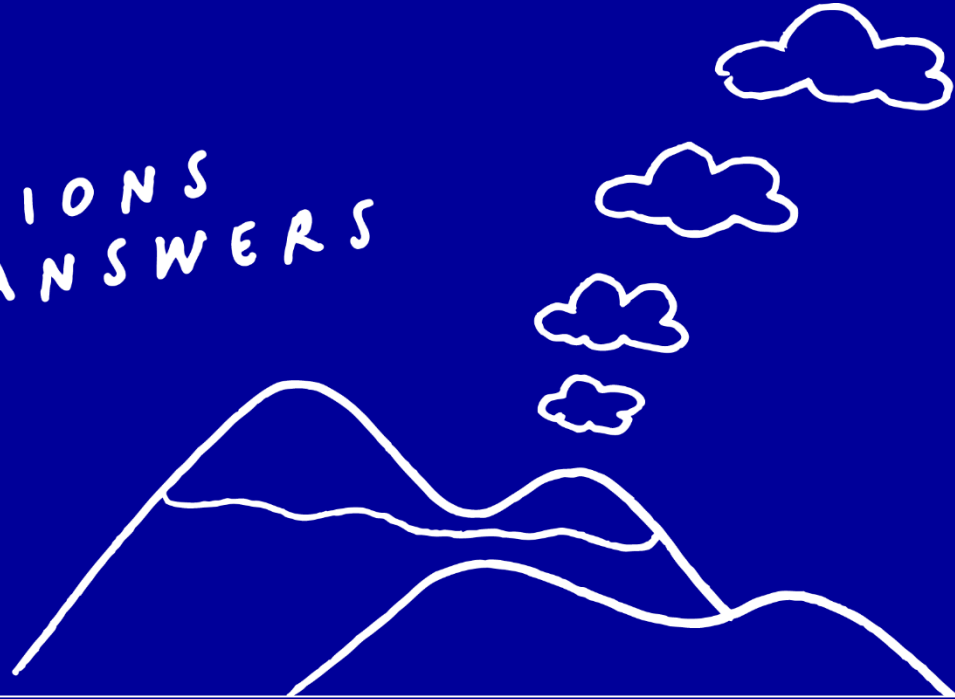
Strong outlook for 2019

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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