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Translation of

Financial Statements as of

31 December 2024

and Combined Management Report

Evotec SE

evotec

Evotec SE, Hamburg
Statement of financial position as of 31 December 2024

Assets		31.12.2024	31.12.2023
		€ k	€ k
A.	**Assets**		
I.	**Intangible assets**		
1.	Purchased franchises, industrial and similar rights, assets and licenses in such rights and assets	2,944	377
2.	Intangible assets under development	3,398	1,897
		6,342	**2,274**
II.	**Property, plant and equipment**		
1.	Land, land rights and buildings, including buildings on third-party land	3,059	1,109
2.	Plant and machinery	18,409	18,593
3.	Other equipment, furniture and fixtures	4,400	3,350
4.	Prepayments and assets under construction	2,082	9,043
		27,950	**32,095**
III.	**Financial assets**		
1.	Shares in affiliates	615,327	519,542
2.	Loans to affiliates	298,125	267,860
3.	Investments	24,305	71,564
4.	Other loans	2,127	4,011
		939,885	**862,977**
		974,177	**897,346**
B.	**Current assets**		
I.	**Inventories**		
1.	Raw materials, consumables and supplies	799	966
2.	Work-in-progress	442	583
		1,241	**1,549**
II.	**Receivables and other assets**		
1.	Trade receivables	468	1,704
2.	Receivables from affiliates	116,651	121,269
3.	Other assets	35,820	10,218
		152,939	**133,191**
III.	**Securities**	69,474	228,505
IV.	**Bank balances**	80,819	21,639
		304,473	**384,884**
C.	**Prepaid expenses**	**11,658**	**6,134**
		1,290,308	**1,288,364**

Equity and liabilities		31.12.2024	31.12.2023
		€ k	€ k
A.	**Equity**		
I.	**Subscribed capital**	177,553	177,186
	./. calculated value treasury shares	-167	-250
		177,386	**176,936**
II.	**Capital reserves**	903,639	903,639
III.	**Reserve for treasury shares**	167	250
IV.	**Accumulated loss**	-241,792	-242,892
		839,400	**837,933**
B.	**Provisions**		
1.	Provisions for pensions and similar obligations	159	166
2.	Provisions for tax	0	830
3.	Other provisions	29,449	19,464
		29,608	**20,460**
C.	**Liabilities**		
1.	Liabilities to banks	280,049	408,590
2.	Trade payables	10,677	12,620
3.	Liabilities to affiliates	121,806	3,003
4.	Other liabilities		
	thereof for taxes EUR 1,006 k (previous year: EUR 912 k)	1,006	4,601
		413,538	**428,814**
D.	**Deferred income**	**7,762**	**1,157**
		1,290,308	**1,288,364**

Evotec SE, Hamburg
Income statement for the period from 1 January 2024 to 31 December 2024

		2024 € k	2023 € k
1.	Revenues	133,539	112,935
2.	Decrease or increase in finished goods and work in process	-141	280
3.	Other operating income thereof income from currency translation: € 32,169 k (previous year: € 5,313 k)	99,856	34,390
		233,255	**147,605**
4.	Cost of materials		
a)	Cost of raw materials, consumables and supplies and of purchased merchandise	13,172	15,384
b)	Cost of purchased services	1,025	1,697
5.	Personnel expenses		
a)	Wages and salaries	55,974	55,834
b)	Social security, pension and other benefit costs thereof for retirement benefits: € 9 k (previous year: € 9 k)	9,025	8,567
6.	Amortization of intangible assets and depreciation of property, plant and equipment	7,797	6,388
7.	Other operating expenses thereof expenses from currency translation € 32,510 k (previous year: € 13,970 k)	161,764	102,382
		248,757	**190,252**
8.	Income from equity investments thereof from affiliates: € 46,484 k (previous year: € 0 k)	46,484	0
9.	Income from other securities and loans held as financial assets thereof from affiliates € 12,388 k (previous year: € 10,655 k)	12,388	12,760
10.	Other interest and similar income thereof from affiliates € 0 k (previous year: € 0 k)	1,936	1,533
11.	Write-down of financial assets and securities classified as current assets	33,885	61,992
12.	Interest and similar expenses thereof to affiliates € 2.263 k (previous year: € 0 k)	10,281	7,118
		16,642	**-54,817**
13.	Income taxes	41	458
14.	**Income after tax/net income (prior year net loss)**	**1,100**	**-97,923**
15.	Net loss carried forward	-242,892	-144,969
16.	**Accumulated loss**	**-241,792**	**-242,892**

Evotec SE, Hamburg
Notes to the financial statements for the financial year 2024

I. General remarks

Evotec SE is a Societas Europaea or European company based in Hamburg and entered in the commercial register of Hamburg District Court under the number HRB 156381. Evotec SE - known hereafter as Evotec or the Company - is a large public limited company as defined in Section 267 (3) German Commercial Code (HGB).

The Company's financial statements have been prepared in accordance with the applicable provisions of the German Commercial Code and the German Stock Corporation Act (AktG). Its financial year is the calendar year.

The income statement is prepared using the total cost method in accordance with Section 275 (2) HGB.

The management report for Evotec SE and the group management report have been combined in accordance with Section 315 (5) in conjunction with Section 298 (2) HGB. The financial statements and the combined management report for Evotec SE and the Group for the financial year 2024 are published in the Company Register.

The financial statements are prepared on a going-concern assumption.

Revenue from cost allocations to subsidiaries amounting to € 14,634 k is reported under other operating income to improve the presentation of the results of operations. The previous year's amount of € 18,473 k was reclassified accordingly.

II. Accounting principles

The financial statements were prepared using the same accounting and measurement policies as in prior years, which are described below.

Foreign currency items were converted using the average spot exchange rate at the reporting date. Notwithstanding the accounting principles described above, the principles of cost and recognition of revenue and gains are not applied for terms to maturity of one year or less in accordance with Section 256a s. 2 HGB. Non-current foreign currency receivables and liabilities are recognized at the exchange rate on the reporting date unless the exchange rates at the time of origination were lower (lower of cost or market principle) or higher (higher of cost or market principle). Gains and losses from the conversion of the transactions in foreign currencies are recognized in profit or loss and reported separately in the income statement under "Other operating income" or "Other operating expenses".

Non-current intangible assets and items of property, plant and equipment are measured at cost, less straight-line depreciation and amortisation over their usual useful lives. Assets are depreciated and amortised from the time at which they are available for use. Amortization is carried out on a monthly basis. If assets are impaired and the impairment is expected to be permanent, they are written down to the lower of cost and fair value.

Minor assets with a value of up to € 1,000 are written off in full in the year of purchase – it is assumed that they are disposed of immediately.

The following useful lives are used for depreciation and amortisation:

	Years
Intangible assets	3-10
Land, land rights and buildings, including buildings on third-party land	10-15
Technical plant and machinery	5-10
Other plant, operating and office equipment	3-10

Tenant fixtures and fittings are depreciated over no longer than the lease term.

Financial assets are measured at the lower of cost or nominal value and fair value if their impairment is expected to be permanent. If the reasons for the permanent impairment no longer apply, the assets are written back.

Inventories are measured at the lower of cost and fair value in accordance with the strict lowest value principle. Production costs include directly attributable costs and a reasonable portion of material overhead. Measurement is at the lower of cost and fair value, in accordance with commercial law.

Receivables and other assets are carried at the lower of nominal and fair value. Any identifiable individual risks are recognised in the form of loss allowances. Similar receivables and liabilities within the group were offset.

Other current securities are measured at the lower of nominal value and fair value, as reflected in listed or market prices on the reporting date, if Section 253 (4) HGB applies.

Bank balances are carried at nominal value.

Subscribed capital is recognised at nominal value.

Treasury shares have been deducted from subscribed capital at their calculated value.

Provisions for pensions and similar obligations are measured using the projected unit credit method and a discount rate of 1.90% p. a. (previous year: 1.83% p.a.) and by reference to the mortality tables drawn up by Klaus Heubeck. This interest rate represents the average market interest rate for the past ten years. An average remaining term to maturity of 15 years was assumed in accordance with Section 253 (2) sentence 2 HGB. An increase of 2.00% p.a. (previous year: 2.00% p.a.) was used to reflect increases in pensions.

Other provisions have been recognised for all contingent liabilities and onerous contracts. They are measured at the amount deemed necessary to settle them using reasonable commercial judgement in accordance with Section 253 (1) sentence 2 HGB, including future (objective) price and cost increases. Provisions with a remaining term to maturity of more than one year are discounted using the interest rate appropriate to the term.

The Company uses derivative financial instruments to hedge foreign exchange risks. These are hedging relationships in economic terms, but hedge accounting is not used.

Liabilities are recognised at the amount needed to settle them.

Deferrals and accruals consist of cash outflows and inflows before the reporting date that constitute expenses or income for a period after this date.

There are no taxable temporary differences that would result in deferred tax liabilities between the carrying amounts of assets, liabilities, deferrals and accruals according to commercial law and their tax base. **Deferred tax assets**, which consist largely of tax loss carryforwards, are not recognised in accordance with the option defined in Section 274 (1) sentence 2 HGB.

III. Notes on the balance sheet

1. Intangible assets and property, plant and equipment

The statement of non-current assets (see the appendix to the notes) shows the changes in non-current assets, along with the presentation of historic acquisition and production costs and cumulative depreciation and amortisation. The intangible assets under development mainly relate to a database for research and development.

2. Financial assets

Evotec holds equity interests in the following entities as of the reporting date 31 December 2024:

	Equity	Share of capital	Financial result
	€K	%	€K
1. Evotec (Hamburg) GmbH, Hamburg, Germany*	12,670	100.00	-1
2. Evotec International GmbH, Hamburg, Germany (indirectly via 1.)*	-46,972	100.00	-86,612
3. Evotec (UK) Ltd., Abingdon, UK*	57,847	100.00	3,456
4. Evotec (US) Inc., Princeton, USA*	77,624	100.00	1,243
5. Just-Evotec Biologics Inc., Seattle, USA (indirectly via 4.)*	-16,030	100.00	-10,039
6. Evotec (France) SAS, Toulouse, France*	164,101	100.00	13,340
7. Evotec ID (Lyon) SAS, Marcy l'Étoile, France*	25,670	100.00	753
8. Cyprotex Ltd., Manchester, UK*	11,605	100.00	279
9. Cyprotex Discovery Limited, Manchester, UK (indirectly via 8.)*	36,831	100.00	5,226
10. Cyprotex US LLC, Framingham, USA (indirectly via 8.)*	-3,383	100.00	124
11. Aptuit Global LLC, Princeton, USA*	48,433	100.00	-427
12. Aptuit (Potters Bar) Limited, Abingdon, UK*	0	100.00	5,145
13. Aptuit (Verona) SRL, Verona, Italy (indirectly via 11.)*	121,234	100.00	11,267
14. Aptuit (Oxford) Ltd., Abingdon, UK (indirectly via 11.)*	21,890	100.00	-4,473
15. Evotec GT GmbH, Orth an der Donau, Austria*	-2,674	100.00	45
16. Just-Evotec Biologics EU SAS, Toulouse, France*	160,240	100.00	-10,482
17. Evotec Modena S.r.l, Modena, Italy*	4,956	100.00	224
18. Evotec (India) Private Limited, Thane, India*[3]	-189	100.00	-8
19. Evotec Asia Pte. Ltd., Singapore*	-65	100.00	-112
20. NephThera GmbH, Hamburg, Germany (indirectly via 1.)*	541	100.00	-948
21. Eternygen GmbH, Berlin, Germany*[4,6]	-6,639	24.97	-700

	Equity	Share of capital	Financial result
22. EIR Biotherapies S.r.l., Mirandola, Italy*[5]	2,200	39.66	-167
23. Breakpoint Therapeutics GmbH, Hamburg, Germany*	-8,466	34.03	-3,073
24. Immunitas Therapeutics Inc., Waltham, USA*[2]	5,571	5.48	-16,714
25. Quantro Therapeutics GmbH, Wien, Austria*	-1,361	38.79	-3,974
26. leon-nanodrugs GmbH, München, Germany*[2]	2,435	10.93	-1,855
27. OxVax Ltd., Oxford, UK*[4,6]	-7	15.33	-819
28. Tubulis GmbH, Planegg, Germany*[2]	47,350	8.10	-19,117
29. Centauri Therapeutics Limited, Cheshire, UK*	6,675	19.37	-5,297
30. CARMA FUND I CAPITAL GmbH & Co. KG, Munich, Germany*[2]	9,849	10.00	-1,038
31. Imidomics Inc., San Rafael, USA*	6,446	6.68	-17,881
32. Verto Therapeutics Inc., Boston, USA*[5]	446	5.64	-20

*Unaudited financial statements
2) Values: Carma, Immunitas und Tubulis from 30.09.2024, leon from 31.10.2024
3) Financial year from November to October
4) In liquidation
5) New in 2024
6) Eternygen financial statements 31.12.2023, OxVax latest numbers from 31.03.2023

The equity in the financial statements of the investee companies prepared in foreign currencies was converted at the spot rate on 31 December 2024 and the result for the year was converted at the average exchange rate for the year 2024.

The figures are based on the commercial law financial statements for the entities in Germany, and as a rule on the IFRS financial statements (HBII) before consolidation for entities abroad.

Impairments of € 33,863 k were recognised in 2024 on nine equity investments and other investments, due to delays in the respective lead programmes resulted in the failure of follow-on funding rounds and so to permanent impairments. Ananke Therapeutics Inc., Boston, USA, was liquidated in fiscal year 2024. The shares of Recursion, Salt Lake City, USA (formerly Exscientia PLC, Oxford, UK) were sold in fiscal year 2024. The shares in Evotec DS Germany GmbH, Hamburg, were also sold during the financial year. Write-ups of € 500 k were made to two investments because the reasons for the write-downs no longer exist.

3. Receivables and other assets

Trade receivables

Trade receivables are due within one year, as in the previous year.

Receivables from affiliated companies

Receivables from affiliated companies include trade receivables of € 93,847 k (previous year: € 55,468 k) and receivables for taxes paid for the tax group of € 1,067 k (previous year: € 2,139 k) owed by Evotec International GmbH. The remaining receivables of € 21,737 k (previous year: € 63,662 k) include loans made by Evotec. The receivables are due within one year, as in the previous year. Receivables from affiliated companies with a term to maturity of five years and more are shown as loans to affiliated companies.

Other assets

Apart from deposits of € 27,824 k (previous year: € 753 k) the other assets have a term to maturity of less than one year. As of the reporting date, other assets include time deposits of € 1,104 k (previous year: € 67 k) and corporate income tax receivables of € 2,668 k (previous year: € 1,017 k).

Other assets also include VAT receivables of € 2,374 k (previous year: € 3,259 k), that only come into legal existence after the reporting date.

4. Other securities

The terms to maturity of the securities are from one to five years. These investments serve as a short-term liquidity reserve and are not intended to support long-term business operations.

5. Shareholders' equity

The Company's share capital is divided into 177,553,456 bearer shares with a calculated value of € 1.00.

The Company also purchased treasury shares with the authorisation of the Annual General Meeting on 16 June 2011 in accordance with Section 71 (1) No. 8 AktG. A total of 1,328,624 treasury shares with a nominal value of €1,328,624 were transferred on 12 March 2012 by the former Renovis, Inc., South San Francisco, USA. This represented 1.12% of share capital. 530,353 shares were used in 2012, 459,456 shares in 2013, 66,500 shares in 2014 and 22,400 shares in 2015 and in 2024 82.500 shares, all with the corresponding nominal value, to settle employee share options.

The Company still held 167,415 treasury shares as of the reporting date, with a nominal value of € 167,415. They were deducted from share capital in accordance with Section 272 (1a) HGB. Treasury shares represented 0.09% of share capital as of 31 December 2024.

By resolution of the Annual General Meeting of June 10, 2024, the cancellation of the Authorized Capital 2022 pursuant to Section 5 (5) of the Company's Articles of Association and a new Authorized Capital 2024 were resolved, and the Articles of Association were amended. The Management Board is authorized, pursuant to Section 5 (5) of the Articles of Association, with the consent of the Supervisory Board, to increase the Company's share capital by up to € 35,434,147.00 through one or more issues of new shares against cash or non-cash contributions until June 9, 2029. Evotec shareholders are generally entitled to subscription rights for each issue of shares. However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights for a portion of the shares on one or more occasions under certain, clearly defined conditions.

The nominal value of the conditional capital as of 31 December 2024 amounted to € 47,563,303.00 (previous year.: € 47,931,023.00).

The capital reserve remained unchanged at € 903,639 k in the reporting year.

The Company reported a loss of € 241,792 k as of 31 December 2024.

By law, investors whose share of voting rights in publicly listed companies reaches certain thresholds are obliged to notify the company accordingly.
Evotec received the following notifications on voting rights in accordance with Section 33 Securities Trading Act (WpHG) in the reporting year:

Date	Notifier	Reason for the change	Threshold concerned	New voting rights
15.11.2024	Connor, Clark & Lunn Financial Group Ltd.,Vancouver, Canada	Purchase/sale of shares with voting rights	3%	3.06%
05.11.2024	Triton GP HoldCo SAR, Luxembourg, Luxembourg	Purchase/sale of shares with voting rights	5%	7.16%
25.10.2024	T. Rowe Price Group, Inc., Baltimore, Maryland, USA	Purchase/sale of shares with voting rights	3%	2.98%
27.09.2024	T. Rowe Price Intern. Funds, Inc., Baltimore, Maryland, USA	Purchase/sale of shares with voting rights	3%	2.92%
07.08.2024	Franklin Templeton Institutional, LLC, Wilmington, Delaware, USA	Purchase/sale of shares with voting rights	3%	2.96%
06.05.2024	BlackRock, Inc., New York, New York, USA	Purchase/sale of shares with voting rights	3%	2.90%

6. Provisions for taxes

The current tax inspection amounts to € 0 k (previous year: € 830 k). The previous year's provision was largely utilized. The remaining amount was reversed and is reported as tax income relating to other periods.

7. Provisions for pensions and similar obligations

The difference as defined in Section 253 (6) HGB is € -1 k (previous year: € 7 k) and may not be distributed as a dividend.

8. Other provisions

Other provisions were recognised essentially for restructuring provisions amounting to € 6,472 k (previous year: € 0 k), provisions for brokerage commissions from trading and hedging transactions of € 3,963 k (previous year: € 2,394 k), provision for onerous contracts amounting to € 4,139 k (previous year: € 10 k), other provisions for outstanding invoices amounting to € 8,522 k (previous year: € 8,446 k) and personnel-related provisions of € 3,171 k (previous year: € 6,874 k).

9. Liabilities

Liabilities to banks

The liabilities to banks € 280,049 k (previous year: € 408,590 k) consist of unsecured and partially secured loans as of 31 December 2024.

Remaining terms to maturity

31.12.2024				31.12.2023			
up to 1 year	1 to 5 years	more than 5 years	Total	up to 1 year	1 to 5 years	more than 5 years	Total
€k	€k	€k	€k	€k	€k	€k	€k
16,415	154,056	109,578	280,049	125,195	111,336	172,058	408,590

*incl. Interest liabilities

A borrower's note loan was taken out for a total of € 250,000 k in 2019. The borrower's note is divided into four tranches with maturities of 3, 5, 7 and 10 years. The borrower's note has a fixed and floating rate of interest. The average interest rate in the 2024 fiscal year was less than 2.1% (previous year: 1.5%). As of 31 December 2024 the remaining liabilities to banks from the borrower's note came to € 106,500 k (previous year: € 215.000 k). Furthermore, there are loan liabilities to banks amounting to € 172,381 k (previous year: € 192,394 k). In 2024, a pledge agreement for a fixed-term deposit of the same amount was concluded to secure a partial loan amount of € 20,483 k.

Trade payables

Trade receivables are due within one year, as in the previous year.

Liabilities to affiliated companies

The liabilities to affiliated companies of € 121,806 k (previous year: € 3,003 k) comprise € 5,058 k (previous year: 1,564 k) in trade receivables and € 2,620 k (previous year: € 1,438 k) other liabilities in tax payments received from the VAT group with a term to maturity of up to one year in addition to loans of affiliates of € 114,128 k (previous year: € 0 k) with a term to maturity of one to five years.

Other liabilities

As in the previous year, all other liabilities are due within one year.

IV. Notes on the income statement

1. Revenue

Revenue of € 133,539 k (previous year: € 112,935 k) was realised from services in 2024, of which € 124,107 k (previous year: € 92,737 k) with affiliated companies in Germany.

External revenue of € 9,433 k (previous year: € 20,198 k) includes milestone payments of € 0 k (previous year: € 1,205 k).

Third-party revenue by geographic region of the customer is as follows:

	2024	2023
	€k	€k
USA	7,976	18,642
Germany	1,409	1,556
Netherlands	48	0
Total	9,433	20,198

2. Other operating income

Other operating income stemmed primarily from foreign currency conversion, € 32,169 k (previous year: € 5,313 k) and of extraordinary magnitude from the sale of the Recursion Pharmaceutical, Inc. (formerly Exscientia Ltd.) stake in the amount of € 40,192 k.

The change in income from foreign currency conversion particularly includes unrealised and realised exchange rate effects in USD.

Other operating income includes income from other periods from the reversal of provisions, amounting to € 653 k (previous year: € 967 k).

3. Cost of materials

The cost of materials in 2024 came to € 14,197 k (previous year: € 17,081 k). The main material expenses in 2024 related to chemical products, disposables and consumables.

4. Other operating expenses

Other operating expenses consisted principally of legal and advisory costs of € 17,624 k (previous year: € 21,405 k), expenses of foreign currency conversion € 32,510 k (previous year: € 13,970 k), IT-related consulting costs, license costs and consumables amounting to € 14,728 k (previous year: € 20,676 k) and rent expenses amounting to € 3,740 k (previous year: € 4,514 k).

Other operating expenses also include expenses of an extraordinary magnitude in connection with the sale and disposal of investments amounting to € 25,575 k and restructuring expenses amounting to € 12,105 k.

5. Write-downs on financial assets and current securities

Write-downs on financial assets include impairment losses on nine equity investments (€ 25,649 k) and on loans to investor and investee companies (€ 5,214 k) of € 33,863 k in total, due to permanent impairments.These are expenses of an extraordinary amount. Write-downs on current assets amounted to € 22 k.

6. Income taxes

The income tax expense of € 41 k (previous year: € 458 k) relates exclusively to previous years.

V. Other disclosures

Employees

In 2024, the company had an average of 730 (previous year: 718) employees. Of these, 264 (previous year: 286) worked in sales and administration. The remaining employees primarily worked in the scientific field.

Other financial obligations

Other financial obligations as of 31 December 2024 , relate in particular to obligations from service contracts, rental and leasing obligations as well as contractually agreed capital calls in connection with investments in associated companies (€ 106,209 k) and other long-term investments (€ 17,865 k).

The total amount includes future obligations related to milestone-based commitments of € 7,213 k and non-milestone-based commitments of € 10,652 k.

Milestone-based commitments are tied to future events and therefore involve a higher degree of uncertainty regarding the financial obligation.

The total amount of obligations for the years 2025 to 2029 is € 72,473 k. Additional obligations amount to € 51,601 k.

Remaining terms to maturity

31.12.2024				31.12.2023			
up to 1 year	1 to 5 years	over 5 years	Total	up to 1 year	1 to 5 years	over 5 years	Total
€k	€k	€k	€k	€k	€k	€k	€k
31,544	40,929	51,601	124,074	26,153	52,293	57,258	135,704

Evotec signed a loan agreement with the European Investment Bank (EIB) on 29 December 2022, amended on 10 February 2023, with a total volume of € 150.0 m. The loan is disbursed in 3 facilities, each with up to four tranches. As of 31 December 2024 Evotec had drawn down tranches of € 93.3 m. When it draws down a tranche, Evotec has to make variable payments in addition to fixed interest payments. The variable payments are linked to progress made on the research and development projects for which the respective tranche has been drawn down.

Derivative financial instruments

	Nominal amount	Fair value	Book value	Line item
	€k	€k	€k	
Foreign exchange-related	105,841	(4,139)	—	Other provisions

The currency-related transactions are forward exchange transactions for USD and GBP currencies.

A provision for impending losses in the amount of € 4,139 k (previous year: € 10 k) was recognized for unclosed positions.

The fair values were measured based on inputs that are not quoted prices but which can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices).

Contingent liabilities

The insolvency law consequences of Evotec International GmbH's balance sheet over-indebtedness have been eliminated by Evotec issuing a comfort letter with legally binding guarantees. A claim on this obligation is currently not expected, as Evotec International GmbH has sufficient liquid assets. In addition, Evotec SE has issued joint liability commitments in favour of a beneficiary or contractual partner for the term of individual rental agreements and various collaboration agreements concluded by Evotec International GmbH between 2016 and 2022. A claim on this commitment is not expected, as Evotec International has sufficient liquid assets.

German Corporate Governance Code

The Management Board and Supervisory Board have issued the following declaration in accordance with Section 161 AktG and made it permanently available to shareholders on the website https://www.evotec.com/de/sustainability/governance.

Supervisory Board

Prof. Dr. Iris Löw-Friedrich, Member of the Management Board (Chief Medical Officer) of UCB S.A. (until July 2024); Chairwoman of the Supervisory Board and Chairwomen of the Remuneration and Nomination Committee;

Roland Sackers, Chief Financial Officer and Managing Director of QIAGEN N.V.; Vice Chairman of the Supervisory Board and Chairman of the Audit and Compliance Committee;

Camilla Macapili Languille, Deputy CEO, Mubadala Direct Investments;

Dr. Elaine Sullivan, Non-executive Director and Independent consultant; (Member of the Supervisory Board until June 2024);

Dr. Constanze Ulmer-Eilfort, Partner at Peters, Schönberger & Partner and Chairwoman of the ESG Committee;

Dr. Duncan McHale, Co-founder and Director of Weatherden Ltd., (Member of the Supervisory Board since June 2024);

Wesley Wheeler, CEO of LabConnect, (Member of the Supervisory Board since June 2024).

Supervisory Board remuneration in financial year 2024 amounted to € 641 k (previous year: € 520 k). The Supervisory Board held the following additional supervisory board mandates and memberships in other supervisory bodies within the meaning of Section 125 (1) Sentence 5 of the German Stock Corporation Act (AktG):

Prof. Dr. Iris Löw-Friedrich
Member of the Supervisory Board:
Fresenius SE & Co. KGaA, Bad Homburg, Germany

Chair of the Company / Supervisory Board:
Celosia Therapeutics Pty Ltd., New South Wales, Australia

Roland Sackers
Member of the Board of Directors:
BIO Deutschland e.V., Berlin, Germany

Camilla Macapili Languille
Member of the Board of Directors:
Globalfoundries Inc., New York, USA
PCI Pharma Services, Philadelphia, USA
Envirotainer A/S, Stockholm, Sweden (until February 2025)
va-Q-tec Thermal Solutions GmbH, Würzburg, Germany (until September 2024)

Dr. Elaine Sullivan
Member of the Board of Directors:
Zealand Pharma A/S, Søborg, Denmark

Non-executive Director:
Nykode Therapeutics ASA, Oslo, Norway
IP Group plc, London, UK
hVIVO plc (former Open Orphan plc), London, UK

Dr. Constanze Ulmer-Eilfort
Member of the Supervisory Board:
Affimed NV, Mannheim, Germany

Member of the Advisory Board:
Proxygen GmbH, Vienna, Austria

Dr. Duncan McHale

Wesley Wheeler
Director of the Board:
Envirotainer A/S, Stockholm, Sweden
Argenta Holdco Limited, London, UK

Non-executive Director:
Mallinckrodt Pharmaceuticals, Dublin, Ireland (since April 2024)

Management Board

Dr. Werner Lanthaler, Business Executive, Hamburg, Germany, (Chairman of the Executive Board), (until January 3, 2024)

Dr. Mario Polywka, Chemist, Oxfordshire, UK, (Chairman of the Executive Board), (until June 30, 2024)

Dr. Cord Dohrmann, Biologist, Göttingen, Germany, (Chief Scientific Officer)

Dr. Matthias Evers, Biologist, Hamburg, Germany, (Chief Business Officer) (until September 30, 2024)

Dr. Craig Johnstone, Chemist, Castillon-Savès, France, (Chief Operating Officer), (until December 31, 2024),

Laetitia Rouxel, Business Executive, Clarens, Switzerland, (Chief Financial Officer), (until February 28, 2025),

Aurélie Dalbiez, Business Executive, Munich, Germany, (Chief People Officer), (from June 15, 2024)

Dr. Christian Wojczewski, Chemist, Munich, Germany, (Chairman of the Management Board), (from July 1, 2024),

Paul Hitchin, Business Executive, Amsterdam, Netherlands, (Chief Financial Officer), (from March 1, 2025),

The total remuneration of the active members of the Management Board amounted to € 7,041 k (previous year: € 6,686 k) in the 2024 financial year. The total remuneration of former members amounting to € 1,360 k (previous year: € 0 k) includes a severance payment.

The fixed component of compensation includes salary, pension contributions, insurance premiums, and the non-cash benefit for the use of company cars. The variable component of compensation is based on a bonus agreement drafted by the Supervisory Board's Remuneration Committee. This agreement has been approved by the Supervisory Board.

In accordance with section 4.2.3 of the German Corporate Governance Code (GCGC), the employment contracts for Management Board members provide for payments to Management Board members – if they cease to work on the Management Board earlier than planned and the company has not been acquired by a third party – of not more than two times their annual remuneration and for not more than the remaining term of the employment contract.

Furthermore, the company has a financial loss liability insurance for the members of the Management Board, the members of the Supervisory Board, the senior executives and the members of the management of subsidiaries.

There is also a pension commitment of € 159 k to the former managing director of the former Evotec Biosystems GmbH, to which Evotec is the legal successor. In the financial year of 2024 € 45 k were paid out.

Dr. Mario Polywka is Non-Executive Director of Blacksmith Medicines Inc, San Diego, USA
C4X Discovery Holdings PLC, Manchester, Great Britain, Recursion Inc, Salt Lake City, USA (formerly Exscientia plc, Oxford, UK), Orbit Discovery Limited, Oxford and Orbit Discovery Limited, Oxford, UK.

Dr. Matthias Evers is a Non-Executive Director of Angelini Ventures S.p.A., Rome, Italy, IMIDomics Inc., San Rafel, USA, and founder and CEO of Elbbridge GmbH, Hamburg, Germany.

Dr. Cord Dohrmann is a member of the Supervisory Board of Eternygen GmbH, Berlin, Germany, and a member of the Supervisory Board of Breakpoint Therapeutics GmbH, Hamburg, Germany.

Subsequent events

On February 26, 2025, Evotec announced that Laetitia Rouxel would be leaving the company effective February 28, 2025. Paul Hitchin was also announced as the new Chief Finance Officer, taking over on March 1, 2025.
On March 3, 2025, the company drew down a further tranche of € 43,961 k of the loan from the European Investment Bank (EIB).

Membership of a group

The company prepares mandatory consolidated financial statements in accordance with Section 315e (1) HGB, which is published in the European Business Register. It prepares the consolidated financial statements and group management report for the largest and small group of companies.

Hamburg, 14. April 2025

Dr. Christian Wojczewski

Aurélie Dalbiez Dr. Cord Dohrmann Paul Hitchin

Evotec SE

Statement of changes in fixed assets
for the fiscal year 1.1. bis 31.12.2024

		Acquisition and production cost					Accumulated amortization, depreciation and write-downs					Net book values	
		01.01.2024	Additions	Disposals	Reclassifications	31.12.2024	01.01.2024	Additions	Disposals	Write-ups	31.12.2024	31.12.2024	31.12.2023
		€ k	€ k	€ k	€ k	€ k	€ k	€ k	€ k	€ k	€ k	€ k	€ k
I. Intangible assets													
1.	Purchased franchise, industrial and similar rights, assets and licenses in such rights & assets	4,468	2,590	0	981	8,040	4,091	1,005	0	0	5,096	2,944	377
2.	Intangible assets in development	1,897	167	0	1,334	3,398	0	0	0	0	0	3,398	1,897
		6,365	2,757	0	2,315	11,437	4,091	1,005	0	0	5,096	6,342	2,274
II.	**Property, plant and equipment**												
1.	Land, land rights and buildings, including buildings on third-party land	4,816	902	0	1,454	7,172	3,707	406	0	0	4,113	3,059	1,109
2.	Plant and machinery	46,943	2,407	1,173	613	48,789	28,350	3,195	1,165	0	30,380	18,409	18,593
3.	Other equipment, furniture and fixtures	10,796	925	717	3,513	14,518	7,447	3,191	520	0	10,118	4,400	3,350
4.	Prepayments and assets under construction	9,043	1,166	233	-7,895	2,082	0	0	0	0	0	2,082	9,043
		71,598	5,401	2,123	-2,315	72,561	39,503	6,792	1,685	0	44,611	27,950	32,095
III.	**Financial assets**												
1.	Shares in associated companies	554,059	109,416	13,630	0	649,845	34,517	0	0	0	34,517	615,327	519,542
2.	Loans to affiliates	267,860	47,465	14,200	0	301,125	0	3,000	0	0	3,000	298,125	267,860
3.	Investments	113,459	7,068	32,193	0	88,334	41,894	25,649	3,015	500	64,028	24,305	71,564
4.	Other loans	8,367	3,330	1,636	0	10,061	4,356	5,214	1,636	0	7,934	2,127	4,011
		943,745	167,279	61,659	0	1,049,365	80,768	33,863	4,651	500	109,480	939,885	862,977
		1,021,708	175,437	63,782	0	1,133,363	124,362	41,660	6,335	500	159,186	974,177	897,346

Combined Management Report

'24

Combined Management Report

The combined management report relates to the Evotec Group (Group management report) as well as to Evotec SE. The reporting period covers the period from 1 January to 31 December 2024. The presentation of the business development, the position and the forecast of key performance indicators ("KPIs") relate to the Evotec Group (the Group), unless otherwise stated. Information which solely relates to Evotec SE is disclosed as such.

The Evotec Group

GENERAL INFORMATION ON BUSINESS AND STRATEGY

GROUP STRUCTURE

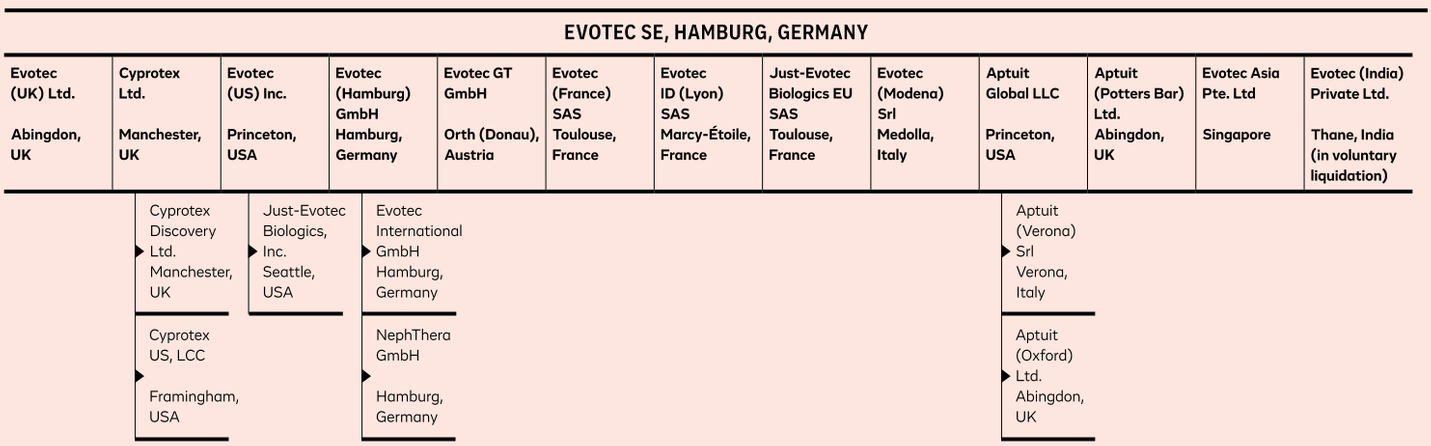
Evotec SE, headquartered in Hamburg, Germany, is the parent company of the Evotec Group, whose group structure reflects its strategic international positioning and activities.

At the start of 2024, we operated at 17 sites, including a network of five manufacturing facilities, including capacities for continuous manufacturing of biologics in the United States, in Redmond (Washington), the "J.POD" facility. In September 2024, we celebrated the Grand Opening of our second J.POD facility in Toulouse, France (Europe) which will be operational in 2025. Our Active Pharmaceutical Ingredient ("API") manufacturing capabilities are in Europe in Abingdon, United Kingdom, and Verona, Italy. We also have Good Manufacturing Practices ("GMP") manufacturing for cell therapy in Medolla, Italy.

In the first half of 2024, we announced a reset of priorities resulting in a stronger focus on profitable growth. This process triggered size and footprint adjustments and led to the exit of our gene therapy activities in Orth, Austria and Chemistry activities in Marcy / Lyon, France as well as the decision to discontinue the operation of Halle / Westphalia, Germany. Eventually, the site in Halle was sold to Monacum Partners GmbH, a Munich based Private Equity firm with closing of the transaction in early December 2024. At the end of 2024 our local footprint represented 15 sites in eight countries with 4,827 employees.[1]

MAJOR OPERATING ENTITIES[2]

as of 31 December 2024



[1] *Headcount as of 31 December 2024 without leavers*
[2] *Indirect and direct holdings*

— BUSINESS OVERVIEW —

At Evotec, we envision drug discovery, development, and manufacturing as a seamless continuum. Our ambition is to lead the way by combining comprehensive disease understanding at the molecular level with cutting-edge technologies, transforming this knowledge into precise, life-changing medicines through collaborative partnerships. We aim for reshaping the future of healthcare through providing flexible access for our partners in the pharmaceutical and biotechnology industry to our platform across the continuum of discovery, development and manufacturing.

As of 31 December 2024, more than 3,800 scientific experts cover a large range of disciplines along the Research & Development ("R&D") value chain and in a large variety of disease areas and they have gained deep knowledge of the underlying biology, molecular mechanisms, and therapeutic targets over the years. Our broad range of disease area expertise covers oncology, central nervous system (“CNS”) disorders, metabolic diseases and cardio-metabolic disorders, auto-immune, inflammatory and infectious diseases, other areas of expertise cover fibrotic and respiratory diseases, rare diseases, and animal health.

Our proprietary technologies and platforms, such as proprietary molecular patient databases, induced pluripotent stem-cell based disease modelling, high performance Omics technologies and comprehensive fully integrated platforms for drug screening, profiling and development as well as manufacturing are setting Evotec apart from competitors. We believe that we differentiate from our competition because we combine technologically leading, fully integrated drug discovery and development platforms with these cutting-edge next generation platforms across a spectrum of modalities. By sharing access to these platforms, we build customized, result-focused partnerships which can be based on standalone and/or integrated fee-for-service relationships with the goal to advance to projects of our partners in the most cost-effective and timely manner to drug candidates with highest probability of success during clinical development and in the market. Furthermore, we also build strategic partnerships where we co-create pipelines together with our partners based proprietary assets, targets, or technology platforms. The ultimate goal is to align patients’ needs with the industry’s demand for efficient R&D.

Our network of partners ranges from leading pharmaceutical companies, small and large biotechnology companies, academic institutions, patient advocacy groups and venture capitalists as well as mission-driven foundations and not-for-profit organisations.

Evotec's offering covers all areas of pre-clinical R&D from Discovery Services to Development & Manufacturing Services as well as Absorption, Distribution, Metabolism, Excretion (“ADME”)-Tox Solutions, provided by our subsidiary **Cyprotex**. Moreover, we cover the entire value chain of discovery, process development and manufacturing expertise in the field of biologics, operated by **Just – Evotec Biologics**. By sharing access to these platforms, we form result-driven partnerships to co-create potential drugs and intellectual property by leveraging our assets, targets, and propriety technology platforms together with our partners for co-development or new co-creation of therapeutics. Artificial Intelligence ("AI") and Machine Learning (“ML”) expertise and capabilities such as deep learning and computational knowledge integration is put into use, where effective, along the entire value chain to complement the expertise of our scientists. Our platforms are specifically designed to lead to differentiated results by integration into established R&D capabilities and ultimately for the discovery of next generation precision, highly differentiated precision medicines.

Our services across the continuum can be clustered in the four areas: Discovery Services, Development & Manufacturing Services, Cyprotex ADME-Tox Solutions, and Just – Evotec Biologics, where the latter represents a separate reporting segment besides Shared R&D, which covers the first three areas. Within our service clusters, we have developed specific areas of expertise and proprietary platforms that are combined with established R&D capabilities designed to offer holistic drug discovery and development solutions.

The composition of revenues and profitability depends on the composition of services provided, the nature of the contract with our partners, the ownership of the intellectual property (i.e. the degree of integration of proprietary technologies and platforms), the stage of the project and our right to generate revenue from development success. We believe our partnership model is unique and allows us to balance and diversify the risks associated with drug discovery.

Discovery Services

Evotec's comprehensive toolbox combines established R&D capabilities and our industrialized PanOmics approach towards molecular disease understanding and iPSC disease modelling platform.

Our integrated Drug Discovery toolbox includes (selection):

- Target ID & Validation
- Hit Identification
- Structural Biology
- Molecular Design & MedChem
- In-vitro Biology
- In-vivo Pharmacology
- Biomarkers
- Bioreagents & Cellular Sciences
- Early Formulation
- Sample Management
- In-silico-design and AI/ML platforms
- Proprietary Technology platforms: PanOmics, Evotec’s Molecular Patient Databases ("E.MPD"), induced pluripotent stem cells ("iPSC") (explained in more detail below)

- **PanOmics**

  PanOmics, our multi-omics supported drug discovery platform, combines industrialized Omics data generation and AI/ML supported Omics data analysis. Built on the foundation of clinical and Omics data and on our unique analytical capabilities, the platform fundamentally improves the understanding of disease processes, disease modelling in vitro and in vivo, the identification of novel high value targets, as well as biomarker discovery and patient selection.

  The technologies in use cover the whole range of biomolecules from genes to protein to metabolites. While we are using standard commercially available processes for genomics, we have invested massively into high-throughput and high-resolution transcriptomics,

proteomics, and metabolomics methods. These methods allow us to study diseases processes on all molecular levels and yield a deeper understanding of the disease mechanisms and discovery of novel predictive biomarkers. We believe our proprietary multi-omics data generation platform, PanOmics, is industry-leading in terms of throughput, robustness, and cost efficiency, in the fields of transcriptomic and proteomic analysis.

The results often lead to the stratification of sub-populations within a broader group of patients and eventually can lead to the development of personalized therapies. This change in paradigm has increased the need for new AI/ML-based platforms, tools, and methods to better understand, interpret, and translate the vast amounts of information and data that is being generated to better understand the molecular biology, cell regulation and the pathogenesis of individual diseases. PanHunter, our integrated data analytics platform, makes the Company's Omics data available in a user-friendly manner at the enterprise level. Users can freely interact with and combine data in a modular, app-based system where results are available immediately and can be interpreted or used as input for subsequent steps. This rapid feedback is a crucial feature distinguishing PanHunter from other similar tools.

– **Evotec's Molecular Patient Databases**

The drug discovery process starts with a fundamental understanding of molecular disease processes. We believe that gaining a better insight into the molecular level of disease processes is the only way to develop disease modifying or even curative therapies. Evotec has established unique and proprietary molecular patient databases in number of disease areas including Chronic Kidney Disease ("CKD"), Immunology & Inflammation ("I&I"), and neuronal diseases. Utilizing the PanOmics data generation platforms, we conducted molecular profiling of patient tissues and samples in the database and thereby generated crucial molecular patient data required to drive precision medicine approaches in CKD. We have continuously expanded this database, which is based on data from over 12,000 CKD patients. To our knowledge, this constitutes by far the largest CKD patient molecular database worldwide and now constitutes more than six hundred billion data points.

Based on the strength of our molecular CKD patient database, we have built four partnerships in kidney diseases in the last five years with prominent pharmaceutical companies such as Bayer, Novo Nordisk, Eli Lilly, and Chinook (a Novartis company). Our collaborations are structured as multi-target agreements pursuant to which an undefined number of targets may be pursued.

While our molecular patient database in CKD is the most comprehensive set of data at this stage, we aim to advance several additional proprietary molecular patient databases in other disease areas (e.g., Metabolic and Cardiac diseases, women's health etc) by adding samples from more patients. The opportunity to derive new targets and therapies in these disease areas is tremendous, and we aim to capitalize on these databases via additional strategic alliances.

– **iPSC-based disease modelling**

The improved molecular understanding of disease processes and therefore of sub-populations of larger patient populations enables us to establish more disease relevant in vitro models especially using patient-derived disease models through iPSC technology. Combining our improved understanding of molecular disease processes in patients with iPSC-based patient derived disease models as well as high performance Omics profiling and AI/ML supported data analytics is a unique set up to seamlessly prosecute novel insights in disease biology into next generation drug discovery programs.

iPSC cell assays enable a more accurate modelling of diseases and therefore represent an alternative to animal models in profiling drug candidates at preclinical stages. Patient-derived iPSCs offer unprecedented opportunities for in vitro disease modelling and have unlocked new possibilities for the development of more efficacious and safer drugs. Since 2013, we have built an iPSC infrastructure that forms an integral part of our PanOmics-driven drug discovery platform and can be applied to a broad range of therapeutic areas. It has been created with the key goal of developing more accurate and scalable models to investigate disease aetiology and to industrialize iPSC-based drug screening in terms of throughput, reproducibility and robustness in miniaturized 384-well format.

While iPSC disease models are traditionally utilized in two-dimensional monocultures, we are also investigating next generation multi lineage technologies, such as co-cultures and organoids, to attain greater physiological relevance. Our 'clinical-trial-in-a-dish' approach allows testing of novel drug candidates on iPSC-derived models from a representative sample of human patients in a multiplexed fashion and has vast potential for multiple areas of drug discovery – from early stages of lead optimization to regulatory safety assessment.

Development & Manufacturing Services

We provide a one-stop shop for drug development and Active Pharmaceutical Ingredients ("API") manufacturing across all stages, designed to working closely together with our partners to design and execute the best strategy for rapid entry into first in human studies and further advancement into clinical supply for Phase II and Phase III studies.

– **INDiGO**

Investigational New Drug ("IND") Enabling Program - INDiGO is a fully integrated development program wherein clinical-enabling drug substance, safety assessment, clinical drug product, and regulatory activities are conducted at a single site and within a single contract, providing a fully integrated and optimally-efficient plan for IND/ clinical trial application ("CTA") submission. All these activities are governed by a project team with decades of pharmaceutical experience, and harmonized with our fully-equipped regulatory support team providing a robust, streamlined development engine with multi-disciplinary coordination to accelerate drug candidates into the clinic. Instead of single services, we offer a solution designed to materially shorten the process of bringing a new drug candidate into the clinic.

– **Fully integrated API capabilities**

Our API capabilities encompasses process chemistry, analytical, and manufacturing operations. In addition to offering integrated process

R&D and analytical development services using state-of-the-art laboratory facilities and equipment, we also supply APIs for preclinical development, non-clinical use, clinical trials, and small-scale commercial supply.

– **iPSC based Cell Therapy**
We have built a fully integrated end-to-end platform to develop and manufacture off-the-shelf iPSC-based cell therapeutics. In addition, we conduct R&D to develop innovative proprietary product candidates to accelerate pipeline building with our partners. Our proprietary internal iPSC-based pre-clinical product candidate pipeline encompasses immunotherapies for cancer and autoimmune diseases, as well as regenerative therapies targeting diabetes and heart failure. Our platform integrates cutting-edge gene editing and targeting technologies, along with a GMP facility for manufacturing clinical development candidates located near Modena.

Cyprotex ADME-Tox Solutions

Cyprotex enables and enhances the prediction of human exposure, clinical efficacy and toxicological outcome of a drug or chemical. We are able to combine quality data from a comprehensive portfolio of in vitro assays with leading in silico technology and harness our extensive experience in the absorption, distribution, metabolism, excretion ("ADME")-Tox field to add value, context and relevance to the data supplied to our partners. Cyprotex serves several different industries including the pharmaceutical and biotech, personal care and cosmetics, household products, and the chemical and agrochemical industries.

The range of Cyprotex ADME-Tox Solutions encompasses:
– In vitro ADME and pharmacokinetic (“PK”)
– Integrated and standalone bioanalysis
– In-vitro and in-silico Toxicology
– Physicochemical Profiling.
– Modelling and Simulation

Just – Evotec Biologics

Just – Evotec Biologics is our advanced approach to designing, discovering, developing, and manufacturing modern bio-therapeutics. We believe that Just – Evotec Biologics positions us well to establish further significant long-term, integrated partnerships with the expansion of our solutions into highly efficient and flexible biologics manufacturing. This differentiated offering is available to our partners on a fee-for-service and/or Full-time equivalent ("FTE")-rates-based model as well as through arrangements that involve milestones and royalties.

Evotec acquired Just Biotherapeutics (subsequently renamed Just — Evotec Biologics) in 2019, which represented our entry into the large and growing market of commercial biologics and expanded our multi-modality capabilities. The founding and original concept of Just — Evotec Biologics was to create an agile, flexible, and cost-effective method of biologics discovery, development, and manufacture to enable affordable global access to modern biologics therapies. This powerful, horizontally integrated end-to-end system is called J.DESIGN.
Our full suite of capabilities from Discovery to Commercial Supply of biologics includes:
– Antibody Molecular Optimization
– Integrated Services for First-in-Human Biologics
– Development Services
– Continuous Bioprocessing Platforms
– Biomanufacturing Services
– Technology Partnerships

Because we utilize J.DESIGN throughout the entire drug discovery and development process of a biologic, by the time it reaches the manufacturing stage in any given program, we have already predicted and reduced the risk of most scaling problems that may occur. As a result, we can deliver flexible, right-sized manufacturing with faster turnaround times and without sacrificing the quality of the products. This new paradigm broadens the scope of disease areas for biologic drug candidates driven by significantly higher yields and lower costs. It will also accelerate the growth of biosimilars given cost advantages, and it makes orphan diseases more amenable to biologics despite small addressable populations. For the same reasons, smaller patient populations resulting from precision medicine-based patient stratification will also benefit.

The so called J.POD. a late-stage clinical and commercial manufacturing facility, is the plant design aspect of J.DESIGN. A J.POD accelerates the development of highly productive processes that can be executed in relatively small unit operations and still make enough product to meet almost all commercial market needs in a single facility. These highly intensified processes reduce the size of unit operations to fit into relatively small, flexible “PODs” or cleanrooms, and become the core manufacturing space in a J.POD facility. Since the entire process train uses single-use technology, central and Capex intense utilities like “clean in place” or “sterilize in place” systems are eliminated, as well as the large amount of stainless-steel piping and large stainless-steel vessels that must be precisely built and validated. In addition, PODs, and the equipment they contain can be built and assembled while the plant is being constructed so that the time and complexity of validation are dramatically reduced.

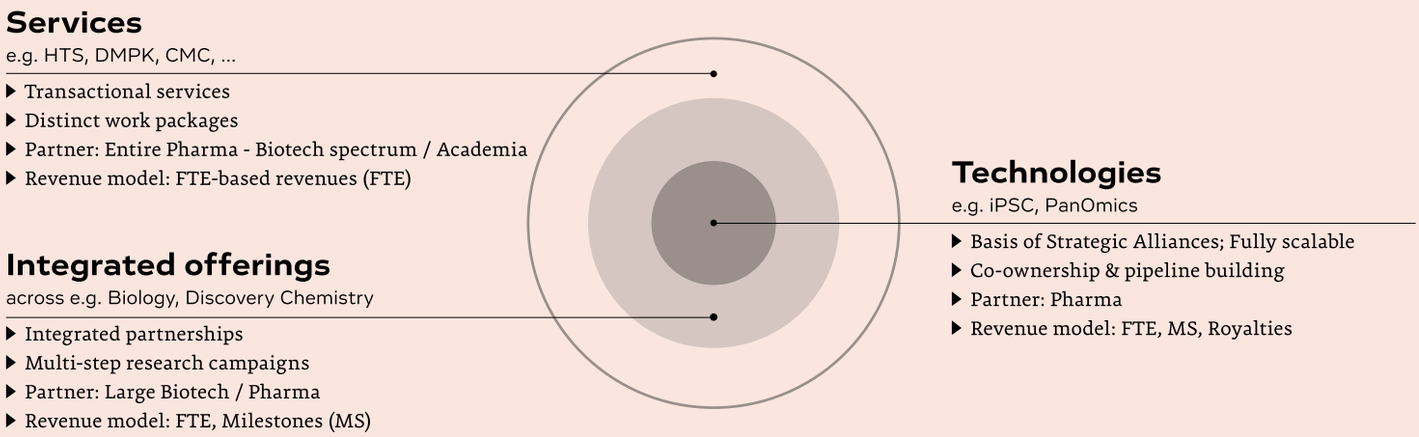
Finally, instead of increasing the size of bioreactors and processing steps to expand capacity (as in traditional large-scale manufacturing facilities), additional bioreactors of the same size are essentially “cloned.” In essence, we “scale-out” rather than “scale-up” and effectively reduce scale-up risks by manufacturing at the same scale from early clinical development through commercial manufacturing. Our processes are highly “intensified,” using continuous perfusion and connected downstream processing to make large amounts of high-quality drug substance with a relatively small bioprocessing footprint.

To enhance our manufacturing capabilities, in August 2021, we opened our first J.POD, a late-stage clinical and commercial manufacturing facility in Redmond, Washington, United States. Because our facility contains clinical and commercial processes, both can be operated at the same scale to facilitate seamless transfer and eliminate scale-up risk. The site will be able to produce on a large enough scale to meet most of our commercial needs in a single facility and will mainly supply markets in North America.

As global demand for flexible biologics capacity and for more affordable access to medicines increases, we have started construction of a second J.POD facility in Toulouse, France in September 2022 and celebrated the Grand Opening in September 2024. The second J.POD facility will be fully operational in 2025.

Business Model and Generation of revenues

As an external innovation partner to the life science industry, we provide stand-alone services or integrated offerings, characterised by multi-year, multi-stage drug discovery and development campaigns using our industrialised and comprehensive infrastructure. Strategic pipeline building, leading to co-ownership in drug products, is achieved if proprietary technologies and intellectual property (IP) is leveraged. The "fee-for-service model" is the main source of revenues today. It usually applies where no IP of Evotec is involved or no essential proprietary technology platforms (e.g., PanOmics, iPSC, proprietary molecular patient data) are used. We grant partners access to our own IP and technology platforms only in return for milestone payments or licence payments and future royalties in case of commercial success of jointly developed pipeline assets. These payments are added to FTE-rate based payments for the work required to achieve scientific progress. In the years ended 31 December 2023, and 2024, 0.6% and 0.4%, respectively, of our total group revenues from third parties were derived from milestone payments. There was no mentionable contribution of licence payments or royalties at this stage.



Benefits to us from our strategy to co-create pipelines include:
- Milestones and royalties-based revenue to secure and accelerate profitability.
- A risk-reduced development pathway for drugs given the ability to combine Evotec and partner R&D capabilities and expertise.
- Deepen our knowledge base of high-quality R&D capabilities.

Evotec ventures: Equity Investments

We have made equity investments in products, technology platforms and companies with the goal to obtain early access to innovation and generate upside through our role as an operational partner and potential pre-clinical and clinical successes, or even positive commercial developments that could drive the valuation of individual portfolio companies. This could lead to returns on investments in case of successful exits from our portfolio companies. In the meantime, we generate fee-for-service and FTE-rates-based revenues with our portfolio companies. Active management of the portfolio strongly depends on scientific progress of each asset individually.

Evotec ventures: Academic BRIDGEs

We have developed a model to accelerate translation of academic assets by initiating Biomedical Research, Innovation & Development Generation Efficiencies ("BRIDGEs"), our project incubation program designed to promote the early development of academic research. BRIDGEs provide us with access to a broad portfolio of first-in-class therapeutics across academic institutions. We serve as the exclusive technology partner to advance projects to the next value inflection points, which enables the formation of spin-out companies or collaboration with pharmaceutical companies.

Operationally, BRIDGEs fall into two categories: (i) Contractual partnerships with academic institution(s) and investors or pharma companies and (ii) equity investments into start-up studios which focus on accelerating academic projects. To date, we have created eight BRIDGE partnerships (LAB282, LAB150, beLAB2122, beLAB1407, LAB eN², Danube Labs, a BRIDGE with VC Amplitude Ventures and 65LAB in September 2023) and three investments into start-up studios (Autobahn Labs, Argobio and Extend).

Reporting segments

Evotec reports the results of its work and collaborations with third parties through two operating segments, newly implemented in 2024:

Shared R&D

Shared R&D primarily includes drug discovery and development services and solutions. It starts with sourcing novel treatment ideas derived from patient data and continues with target validation and lead optimisation. In the subsequent development phase selected candidates can seamlessly transition to IND application. Revenue generated through the Evotec or Cyprotex brands are included within the Shared R&D segment, including standard fee-for-service arrangements, larger collaboration arrangements, as well as all pipeline assets. Evotec believes its Shared R&D partnership model is unique and allows to balance and diversify the risks associated with drug discovery.

Just – Evotec Biologics

Just – Evotec Biologics is our advanced approach to designing, discovering, developing, and manufacturing modern bio-therapeutics, provides services in the areas of antibody molecular optimization, first-in-human integrated biologics, product and process design, continuous bioprocessing platforms, and commercial biomanufacturing. Revenue generated through the Just – Evotec Biologics brand are included within the Just – Evotec Biologics segment.

Co-development of products to benefit from success-based payments

The chart below provides an overview on active projects/drug candidates, which we co-develop with partners ("Partnered Pipeline") in our strategic alliances as described above or which could be subject to co-development alliances in the future (Unpartnered Pipeline"). As of 31 December 2024, the portfolio of projects in clinical trials composed of one drug that obtained market approval in China in 2023 and six projects in Phase I.

		Neuroscience & Pain			*Oncology*				*Metabolic Diseases*				*Inflammation & Immunology*		*Virology, Anti-bacterial & Global Health*			
Approved		Jingxin																
Registration																		
Clinical	Ph3																	
	Ph2																	
	Ph1	BMS Neuro	Centrexion		Kazia				Bayer				Conba				EVT	
Pre-clinical & Discovery																		
		ND			ND	ND	EVT		ND									
		ND			ND	ND	EVT		ND	ND	EVT							
		ND			ND	ND	EVT	EVT	ND	ND	EVT	EVT						
		ND			ND	ND	EVT	EVT	ND	ND	EVT	EVT						
		ND			ND	ND	ND	EVT	ND	ND	EVT	EVT						
		ND	ND		ND	ND	ND	EVT	ND	ND	EVT	EVT					EVT	
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		ND	ND	EVT	ND	ND	ND	EVT	ND	ND	EVT	EVT		EVT	ND	ND	EVT	EVT
		ND	ND	EVT	ND	ND	ND	EVT	ND	ND	EVT	EVT	ND	EVT	ND	ND	EVT	EVT

Partnered Pipeline Unpartnered Pipeline

We initially discovered most of the candidates for which we have the right to receive royalty or milestone payments. We subsequently licenced or assigned those candidates to partners for continued pre-clinical and clinical development. Moreover, it also includes candidates that have been initially discovered by our partners and that have become the subject of a joint research project pursuant to which we are eligible for royalty or milestone payments. As of December 2024, 75 active projects were partnered and an additional amount of 45 projects are eligible for partnering in the future. To improve our risk/return profile in future, we will focus on co-developed projects and will pursue independent discovery and development of proprietary asset very selectively as proof-of-concept of our platforms, only. Important to note that the chart above does not contain candidates that are being discovered and developed by partners in whom we have solely an equity stake. For these projects we have no rights to benefit from milestone or royalty payments and there is no direct impact on our P&L. However, we could benefit from value accretion related to the progress of these assets.

— EVOTEC'S GROWTH STRATEGY —

Our growth strategy aims to address the entirety of the R&D continuum by tackling a wide range of disease areas utilizing a modality-agnostic approach. We believe we have built one of the most efficient integrated drug discovery, development and manufacturing infrastructures that generates the highest quality results in the fastest and most cost-efficient way. In addition, by leveraging the value of our platform we anticipate to benefit from an increasing share of success-based ("value add-on") payments in future.

Our strategy includes:
- Striving for differentiation through technological and scientific leadership
- Shared R&D to focus on Drug Discovery & Pre-clinical Development (Target ID to IND)
- Just – Evotec Biologics to evolve as technology and service provider and manufacturing accelerator
- Focus on high-quality, high-potential co-owned assets

— FINANCIAL PERFORMANCE INDICATORS —

The Management Board has committed to the following financial objectives: continued revenue growth, progressing R&D innovation, and increasing profitability. The Group's long-term key financial performance indicators are defined to support these goals.

The Group's performance is measured against budgeted financial targets and the prior-year's performance.

In addition, management thoroughly analyses all costs (with a focus on cost of sales, research and development expenses and selling and administrative expenses). Liquidity levels are monitored in comparison to forecasts and against defined minimum cash levels. Operating cash flows are reviewed on a regular basis with an emphasis on the receipt of contract research revenues and milestone payments as well as working capital management. Investing activities like capital expenditure in maintenance and expansion and funding of Evotec's equity portfolio are compared against budget every month. Balance sheet structure, equity ratio and net debt leverage are monitored to manage a balanced equilibrium of financing tools. Treasury management is undertaken on an ongoing basis with a focus on cash management, foreign exchange rate and interest risks, as well as funding and investment opportunities. Value analyses based on discounted cash flow and net present value models are the most important financial metrics for Evotec's investment decisions regarding M&A projects, equity investments and licensing opportunities.

Evotec reviews a number of key performance metrics and non-GAAP measures (Generally Accepted Accounting Principles) to assess the progress of its business, make decisions about where to allocate time and investments and assess the near-term and longer-term performance of its business. The measures set forth below should be considered in addition to, not as a substitute for or in isolation from, Evotec's financial results prepared in accordance with IFRS. The following table sets forth these metrics as of and for the period 2020 to 2024.

KEY FINANCIAL PERFORMANCE INDICATORS

in k€

	2020[1)]	2021	2022	2023	2024
Revenues	500,924	618,034	751,448	781,426	**796,967**
Unpartnered R&D expenses[2)]	(46,441)	(58,117)	(70,204)	(64,818)	**(50,857)**
Adjusted Group EBITDA[3)]	106,654	107,270	101,654	66,352	**22,564**

1) 2020 restated for IAS 19.
2) R&D expenses funded by Evotec. As of 2024, synonymous with total R&D expense.
3) Adjusted for changes in contingent considerations and distorting events.

Revenues

Please refer to the 'Business model and generation of revenues' section above.

Unpartnered R&D Expenses

Evotec's unpartnered R&D expenses comprise expenses incurred in connection with investments in its in-house discovery platforms and developing proprietary early stage drug discovery projects for future partnerships as well as overhead expenses. From 2024 onwards, all R&D expenses are considered "unpartnered".

Adjusted Group EBITDA

Adjusted Group EBITDA is defined as net income (loss) adjusted for interest, taxes, depreciation and amortization of intangibles, impairments on goodwill and other intangible and tangible assets, total non-operating results, change in contingent consideration (earn-out) and items that in magnitude, nature or occurrence would distort the presentation of the financial performance of the Group.

Adjusted Group EBITDA is reported as an additional performance indicator and does not correspond to the EBITDA resulting from IFRS. Adjusted Group EBITDA should not be considered as an alternative to net income as a measure of financial performance. Adjusted Group EBITDA is presented because it is a key metric used by the Evotec Management Board to assess the Group's financial performance. Management believes adjusted Group EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that do not relate directly to the operational performance of the underlying business.

A reconciliation of the net result with the adjusted Group EBITDA can be found in the "Results of operations" chapter of this combined Management Report. The Company's 2024 performance compared to planned figures can be found in the "Comparison of 2024 financial performance indicators with forecast" chapter.

— NON-FINANCIAL PERFORMANCE INDICATORS —

Biotechnology is a research-driven and employee-based industry. Consequently, financial information alone does not provide a comprehensive picture of the Group's potential for value creation. Evotec's management therefore also uses non-financial performance indicators to manage the Group, e.g. total number of customers, number of customers who contributed more than € 1 m to revenues, as well as repeat business.

Number of customers

The number of customer alliances has exceeded 800 in the past three years, confirming the range of offered services. During 2024, 292 new customers were added compared to 298 in 2023 and 325 in 2022, an decrease of 2% versus 2023 and decrease of 8% versus 2022.

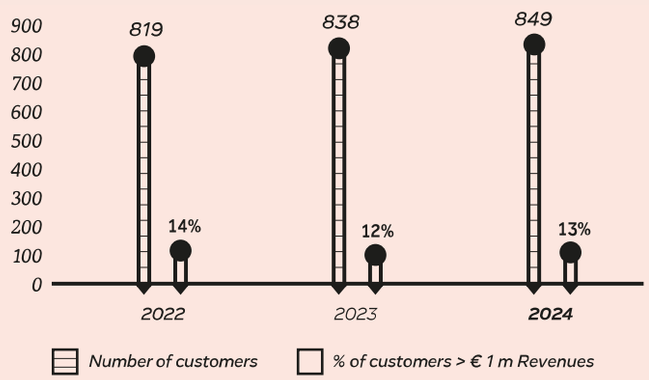
An entity with multiple subsidiaries, segments, or divisions is defined and counted as one single customer, even if Evotec has separate agreements with multiple subsidiaries, segments, or divisions that are part of the same entity.

Number of customers who contributed more than € 1 m to revenue

The number of customer alliances that generate revenues of more than € 1.0 m per year has increased to 109 in 2024 (2023: 102), or 13% and 12% of total customers in the last two years. This has therefore exceeded the guidance of greater than 100.

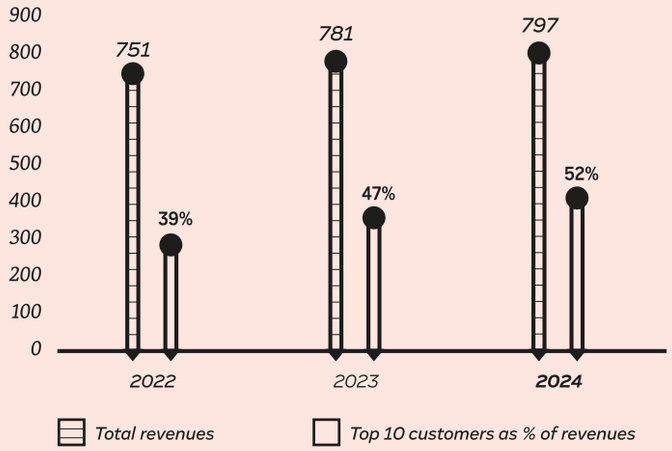
Evotec's largest three customers by revenue collectively accounted for 38% of the Group´s revenues in 2024. In 2023, Evotec's three largest customers by revenue contributed 35% to revenues. Bristol Meyers Squibb and Sandoz account for more than 10% of group revenues, individually. There is no other single customer that accounts for more than 10% of the group revenue.

CUSTOMER EVOLUTION AND CONTRIBUTION



Evotec's number of customers and revenues have continued to grow over the last three year. The top 10 customers' contribution to total revenues has increased from 47% in 2023 to 52% in 2024.

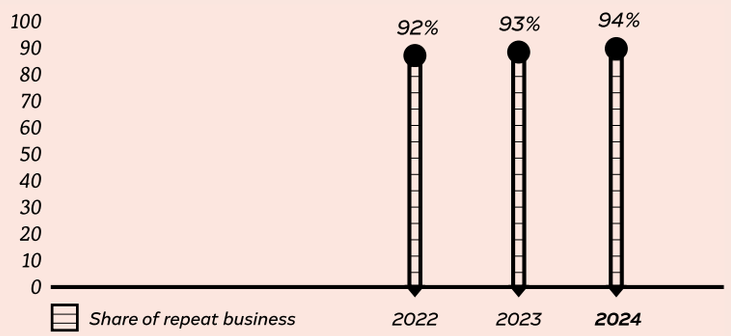
EVOLUTION OF CUSTOMER CONCENTRATION



Repeat Business

Evotec has demonstrated solid customer retention rates, as defined by the percentage of revenues from customers that Evotec had a relationship within the prior year, with 90% or above in each of the last three years. Evotec reviews its repeat business on a yearly basis, and aims to maintain current retention rates. Repeat business was retained at 94% in 2024 and 93% in 2023, respectively. Evotec believes that its significant amount of repeat business is primarily due to the ability to achieve success and high satisfaction of its partners and customers. The extent to which Evotec generates repeat business from its customers will be an important factor in the Group's continued revenue growth.

SHARE OF ANNUAL REPEAT BUSINESS



— RESEARCH AND DEVELOPMENT —

In 2024, Evotec continued to progress its projects e.g., in central nervous system disorders, diabetes, immunological diseases, infectious diseases, inflammation, kidney diseases, metabolic diseases, oncological diseases, and rare diseases together with our partners. Our R&D strategy is built on leveraging proprietary platforms to enable upside-bearing strategic deals, as demonstrated in our BMS collaborations in oncology and neurodegenerative diseases or our various collaborations with Lilly, Novo, and Novartis in the field of kidney disease that are based on our proprietary Molecular Patient Database and PanOmics platforms. Access to our platforms is provided in return for success based revenue components such as milestones payments, licences and royalties. Hence, our R&D expenses have translated into a long-term pipeline of assets over time, which is described in more detail in the Business Overview (Co-development of products to benefit from success-based payments).

As of 2024, R&D expenses were entirely self-funded, while in 2023 still a residual amount of about 5% was related to R&D projects funded by Sanofi and classified as so called "partnered R&D". The related activities focused on programs targeting infectious diseases, which were acquired in 2018 as part of the acquisition of Sanofi's anti-infective unit in Lyon, the costs of which were assumed by Sanofi up to a certain amount. This contract ended November 2023 after over five years. Subsequent to the contract end, all capacities of the relevant units have been switched to the fee-for-service business available for Evotec's partners. Consequently, when comparing R&D expenses 2024 with previous years, a more appropriate comparator would be so called expenses recognised under "unpartnered R&D".

— INTELLECTUAL PROPERTY —

Evotec seeks to protect and enhance the value of its proprietary drug discovery programs as well as technology platforms, including proprietary processes, technologies, inventions, and methods, and their application to the research and development of treatments for serious diseases and methods of manufacture through the filing of intellectual property. Evotec pursues a multi-layered intellectual property strategy to protect its technology platforms and their application to the research and development of treatments for serious diseases. One focus of Evotec’s intellectual property strategy is to provide protection for the Company’s platforms and pipeline assets currently in development. Evotec also pursues intellectual property protection for assets that may be used in future development programs and/or that may be of interest to its partners, or otherwise may prove valuable in the field.

Various aspects of Evotec’s technology platforms and pipeline assets are protected by patent filings, while other aspects remain trade secrets. Evotec also pursues other methods of protection, including seeking trademark registrations, as appropriate. Many of the Company’s intellectual property assets were developed and some have been acquired and are solely owned by Evotec, some have been developed via collaboration and are jointly owned, and some have been licenced from third parties. Evotec will continue to make additional patent application filings and pursue opportunities to acquire and licence additional intellectual property assets, technologies, platforms or pipeline assets, as developments arise or are identified.

As of 31 December 2024, Evotec’s owned patent portfolio included more than 45 patent families, each of which includes at least one filing in the United States or Europe, and several of which are pending or granted in multiple jurisdictions.

Report on economic position

2024 FINANCIAL PERFORMANCE INDICATORS COMPARED WITH FORECAST

PERFORMANCE AGAINST FORECASTS

in € m

in € m	*Forecast in Annual Report 2023*	*Forecast August 2024*	*Result 2024*	*Result 2023*
Group revenues	Low double digit percentage growth	790 - 820	**797.0 (+2%)**	781.4
(at constant exchange rates)[1)]			**795.0 (+2%)**	-
Unpartnered R&D expenses	Mid single to low double digit percentage reduction	50 - 60	**50.9 (22)%**	64.8
(at constant exchange rates)[1)]			**-50.8 (178)%**	-
Adjusted Group EBITDA	Mid double digit percentage growth	15 - 35	**22.6 (66)%**	66.4
(at constant exchange rates)[1)]			**23.8 (64)%**	-

1) At constant exchange rates from Actual 2023 (EUR/USD 1.0813; GBP/EUR 0.8698)

MANAGEMENT BOARD'S GENERAL ASSESSMENT OF EVOTEC'S ECONOMIC SITUATION

Against the backdrop of a much softer market environment, Evotec successfully executed necessary structural alignments in 2024. The revenue development evidenced the Company's strategy to extend and expand existing collaborations, e.g. in the collaborations with Sandoz, BMS, Novo Nordisk and Pfizer. In contrast, standalone business with short lead times and fast turnaround cycles saw a less dynamic development. Capacities built at the end of 2023 in anticipation of a more dynamic environment were not sufficiently utilised, which lead to a significant drop in profitability and ultimately in a priority reset, encompassing adjustments of footprint and headcount as well as the exit of gene therapy activities and the sale of Evotec DS in Halle Westphalia.

The year was characterised by comparably weak start of the Shared R&D segment in comparison to the previous year, while at the same time sales orders for Discovery Services were particularly strong. Just – Evotec Biologics had an excellent start, albeit against a rather low comparable basis.

By mid-year trends had not changed materially. At this stage, it became evident that the strong sales order book in Discovery will take longer than usual to convert into revenues and that countermeasures had to be taken to stabilise the business. The discussion resulted in the decision to reset priorities and to adjust capacities.

The third quarter saw exceptionally strong news with positive long-term implications, such as a contract extension and expansion with Sandoz, providing excellent visibility for Just – Evotec Biologics into future years, as well as the extension of the BMS collaboration into a new disease area, a new collaboration with Novo Nordisk in Cell Therapy, progress in existing BMS collaborations (Neuro & Onco), a new precision medicine partnership in cardiology with Bayer as well as a strategic research alliance with Pfizer in France in metabolic and infectious diseases. However, these transactions did not immediately translate in to revenues in the same quarter.

Eventually, Evotec delivered on the revised guidance by year-end. Revenue grew by 2% (fx-adjusted 2%), owed to a strong performance at the end of the year. A lower cost base and the high operating leverage of the business led to a material recovery of adjusted EBITDA.
In another challenging year after the experience of a cyber-attack in 2023, the customer retention rate of 94% again exceeded our target of

90%, which we consider an excellent achievement and a strong basis for good start to 2025.

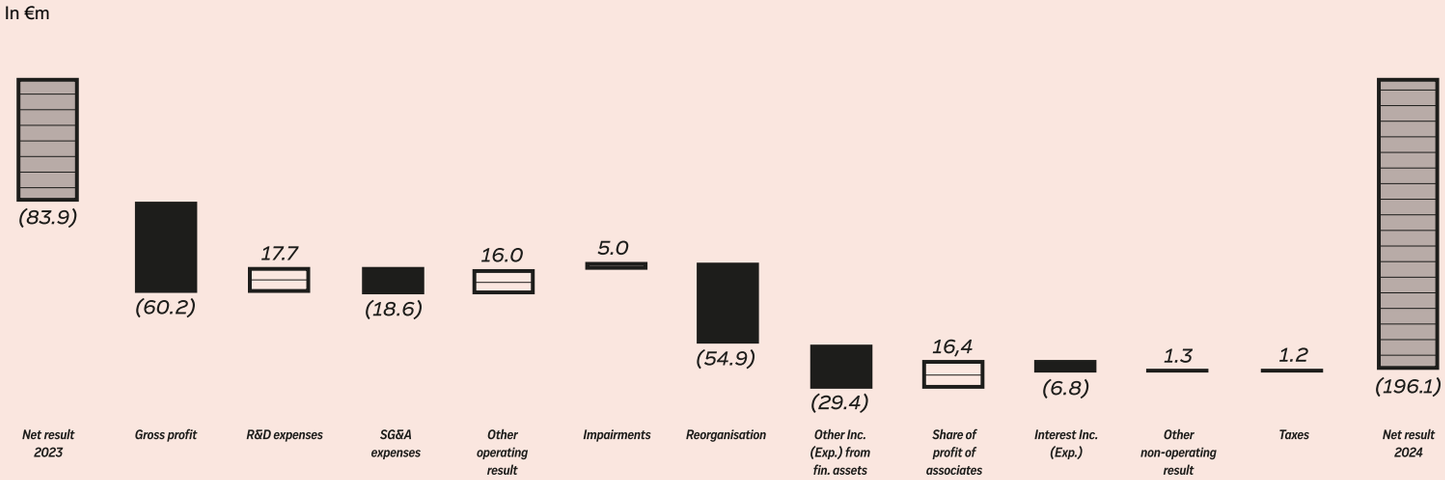
MACROECONOMIC CONDITIONS AND BUSINESS ENVIRONMENT

The market environment for biopharmaceutical industry remained challenging in 2024. At one end of the spectrum, most small biotech companies have seen an overall still challenging funding environment, while some green shots were observable. According to the Q4 2024 report of J.P.Morgan, 2024 biopharma venture investments of $ 26.0 bn surpassed 2023 levels by 11.6%. However, the mix was different as larger investments were made through fewer venture rounds and companies with assets in the clinic benefited disproportionately: $ 26.0 bn were invested in therapeutics and discovery platforms across 416 rounds (2023: € 23.3 bn across 462 rounds). 98 biopharma companies raised venture rounds versus 73 in 2023. Licensing transaction volume, which had been declining since 2020, stabilized at 148 year-over-year. 28 of these deals involved upfront payments of $100 m or more (2023: 27).

At the other end, many larger pharmaceutical companies conducted pipeline reviews and implemented restructuring measures. Consequently, money spent on external R&D collaborations has not recovered. Spending was rather selective. While transactional agreements related to more standardised execution of experiments by third parties were affected, there was higher interest in long-term collaborations with a more strategic focus. However, while the scope of these collaborations has increased, phasing turned out to be more back-end loaded. Therefore, conversion of order volumes into revenues has taken longer than in previous years.

RESULTS OF OPERATIONS

BRIDGE OF NET RESULT 2023-2024



CONDENSED INCOME STATEMENT

in €k

		2023	2024	Variance
Revenues		781,426	796,967	15,541
Cost of revenue		(606,375)	(682,086)	(75,711)
Gross profit		175,051	114,881	(60,170)
Gross margin	%	22.4%	14.4%	(8.0)%
– R&D expenses		(68,529)	(50,857)	17,672
– SG&A expenses		(169,610)	(188,201)	(18,591)
– Impairment result (net)		(5,011)	0	5,011
– Other operating income (expenses), net		20,591	36,585	15,994
– Reorganisation costs		0	(54,930)	(54,930)
Operating income (loss)		(47,507)	(142,522)	(95,015)
Net income (loss)		**(83,913)**	**(196,078)**	**(112,165)**
Adjusted Group EBITDA		***66,352***	***22,564***	***(43,788)***

REVENUES

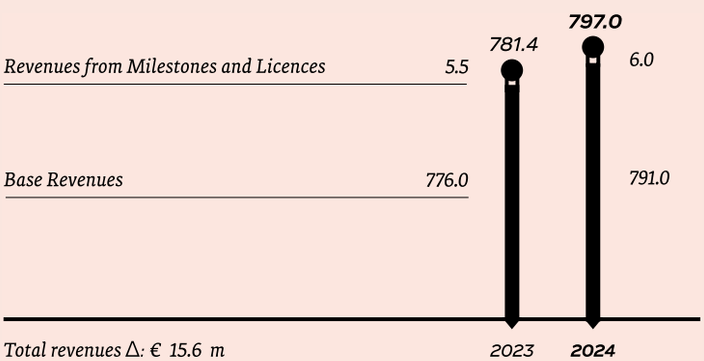
Another year of top line growth

In the financial year 2024, Evotec increased its consolidated revenues by 2%. During the twelve months ended 31 December 2024 Group revenues increased by € 15.5 m to € 797.0 m compared to the same period of the previous year (2023: € 781.4 m). The rise against the prior-year period was primarily driven by growth in the Just – Evotec Biologics segment.

At constant FX rates, Group revenues grew by 2% to € 795.0 m. The base business increased by 2% from € 776.0 m in 2023 to € 791.0 m in 2024.

Milestones slightly decreased in 2024 to € 2.9 m (2023: € 4.8 m). In general, milestone revenue differs at the various development stages, which may not be within the Group's control. It also is determined by the entire set of terms of the respective contract.

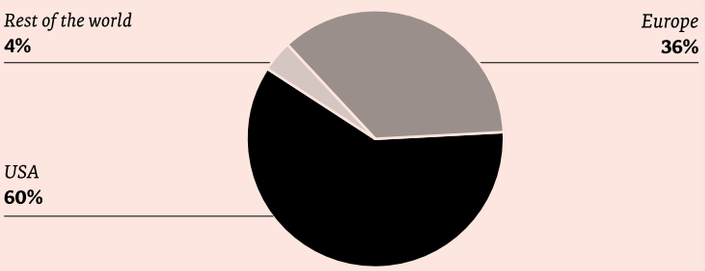
REVENUES[3]



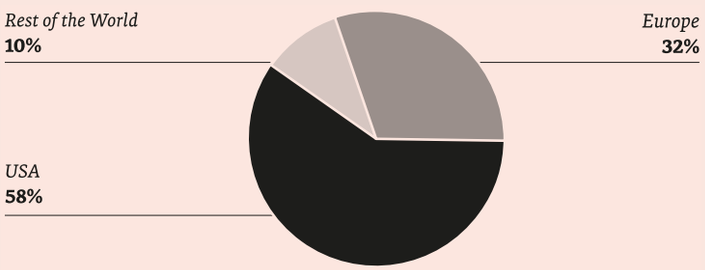
Evotec's revenues in 2024 were generated primarily with US (58%) and European customers (32%), and only to a very small extent in the rest of the world (predominantly Japan).

REVENUES BY REGION

2023



2024



[3] *Differences may occur due to rounding*

COSTS OF REVENUE/GROSS MARGIN

The Costs of revenue within 2024 amounted to € (682.1) m (2023: € (606.4) m yielding a gross margin of 14.4% (2023: 22.4%).The increase in cost of revenues was mainly attributable to the accelerated expenses for Just – Evotec Biologics, which increased by € 59.4 m year over year. This increase was driven primarily by the ramp up costs associated with the J.POD2 facility in Toulouse. The remaining increase was driven by increased labour cost and further footprint expansions (driving higher operating expenditure and depreciation) in Shared R&D.

RESEARCH AND DEVELOPMENT EXPENSES

In 2024, Evotec has continued to progress its projects e.g., in central nervous system disorders, diabetes, immunological diseases, infectious diseases, inflammation, kidney diseases, metabolic diseases, oncological diseases, rare diseases and women's health, the Company is working on. Thus, Evotec builds a long-term pipeline of assets and/or unique proprietary platforms.

R&D expenses were at € 50.9 m in 2024, compared to € 68.5 m in the twelve months ended 31 December 2023. The decrease of 26% in R&D expenses represents a balance between strong investments in Evotec's capabilities to improve efficiency and precision medicine platforms, and financial stewardship in a challenging macroeconomic environment. Furthermore, Evotec capitalized € 2.4 m of R&D expenses in 2024. Partnered R&D expenses ended in 2023 with the completion of the previous Sanofi agreement, thus R&D Expense is analogous with 'Unpartnered R&D Expense' in 2024.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

The Group's selling, general and administrative expenses (SG&A) increased by € 18.6 m or 11% from € 169.6 m in 2023 to € 188.2 m end of 31 December 2024, mainly due to higher personnel-related expenses.

Personnel-related expenses increased by € 7.9 m, from € 97.4 m in 2023 to € 105.3 m in 2024, mainly driven by growth in employee headcount in most areas of the enabling functions throughout the year, before returning to 2023 levels as a result of the reorganisation. Consultancy costs increased by € 4.9 m, from € 21.9 m in 2023 to € 26.8 m in 2024 mainly due to IT projects. Insurance costs increased by € 0.4 m from 7.7 m in 2023 to € 8.1 m in 2024. Audit and Tax expenses decreased by € 0.2 m to € 8.9 m in 2024 from € 9.1 m in 2023. Furthermore, IT and licence costs increased by € 1.2 m to € 15.0 m in 2024 from € 13.8 m in 2023, due to continued expansion of IT capabilities.

OTHER OPERATING INCOME

Other operating income, which primarily includes non-IFRS 15 income and income from R&D tax credits, was € 52.7 m in 2024 compared to income of € 64.8 m for 2023. In 2023, the other operating income still included Sanofi recharges for Evotec ID Lyon (2023: € 16.6 m), the contractual term with Sanofi ended in 2023. R&D tax credits were mainly recognized in France for the Toulouse and Lyon sites, UK, and Italy, resulting in overall R&D tax credit related other operating income of € 46.9 m (2023: 44.0 m).

Other operating expense amounted to € (16.1) m in 2024 (2023: € (44.2) m). The significant decrease in 2024 was driven by the reduction of cyber-attack related costs from € 43.5 m in 2023, which comprises of € 26.5 m internal costs and € 15.9 m of external costs, to € 8.6 m, which includes only external costs incurred due to the cyber-attack. Internal costs represent employee's active efforts to restore normal operations after the attack. External costs are additional third-party costs incurred due to the cyber-attack, such as increased consulting and IT costs that the Group would not have otherwise incurred. The external costs are considered to be an item that in magnitude, nature or occurrence would distort the presentation of the financial performance of the Group, as these are not deemed to be recurring costs.

REORGANISATION EXPENSE

In 2024 Evotec faced significant organisational changes and a challenging market environment. During the year the management announced a priority reset, a reorganisation program focused on streamlining operations. The direct expenditures arising from the program (necessarily entailed by the reorganisation and not associated with the ongoing activities) amounted to € 54.9 m, which included costs related to headcount reduction, footprint optimisation and divestiture of business lines.

OPERATING RESULT

The operating result of the Group came in at € (142.5) m for the twelve months ended 31 December 2024 (2023: € (47.5) m). Albeit a decrease from prior year, the company maintained a high level of investment in R&D expenses. Overall, unpartnered R&D cost ratio (unpartnered R&D spend in relation to revenues) of 6% for the twelve months ended 31 December 2024, compared to 8% in 2023.

The SG&A cost ratio increased from 22% in 2023 to 24% in the actual reporting period driven by a slowdown in revenue growth and the company's decision to maintain SG&A structures ready for future growth.

In addition, the operating result was further reduced by the reorganisation expenses incurred of € 54.9 m.

OTHER NON-OPERATING RESULT

The FY 2024 result from other non-operating result amounts to € (51.5) m versus € (33.1) m in 2023 and is driven by a remeasurement of € (38.5) m (2023: € (9.1) m) from financial investments and interest expenses at the amount of € (11.7) m (2023: € (11.7) m).

During 2024, Evotec didn't impair any equity investments (2023: € (7.9) m. The share of current losses from equity investments amounted to € (4.3) m in 2024 (2023: € (12.9) m).

Interest expense remained constant year over year € (11.7) m in 2023 and € (11.7) m in 2024. Interest income reduced to € 2.4 m in 2024 (€ 9.3 m in 2023) due to primarily to lower volume of investing activities, directly correlating to lower interest income.

Foreign exchange gain amounted to € 4.4 m (2023: € (2.5) m), mostly due to the weakened EUR vs USD from 1.1050 as per 31 December 2023 to 1.0389 as per 31 December 2024 which resulted in a revaluation in particular of the USD denominated cash and receivables after conversion in EUR.

Total tax expense amounted to € (2.1) m for full year 2024, versus an amount of € (3.3) m in 2023. Thereof, Evotec recorded total income taxes of € (7.4) m (2023: € (7.0) m). The increase in the current tax expense is generally a result of an increase in the IFRIC provision exceeding the impact of decreased taxable profits in Evotec International GmbH and Evotec (France) SAS. Deferred tax income (expense) amounted to € 5.3 m (2023: € 4,597.0 m), generally relating to tax loss carry forward attributes as well as various other temporary differences.

NET INCOME (LOSS) & ADJUSTED GROUP EBITDA

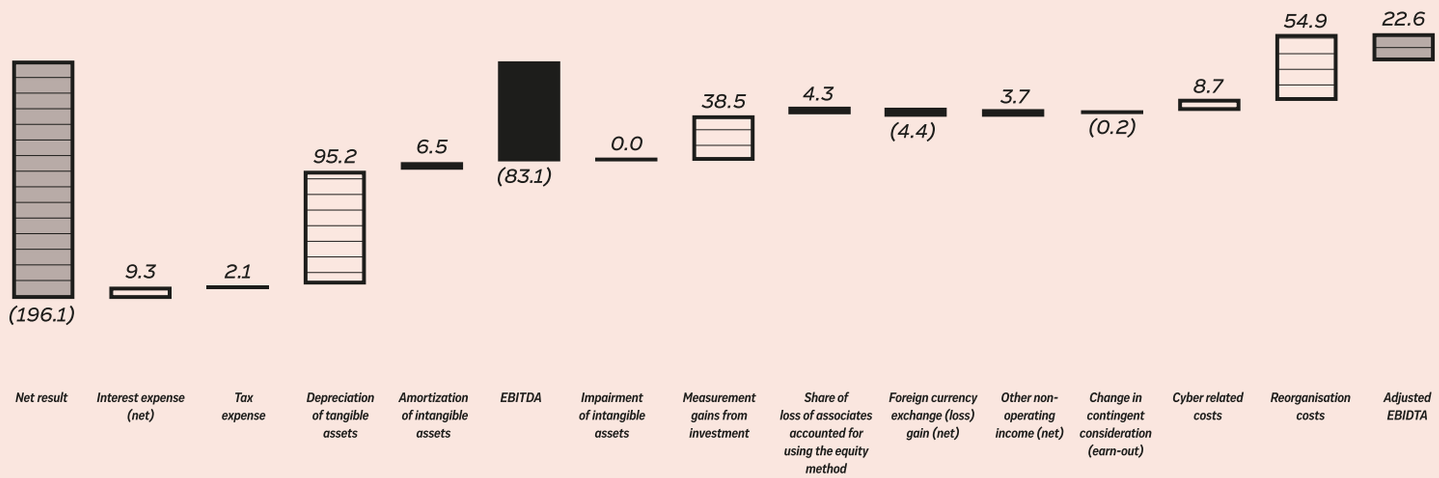
Adjusted Group EBITDA within Guideline

The net income (loss) as of 31 December 2024 amounted to € (196.1) m (versus € (83.9) m in 2023).

Adjusted Group EBITDA for the twelve months ended 31 December 2024 amounted to € 22.6 m versus € 66.4 m in 2023. The result was driven by a combination of lower than anticipated revenue growth, paired with a high cost base for the majority of the year. The cost base is addressed as part of our reorganisation which began in H2 2024, with the majority of savings to be realized starting in 2025. The adjusted Group EBITDA, as well as revenue and unpartnered R&D, were all within the revised guidance that was published in August 2024.

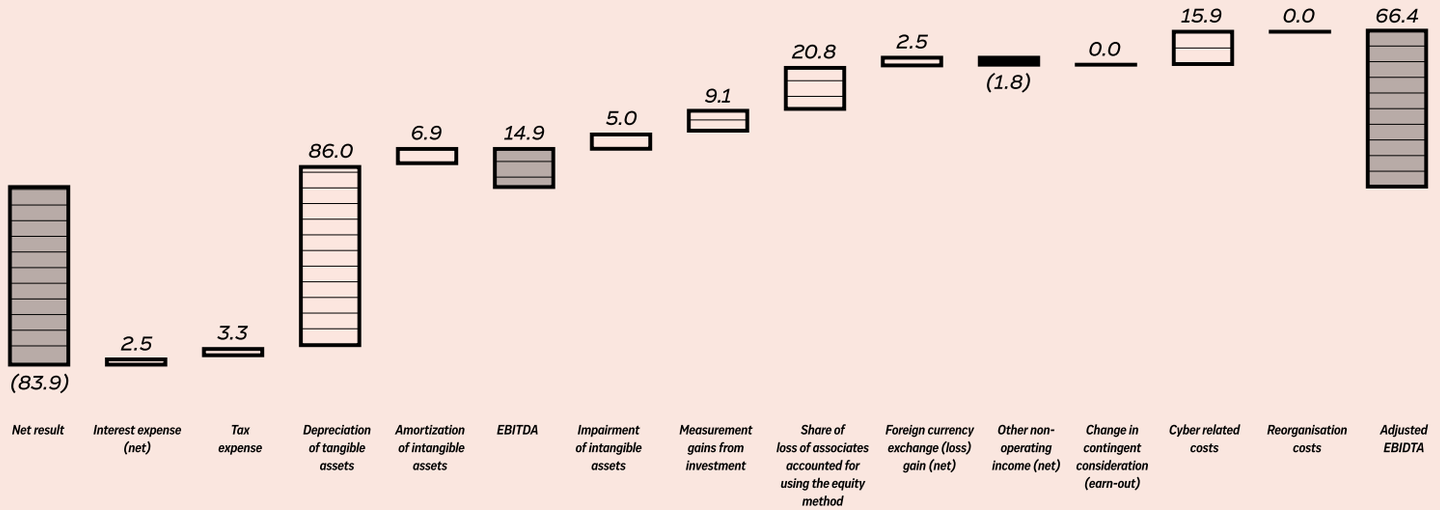
BRIDGE FROM NET INCOME (LOSS) TO ADJUSTED GROUP EBITDA FOR 2024

in €m



BRIDGE FROM NET INCOME (LOSS) TO ADJUSTED GROUP EBITDA FOR 2023

in €m



— SEGMENT REPORTING —

Overall Group revenues increased by 2% to € 797.0 m, compared to the four quarters in 2023 driven by strong growth of € 77.1 m (71% increase) in Just – Evotec Biologics, mostly offset by a revenue reduction in Shared R&D of € (61.6) m. Reduction of revenue in Shared R&D was driven by the overall market challenges within the Biotech industry in 2024.

SEGMENT INFORMATION 2024

in €k

	Shared R&D	Just – Evotec Biologics	Intersegment eliminations	Evotec Group
External revenues	611,394	185,573		796,967
Intersegment revenues	160	1,049	(1,208)	–
Costs of revenue	(509,361)	(173,068)	344	(682,086)
Gross margin	17 %	7 %		14 %
R&D expenses	(51,146)	(576)	865	(50,857)
SG&A expenses	(158,915)	(29,286)	–	(188,201)
Impairment result (net)	–	–	–	–
Reorganisation costs	(54,179)	(751)		(54,930)
Other operating income (expenses), net	35,878	707	–	36,585
Operating income (loss)	**(126,170)**	**(16,353)**	**–**	**(142,522)**
Adjusted EBITDA	**12,695**	**9,868**	**–**	**22,564**

SEGMENT INFORMATION 2023

in €k

	Shared R&D	*Just – Evotec Biologics*	*Intersegment eliminations*	*Evotec Group*
External revenues	672,977	108,449	–	781,426
Intersegment revenues	—	–	—	–
Costs of revenue	(492,674)	(113,701)	—	(606,375)
Gross margin	27 %	(5)%		22 %
R&D expenses	(68,529)	—	—	(68,529)
SG&A expenses	(143,167)	(26,442)	–	(169,610)
Impairment result (net)	108	(5,119)	–	(5,011)
Reorganisation costs	–	–	–	–
Other operating income (expenses), net	23,163	(2,572)	–	20,591
Operating income (loss)	**(8,122)**	**(39,385)**	**–**	**(47,508)**
Adjusted EBITDA	**78,444**	**(12,092)**	**–**	**66,352**

Shared R&D

Total revenues in Shared R&D amounted to € 611.6 m in the financial year 2024 (2023: € 673.0 m). The overall challenging market conditions in 2024, specifically within the Biotech sector, contributed strongly to the reduced revenues. The impact was felt most drastically within our more standalone and fast-turning offerings within our Discovery business.

Costs of revenue of Shared R&D came in at € (509.4) m in the twelve months ended 31 December 2024 (2023: € (492.7) m), corresponding to a gross margin of 16.7% (2023: 26.8%). Cost of revenue increased due to higher personnel costs and footprint expansion in the UK and US in the first half of the year. Higher energy costs, and inflation on materials and supplied services also contributed to the increase. R&D expenses were € (51.1) m (2023: € (68.5) m), the reduction being driven by a stronger focus on key investments that best align with our partners needs. SG&A expenses increased to € (158.9) m (2023: € (143.2) m) in accordance with the overall group trend. Reorganisation costs were € (54.2) m in 2024 (2023: € 0.0 m). The operating result of the Shared R&D segment was € (126.2) m (2023: € (8.1) m), leading to an adjusted segment EBITDA of the segment of € 12.7 m (2023: € 78.4 m). The overall reduction in the segments Adjusted EBITDA was driven by the lowered revenues compared with an increasing cost base.

Just – Evotec Biologics

Revenues in Just – Evotec Biologics amounted to € 185.6 m in 2024 (2023: € 108.4 m) reflecting an organic growth of 71%. This growth was driven by further progression of the Sandoz partnership, other new deals, and expansions of existing relationships. The costs of revenue increased by 52% from € (113.7) m in 2023 to € (173.1) m in 2024, resulting in a segment gross margin of 7.3% (2023: (4.8)%). The increase in cost of revenues was directly related to the build-out and ramp up of our J.POD2 site in Toulouse, which celebrated its grand opening in September 2024. The increase from € (26.4) m in 2023 to €(29.3) m in SG&A was mainly due to higher personnel-related expenses and IT expenses. Key driver for improvement in operating result from € (39.4) m in 2023 to € (16.4) m in 2024 as well as adjusted segment EBITDA from € (12.1) m) in 2023 to € 9.9 m in 2024 was higher top line growth in revenues, partially offset by the required costs for ramping up the Toulouse site.

— FINANCIAL MANAGEMENT PRINCIPLES —

Financial management at Evotec comprises capital structure management, cash and liquidity management including receivables management, and the management of market price risks (currencies, interest rates). Its main objectives are to secure the Group's liquidity and its creditworthiness and to reduce financial risks. The corporate Treasury division ensures uniform financial management for all of the Group's companies in accordance with the relevant legal requirements. In general, financial management operates within a given framework of guidelines, limits and benchmarks.

The Company manages cash and liquidity to secure the financial resources needed to support its business strategy.

Financial resources are usually acquired at the corporate level and distributed internally. Evotec may draw on several bilateral credit lines as required. In December 2022, the European Investment Bank (EIB) and Evotec signed an unsecured loan facility of € 150 m, to support the Company's R&D activities, equity investments and the building of the new J.POD biologics manufacturing facility on Evotec's Campus Curie in Toulouse, France. As of 31 December 2024, € 93.3 m of this loan facility were drawn. Further, in July 2024, Evotec signed a syndicated loan facility in the amount of €250 m with a consortium of major international financing institutions to support ongoing operations and strategic initiatives for further growth. In the third quarter of 2024, the Company revised its financial performance guidance for the year, which created unexpected pressure on the debt covenants, including the net debt leverage covenant associated with the newly signed Revolving Credit Facility ("RCF"). A covenant waiver and associated draw stop were agreed and remains in place until and including 30 June 2025.
The Company's unused credit lines amounted to to € 75.1 m (2023: € 141.1 m). In addition, there is a wide range of financing options accessible for the company across debt capital markets, or raise capital through the issuance of new shares when appropriate. The Group's liquidity, which consists of cash and cash equivalents and investments, decreased from € 604.1 m as of 31 December 2023 to € 396.8 m as of

December 2024 and the net debt position (incl. finance leases obligations according to IFRS16) is € 42.6 m (compared to a net debt position of € 22.1 m as of 31 December 2023). The decrease in liquidity was due primarily to continued Capex investment within the Group, including the J.POD build-out in Toulouse, as well as a repayment of loan in June 2024.

Due to its liquidity situation, Evotec is in a position to support continued organic and non-organic growth. This includes investments in facilities for the manufacturing of biologics (J.POD) for clinical development and commercial applications in the US and France, projects in novel cell therapies, as well as the continued expansion of scientific capabilities in many of its sites in the US and Europe.

Capital expenditure proposals are carefully evaluated by the Management Board to ensure that they are consistent with the business strategy of either maintaining or expanding the Company's technology platform and its proprietary research. In particular, larger capital investments are carefully assessed in terms of the expected financial return and payback periods or savings. The discounted cash flow method is the main management tool for such assessments, supported by key performance indicators such as payback period, return on investment, and internal rate of return.

— CASH FLOW —

Group cash flow provided by operating activities amounted to € 18.2 m in 2024 (2023: € 36.4 m). The reduction in operating cash flow was driven by a higher net loss driven by the reorganisation activities, offset by higher tax refunds and higher R&D tax credits in 2024 than 2023.

Group cash flow used in investing activities was € (71.2) m (2023: € (13.3) m). The net cash inflow from the sale of investments (corporate bonds and fixed deposits) with terms of more than three months amounted to € 6.3 m. Investments in the amount of € 35.7 m were sold while investments in the amount of € (29.4) m were acquired.

Investments in property, plant and equipment decreased to € (117.5) m (2023: € (213.3) m) as the build out of the J.POD production facility at Just – Evotec Biologics in Toulouse, France slowed considerably as it approaches full operation. In total, the investments into the J.POD facilities in France and the US slowed year over year, with € (92.6) m 2024 (2023: € (128.5) m). Furthermore, the remaining investment was primarily for maintenance of our sites in Toulouse, France, Alderley Park and Abingdon, UK, Verona, Italy and Hamburg, Germany.

In 2024, Evotec did not invest in any new companies, rather made additional follow-on investments to the existing portfolio, in the amount of € (15.1) m. In Q4, the company divested of its holdings in Recursion Pharmaceuticals, Inc., for a cash-inflow of € 69.4 m, and divested of Evotec DS (Germany) GmbH for a cash out-flow of € 11.5 m.

Investments in intangible assets increased to € (14.8) m (2023: € (2.7) m as the company continued to invest in updating its IT capabilities, including investments into self-developed software.

Group cash flow used in financing activities amounted to € (161.4) m (2023: € 72.0 m). Repayment of bank loans amounted to € (128.8) m, while proceeds from bank loans amounted to € 0.9 m. Repayments of lease obligations (mainly rent of buildings) amounted to € (24.1) m (2023: € (22.4) m).

The impact of exchange rate movements on cash and cash equivalents in 2024 was € 9.9 m (2023: € 0.6 m).

CONDENSED STATEMENT OF CASH FLOWS (INCL. BRIDGE TO LIQUIDITY)

in €k

in T€	*2023*	*2024*	*Variance*
Net cash provided by (used in)			
Operating activities	36,439	18,220	(18,219)
Investing activities	(13,291)	(71,187)	(57,896)
Financing activities	71,963	(161,421)	(233,384)
Net increase/decrease in cash and cash equivalents	**95,110**	**(214,388)**	**(309,498)**
Exchange rate difference	644	9,866	9,222
Cash and cash equivalents			
At the beginning of the year	415,155	510,909	95,754
At end of the year	**510,909**	**306,387**	**(204,522)**
Investments	93,203	90,413	(2,790)
Liquidity at end of the year	**604,112**	**396,800**	**(207,312)**

FINANCING AND FINANCIAL POSITION

— FX RATES / HEDGING —

The Euro (€) to US dollar ($) exchange rate fluctuated in a range between $ 1.0389 and $ 1.1196 in 2024. The year started with a EUR/USD fx rate of $ 1.0956. The volatility in this currency pair was particularly high in the second half of the year with peak in September and low point in December. Overall the USD depreciated against the EUR and closed at a rate of $ 1.0389. On average, Euro to US dollar was slightly higher with $ 1.0824 per Euro in 2024 compared to $ 1.0813 per Euro in 2023.

The Pound Sterling (£) to Euro (€) exchange rate fluctuated between € 0.8243 and € 0.8665 in 2024. In the first half of 2024, the Pound Sterling crawled up to its high in July, then moved sideways with a drop in fall, ending the year at 0.8292. The average exchange rate in 2024 was € 0.8466 per Pound Sterling compared to € 0.8698 in 2023.

The Evotec Group is exposed to both translational and transactional foreign currency risks. The Company mainly uses foreign currency forward contracts to hedge its transaction exposures but does not apply hedge accounting.

Deposits are primarily held in the three major currencies: Euro, Pound Sterling and US dollar. In 2024, 62% of group's revenue and 31% of group's operating costs were in USD (2023: 65% and 28%) along with 10% of the group's revenue and 18% in operating costs in GBP (2023: 11% and 20%). Therefore, the Group's foreign exchange risk mainly relates to these two foreign currencies. Evotec uses foreign currency forward contracts and spot transactions to convert US dollars to Euros and Pound Sterling, mitigating this exposure and covering costs incurred in these currencies. € 246.3 m of the liquidity position is held in Euros as per end of 2024 (31 December 2023: € 379.8 m) and accounted for 62% of the Group Liquidity. The currency holding in US dollars decreased to € 104.1 m or 26% at the end of 2024 (31 December 2023: €187.8 m). The currency holding in Pound Sterling was € 46.2 m or 12% as of 31 December 2024 (31 December 2023: € 36.4 m).

The Company mostly uses its foreign currency holdings for operational purposes in the same currency. In order to protect itself against adverse currency movements, Evotec entered into forward contracts, selling US dollars against Pound Sterling and Euros. This resulted in a realised foreign exchange gain of € 1.9 m and an unrealised loss of € 4.1 m in 2024 (2023: realised gain of € 2.2 m and an unrealised gain of € 6.1 m). The economic hedging relationships are not recognized as hedging relationships in the consolidated financial statements.

As of 31 December 2024, the Company held derivative financial instruments in the amount of € 105.8 m (31 December 2023: € 219.9 m), thereof € 76.8 m in forward contracts selling US dollars against Euro and € 29.0 m in forward contracts selling US dollars against Pound Sterling. These forward contracts have a maturity of up to 12 months.

Interest rates

The European Central Bank ("ECB") cut interest rates in June 2024 (25bp), September 2024 (25bp), October 2024 (25bp) and December 2024 (25bp). Consequently, the Euro Interbank Offered Rate (EURIBOR) with a 3-months term decreased during 2024 from 3.9% to 2.7%. As per 31 December, 95% of Evotec's bank loans had a fixed interest rate.

— DEBT / NET DEBT —

Net cash/debt development

The Company makes use of bank loans to manage its short-to-long-term liquidity. Compared to 31 December 2023, total bank loans decreased significantly to € 287.6 m as of 31 December 2024 (2023: € 435.9 m) due to loan repayments, including € 16.4 m repayment of EIB loan and € 108.5 m repayment of promissory notes. The company has an overall line of credit from Banque Publique d'Investissement in the amount of € 43.3 m. During the year, the drawn amount of € 20.8 m has been reclassified from Non-Current Liability to Deferred Income in June 2024 as the company determined that conditions were substantially met for forgiveness. All bank debt is denominated in Euros.

Due to a decreased cash position and a weaker operating result, the net debt leverage ratio changed to 1.9x net debt to adjusted Group EBITDA (2023: 0.4x net debt to adjusted Group EBITDA). All financial covenants in the loan agreements were therefore complied with.

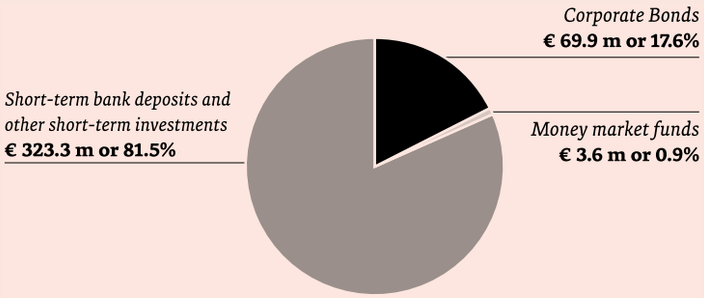
— LIQUIDITY —

Evotec ended the year 2024 with liquidity of € 396.8 m (2023: € 604.1 m). Cash and cash equivalents accounted for € 306.4 m and investments (corporate bonds and long term deposits) for € 90.4 m. Cash and cash equivalents can be accessed within a period of less than three months. The decrease in liquidity in 2024 is mainly driven by Capex investments of € (117.5) m and loan repayments of € 128.7 m.

Active liquidity management at Evotec is focused on funding the operational business and maintaining and preserving liquidity. At the same time, the Company seeks to maintain flexibility and optimise returns. Evotec's cash and securities as well as other financial investments are held with several financial institutions. The Company exclusively invests in liquid instruments with at least investment grade rating (BBB- or better, Standard & Poor's ratings or equivalent). All investments must be in line with Evotec's internal investment policy. As of 31 December, the liquidity was invested in short-term bank deposits and other short-term investments (€ 323.3 m), money-market funds (€ 3.6 m) and corporate bonds (€ 69.9 m) with a maturity of up to seven years. As a result, Evotec has sufficient flexibility to seize strategic growth opportunities while financing operations, capex and research activities and platforms.

LIQUIDITY BY INVESTMENT TYPE

in € m



— CAPITAL EXPENDITURE TO DEPRECIATION —

Lowered total investment as J.POD facility in Toulouse nears completion

Capital expenditure decreased significantly as planned to € (117.5) m in 2024 (2023: € (213.3) m), partially driven by reduced investments into Just – Evotec Biologics with € (92.6) m compared to € (128.5) m in 2023, where especially the investments into JPOD2 in Toulouse have decreased, as the facility is near completion. Within the Shared R&D segment, we invested € (24.9) m in 2024 (2023: € (84.8) m), where investments were limited to regular replacement activities that maintain the highest technology and infrastructure standards for scientific operations and to finalize the new buildings in Hamburg and Manchester. Other investments were paused in alignment with the new strategy reset that is expected in Q2 2025.

Depreciation of property, plant and equipment amounted to € 95.1 m (2023: € 86.0 m), mainly due to higher investments. Of this amount, € 21.5 m can be attributed to IFRS 16 Right of Use assets (2023: € 21.1 m).

— CAPITAL STRUCTURE —

Solid equity ratio with 50%

In 2024, Evotec's share capital increased to € 177.6 m (31 December 2023: € 177.2 m) and additional paid-in capital to € 1,454.7 m (31 December 2023: € 1,449.7 m) due to granted stock options.

The decrease in stockholders' equity of € 167.4 m to € 952.5 m as of the end of 2024 (31 December 2023: € 1,119.9 m) is due to the net loss of € 196.1 m (2023: € 83.9 m), partially offset by Other Comprehensive Income (€ 23.3 m).

At the Annual General Meetings in 2017, 2020 and 2022, contingent capital amounting to € 6.0 m, € 1.2 m and € 6.0 m, respectively, was approved for use in the share performance plans and the restricted shares plan. At the Annual General Meeting 2023 a new contingent capital of € 35.4 m was created to grant bearer shares to holders or creditors of convertible bonds and/or warrant-linked bonds and/or profit-linked bonds (or combinations of these instruments) that are issued for subscription in cash by Evotec SE or its direct or indirect investee companies and include a conversion right, a warrant or a conversion obligation for new bearer Company shares.

In 2024, a total of 367,720 shares (2023: 233,083 shares) were issued from conditional capital for exercised Share Performance Awards ("SPA"). During the first quarter of 2024, a total of 117,292 SPAs (2023: 227,555) were granted to the Management Board. These awards could result in a maximum of 234,584 bearer shares (2023: 455,110) being issued at maturity after four years. In 2024, no additional restricted share awards ("RSA") (2023: 0) were granted to Management Board or to key employees.

As of 31 December, the total number of awards granted for future exercise amounted to 2,645,773 (2023: 2,571,334), approximately 1.5% of issued shares in 2024 and 1.5%% in 2023. Evotec's equity ratio remained stable at 50% at the end of 2024 (2023: 50%).

NET ASSETS

— CURRENT AND NON-CURRENT ASSETS —

The Company's total assets decreased by € 340.0 m to € 1,912.5 m as of 31 December 2024 (2023: € 2,252.5 m). The decrease in total assets was driven primarily by the reduction in cash and cash equivalents and non-current financial investments and other non-current financial assets. These reductions were partially offset by smaller increases in property, plant and equipment, intangible assets, contract assets, and trade receivables.

Trade and other receivables increased by € 17.9 m from € 98.4 m on 31 December 2023 to € 116.3 m on 31 December 2024. The increase was driven by higher revenues in December 2024 where the associated payments were not yet received as of year end.

Inventories as per 31 December 2024 amounted to € 31.1 m, an increase of € 0.2 m compared to 31 December 2023 (€ 30.9 m). This increase related mainly to the Just – Evotec Biologics € 21.0 m (31 December 2023: € 16.6 m) offset with reduced inventory levels at other sites.

Current tax assets amounted to € 41.9 m as per end of 2024, a decrease of € 38.8 m compared to 31 December 2023 with € 80.7 m, mainly driven by the net refund of R&D tax credit receivables and tax payables in France (€ (34.3) m).

Prepaid expenses and other current assets decreased from € 51.3 m as per 31 December 2023 to € 45.5 m as per 31 December 2024. This decrease resulted mainly from a reduction in VAT receivables.

Property, plant and equipment increased slightly by € 17.4 m to € 823.9 m in 2024 (31 December 2023: € 806.6 m). The increase was driven by further investment of € 126.0 m primarily due to advance investments for site expansions (reported as construction in progress) which increased by € 71.2 m and related mainly to the J.POD facility in Toulouse (France) and further build out of the J.POD facility in Redmond (US). Buildings and leasehold improvements increased by € 30.6 m and related primarily to the J.POD US facility and site expansion in Alderly Park for our Cyprotex business. The increase in plant and equipment of € 18.5 m resulted from the overall investments into

laboratory equipment and infrastructure to support the continued growth of the Company and to maintain the highest technology and infrastructure standards. These increases were offset by depreciation of € 95.1 m.

Intangible assets and goodwill increased from € 291.1 m as of 31 December 2023 to € 309.3 m as of 31 December 2024. Intangible assets increased by € 11.0 m to € 26.4 m. As of 31 December 2024, € 19.8 m (31 December 2023: € 4.6 m) was attributable to internally developed technologies and € 1.6 m (2023:€ 0.3 m) to acquired technologies. The remainder is related to customer relationships, patents and licences and trademarks. Goodwill increased by € 7.2 m to € 282.9 m due to foreign currency translation effects on Goodwill held by non-Euro functional currency entities.

Non-current investments and other non-current financial assets and investments in associates and joint ventures decreased from € 142.1 m at 31 December 2023 to € 42.2 m at 31 December 2024. The decrease was primarily driven by the fair value adjustment of our Recursion Pharmaceutical, Inc. (former Exscientia Ltd) investment of € (12.0) m, and the subsequent sale of 100% of our shares of € (69.4) m. Further fair value adjustments to our holdings in Blacksmith Medicines Inc. € (9.9) m, Immunitas Therapeutics Inc. € (5.5) m, and Sernova Corp. € (5.1) m drove the further decrease, offset by a fair value adjustments to Tubulis GmbH of € 4.3 m and various minor additional investments to existing holdings of € 10.9 m.

Deferred tax assets increased to € 17.3 m (31 December 2023: € 14.3 m) generally driven by the tax loss carryforward in UK and France, and further increased by various temporary differences.

Non-current tax assets amounted to € 34.4 m (31 December 2023: € 94.4 m), the reduction is mainly driven by the factoring of R&D tax credit receivables in France (€ 67.0 m).

— CURRENT AND NON-CURRENT LIABILITIES —

The current financial liabilities decreased from € 149.1 m as of 31 December 2023 to € 50.8 m as of 31 December 2024. The decrease is mainly driven by the repayment of loans during the year of € (128.8) m, driving the reduction in the current portion of loans (from € 130.0 m as of 31 December 2023 to € 27.1 m as of 31 December 2024). The current financial liabilities further include current lease obligations which came to € 19.6 m, an increase of € 0.4 m over 31 December 2023 (€ 19.1 m). Current trade and other payables decreased from € 134.3 m to € 85.8 m mainly due to improved working capital management. Current provisions increased from € 45.2 m to € 62.2 m driven by a reduction in ongoing personnel related expenses and an increase due to reorganisation expense, while current contract liabilities amounted to € 106.6 m (31 December 2023: € 97.6 m). Other current liabilities increased to € 27.4 m (31 December 2023: € 22.6 m) mainly due to an increase in social charges.

The non-current financial liabilities decreased from € 477.1 m as of 31 December 2023 to € 392.7 m as of 31 December 2024. The non-current financial liabilities consist of the long-term portion of bank loans and long-term lease obligations. The long-term portion of bank loans decreased by € 46.6 m to € 260.4 m as of 31 December 2024 (31 December 2023: € 307.1 m) mainly due to a reclassification to current financial liabilities and the reclassification of a subsidized loan by Banque Publique d'Investissement of € 20.8 m deferred income in June 2024 as the company determined that conditions were substantially met for forgiveness. Long-term lease obligations decreased from € 170.0 m to € 132.3 m, driven by footprint reductions in Germany and the UK. Non-current contract liabilities amounted to € 156.7 m in 2024 (31 December 2023: € 155.3 m). The increase is driven by prepayments received for future projects, offset by the reclassification of a portion of the initial prepayment associated with the BMS Onco collaboration from non current to current contract liabilities.

Deferred tax liabilities amounted to € 14.5 m (31 December 2023: € 18.1 m). Movements generally relate to book to tax temporary differences in fixed assets and especially depreciation of property, plant and equipment.

— OFF-BALANCE-SHEET FINANCING INSTRUMENTS AND FINANCIAL OBLIGATIONS —

The Company is not involved in any off-balance-sheet financing transactions in the sense of the sale of receivables, asset-backed securities, sale-and-lease-back agreements or contingent liabilities in relation to special-purpose entities not consolidated.

In July 2024, the Company secured a € 250 m senior secured revolving credit facility ("RCF") to strengthen its liquidity position, supporting investments, working capital needs, and future growth. The RCF was intended as a backup credit line rather than a critical financing instrument. In the third quarter of 2024, the Company revised its financial performance guidance for the year, which created unexpected pressure on the debt covenants, including the net debt leverage covenant associated with the newly signed RCF. A covenant waiver and associated draw stop were agreed and remains in place until and including 30 June 2025.

Unused credit lines as per 31 December 2024 amount to € 75.1 m.

As of year end, the company had € 12.9 m of Restricted Cash (31 December 2023: € 11.8 m).

Other commitments and contingencies consist of consultancy agreements, purchase commitments, mile-stone based commitments and guarantees. The future payment obligations resulting from long-term commitments and contingencies total € 95,888.0 m (31 December 2023: € 89.5 m). Lease obligations for non-cancellable lease agreement not yet commenced amounted total € 53.6 m (31 December 2023: € 53.6 m) Please see section 18 of the Notes to the Consolidated Financial Statements.

The Company has licenced or acquired certain third-party intellectual property for use in its business. Under these agreements, Evotec has a commitment to pay milestones dependent on progress or make milestone and licence payments dependent on present and future net income or on third-party sub-licensing fees.

Evotec SE

The management report of Evotec SE and the Group management report for the financial year 2024 have been combined pursuant to section 315 paragraph 5 of the German Commercial Code in conjunction with section 298 paragraph 2 sentence 1 of the German Commercial Code. In addition to the Evotec Group reporting, Evotec SE's net assets, financial position and results of operations as well as its development are described below. The economic situation is presented in a condensed form. Evotec SE's complete statutory financial statements in accordance with the German Commercial Code and the consolidated financial statements are published in the Company Register.

The risks and opportunities are presented in the "Risk and opportunity management" chapter of this combined management report.

In accordance with Evotec SE's business model, revenues and operating profitability strongly depend on the business development of its most important subsidiary, Evotec International GmbH. New contracts and contract extensions are preferably concluded with Evotec International GmbH.

FINANCIAL PERFORMANCE INDICATORS

Evotec SE's business is controlled by the financial performance indicators of revenues, adjusted EBITDA, and liquidity (bank balances as well as trade securities).

2024 FINANCIAL PERFORMANCE INDICATORS COMPARED WITH FORECAST

	Forecast Annual Report 2023	*Actual result*
Revenues	Double digit percentage reduction	*+18.2%*
Adjusted EBITDA	Expected adjusted EBITDA € (55.0) m to € (65.0) m	*€ 46.4 m*
Liquidity	Slightly below € 230 m	*€ 150.3 m*

As stated in the outlook section of the 2023 management report of Evotec SE, a double-digit percentage decline in revenues was expected for the 2024 financial year. Evotec SE closed the financial year 2024 with revenues of € 133.5 m (2023: € 112.9 m). This is above expectations and represents an increase of 18.2% compared to 2023. The increase in revenue is mainly driven by revenue from intercompany recharges of € 46.0 m (2023: € 28.9 m) which grew due to higher IT related and administration cost.

The adjusted EBITDA amounted to € 46.4 m (2023: € (30.0) m) and thus significantly exceeded expectations. The variance is mainly due to higher sales revenue and dividends received from affiliated companies, as well as higher currency gains and lower cost of materials.

At the end of the year, the liquidity was € 150.3 m. Compared to the previous year (€ 250.1 m) and the forecast (slightly below € 230 m), the difference is mainly due to the cash outflow from capital increases and investments, acquisition-related transaction costs, the repayment of loans, and funds provided to subsidiaries. The deviation from the forecast is partly due to different cost forecasts, particularly in connection with the reorganisation.

RESULTS OF OPERATIONS

— REVENUES —

In 2024, total revenues of Evotec SE amounted to € 133.5 m, an increase of € 20.6 m or 18.2% compared to the previous year (€ 112.9 m). Revenues mainly comprised services provided to affiliated companies.

Third-party revenues including milestones decreased from € 20.2 m in 2023 to € 9.4 m in 2024, which corresponds to a reduction of € (10.8) m. In 2024 the contract with CHDI Foundation had been transferred to subsidiary Evotec International GmbH. No revenues from milestones were generated in 2024 (2023: € 1.2 m). Intercompany revenues increased in line with the rising external revenues of Evotec International GmbH from € 92.7 m in 2023 to € 124.1 m in 2024 due to slightly more business interactions between Evotec SE and Evotec International GmbH and the increase of intercompany recharges from € 28.9 m in 2023 to € 46.0 m .

In 2024, the three largest customers (Evotec International GmbH, CHDI Foundation Inc., Bayer AG) contributed 90.7% to total revenues (2023: 94.5%).

— NET RESULT —

Evotec SE ended the financial year 2024 with a net income of € 1.1 m. The adjusted EBITDA for 2024 amounted to € 46.4 m (2023: € (30.0) m).

in € k	2024	2023
Net income/ loss	1,100	(97,923)
plus taxes on income	41	458
less interest income	(14,325)	(14,293)
plus interest expenses	10,281	7,118
plus depreciation of tangible assets	6,792	6,042
plus amortization of intangible assets	1,005	346
plus impairment of financial assets and securities classified as current assets	33,885	61,992
plus external cyber-related costs	8,674	6,300
less income from sale of shares	(35,067,382)	0
plus reorganisation costs	33,989	0
Adjusted EBITDA[1]	46,376	(29,960)

[1] *Regarding the definition please refer to the "Financial performance indicators" chapter of this combined management report*

In 2024, other operating income increased by € 65.5 m to € 99.9 m (2023: € 34.4 m) and mainly reflect income from the sale of financial assets of € 40.2 m as well as currency gains of € 32.2 m. Different from previous year intercompany recharges of € 14.6 are shown in other operating income (2023: € 18.5 m).

The cost of materials fell by € 2.9 m from € 17.1 m in 2023 to € 14.2 m in 2024.This was primarily due to the decline in third-party revenues.

Personnel expenses slightly increased by € 0.6 m from € 64.4 m in 2023 to € 65.0 m in 2024. The increase is mainly driven by an overall increase in the number of employees.

Other operating expenses increased by € 59.4 m from € 102.4 m to € 161.8 m in 2024. The increase was mainly due to expenses from currency conversions of € 32.5 m (2023: € 14.0 m) and reorganisation costs of € 34.0 m. Among other things, the lower expenses for IT-related consulting costs, licence costs, and consumables in the amount of € 14.7 m (2023: € 20,676.0 m), and legal and consulting costs of € 17.6 m (2023: € 21.4 m) had an opposite effect.

Income from investments increased to € 46.5 m in 2024. The dividend income from affiliated companies came from Evotec (France) SAS at 28.6 m, Evotec ID (Lyon) SAS at € 11.4 m, and Aptuit (Potters Bar) Ltd. at € 6.5 m.

Write downs of financial assets decreased by € 28.1 m from € 62.0 m to € 33.9 m due to impairments of nine equity investments at € 25.6 m, loans to investments at €5.2 m and loans to affiliates of € 3,000.0 m.

In the financial year 2024, income from other securities decreased by € 0.4 m to € 12.4 m (2023: € 12.8 m). This decrease was mainly due to lower interest income on loans granted to subsidiaries of € 12.4 m as well as the absence of interest income on short-term investments.

Interest expenses increased from € 7.1 m to € 10.3 m year-on-year, mainly due to interest expenses on loans granted by subsidiaries in the amount of € 2.3 m.

NET ASSETS AND FINANCIAL POSITION

— FINANCING AND FINANCIAL STATUS —

The total assets of Evotec SE amounted to € 1,290.3 m (2023: € 1,288.4 m) at the financial year end.

— LIQUIDITY AND FINANCING —

As of 31 December 2024, liquidity had decreased by € 99.9 m to € 150.3 m (2023: € 250.1 m). Changes in foreign exchange rates had a minor impact. The decrease was mainly due to capital increases at Evotec (US) Inc. of € 50.2 m and Just – Evotec Biologics EU SAS of € 40.0 m.

The net cash outflow from operating activities amounted to € (76.6) m (2023: net cash outflow of € 14.8 m). The cash inflow primarily resulted from prepayments of € 6.6 m and an increase of accrued liabilities of € 6.4 m. The cash outflows were mainly due to an increase in receivables of €24.4 m.

The net cash inflow from investing activities amounted to € 3.7 m (2023: net cash outflow € (138.4) m). The cash outflow was mainly driven by 90.2 m of capital contribution for equity investments and new equity investments. Capital expenditure rose in 2024 to € 8.2 m (2023: € (6.3) m). Evotec SE received a net cash inflow of € 69.4 m in 2024 for equity divestment performed during the year, as well as € 40.0 m of cash dividends from affiliated companies Evotec (France) SAS (€ 28.6 m) and Evotec ID (Lyon) SAS at € 11.4 m.

The net cash outflow from financing activities amounted to € (27.0) m (2023: net cash inflow of € 76.2 m). This primarily resulted from Evotec SE repaying existing external bank loans by € 128.5 m, while receiving net repayments of intercompany loans of € 101.1 m.

NET ASSETS

— CAPITAL STRUCTURE —

The total share capital increased by € 0.4 m to € 177.6 m. In 2024, 367,720 shares from share performance awards ("SPAs") from Evotec Group employees and members of the Management Board, as well as former Evotec Group employees and former members of the Management Board (2023: 233,083 shares) were converted into Evotec shares by using conditional capital. As of 31 December 2024, Evotec SE held 167,415 treasury shares (31 December 2023: 249,915).

In financial year 2024, total equity increased by € 1.5 m to € 839.4 m (2023: € 837.9 m), mainly due to the positive net result. As of 31 December 2024, Evotec SE reported a slightly increased equity ratio of 65.1% (2023: 65.0%).

— NET ASSETS AND LIABILITIES —

Property, plant and equipment decreased by € 4.1 m to € 28.0 m as at 31 December 2024 (2023: € 32.1 m). This is mainly due to a disproportionate increase of depreciation in the amount of € 6,8 m in line with the additional capitalizations.

The financial assets include shares in affiliated companies, loans to affiliated companies, investments and loans to investments. In 2024, the financial assets increased by € 76.9 m and amounted to € 939.9 m as of 31 December 2024 (2023: € 863.0 m). New loans to affiliated companies relate primarily to Just – Evotec Biologics EU SAS and classifications as fixed assets in the total amount of € 30.3 m . Disposals in the amount of € 14.2 m relate to the loan waiver for Evotec DS Germany GmbH, Halle (Westfalen). The effect of capital increases at affiliated companies and acquisitions amounted to € 116.5 m (2023: € 128.7 m). Of this, € 109.4 m was attributable to the expansion of existing investments in affiliated companies, mainly the subsidiaries Just – Evotec Biologics EU SAS and Evotec (US) Inc. In addition Evotec SE had to impair nine equity investments and loans issued in the total amount of € 33.9 m, as delays in the respective lead programmes led to the failure of further financing rounds and as a result in impairment. Ananke Therapeutics Inc., Boston, USA, was liquidated in the financial year 2024. The shares in Recursion, Salt Lake City, USA (formerly Exscientia PLC, Oxford, UK) and the shares in Evotec DS Germany GmbH, Halle (Westfalen) were sold in the financial year 2024 with an impact on the financial assets of € (30,1) m. Write-ups were made on two investments in the amount of € 0.5 m.

Compared with 31 December 2023, receivables and other assets increased by € 19.7 m to € 152.9 m (31 December 2023: € 133.2 m). This increase was mainly due to the bank collateral provided to secure loans and rental liabilities.

As a result of a lower volume in new and the sale of existing investments, securities decreased by € 159.0 m to € 69.5 m compared to the previous year (2023: € 228.5 m).

In 2024, other provisions increased by € 9.9 m from € 19.5 m to € 29.4 m. The increase resulted mainly from higher provisions for onerous contracts for derivates and in connection with the reorganisation.

In 2024, Evotec SE’s liabilities to banks decreased by € 128.6 m to € 280.0 m (2023: € 408.6 m). This change is mainly due to the repayment of the promissory note in the amount of € 108.5 m.

Trade accounts payable decreased by € 1.9 m to € 10.7 m (2023: € 12.6 m) in line with with the cost-saving programme.

GENERAL STATEMENT ON EXPECTED DEVELOPMENTS BY THE MANAGEMENT BOARD

In 2024, Evotec SE achieved an increase in revenues of 18.2%, which was above the forecast. External revenues fell short of those achieved in 2023 by € (10.8) m. Intercompany revenues increased from € 92.7 m in 2023 to € 124.1 m in 2024 due to slightly more business interactions between Evotec SE and Evotec International GmbH and the increase of intercompany recharges from € 28.9 m in 2023 to € 46.0 m.

Adjusted EBITDA amounted to € 46.4 m in 2024 (2023: € (30.0) m). The increase was driven by higher revenues and dividends received from affiliated companies, accompanied by higher foreign exchange gains and lower material expenses.

In 2024, Evotec successfully made the necessary structural adjustments in the face of a significantly weaker market environment, including the sale of Evotec DS in Halle, Germany. The positive revenue development, income from affiliated companies, and the gain from sale of shares in Recursion, Salt Lake City, USA (formerly Exscientia PLC, Oxford, UK) led to a significant year-on-year recovery in adjusted EBITDA.

OUTLOOK FOR EVOTEC SE

— EXPECTED OPERATING RESULTS —

For the financial year 2025, Evotec SE expects stable revenues in comparison to 2024. This assumption is based on the current order backlog within Evotec International GmbH, as well as foreseeable new orders and contract extensions. Despite the positive development of the Evotec Group, Evotec SE's adjusted EBITDA is expected to be in the range of € 5.0 m to € 15.0 m, as Evotec SE mainly bears the costs of strategy development, technology expansion, and financing of a parent company.

— EXPECTED LIQUIDITY —

Evotec SE's liquidity position mainly decreased in 2024 due to the repayment of the promissory note. In the financial year 2025, the liquidity of Evotec SE is expected to decrease just below € 100 m, due to further investments and a reduction of intercompany revenues. At the end of 2023, Evotec was able to secure financing from the EIB in the amount of € 150 m, from which Evotec will draw the outstanding balance of € 56.7 m by the end of 2025.

Please also refer to the statements in the Group outlook section, which also reflect the expectations concerning Evotec SE.

Reporting pursuant to section 289c and section 315c of the German Commercial Code

Evotec publishes as part of its Sustainability Report a Group non-financial report in accordance with section 289c and section 315c of the German Commercial Code This year Evotec reports voluntary and for the first time with reference to the European Sustainability Reporting Standards ("ESRS"). To get a detailed overview about Evotec's sustainability performance, please see Evotec's "Sustainability Report 2024".

The report provides a new level of ambition and transparency to a broad range of environmental, social and governance topics in business fields. It is available on the Evotec website under the following link: *https://www.evotec.com/en/investor-relations/financial-publications*

Risk & Opportunities Report

RISK AND OPPORTUNITY MANAGEMENT

— GROUP WIDE RISK MANAGEMENT —

Evotec operates in a complex and ever-changing global business environment. Many internal and external factors therefore affect the achievement of Evotec`s objectives. For this reason, the assessment of opportunities and risks is embedded in management´s decision-making.

Within the Evotec Group, risks are defined as future events, developments and changes that may negatively affect or jeopardise the achievement of its strategic objectives. Nevertheless, deliberately taking and managing risks is an essential part of the Group's strategy to safeguard any opportunity that may have a positive impact on its projected targets.

Evotec's risk management system aims to include all the controls that ensure a structured management of opportunities and risks throughout the Group. The Company sees the management of risks and opportunities as a continuous challenge. The full range of actual and potential developments within the Group and its operating environment must be identified, analysed and assessed. Suitable measures to mitigate risks are taken when needed to optimise the Group's risk situation whilst keeping potential opportunities open. Its risk management is supported by internationally recognised standards (Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission - COSO) and by a group-wide internal control system ("ICS") and a compliance management system ("CMS").

Evotec has implemented an early risk detection system and a risk bearing capacity model in accordance with section 91 paragraph 2 of the German Stock Corporation Act ("AktG") to ensure the legally required monitoring of essential business risks by the management board and supervisory board. Beyond this, Evotec has implemented an internal control system as required by Section 91 paragraph 3 of the German Stock Corporation Act ("AktG") in conjunction with Section 289 paragraph 4 and Section 315 paragraph 4 of the German Commercial Code ("Handelsgesetzbuch - HGB"). Since 2022, Evotec has also been required to comply with the requirements of the US Sarbanes-Oxley Act 2002 (Section 404) regarding internal controls over accounting and financial reporting.

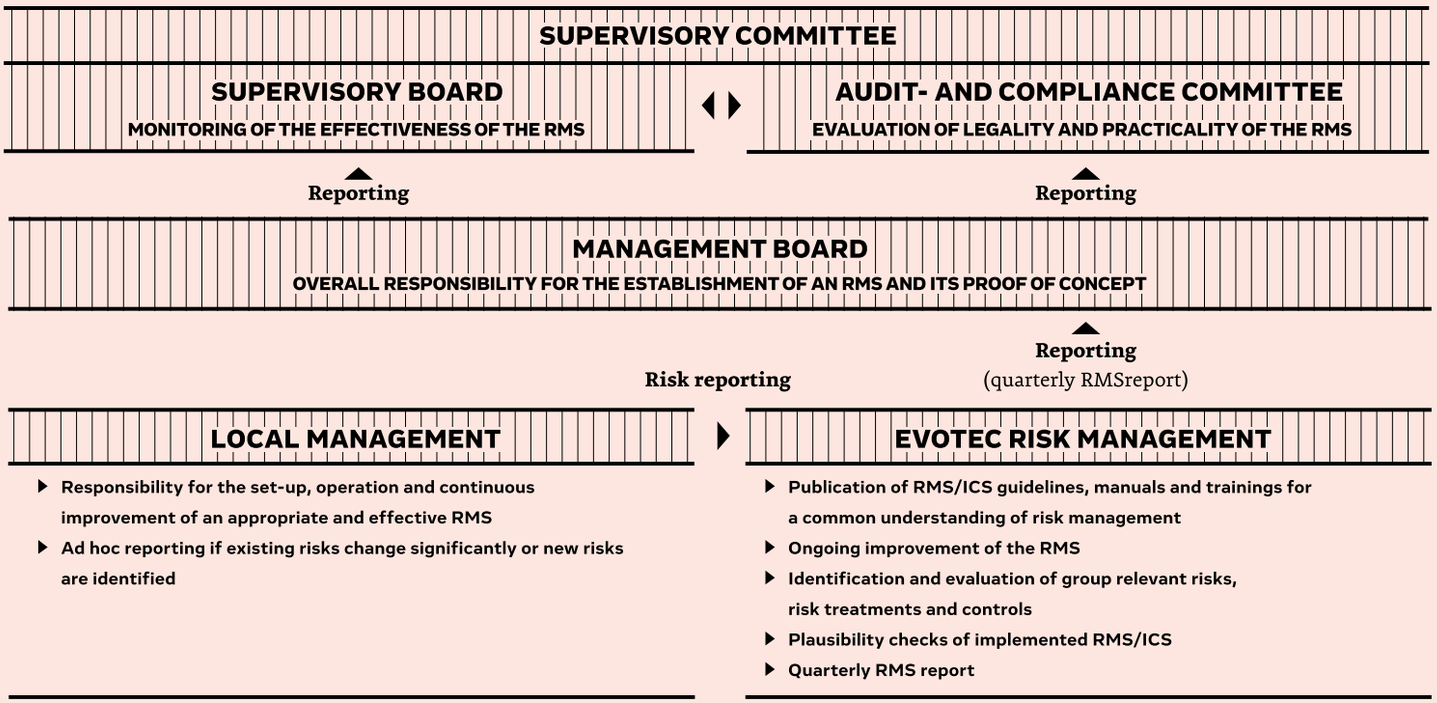
— BASIC ELEMENTS OF THE RISK MANAGEMENT SYSTEM AND THE INTERNAL CONTROL SYSTEM —

The Company's risk management system in accordance with Section 91 paragraph 3 of the German Stock Corporation Act ("AktG") is attuned to the early detection, assessment, and management of major risks, in particular those that may threaten its existence. Thanks to extensive, continuous analysis and monitoring of individual risks, Evotec can weigh operational and economic parameters and initiate specific measures to mitigate or entirely prevent the potential negative impact of risks.

Evotec's Management Board assumes the responsibility for the risk management system and the underlying cornerstones of risk policy and strategy. The group-wide coordination, implementation and development of the risk management system is handled by the Global Risk & Control department, which routinely reports directly to the Chief Financial Officer ("CFO"). Full risk reports are also presented at least twice a year to the Management Board and Audit and Compliance Committee.

The Global Risk & Control department sets the main guidelines and closely communicates with all corporate units and all risk-relevant operational and enabling functions both at the group level and in the subsidiaries. It helps to identify and assess risks, providing advice for and monitoring the shaping and implementation of suitable countermeasures. In this context, contacts for risk reporting and risk management in all business units are continuously identified and nominated.

RISK MANAGEMENT STRUCTURE AND DUTIES



Risk detection

The process and responsibility of continuous detection of risks happens both at the group level, through continuous monitoring of business activities, the overall economic environment, the competitive environment etc., and at the entity levels, through the designated risk owners and risk specialists in key positions. In cooperation with the Global Risk & Control department, the detected risks are analysed in regards to their effects and classified into predefined risk categories and possible risk aggregates. Corporate Risk & Control department has the overall responsibility to maintain and update the risk portfolio in the risk management tool based on the information received and developed.

Risk assessment

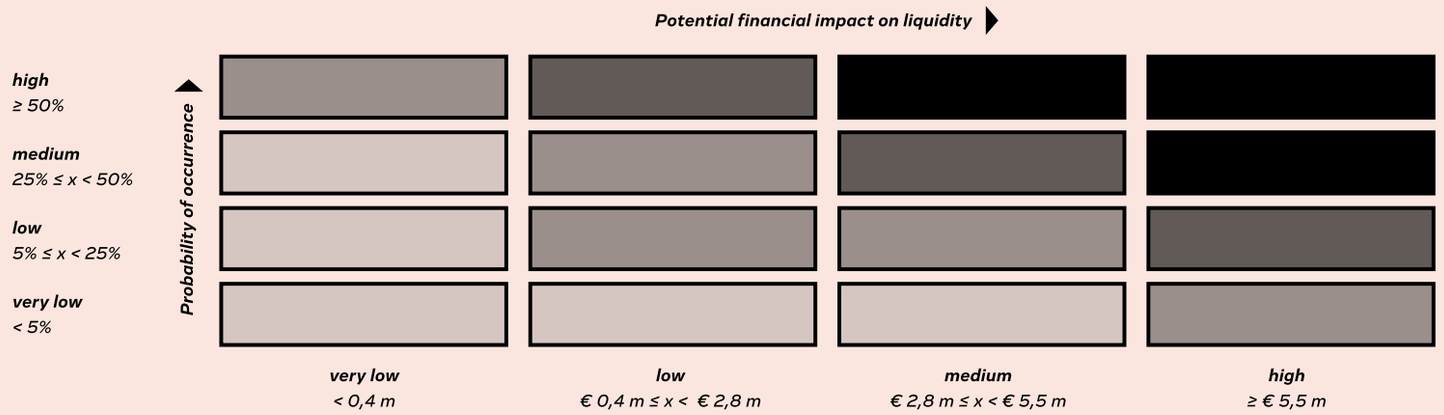
Risks are assessed based on two criteria: probability of occurrence and potential damage. As a basic standard, all risks are evaluated on a gross (i.e., before the consideration of response measures) and a net (i.e., remaining risks under consideration of effective risk response measures) risk basis. The risk assessment is based on the potential impact on cash, taking into account materiality thresholds. The materiality for reportable risks is reviewed annually and recalculated based on Evotec's business development and risk-bearing capacity and adjusted if necessary. Evotec's risk approach generally assumes that risks can have a direct or indirect impact on Evotec's financial performance. A cash-based risk assessment of all risk types and their consequential risks (strategic risks, compliance risks, reputational risks, etc.) is a fundamental expectation.

Notwithstanding this, Evotec also includes non-financial risks in its risk management that have no direct or indirect impact on liquidity, but may nevertheless have a negative impact on the achievement of the Company's objectives.

The classification of risks and the risk matrix generated for the internal quarterly risk report are based on the following four-level risk classes.

In due consideration of corporate strategy and development, the Company reviews the levels of probability of occurrence and financial impact once a year to see if any changes need to be made. The risk criteria for the potential impact on liquidity are calculated under consideration of the business development (financial criteria), tolerance materiality and risk appetite. In comparison to prior year the criteria level did not change.

These reporting criteria apply exclusively to the Group. As the subsidiaries vary in size, the regional entities are in charge of adjusting critical damage levels in their local risk management systems to fit local financial capacities.



Risk management

Regardless of the risk categorisation, all active risks must be managed with appropriate measures (= measure to reduce, prevent or transfer risks). Acceptance of risk without initiating any measures is permitted only in individual cases and generally not for high risks. The appropriateness, implementation grade and execution of implemented and planned measures is monitored by the Global Risk & Control department. The status of all mitigating activities and their efficiency is documented in Evotec`s risk management tool and reviewed by the Group's Risk & Control department at least twice a year.

Risk reporting

Based on the risks identified, evaluated and reported through bottom-up and top-down procedures, the Global Risk & Control department submits risk reports to the Management Board, the Supervisory Board's Audit and Compliance Committee and to the Supervisory Board itself. In addition to presenting the risk assessment of new and existing top risks, Evotec´s risk reporting also includes a presentation of risk development and the degree of effectiveness and development of countermeasures. Year-end reporting also includes a comprehensive presentation of all risks, including all countermeasures that have been implemented, are being implemented and are planned.

Risk monitoring

The Supervisory Board oversees the monitoring of the appropriateness and effectiveness of the risk management system. The Management Board and the Supervisory Board review the processes of the risk management system once every year. Moreover, Evotec gives high priority to responsible and value-based corporate governance. The Management Board considers the risk management system to be appropriate and effective for the reporting year.

Internal control system

With our listing on the U.S. stock exchange "Nasdaq" in 2021, we have expanded our documentation of existing accounting-related internal controls to include the regulations of the Sarbanes-Oxley Act of 2002, Section 404 (SOX 404). Section 404 of the Sarbanes-Oxley Act ("SOX") requires all publicly traded companies to establish internal controls and procedures over accounting and financial reporting and to document, test, and maintain those controls and procedures to ensure their effectiveness. The results for the evaluation of the internal control system in accordance with the regulations of SOX 404 are published annually in the 20-F document that must be submitted to the United States Securities and Exchange Commission ("SEC"). Under Section 404, Evotec is required to include in their 20-f document with their annual filing:

- A statement of management's responsibility for establishing and maintaining adequate internal control over financial reporting
- A statement identifying the framework used by management to evaluate the effectiveness of internal control
- Management's assessment of the effectiveness of internal control as of the end of Evotec's fiscal year end
- A statement that Evotec's external auditor has issued an attestation report on management's assessment

Evotec's internal control system is based on the globally recognized "COSO 2013 Internal Control - Integrated Framework" defined by the COSO organisation (Committee of Sponsoring Organizations of the Treadway Commission). The aim of the Company's internal control system is to minimize the occurrence of procedural risks to an acceptance level. This also includes ensuring proper and effective accounting and financial reporting in accordance with national and international accounting standards and regulations. The accounting based internal control system is intended that a timely, uniform and correct accounting entry of all business transactions based on applicable accounting standards is guaranteed.

All internal controls are defined and rolled out for all companies in scope with support of the Global Risk & Control department in close coordination with the departments involved. The internal control system, including the accounting based internal control system, of Evotec comprises both process-integrated and process-independent protective measures. The process-integrated measures are organisational, automatic systems and controls that are built into structures and processes and ensure a certain level of protection. Furthermore, internal guidelines and procedural instructions exist that regulate the implementation of process activities and controls and must always be complied with by the employees involved. The control mechanisms described apply both to the accounting processes on local and group level, which includes consolidation as well. In addition to process integrated measures, process-independent protective measures are conducted by the independent Global Internal audit function. This

ensures the legally obligatory monitoring of the effectiveness of the internal control system by the Supervisory Board in accordance with § 107 paragraph 3 of the German Stock Corporation Act ("AktG"). Due to the additional obligations of SOX 404 the Internal Audit is responsible to perform a yearly independent audit of the internal control system over financial reporting. The results for the evaluation of the internal control system in accordance with the regulations of SOX 404 are published annually in the 20-F document that must be submitted to the United States Securities and Exchange Commission (“SEC”). The Internal Audit function reports on a regular basis to the CFO and at least on a quarterly basis to the Audit and Compliance Committee on the results of the audits of the accounting-related internal control system. Regardless, internal controls can only provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with applicable legal requirements for external purposes. During the reporting year, management identified certain weaknesses in our internal control over financial reporting. As a result, management has concluded that our internal controls over financial reporting are partially inadequate and not effective in the overall assessment.

OVERVIEW OF CURRENT RISK SITUATION

Evotec is exposed to various risks arising from its activities and from the sector. Each of these risks could have a significant negative impact on its general business, its financial situation and its results.

Evotec has classified the most important risks in the following categories: strategic risks, financial risks, legal/compliance risks, ownership and patent risks, HR risks, information technology risks, and operational risks.

In the following, material risks from Evotec´s risk assessment are reported. Established risk control measures are taken into account so that the following risk overview is based on a net risk perspective for the probability of occurrence and the financial impact. As part of our comprehensive risk and opportunity management, we also identify current and potential risks and opportunities arising from environmental, social and governance ("ESG") aspects. In the following, Evotec describes the individual risk categories and indicate their risk classification. The order does not imply any valuation of the risks.

Evotec points out that an inevitable uncertainty in the risk assessment is implicit as risk assessments are subject to considerable estimations and require assumptions that not always can be verified through previous internal experiences or external sources.

The table below is an overview of these risks.

Changes in key financial figures, which serve as the basis for the quantitative risk assessment of some risks (e.g. turnover), can lead to an increase or decrease in the overall risk assessment. An increase or decrease in the risk position compared to the previous year may therefore be due to a change in the risk assessment and/or a mathematical valuation adjustment.

CORPORATE RISK OVERVIEW (AGGREGATED)

	Potential financial impact	*Probability of occurence*	*Change compared with previous year*
1. Strategic risks			
Risks from strategic review	Medium	Medium	
Macroeconomic risks	High	Low	
Competitors and disruptive market participants	High	Low	
Partnership risks in drug development and manufacturing	High	Low	
Technological risks	Medium	Medium	
Commercial risks from out-licensing and licenced products	Medium	Medium	
2. Financial risks			
Liquidity risk	Medium	Very Low	⬆
Currency risks	High	Low	
3. Legal/compliance risks			
Litigation	High	Very Low	
Regulatory risks	High	Medium	⬆
Quality risks in R&D	High	High	⬆
General governance and compliance risks (fraud, corporate governance)	High	Medium	
Changes in tax laws and interpretations by tax authorities	Medium	Medium	
Loss of R&D tax credits	High	Low	⬆
4. Ownership and patent risks			
Patents and proprietary technologies	Medium	Medium	
Licences granted for partnered assets	Medium	Medium	
5. HR risks			
Loss of highly qualified staff (key employees)	High	Medium	
Risk related to talent acquisition and employee retention	Medium	Low	
6. Information technology risks			
Loss of data	High	Low	
Data integrity and protection	High	Medium	⬆
GDPR and other similar jurisdictions	High	Low	
Cyber risks	High	Medium	
7. Operational risks			
Environmental, health and occupational safety risks	Medium	Low	
Supply chain risks	High	Low	
Process risks	High	Medium	
Major disasters on sites	High	Low	⬆

Based on the principles of risk factor assessment described above, the Management Board believes that no risks have been identified currently that jeopardise the continued existence of Evotec, either alone or in a foreseeable aggregation.

1. Strategic risks

Evotec is currently undergoing a **strategic review**, targeted for completion early Q2 2025. The goal is to define a new vision for the company and establish a clear position for the future.

During this transitional period, there is a risk of uncertainty both within and outside the organisation. This uncertainty could lead to potential delays in work, late decision-making, and unclear priorities.

Embarking on a strategic review presents significant opportunities but also entails inherent risks. Failure to execute the strategy effectively could result in a misalignment with the company's established strengths, such as R&D expertise, scientific excellence and technology leadership potentially diminishing our competitive advantage. Additionally, rapid shifts in the biotech landscape or advancements by competitors during the transformation period could render the new strategy less effective.

Further to the strategic review, Evotec will embark on a transformation journey, gaining back our strong and profitable position in the market. While this is clearly needed and expected, the execution will also bear some risks.

Poor planning, insufficient resources, or ineffective project management could lead to delays, cost overruns, or incomplete implementation. The transformation may also require substantial investment. If anticipated returns are not achieved, it could strain financial resources and impact long-term sustainability. Furthermore, unsuccessful execution or visible missteps could harm the company's reputation among investors, partners, and the broader industry.

To mitigate these risks, Evotec is committed to maintaining due diligence and acting responsibly to provide timely clarity on the new strategy, organisational structure, and transformation agenda.

Evotec faces potential risks arising from new or changing conditions, developments, and events that could significantly impact the company's business model and, consequently, its ability to achieve its strategic objectives. Evotec's strategy aims to cover the entire value chain of early research and pre- clinical development to improve patients' lives by addressing a broad range of disease areas in collaboration with partners, using a modality-agnostic approach. Failure to successfully execute this strategy could negatively affect the company's future business performance and market capitalization. The risk of failure to achieve strategic targets depends thereby on internal and external factors.

Evotec operates in a global environment, making it susceptible to **macroeconomic risks** that could significantly impact operations, financial performance, and strategic objectives. The ongoing Ukraine-Russia conflict and tensions in the Middle East pose significant risks to global economic stability. These conflicts can disrupt supply chains, increase costs for raw materials, and create uncertainty in key markets. For example, heightened geopolitical instability may lead to interruptions in the availability of critical resources or hinder global transportation networks, delaying delivery timelines and escalating operational expenses. The Ukraine-Russia conflict has already resulted in volatility in energy markets, with Europe being particularly impacted by higher energy prices due to its reliance on natural gas imports. Similarly, instability in the Middle East has the potential to disrupt global oil supplies. Rising energy costs directly affect our operations, especially our higher energy-intensive manufacturing facilities. Changes in trade policies and agreements, particularly following significant political events such as the election of Donald Trump as U.S. president, could introduce new tariffs, trade barriers, or restrictions could impact our business. Uncertainty around trade relationships may result in higher import/export costs for essential materials. The ripple effects of geopolitical conflicts, coupled with broader economic uncertainty, contribute to inflationary pressures that increase the cost of raw materials, labour, and services. Both geopolitical conflicts and evolving trade agreements exacerbate vulnerabilities in global supply chains. Delays or disruptions in sourcing key components, such as reagents, lab equipment, or specialized materials, could significantly impede research timelines or product development efforts. To address these risks, Evotec is diversifying its supply chains, explores energy efficiency initiatives, and implements robust risk management strategies.

The biotechnology and pharmaceutical industries have experienced rapid growth in recent years but remain intensely competitive. Evotec faces the risk that **competitors or disruptive market participants** may replicate its business model or introduce innovative offerings that could render its services less competitive or even obsolete.

The Company's mission is to discover best- and first-in-class medicines for a broad range of difficult-to-treat diseases in collaboration with its partners. To achieve this, Evotec has developed a comprehensive suite of fully integrated, next-generation technology platforms designed to transform drug discovery and development. These platforms enable significant improvements in drug quality, accelerate the discovery process, and reduce the high attrition costs often associated with traditional methodologies.

To remain competitive, Evotec must continuously innovate and provide cutting-edge solutions to its partners. Failure to do so could materially and adversely affect its business. Additionally, industry pressures such as intensified cost-containment measures, particularly on prescription drugs, impact Evotec's partners and may indirectly affect the Company. A contraction in the pharmaceutical and biotechnology industries due to pricing pressures could also materially impact Evotec's operations.

The company consistently invests in the development of cutting-edge technology platforms, services, and products to enhance its competitiveness and differentiation. Risks to keep pace with **technological developments**, such as the integration of AI technologies, could result in missed opportunities for automation, predictive analytics, and improved decision-making. For example, a lack of AI-driven systems for compound selection during drug screening could lead to inefficiencies and delays relative to competitors. Shortcomings in these areas could significantly disrupt operations, impair cash flows, and negatively impact Evotec's overall business strategy and performance.

Competition poses further risks. Superior offerings from competitors could harm Evotec's market positioning, revenues, financial conditions, and overall strategy. In 2024, 38% of the Company's revenue came from three customers, and 109 customer alliances each generated over € 1 m. Losing key customers to competitors could significantly impact the Company, especially as competition intensifies from cost-conscious CROs in Asia and Eastern Europe, which offer compelling alternatives for price-sensitive customers. The expansion of pharmaceutical companies into biotech services further increases outsourcing options, while emerging AI-driven biotech's present growing competitive threats. These AI-focused companies are competing for deals and partnerships with major pharmaceutical firms and may enhance their wet lab capabilities, increasing competition in drug discovery.

Evotec's drug discovery and development efforts also face challenges from market players with greater resources or superior manufacturing capabilities. The success of its R&D efforts depends on the competitiveness of its pipeline products against existing or future therapies. If Evotec's products fail to stand out, this could increase uncertainty around future cash flows, adversely impacting its financial position and business strategy. To navigate these risks, Evotec relies on reasonable cost management, continued development of innovative technologies, revenue diversification, and result-driven alliances. The Company's diversified business model, built on years of developing multifunctional technologies and platforms, is critical to maintaining its leading role in drug discovery within the pharmaceutical and biotechnology sectors.

Evotec faces risks to successfully maintain strategic **partnerships in drug development and manufacturing** due to failure whereas some of the factors of success are beyond its control. For instance, if our customers change their strategic focus, unexpected or unfavourable study results arise, or customers are dissatisfied with our performance under existing agreements, contracts — including those foundational to our strategic relationships with key clients — could be terminated or scaled back with little or no notice. The termination of a major contract or simultaneous delays, cancellations, or conclusions of several agreements could significantly impact our strategic objectives and adversely affect our operating results.
Additionally, the company could be significantly affected by a decline in research spending by existing or potential customers or a reduction in outsourcing within the biopharma industry. While current market assessments suggest continued recovery, any disruptions could hinder Evotec's ability to meet growth expectations.

Evotec aims to serve as a source of innovative drug candidates for potential partners. The company is advancing multiple active drug discovery and early development projects that it intends to licence to partners for clinical development and commercialization. However, Evotec's strategic growth goals could be jeopardized by the fact that some of its projects remain unpartnered. If Evotec fails to secure suitable partners or agree on acceptable terms, the company may be unable to generate returns from these projects.

Moreover, changes in the commercial priorities of Evotec's partners could lead to strategic re-prioritizations or the discontinuation of certain projects or partnerships. In such cases, Evotec would assume the risks associated with further development and re-partnering efforts. A failure to secure new partners could result in additional costs and the loss of potential revenue streams, undermining Evotec's ability to achieve its strategic objectives.
Pharmaceutical and biotech companies are increasingly outsourcing drug development and manufacturing to CDMOs to reduce costs, access specialized expertise, and accelerate time-to-market. With Just – Evotec Biologics, Evotec strategically focuses on providing development and manufacturing services for antibodies, next-generation biologics, and biosimilars. Our innovative, integrated end-to-end continuous manufacturing platform is highly intensified, enabling significantly higher productivity within a smaller footprint compared to traditional batch manufacturing.
Maturing into a late stage/commercial CDMO will allow us to leverage larger-scale operations to lower production costs, benefiting our clients. Additionally, our ability to scale production flexibly based on client needs during product launch, growth, or sunset phases positions us for long-term partnerships with significant financial potential for Evotec.
However, risks remain. Inspection and approval of US sites by the FDA is dependent upon our client base and their progression through drug development inclusive of late-stage clinical trials. Internally, failing to meet client timelines, insufficient resources like raw material delays, technical batch failures, or the loss of key personnel could hinder progress in our business, potentially increasing costs. Externally, clients may adjust portfolios or terminate partnerships for financial or market reasons, posing immediate financial risks. These challenges could impact Evotec's strategic objectives, reputation, and long-term financial targets. We try to counteract this risk in particular by establishing and following high quality standards, close communication with our customers and a strong prioritization of resources on Just – Evotec Biologics.

The **commercial risk from out-licensing and in-licenced products** is a risk in Evotec's view as Evotec depends in part on out-licensing arrangements for late-stage development, marketing and commercialization of its pipeline assets. Dependence on out-licensing arrangements subjects Evotec's to several risks, including the risk that it has limited control over the amount and timing of resources that the Company's licencees devote to pipeline assets, that its licencees may experience financial difficulties or that its licencees may fail to secure adequate commercial supplies of pipeline assets upon marketing approval, if at all. Moreover, Evotec faces the risks that its future revenues depend on the efforts of its licencees and that business combinations or significant changes in a licencee's business strategy may adversely affect the licencee's willingness or ability to complete the development, marketing and/or commercialization of the relevant pipeline assets. Finally, a licencee could move forward with a competing product candidate developed either independently or in partnership with others, including Evotec's competitors.

If Evotec or any of its licencees' breach or terminate their agreements with Evotec or if any of its licencees otherwise fail to conduct their development and commercialization activities in a timely manner or there is a dispute about their obligations, Evotec may need to seek other licencees, or the Company may have to develop its own internal sales and marketing capability for its pipeline assets. Evotec's dependence on its

licencees' experience and the rights of its licencees will limit Evotec's flexibility in considering alternative out-licensing arrangements for its pipeline assets. Any failure to successfully develop these arrangements or failure by Evotec's licencees to successfully develop or commercialize any of Evotec's pipeline assets in a competitive and timely manner will have a material adverse effect on the commercialization of the Company's pipeline assets.
To mitigate this risk to the extent possible, detailed project reporting is established within Evotec and stipulated in any collaboration agreement.

2. Financial risks

Revenue fluctuations, expenditures, external events, and changes in the business environment might negatively impact Evotec's short-to-medium term profitability and **liquidity**. Evotec participates in scientific projects with milestone character in order to benefit financially from high success or specific results. However, these are usually linked to the successful achievement of an important scientific result or regulatory event, so that the outcome is uncertain due to the nature of scientific research and development. Therefore, despite our best efforts, there is a risk that these milestones will not be reached or will be reached later than planned, which may have a negative effect on the planned liquidity and margin. Evotec may also be exposed to liquidity risks from long-term fixed-price contracts if the planned cash inflows in connection with these contracts are lower than expected and if cost increases (e.g. inflation) were not sufficiently factored in and negotiated when the contracts were concluded.

As of 31 December 2024, Evotec had € 396.8 m in cash, cash equivalents and investments. However, Evotec's operating plan may change as a result of many factors currently unknown to the Company, and Evotec may need to seek additional funds sooner than planned, through public or private equity or debt financings, government or other third-party funding, sales of assets, other partnerships and licensing arrangements, or a combination of these approaches. Even if Evotec believes to have sufficient funds for its current or future operating plans, the Company may seek additional capital if market conditions are favourable or if Evotec has specific strategic considerations. Evotec's spending will vary based on new and ongoing development and corporate activities. All options of refinancing are reviewed on a regular basis, including potential capital increases and the use of debt instruments. At the end of 2022, Evotec was able to secure € 150 m in additional financing from the EIB. By the end of 2024, Evotec drew € 93.3 m of this loan to finance its research. To actively address any related risk and safeguard its cash position, Evotec has defined minimum liquidity levels and regularly undertakes scenario planning. In full compliance with the Company's investment policy, the general risk of losing a significant amount of cash in cash investments is mitigated by spreading investments in high-quality credit instruments across several banks and by monitoring these banks and investments on an ongoing basis. The selected instruments are used exclusively to secure the underlying transactions, but not for trading or speculation. Overall, Evotec believes to have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation. Evotec's business and reported profitability are affected by fluctuations in foreign exchange rates mainly between the US dollar, Pound Sterling and the Euro.

In July 2024, the Company secured a € 250 m senior secured revolving credit facility (RCF) to strengthen its liquidity position, supporting investments, working capital needs, and future growth. The RCF was intended as a backup credit line rather than a critical financing instrument. In Q3 2024, the Company significantly revised its financial performance guidance for the year, which created unexpected pressure on its debt covenants, including the net debt leverage covenant associated with the newly signed RCF. To mitigate the risk of a covenant breach, the Company reached an agreement with the RCF lenders to implement a precautionary draw stop in exchange for a covenant waiver. Draw stop and waiver remain in place until the Company and its lenders renegotiate the RCF terms, reflecting the updated credit situation, in the second half of 2025. The liquidity risk resulting from the draw stop is limited, as the Company maintains sufficient operational liquidity to cover its funding needs for the year 2025.

Evotec manages the **currency risks** via close market monitoring, forward rate agreements, natural hedges and other selective hedging instruments. Hedging transactions are entered into for future transactions that can be reliably anticipated based on Evotec order book. Despite active currency management, exchange rate risk cannot be fully eliminated due to unpredictable volatility. As a result, Evotec's business may be affected by fluctuations in foreign exchange rates, which may have a significant impact on its results of operations and cash flows from period to period. Currency exchange movements also impact Evotec's reported liquidity in respect of translating liquid assets held in US dollars (approximately 26% of Evotec's liquid assets) or pound sterling into Euros. In the course of 2024 the Company has slightly reduced its currency exposure. On 31 December 2024, 62% of the Liquidity is held in EUR.

Interest rate risks may arise from inevitable negative development of market interest rates. The increase in interest rates affects the interest charges on Evotec´s variable interest-bearing loans and leads to additional interest expenses. At the end of 2024, 5% of Evotec's loans have variable interest conditions. Therefore, the interest rate risks on loans can be considered immaterial.

The Company regularly maintains cash balances at third-party financial institutions in excess of applicable insurance limits and are therefore reliant on banks and other financial institutions to safeguard and allow ready access to the assets. If banks or financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, Evotec´s ability to access its existing cash, cash equivalents and investments may be threatened.

Default risks can arise as a result of a customer defaulting on payment. Our customers are generally financially stable pharmaceutical companies, research institutions and larger biotechnology companies, meaning that the risk can be classified as rather low.

3. Legal/compliance risks

Evotec strives to address legal risks as early as possible and respond pro-actively. Permanent measures are meant to entirely prevent any compliance violations.

Despite Evotec's pro-active measures, the Company is exposed to risks from **litigation** and cannot completely rule out infringements of legislation or regulations. As a result, Evotec is exposed to the potential risk that legal action, court rulings or out-of-court settlements may have adverse financial consequences. For major and/or complex transactions, Evotec pro-actively seeks external advice to mitigate the related risks.

The Company is bound by numerous contracts with a high degree of standardisation, in particular customer contracts under which Evotec is providing services. Some of the contracts, in particular collaboration agreements with other partners, are more complex and have a lower degree of standardisation. Contractual clauses which, after final negotiation with the partner, are rather unfavourable for Evotec may entail contractual risks like legal liability risks and financial risks. Risks may also arise if the parties interpret a contractual clause differently than Evotec intended. Evotec addresses this risk by continuously involving highly specialized in-house commercial legal counsels in the negotiations as well as the specialized departments, such as Business Development, Finance and Accounting, Operations, Quality, Insurance, IT and the IP Department or external legal advisers when needed. Thanks to this cumulative expertise of established review and contract drafting processes, Evotec has not recorded any judicial or material out-of-court settlements with customers in the past 10 years, so Evotec considers the risk to be low.

It is possible that the Company will be responsible for potential **product liability stemming** from product research, development or manufacturing and may face an even greater risk if any drug candidate that Evotec develops is commercialized. If Evotec cannot successfully defend itself against claims that drug products it develops with its partners caused injuries, the Company could incur substantial liabilities. Regardless of the merit or eventual outcome of such claims, any liability claims may result in e.g., decreased demand for any drug product that Evotec may develop with its partner, loss of revenues, significant time and costs to defend the related litigation, initiation of investigations by regulators and injury to Evotec reputation and significant negative media attention. Evotec is covered by liability insurance, but notwithstanding such coverage, the Company's financial position or results could be negatively affected by product liability claims. On occasion, large judgments have been awarded in class action lawsuits based on drugs or medical treatments that had unanticipated adverse effects.

Evotec and its pharmaceutical and biotechnology customers and partners are subject to extensive regulations by the FDA and similar regulatory authorities in other countries for development, manufacturing and commercializing products for therapeutic or diagnostic use. Such regulations include but are not limited to, restrictions on testing on animals and humans, manufacturing, safety, efficacy, labelling, sale, advertising promotion and distribution of Evotec's or its partners' products. In addition, new laws and regulations to which Evotec and its customers and partners are subject may change in the future affecting the viability of market entry for new products developed by the Company or the ability to continue certain projects for our customers and partners that may consequently be terminated at an early stage.

These **regulatory risks** and risks arising from **changing or stricter regulations** are addressed by continuously monitoring global and local legislations to ensure that looming changes are detected in time. For this purpose, Evotec also employs external partners such as consultants, auditors, and legal advisers under contract. Provided such connections exist, Evotec also engages in early dialogue with the authorities, e.g., regulatory authorities, to create transparency and ensure that its research and development activities conform to relevant legal and ethical requirements.

Regulations related to sustainability and environmental, social and governance ("ESG") topics have become increasingly important for companies in the recent years and are subject to rapid and ongoing development. Due to the growing report requirements with the EU Taxonomy, the Supply Chain Act) and currently applicable Corporate Social Responsibility Directive Implementation Act ("CSR-RUG" - German: CSR-Richtlinie-Umsetzungsgesetz) the scope of reporting is increasingly large. Moreover, the Corporate Sustainability Reporting Directive ("CSRD") was expected to be adopted for companies meeting certain criteria related to size and revenues, such is Evotec, to replace the CSR-RUG in Germany as of financial year 2024 onwards. Surprisingly it has not been passed by the German Parliament in 2024. The legal insecurities resulting from this also cause challenges in reporting and reporting compliance. The CSRD will increase the relevance of the information but is also associated with increased additional work due to more complex auditing requirements. This requires enhancing cooperation between internal functions and with that preparation and further provision of capacities within the company.

The introduction of the CSRD and thus the ESRS was not yet transposed into German law in 2024. This is expected to take place in 2025, meaning that the CSR-RUG currently in force will be replaced from the 2025 financial year. Evotec decided to report for the financial year 2024 voluntarily against CSRD, while making use of the possibility of CSR-RUG to use frameworks for reporting. The information now departs from a compilation of sustainability data to the fact that information requires more strategy and an impact and materiality analysis as a base. The analysis of the impacts now forms the ground of the materiality and thus the material topics that must be reported for companies. This may lead to increased regulatory, social or other scrutiny on our part.

We have performed the impact assessment and materiality analysis in preparation for the introduction of the ESRS. Evotec analysed its business activities, business relationships, products and services to determine whether it has a positive and/or negative impacts on the environment and people and other relevant stakeholders. In that process the severity, likelihood and irremediably of effects Evotec has or could have on the environment and people, including effects on their human rights are analysed (inside-out perspective). Furthermore, the sustainability-related financial risks and opportunities, including those deriving from dependencies on natural, human and social resources, on

the course of business, the results or the situation of the company (outside-in perspective) are analysed.

Moreover, the EU Taxonomy poses a challenge with the requirements through requiring companies to check their eligibility and alignment with the environmental objectives and disclosing financial KPIs.

National and international regulations expect Evotec to identify, prevent, mitigate and ideally eliminate the extent of potential negative impacts or violations throughout its business activities and value chain. If the Company is not able to adequately meet the statutory reporting obligations and appropriately recognize and respond to the expectations of governments, society and investors with regard to sustainability aspects, Evotec could potentially have to pay significant fines and suffer damage to its reputation. In particular, companies are increasingly being evaluated using their performance on sustainability issues by investors, customers, suppliers and financial institutions.

In addition to Evotec own disclosure obligations, compliance with sustainability aspects is assessed by a large number of rating agencies as well as customers. Moreover, sustainability compliance is an increasingly legal obligation for institutional and professional investors, who's investment decision may be impacted negatively by an inadequate ESG rating. If negative assessments by either of all of the relevant parties were to occur, they could have material adverse effects on the Company's business, financial condition, cash flows and results of operations, and the market value of its common stock could decline.

Any failure in this regard could also have a material adverse effect on Evotec´s reputation and the achievement of our strategic objectives. Evotec counters the risk by implementing a large number of countermeasures, such as growing cooperation and joint preparation between the Finance and ESG departments, expansion of capacities, introduction of new tools for reporting work, impact and materiality analysis, introduction of a tool for complaints for human rights violations and introduction of a supplier management program.

The German Supply Chain Due Diligence Act was passed by the German Parliament in 2021 and is mandatory for Evotec from 2024 onwards. This law obliges the Company to respect human rights and the environment and requires Evotec to implement legally defined due diligence obligations. One of the key elements of these due diligence obligations is the establishment of a risk management system. Such a risk management system is intended to identify, prevent or minimize risks of human rights violations and environmental damage. The due diligence obligations apply both to Evotec´s own business activities and to the actions of our contractual partners and suppliers.

If Evotec fails to comply with the German Supply Chain Due Diligence Act or if supervisory authorities are of the opinion that the Company has not complied with its due diligence obligations in accordance with this law, this may lead to official enforcement measures or other administrative penalties and fines. This may interrupt, or delay Evotec´s development activities and could have a material adverse effect on its business, financial condition, reputation and results of operations.

Evotec acts very prudently and responsibly to prove that clinical product candidates are safe and effective for human use and compliant with regulatory agencies requirements. Evotec's business processes are designed to meet the highest scientific quality, and the progression of drug programmes and drug candidates in development partnerships is part of Evotec's non-financial performance indicators. The success of Evotec's business therefore hinges upon the fulfilment of both the Company's own and legal quality standards.

Parts of our operations are subject to current Good Manufacturing Practice ("cGMP"), Good Laboratory Practice ("cGLP") and Good Clinical Practice ("cGCP") requirements. Regulatory authorities and Evotec's customers may conduct scheduled or unscheduled (for cause) inspections of Evotec's facilities to monitor its Quality System and verify that it complies with regulatory requirements and with the terms of Evotec's quality agreements with its customers. Audit findings that can impact on patient's safety, are classified as "critical" and may lead to a loss of certification with regulatory agencies or a loss of approved supplier status with our customers and a subsequent loss in revenues and in reputation. Evotec's manufacturing facilities also require certification and validation activities to demonstrate that they operate as designed. In addition, our manufacturing and testing facilities are subject to regulatory inspections by the national competent authorities in EU member states (including the Italian medicines agency AIFA and Minister of Health in Italy), the Medicines and Healthcare products Regulatory Agency ("MHRA") in the United Kingdom, the FDA, and other comparable regulatory authorities of other countries. If we are unable to reliably conduct the preclinical and clinical study and manufacture products in accordance with the regulatory requirements, we may not obtain or maintain the necessary authorizations. Further, our facilities may fail to pass regulatory inspections, which would cause significant delays and additional costs required to remediate any deficiencies identified by the regulatory authorities. In addition, any failure of quality in the product could cause significant delays and additional costs required to remediate any deficiencies. Any failure in quality which can cause damage to the patient may be subject to civil and criminal penalties. Any of these challenges could delay completion of clinical trials, require bridging clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay regulatory approval, impair commercialization efforts, increase Evotec's cost of goods, and have an adverse effect on Evotec's business, financial condition, results of operations and growth prospects.

With reference to all activities performed in research or non-GxP development phases, a lack of quality can bring to generation of unreliable data, with consequent loss of time to repeat the experiments, increase of cost, loss of revenues and loss of reputation.

To minimise potential **quality risks in manufacturing and R&D activities**, Evotec has established a quality management system monitored by the Quality Assurance organisation. The Quality Assurance (QA) submits regular reports to the Company's management, and it defines quality requirements. In addition, QA is in charge of compliance monitoring, reviewing and reporting as well as the implementation of quality improvement measures.

In terms of **governance and compliance risks**, Evotec is exposed to a variety of potential challenges, including bribery and corruption, antitrust violations, internal and external fraud, data protection breaches, unlawful public disclosure of insider information, non-compliance with the Supply Chain Due Diligence Act (SCDDA), product liability, conflicts of interest, and emerging regulations such as the AI Act. The risks vary in their level of significance and potential impact on the company and have the potential to harm the company's reputation and result in financial penalties. To counter these risks, Evotec assesses and monitors these risks and has guidelines and reporting mechanisms in place. Risk mitigation measures are in place and are reviewed and adapted where needed, aiming to reduce risks in response to an evolving regulatory landscapes.

Evotec's employees are obliged to adhere to the Company's Code of Ethics and Business Conduct, which is applicable across the entire group. Compliance with internal company policies is paramount to the Company's success and ensures a safe work environment for its employees and early detection of potential risks. It is essential for Evotec to ensure that the Company in general and its employees individually conduct business in a legal, ethical and responsible manner. Employees are obliged to report any incidents they suspect of having breached the ethical guidelines laid out in the Company's Code of Conduct to their supervisor or to the Company's Compliance Officer. Evotec has also established appropriate guidelines and processes with regard to insider regulations. Accordingly, investigations regarding certain transactions in Company shares by its former CEO were directed exclusively against the person concerned and not against the Company. Evotec's corporate Legal & Compliance department is in charge of compliance monitoring. Its routine activities include reporting to the Management Board and the Supervisory Board, and the development and implementation of certain compliance guidelines and trainings.

The fact that Evotec operates in many different jurisdictions exposes Evotec to various tax risks. Key factors contributing to this risk include legislative changes, where amendments to tax laws and regulations in countries where we operate can impact our tax obligations. These changes may include adjustments to corporate tax rates, introduction of new taxes, or modifications to existing tax incentives. Interpretation by authorities is another factor, as tax authorities may interpret laws and regulations differently, leading to disputes and potential adjustments to our tax filings, resulting in additional tax payments and legal costs. Audit risks are also significant, as increased scrutiny and audits by tax authorities can uncover discrepancies or differing interpretations, leading to reassessments and additional tax liabilities. Transfer pricing adjustments can affect the allocation of income and expenses among subsidiaries, impacting our overall tax burden. Additionally, inconsistent application of double tax treaties can lead to double taxation, where the same income is taxed in multiple jurisdictions.

Evotec relies significantly on **R&D tax credits** to support its innovation and development activities (as of December 31, 2024, we received € 46.9 m in R&D tax credits for that year). These credits can be subject to change based on government policies and economic conditions in the countries where we operate. The potential reduction or elimination of R&D tax credits could result in increased tax liabilities and reduced cash flow, adversely affecting Evotec's financial performance and ability to invest in future R&D projects. Factors contributing to this risk include: Changes in legislation (amendments to tax laws or regulations that reduce or eliminate R&D tax incentives), Economic Downturns (governments may alter tax policies in response to economic challenges, impacting the availability of R&D credits), Compliance and Audit Risks (increased scrutiny and audits by tax authorities could lead to disallowance of claimed credits), Global Operations (variations in tax policies across different jurisdictions where we operate can create uncertainty and complexity in claiming R&D credits).

To mitigate these risks, we continuously track changes in tax laws and regulations to anticipate and adapt to new requirements. We maintain open communication with tax authorities to clarify interpretations and resolve disputes promptly. We work with external tax advisors to ensure compliance and optimize our tax position. We apply robust internal controls and compliance processes to ensure accurate and timely tax filings. Despite these efforts, the complexity and variability of global tax regulations mean that some risks are unavoidable and may negatively impact our financial results.

4. Ownership and patent risks

If Evotec's business activities conflict with patents or other intellectual property rights of third parties, activities may be suspended or there may be a legal dispute. Also, if Evotec believes that its patents or other intellectual property rights have been infringed upon by a third party, the Company might file lawsuits. These actions could have an influence on Evotec's financial position or results.

The risks associated with intellectual property include the two main general risks **patents** and **proprietary technologies** as well as **licences granted for partnered assets**.

Different risk scenarios could arise which Evotec subdivides in the following risk areas. The Company's success depends in part on Evotec's ability to develop, use and protect its proprietary methodologies, software, compositions, processes, procedures, systems, technologies and other intellectual property. To protect its intellectual property position, Evotec primarily relies upon trade secrets, confidentiality agreements and policies, invention assignments and other contractual arrangements, trademark registrations and copyrights. Although Evotec's patent portfolio is not material to certain aspects of its business as a whole, Evotec has filed patent applications in the United States, Europe and abroad related to the Company's pipeline assets, processes or other technologies (including methods of manufacture). Evotec's collaboration partners also file patent applications on their development assets on which Evotec may earn milestones and royalties. Evotec may not be able to apply for patents on certain aspects of its current or future pipeline assets, processes or other technologies and their uses in a timely fashion or at a reasonable cost. Even issued patents may later be found invalid or unenforceable or may be modified or revoked in proceedings before various patent offices or in courts in the United States, Europe or other jurisdictions. The degree of future **protection for Evotec's**

intellectual property and other proprietary rights is uncertain. Only limited protection may be available and may not adequately protect Evotec's rights or permit Evotec to gain or keep any competitive advantage. Additionally, Evotec's intellectual property may not provide the Company with sufficient rights to exclude others from copying Evotec's processes and technologies or commercializing pipeline assets. If Evotec does not adequately obtain, maintain, protect, defend and/or enforce its intellectual property and proprietary technology, competitors may be able to use Evotec's proprietary technologies and erode or negate any competitive advantage Evotec may have, which could have a material adverse effect on Evotec's financial condition and results of operations.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that Evotec or any of Evotec's current or future licensors or partners will be successful in prosecuting, obtaining, protecting, maintaining, enforcing and/or defending patents and patent applications necessary or useful to protect Evotec's proprietary technologies (including pipeline assets and methods of manufacture) and their uses. Furthermore, the **patent prosecution process** is also expensive and time-consuming, and Evotec may not be able to file, prosecute, maintain, protect, defend, enforce or licence all necessary or desirable patents or patent applications, as applicable, at a reasonable cost or in a timely manner or in all potentially relevant jurisdictions.

The patent position of pharmaceutical and biotechnology companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. Moreover, there are periodic changes in patent law, as well as discussions in the Congress of the United States and in international jurisdictions about modifying various aspects of patent law and such **changes in patent laws** or in interpretations of patent laws may diminish the value of Evotec's intellectual property. There is no uniform, worldwide policy regarding the subject matter and scope of claims granted or allowable in pharmaceutical or biotechnology patents. As a result, the issuance, scope, validity, enforceability, and commercial value of Evotec's patent rights are highly uncertain.

Evotec's ability to enforce its owned (solely or jointly), and in-licenced patent and other intellectual property rights depends on Evotec's **ability to detect infringement, misappropriation and other violation** of such patents and other intellectual property. It may be difficult to detect infringers, misappropriators and other violators who do not advertise the components or methods that are used in connection with their products and services. Moreover, it may be difficult or impossible to obtain evidence of infringement, misappropriation or other violation in a competitor's or potential competitor's product or service, and in some cases Evotec may not be able to introduce obtained evidence into a proceeding or otherwise utilize it to successfully demonstrate infringement. Evotec may not prevail in any lawsuits that Evotec initiates, and the damages or other remedies awarded if Evotec was to prevail may not be commercially meaningful. If any of Evotec's owned (solely or jointly) or in-licenced patents covering Evotec's pipeline assets, processes or other technologies are narrowed, invalidated or found unenforceable, or if a court found that valid, enforceable patents held by third parties covered one or more of Evotec's pipeline assets, processes or other technologies, the Company's competitive position could be harmed or Evotec could be required to incur significant expenses to protect, enforce or defend Evotec's rights.

Evotec currently has rights to certain intellectual property, through its owned (solely or jointly) and in-licenced patents and other intellectual property rights, relating to identification and development of its pipeline assets, processes or other technologies. Evotec's pipeline assets, processes or other technologies could require the use of intellectual property and other proprietary rights held by third parties and their success could depend in part on Evotec's ability to acquire, in-licence or use such intellectual property and proprietary rights. In addition, Evotec's pipeline assets may require specific formulations to work effectively and efficiently, and these intellectual property and other proprietary rights may be held by others. Evotec may be **unable to secure such licences or otherwise acquire or in-licence from third parties** any compositions, methods of use, processes or other third-party intellectual property rights that Evotec identifies as necessary or considers attractive, on reasonable terms, or at all, for pipeline assets, processes and other technologies that Evotec may develop. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to licence or acquire third-party intellectual property rights that Evotec, or Evotec's partners, may consider attractive or necessary. These established companies may have a competitive advantage over Evotec due to their size, cash resources, and greater clinical development and commercialization capabilities. Any of the foregoing could have a material adverse effect on Evotec's competitive position, business, financial conditions, results of operations and prospects.

Evotec's owned (solely or jointly) and licenced patents and patent applications may be subject to validity, enforceability, and priority disputes. The issuance of a patent is not conclusive as to its inventorship, scope, validity, or enforceability. Some of Evotec's patents or patent applications (including licenced patents and patent applications) may be challenged at a future point in time in opposition, derivation, re-examination, inter partes review, post-grant review or interference or other similar proceedings. Any successful **third-party challenge to Evotec's or Evotec's licensors' patents** in this or any other proceeding could result in the unenforceability or invalidity of such patents, which may lead to increased competition to Evotec's business, which could have a material adverse effect on Evotec's business, financial condition, results of operations and prospects.

Evotec may **not be aware of all third-party intellectual property rights** potentially relating to its assets. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until approximately 18 months after filing or, in some cases, not until such patent applications issue as patents. Evotec might not have been the first to make the inventions covered by each of Evotec's pending patent applications and Evotec might not have been the first to file patent applications for these inventions. To determine the priority of these inventions, Evotec may have to participate in interference proceedings, derivation proceedings or other post-grant proceedings declared by the United States Patent and Trademark Office ("USPTO"), or other similar proceedings in non-US jurisdictions (e.g., within the

jurisdiction of the “Deutsches Patent und Markenamt” DPMA or European Patent Office EPO), that could result in substantial cost to Evotec and the loss of valuable patent protection. The outcome of such proceedings is uncertain. No assurance can be given that other patent applications will not have priority over Evotec’s patent applications. In addition, changes to the patent laws of the United States allow for various post-grant opposition proceedings that have not been extensively tested, and their outcome is therefore uncertain. Furthermore, if third parties bring these proceedings against Evotec’s patents, regardless of the merit of such proceedings and regardless of whether Evotec is successful, Evotec could experience significant costs and Evotec’s management may be distracted. Any of the foregoing events could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

Evotec’s commercial success depends in part on its ability and the ability of future partners to develop, manufacture, market and sell Evotec’s assets and use Evotec’s assets and technologies without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. There is a substantial amount of litigation involving patents and other intellectual property rights in the biotechnology industry, as well as administrative proceedings for challenging patents, including interference, derivation, inter partes review, post-grant review, and re-examination proceedings before the USPTO, or oppositions and other comparable proceedings in foreign jurisdictions. Evotec may be exposed to, or threatened with, **future litigation by third parties** having patent or other intellectual property rights alleging that Evotec’s assets, manufacturing methods, software and/or technologies infringe, misappropriate, or otherwise violate their intellectual property rights.

Patents have a limited lifespan. Most international jurisdictions provide a 20-year nominal patent term, though many require payment of regular, often annual, annuities to maintain pendency of an application or viability of an issued patent. In some jurisdictions, one or more options for extension of a patent term may be available, but even with such extensions, the lifespan of a patent, and the protection it affords, is limited. Even if patents covering Evotec’s or its partners’ assets, processes and other technologies and their uses are obtained, once the patent term has expired, Evotec may be subject to competition from third parties that can then use the inventions included in such patents to create competing products and technologies. Any of the foregoing could have a material adverse effect on Evotec’s competitive position, business, financial conditions, results of operations and prospects.

5. HR risks

In 2024, Evotec faced significant organisational changes and challenges, including the departure of a long-standing Chief Executive Officer ("CEO"), the appointment of an interim CEO, and challenging financial results. These developments necessitated a restructuring program to address capacity issues, which affected approximately 7% of the workforce globally. By the second half of the year, a new CEO and Chief People Officer ("CPO") were appointed, and a strategic review, led by a newly appointed Executive Vice President ("EVP"), Head of Transformation and Strategy, was launched in October.
These challenges significantly impacted HR initiatives, including the temporary suspension of leadership programs (EVOlead) and other talent development activities. The company has prioritized its strategy reset, which will drive a revised operating model, organisational structure, culture, and leadership approach.

Evotec recognizes the heightened risk of attrition, particularly the potential **loss of critical talent**, which could jeopardize the execution of its new strategy. To mitigate this risk, the company is establishing dedicated teams for Talent Management and Organisational Development, Global Workforce Solutions and Digitalization, and Total Rewards. Additionally, efforts are underway to strengthen global employee relations and worker council management.

Key mitigation actions include:
- Defining and implementing new leadership competencies aligned with the company’s revised strategy.
- Partnering with external vendors to assess leadership potential and identify critical business roles and talent.
- Enhancing transparency and engagement through regular updates on the company’s evolving vision, mission, and purpose, leveraging townhalls and digital platforms to foster connection and alignment.
- Continuing employee feedback mechanisms via Employee surveys and maintaining learning and development initiatives through EVOacademy and EVOtalks.
- Establishing a roadmap for Talent Management initiatives and processes to better align workforce capabilities with strategic objectives, support career development, upskilling, and succession planning.

As Evotec embarks on its next chapter, the company remains committed to fostering an environment where employees feel supported, empowered, and aligned with its mission to drive innovation in modern medicine.

One of the primary challenges Evotec faces is **sourcing and hiring** the right talent across our diverse global locations. This challenge is intensified by competitive labour markets, limited availability of specialized skills, and the evolving demands of the biotech and pharmaceutical industries as Evotec continues to grow and adapt. In addition to sourcing new talent, Evotec must also address the ongoing challenge of replacing employees who leave, retire, or transition out of the organisation. Finding suitable replacements, particularly for leadership roles and positions requiring advanced scientific expertise, often requires extended timelines and careful consideration to ensure the right experience, expertise, and cultural fit.

The scarcity of qualified candidates, combined with competition from other industry players and the changing dynamics of remote and hybrid work, can affect Evotec’s ability to attract talent for critical roles. In 2024, Evotec continued to monitor closely the challenges related to finding new employees and replacements across our global locations. While employee turnover remains a factor in talent management, our ongoing focus is on sourcing and hiring the right talent for key positions. This is particularly important for specialized scientific and leadership roles, where skills shortages and competitive labour markets can lead to prolonged vacancy periods. Through our Global Talent Acquisition function, we closely track these dynamics to stay responsive to the evolving candidate market. By continuously refining our sourcing strategies—such as proactive talent pipelining, global talent scouting, and

enhancing our employer brand—we are able to meet recruitment demands and effectively support the company's growth objectives.

6. Information technology risks

Evotec collects and maintains information in digital form that is necessary to conduct Evotec's business, particularly for purposes of Evotec's PanOmics, PanHunter, J.DESIGN and iPSC"-based drug discovery platforms, and Evotec is highly dependent on its information technology systems. In the ordinary course of Evotec's business, the Company collects, stores, and transmits large amounts of confidential information, including intellectual property, proprietary business information, human samples and personal information. Evotec has also outsourced elements of its information technology infrastructure, and as a result several third- party vendors may or could have access to confidential information.

To protect against **cyber-attacks and cybercrime**, Evotec uses host-based safeguards such as Endpoint Detection and Response ("EDR") programs, as well as network-based safeguards such as firewalls set up at relevant interconnection points. In addition, systems are updated as often as possible to install new versions or patches that provide better secured access and higher protection against malware and viruses for all possible systems. Systems that can no longer be updated for technical reasons (e.g., lack of technical support) are isolated from the main network or replaced where feasible. In addition, the relevant employees (e.g., in the finance and IT departments) are trained and regularly informed about the risks and possible impending attacks. Besides these preventative measures, Evotec also maintains an around-the-clock capability to monitor security-relevant events so that security incidents can be detected and addressed without undue delays.

Evotec's information technology systems, including its internal computer systems, and data may continue to be vulnerable. As previously disclosed, the Company was the victim of a ransomware incident in 2023, which may continue to impact its operations. The incident has caused delays in the Company's operations in previous years and may continue to cause delays or loss of revenue and additional costs, which may adversely affect the Company's results of operations, cash flows and financial condition. However, Evotec has significantly enhanced its IT security measures since the incident and continues to invest in further strengthening its security framework to mitigate risks and improve resilience.

As a result of the ransomware incident and any future **cyber security incidents**, information stored on our networks may be manipulated, publicly disclosed, and permanently lost. Any such breach or other loss of information could result in legal claims or proceedings and liability under laws that protect the privacy of personal information, as well as regulatory penalties. Evotec cannot guarantee that third parties will not be able to access or otherwise breach its systems without authorization in the future. Such unauthorized access or breach could adversely affect the Company´s business, results of operations and financial condition. While Evotec is committed to prevent cyber security incidents, there can be no complete assurance that there will not be future cyber security incidents or vulnerabilities.

Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, Evotec may be unable to anticipate these techniques completely or implement adequate preventative measures in the future as well. Evotec may also experience security breaches that remain undetected for an extended period. If any such material system failure, accident or security breach were to occur and cause interruptions in Evotec's operations also in the future, it could result in a material disruption of Evotec's development programs and the Company's business operations, whether due to a loss of Evotec's trade secrets or other proprietary information or other similar disruptions. Any such breach, loss or compromise of clinical trial participant personal data, including in connection with PanHunter, may also subject Evotec to civil fines and penalties. To the extent that any disruption or security breach were to result in a loss of, or damage to, data or applications, or inappropriate disclosure of confidential or proprietary information, Evotec could incur internal costs or liability, Evotec's competitive position could be harmed and the further development and commercialization of Evotec's partners' product candidates could be delayed.

To minimize the **risk of losing data**, Evotec invests in the development of a new and more secure infrastructure based on international best practices in Cyber & IT security. In addition to technical measures, structural and procedural changes are made in Information Security, IT and IT Security to continuously review and improve security. Awareness campaigns are conducted to inform employees about current threats. These measures reduce the effect of hazards such as natural disasters, power failures, system upgrade failures, theft and data corruption as much as reasonably possible. As a result of the ransomware attack on 6 April 2023, all security measures and precautions are being extensively reviewed and enhanced with outside consultants and security experts as part of the recovery from the external attack. Nevertheless, there is no assurance that there will not be cyber security incidents or vulnerabilities that will have a material adverse effect on us in the future.

Compliance with corporate guidelines relating to **data integrity and protection**, which also regulate the assignment of access rights, is mandatory. The Company performs regular IT risk assessments to identify and rectify weaknesses. A Security Committee reviews and discusses threats and risks on a regular basis and decides on the implementation and handling of mitigation measures. High risks are communicated to the Management Board and the Supervisory Board.

The risks named above are given the highest priority regardless of the fact that potential damage can vary greatly depending on scale, duration and cause.

Considering the significantly expanded regulations under **General Data Protection Regulation ("GDPR") and other similar jurisdictions**, Evotec is permanently reviewing the handling of relevant internal and external data and its respective flow, storage and access. If Evotec fails to comply with the GDPR and the applicable national data

protection laws of the European Union member states, or if regulators assert Evotec has failed to comply with these laws, it may lead to regulatory enforcement actions or other administrative penalties. This may be onerous and may interrupt or delay Evotec's development activities, and adversely affect the Company's business, financial condition and results of operations.

Evotec must comply with GDPR and UK GDPR, but the future of UK data protection laws and their alignment with EU standards remains uncertain beyond June 2025, potentially increasing costs and overall risk exposure.

New or enhanced privacy and data security laws in jurisdictions outside the EU, including the US, could increase Evotec's compliance costs and risks. The EU-US Data Privacy Framework ("DPF"), effective July 2023, establishes safeguards ensuring data protection equivalent to EU standards for companies that join the DPF. While certification under the DPF may lead to additional costs, the penalty risk due to the adequacy decision is considered low, though future challenges to the framework remain a possibility.

Privacy and data security laws, including the GDPR, are rapidly evolving, with significant uncertainty surrounding their enforcement and interpretation. The adoption of the EU AI Act in 2024 introduces new obligations for organisations using AI systems, such as risk classification and safeguards, potentially impacting data protection compliance. Ensuring adherence to these laws and regulations may impose significant costs and risks, potentially disrupting Evotec's business, financial results, and prospects.

Evotec has defined routines and installed internal and external contact persons in the event of certain potential types of data breach.

7. Operational risks

The nature of our operating activities exposes Evotec to a wide range of **health, safety and environmental risks**. Our Environment, Health and Security ("EHS") teams and management systems help identify these risks and drive performance improvements by setting and advising of industry standards, compliance requirements and through minimising complexity. We continuously enhance governance and competence in EHS across our organisation along with opportunities to focus on proactive risk management along, aligned with the global trends, ongoing compliance developments and client expectations in this space.

Evotec's business depends on a reliable supply of various materials for its laboratories and production. Due to Evotec's business model, short-term order inquiries are unavoidable, so that delivery bottlenecks can lead to delays in projects and production and thus have a negative impact on Evotec's capacity planning and earnings situation. Price increases for laboratory and production materials, but also for electricity and gas, represent a financial risk. Evotec faces this risk by working closely with its suppliers and using different sources of supply. Due to regulatory requirements, however, Evotec is not always able to switch to other sources of supply, so that it cannot fully mitigate the risk. Evotec tries to limit the risk by reviewing and monitoring Evotec's supplier relationships, a continuous exchange with the operational areas for the early identification of needs and constant market analyses for alternatives to our single source supplier. In the context of the Russia/ Ukraine conflict and the new rekindled Israel-Hamas conflict with impacts like disrupting the transit via the Strait of Hormuz, Evotec is facing a **procurement risk** due to short-to-medium-term increasing energy prices since about one third of the gas and oil is transported via that route and would have to be re-routed with impact on increased transportation time, costs and availability of materials and goods. Nevertheless, the risk has decreased compared to 2023, mainly due to the inclusion of additional costs in the budget and a trend towards an easing of the situation on individual procurement markets, particularly the energy market. Despite a positive trend on the energy price market, it remains heavily influenced by political decisions and unpredictable geopolitical developments. Interruptions such as production stop at Evotec´s sites because of having no materials are therefore currently not predictable.

For the operation of Evotec´s complex global business, the Company has opted for a best-of-breed approach, i.e. it uses the best system solution for different business processes and connect the various systems using middleware. In this way, Evotec achieves comprehensive coverage of the various business processes and a high degree of accuracy of it. In the past, acquisitions and in-house developments have resulted in a heterogeneous system landscape that does not always support this approach. A heterogeneous process landscape carries the risk that many (financial) processes can involve a high degree of labor-intensive, manual work, which increases the **process risk** of errors in our day-to-day business. To mitigate this risk, we strive for sustainable automation and digitalization of business processes.. The implementation and operation of new processes and IT projects are associated with certain risks. Failure to integrate properly with other systems Evotec uses, possible loss of data or information, cost overruns and delays could have a negative impact on the Company´s business activities and the effectiveness of its internal controls.

In the event of breakdowns in operations and disruptive **major disaster** that results in stoppages of the Group's activities on one or multiple sites, or in damages and/or interruptions to the operations of key suppliers, Evotec may be forced to suspend or incur significant delays in parts or all of its activities. In each case, there is a potential risk that the Company's financial position and operating results may be substantially affected. In addition, the timely and proper execution of Research and Development activities may be impacted by damages to Evotec's research facilities or breakdown of production equipment. In case of major unforeseeable disasters such as extreme weather events or earthquakes (especially in risk areas like Seattle, US), Evotec may suffer loss of business due to inability to execute contracts and fulfil client deliverables. Evotec has created business continuity plans as well as disaster recovery plans and has insurances for these rare events.

OPPORTUNITIES REPORT

In addition to possible risks, Evotec also identifies and evaluates opportunities arising from its business activities. Some of the Company's significant opportunities are described below.

Biotechnology has emerged as one of the key technologies of the 21st century. According to international studies, demand for the development and production of innovative drugs is set to increase again in the short term, offering biopharmaceutical companies considerable opportunities. The crucial role played by the biotechnology industry in developing vaccines against COVID-19 highlights the sector's importance in addressing global health challenges. Aside from the COVID-19 pandemic, the biopharmaceutical industry possesses immense growth potential, given the significant number of diseases currently deemed untreatable. Furthermore, the demographic shift towards an ageing population, the increasing prevalence of chronic disease, and significant unmet needs in numerous diseases underscores the need for innovative therapeutic interventions.

The expanding need for innovative medicines as well as continued growth of the biopharmaceutical market creates significant opportunities for Evotec across the drug discovery and development continuum.

Challenges observed in the past decade resulted in developments of new approaches to discover, develop and manufacture new drugs, which pose significant opportunities for companies with differentiated offerings such is Evotec. These challenges are patent cliffs, shifting economic conditions, heightened competition, and cost pressures, all of which have adversely affected its innovative output and productivity. Recent research underscores the crucial role of external innovation as a key driver for positively influencing productivity within this industry. Market research indicates that the expected share of discovery outsourcing will continue to grow significantly, which represents a significant opportunity for Evotec to acquire new customers or expand existing partnerships in the future. This approach not only grants access to cutting-edge technologies but also contributes to improved operational efficiency. Outsourcing allows companies to convert fixed costs into variable costs, facilitating greater flexibility. Additionally, it enables risk-sharing and provides access to specialised expertise across various spend categories. Findings suggest that biopharma assets sourced via open innovation approaches are three times more likely to be successful than those sourced via traditional approaches.

Evotec is in a position to leverage these market opportunities and therefore pursues a business model that protects its existing business while also generating future business opportunities. Evotec is a provider of high-quality drug discovery, development, and manufacturing services. Evotec's excellent reputation in the market, developed over the years, represents a great opportunity for retaining existing customers and generating new business. Evotec has significant opportunities to unlock new business potential and drive further growth. Through continuous investments in expanding and enhancing its technological capabilities, the company can actively leverage new market opportunities while maintaining a consistently high quality of its products and services. Evotec's well-established platforms and technologies have already led to increasing revenue streams and provide a solid foundation and opportunity for further growth. The company's high level of customer satisfaction enables it to strengthen existing partnerships while simultaneously establishing new business relationships. In particular, Evotec's long-standing collaborations with internationally renowned clients underscore its quality and innovation capabilities, serving as a strong reference for potential new partners. Furthermore, Evotec is well-positioned to capitalize on current industry trends, including AI- and multi-omics-driven drug discovery, the rising demand for biotherapeutics, and the growing need for IND-enabling services. With its comprehensive platforms and services, Evotec is fully equipped to seize these opportunities and further expand its market position. With these promising prospects, Evotec has the opportunity to advance its strategic and financial goals and establish itself as a leading player in the global drug discovery industry.

The biotechnology sector is undergoing a transformative shift with the integration of AI and the rapid advancement of cutting-edge platforms and technologies. Companies at the forefront of this convergence are uniquely positioned to accelerate drug development, reduce costs, and deliver innovative therapeutics. By establishing a leadership role in this domain, a biotech company can secure a competitive edge, attract strategic partnerships, and create long-term value.We believe we have positioned ourselves as a technology-driven company by combining top-tier expertise, AI-powered data-driven approaches, and state-of-the-art technologies. Exemplary platforms like PanOmics, our high-throughput proteomics platform, and our iPSC platform, uniquely integrated with other core technologies, have established our reputation for excellence and innovation. Looking ahead, we see two key opportunities to benefit from technological transformation. First, advancements in AI and ML enable us to enhance our existing technologies, driving greater cost-effectiveness and efficiency. Second, as high-quality experimental data becomes increasingly critical for developing robust AI/ML models, the demand for such data will grow. This creates significant opportunities to expand collaborations and forge new partnerships, further strengthening our position in the industry. Beyond these opportunities, we recognize the broader impact of AI-driven drug discovery on the entire pharmaceutical ecosystem. The integration of predictive modelling, automation, and advanced analytics allows us to optimize target identification, streamline lead optimization, and reduce preclinical development timelines. These efficiencies not only enhance our internal R&D processes but also position us as an invaluable partner for companies seeking to leverage our expertise.

The recent restructuring of IT projects presents a significant opportunity to adopt the alignment between the IT environment and the company's overarching strategic goals. By streamlining and prioritizing IT initiatives, the organisation can achieve greater operational efficiency and flexibility. Additionally, the implementation of enhanced monitoring tools and processes ensures improved oversight, enabling early detection of potential attacks and fostering system reliability. Moreover, the ongoing efforts in data domain harmonization open up transformative opportunities by enabling ML and AI to leverage diverse and integrated data assets across the organisation. This harmonization not only enhances data accessibility and quality but also accelerates insights and decision-making. By unifying and integrating these data assets, the

company is positioned to unlock innovative solutions, driving breakthroughs in research, development, and operational excellence. This transformation strengthens the existing IT landscape while paving the way for the adoption of cutting-edge technologies and methodologies, creating a solid foundation for future growth and scalability.

The new J.POD facility in France opens several opportunities for Evotec. Not only will the manufacturing capacities in Europe be attractive for European clients, but also for non-European clients with the intent to establish supply from Europe. This strategic positioning strengthens Evotec's role as a key player in the global biomanufacturing landscape, ensuring accessibility, efficiency, and scalability in drug production. As J.POD Toulouse is replicated from J.POD Redmond, it further serves as a potential back-up solution for clients, reinforcing trust and reliability for both existing and future partners. The ability to offer redundancy in manufacturing significantly enhances supply chain resilience, mitigating risks associated with disruptions and ensuring uninterrupted production. This feature is particularly appealing to pharmaceutical companies that require robust contingency plans to meet regulatory and market demands.

The innovation and the absence of such biomanufacturing capacities in Europe were also identified as strategic by the French authorities, who actively supported the set-up of J.POD Toulouse. This endorsement underlines the significance of the facility not only for Evotec but also for the broader European biotech ecosystem. The French government's support underscores its commitment to fostering innovation, securing local supply chains, and enhancing Europe's self-sufficiency in biologics manufacturing.

The innovative design of Evotec's process for intensified and continuous manufacturing creates significant opportunities for the future. The modular, flexible, and scalable nature of J.POD facilities enables rapid adaptation to shifting market needs and technological advancements. By leveraging state-of-the-art bioprocessing techniques, Evotec enhances production efficiency, reduces operational complexity, and shortens time-to-market for novel therapeutics. This advanced manufacturing approach allows high throughputs and requires significantly lower investment compared to classical processes, thus drastically reducing manufacturing costs. By optimizing resource utilization and minimizing waste, Evotec can produce biologics at a lower cost while maintaining high quality and compliance with global regulatory standards. This cost-effectiveness translates into greater accessibility to innovative drugs, broadening market reach and benefiting patients worldwide.

Beyond traditional biologics, this opportunity paves the way for Evotec to enter new markets, including the rapidly expanding biosimilars sector. The biosimilars market, projected to experience significant growth in the coming years, presents a lucrative opportunity for Evotec to provide cost-effective alternatives to existing biologics while maintaining high-quality standards. The scalability and efficiency of J.POD Toulouse enable Evotec to meet the growing demand for biosimilars, supporting healthcare systems worldwide in their efforts to enhance patient access to critical therapies. Additionally, the J.POD facility in Toulouse strengthens Evotec's ability to collaborate with academic institutions, research organisations, and biotech startups across Europe. By fostering innovation through strategic partnerships, Evotec can drive the development of next-generation therapeutics and novel bioprocessing technologies, further solidifying its leadership in the industry. In summary, the launch of J.POD Toulouse represents a transformative milestone for Evotec, unlocking numerous opportunities in biologics manufacturing, supply chain resilience, cost reduction, market expansion, and innovation. With strong governmental support, cutting-edge technology, and a commitment to operational excellence, Evotec is well-positioned to shape the future of biomanufacturing in Europe and beyond.

A major pillar of Evotec's strategic plan is the creation of an extensive co-owned pipeline of product candidates typically without taking the financial risk of clinical development. The Company's many development partnerships with pharmaceutical companies represent significant strategic opportunities. Evotec participates in the potential success of several clinical assets currently. These clinical development programs are financed by the Company's partners and therefore do not involve any financial risks for Evotec (apart from the risks inherent in the companies themselves in which Evotec holds an interest). However, they do harbour significant value creating potential. Evotec also continuously invests in academic or internal R&D projects. These projects are positioned as starting points for future strategic partnerships with significant potential for long-term commercial value creation.

Evotec obtains commercial rights in a pipeline of partnered programmes as well as unpartnered projects. Assuming industry standard attrition rates, the probability increases that one or more product opportunities will reach the market and generate significant royalty streams which will contribute to the economic success of Evotec. As Evotec's mid-term financial planning does not yet assume any contribution from our partners' product commercialization and subsequent commercial milestone and royalty payments, any successful product commercialization would provide significant upside to Evotec's business planning and profitability.

At Evotec, our corporate culture represents an opportunity for continued success and sustainable growth. Built on the foundational values of collaboration, innovation, and entrepreneurship, our culture guides us in transforming the future of medicine and is central to driving breakthrough solutions. As we move forward, we see diversity and inclusion not just as ethical imperatives, but as key opportunities for unleashing creativity and fostering innovation. By ensuring every voice is heard and every individual feels valued, we aim to create an environment where fresh ideas thrive, and diverse perspectives shape our success.

The ongoing evolution of our culture presents an opportunity to integrate sustainability into our daily operations and corporate strategy. We understand the importance of aligning with environmental, social, and governance (ESG) principles, which not only build a more sustainable future but also strengthen our competitive edge in a rapidly changing world. At the heart of our culture is our people-first ethos, which empowers employees to thrive. By offering opportunities for personal and professional development, flexible work arrangements, and a focus on well-being, we ensure that our teams are not just engaged but also equipped to contribute to our shared success. As we embrace change,

agility and resilience continue to be central to how we operate. These qualities not only help us navigate challenges but also open the door to new opportunities. With every learning experience and every adaptation, we position ourselves for greater impact and success.

Aligning with emerging ESG and sustainability regulations and laws related to emissions and sustainability ensures the company remains compliant and future-proof in a rapidly evolving regulatory landscape. Overall, integrating strong ESG practices drives Evotec's long-term growth, innovation potential, and market positioning. Adopting best practices for working conditions, investing in energy efficiency, and proactively mitigating emissions can enhance our reputation, attract top talent, reduce operational costs, and position it as a leader in sustainability and climate action. Additionally, taking proactive steps to mitigate emissions not only supports environmental goals and holds us on track for our Science based target path, but also presents a clear opportunity to reduce operational costs. Additionally, a dedicated investment in energy efficiency presents substantial opportunities to improve operational effectiveness. By adopting energy-efficient technologies and practices, we can significantly reduce costs associated with energy consumption, leading to better overall financial performance.

Human resources are highly valuable assets for companies in the pharmaceutical and biotechnology industries. The rapid pace of innovation and evolution in the field warrants the need for skilled professionals. The Company believes that its success in alliances and partnerships is attributable to its key personnel. Retention of employees who have outstanding expertise and skills in the long term may have a positive impact on the Company's business and its strategic and financial targets, generating new business. Implementing best practice working conditions presents a significant opportunity for Evotec to enhance the reputation and attract top talent. In today's competitive job markets, employees are increasingly prioritizing workplaces that emphasize well-being, diversity, equity and inclusion and fairness. Companies that invest in creating positive and supportive working environments are more likely to retain skilled individuals, reduce turnover, and foster greater employee satisfaction. A reputation for excellence in working conditions can differentiate us from other companies. Furthermore,the companies strong focus on innovation for medicines that matter, increased emphasis on diversity, and positive work culture make it an attractive workplace for highly qualified talent.

Report on Strategy and future Perspectives

The information set forth in this section contains forward-looking statements concerning future events. Words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "should," "target," "would" and variations of such words and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by Evotec at the time these statements were made. No assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates, which are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Evotec. Evotec expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Evotec's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

OUTLOOK

— BUSINESS DIRECTION AND STRATEGY —

Evotec's management focuses on sustainable profitable growth and value creation by expanding the Company's position as a leader in external innovation to co-create pipelines together with its partners. By collaborating with partners and applying state-of-the-art platforms and suitable therapeutic modalities, Evotec aspires to develop first- and best in class life-changing medicines that have disease modifying properties and ideally the potential to deliver functional cures. The key to success will be a significantly faster drug discovery process, with unprecedented precision, at lower risk of failure and cost. Cutting-edge technology, next-generation biology, and AI converge to reach this goal.

Continuous progress in developing platforms that leverage AI-driven molecular design, predictive analytics, and automated, highly industrialized lab systems is combined with using molecular patient data, patient-derived disease models, and Omics-driven drug discovery to reach our goal that the right drugs reach the right patients – sooner, safer, and smarter.

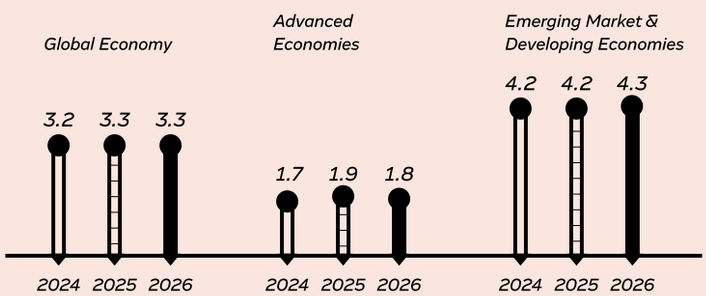
— MACROECONOMIC CONDITIONS OUTLOOK —

Global economic development remains stable in 2025 and 2026 despite significant challenges

The December 2024 economic outlook of the Organization for Economic Co-operation and Development ("OECD") as well as the January 2025 World Economic Outlook Update of the International Monetary Fund ("IMF") forecast a global GDP growth of 3.3% in 2025, up from 3.2% in 2024, and 3.3% in 2026. In line with the OECD, global inflation is expected to weaken further, from 5.4% in 2024 to 3.8% in 2025 and 3.0% in 2026, supported by the still restrictive monetary policy in most countries. In almost half of the advanced economies and in almost 60% of the emerging market economies, overall inflation has already returned to the central banks' targets. Significant challenges remain. Geopolitical tensions pose short-term risks, public debt ratios are high and medium-term growth prospects are weak. Uncertainty persists: An intensification of the ongoing conflicts in the Middle East could disrupt energy markets and affect confidence and growth. Rising trade tensions could impact trade growth. Adverse surprises related to growth prospects, or the path of disinflation could trigger disruptive corrections in financial markets. Growth could also surprise on the upside: Improvements in consumer confidence, for example if purchasing power recovers quicker than anticipated, could boost spending. Lower interest rates than in previous years might support the overall funding environment. An early resolution to major geopolitical conflicts could also improve sentiment, and lower energy prices.

GROWTH PROJECTIONS

World Economic outlook update January 2025 (in %)



Evotec's revenue split is geared towards a larger contribution from partners based in the US. (58%; 2023: 60%), while Europe accounts for little less than 20% of revenues (32%; 2023: 36%) and a very small share is generated in the rest of the world (predominantly Japan). Hence, the Company limits the macro-economic analysis by region to the two main areas the U.S. and Europe.

US – Robust growth

Following America's central bank Federal Reserve, the US economy grew by 2.5% in 2024, which is a modest slowing from the 3.2% growth in 2023. In its latest forecast from March 2025, OECD expects real gross domestic product ("GDP") to grow by 2.2% in 2025 and 1.6% in 2026. With immigration expected to step down from recent peaks, labour demand cooling somewhat, and less scope for households to further draw down savings, consumption growth should soften, though remain solid. Meanwhile, business investment is projected to expand moderately. In their economic outlook from March 2025, the central bank states that uncertainty around the economic outlook has increased as Donald Trump's attempt to overhaul the global economy with sweeping tariffs sparks concern over inflation and growth. The Fed is targeting a 2% inflation rate. While price growth has fallen dramatically from its peak at 9.1% – the highest level in a generation – three years ago, it has yet to fall below the central bank's target. Fed expects inflation to increase by an average rate of 2.7% this year, up from a previous estimate of 2.5%. Core inflation, which excludes often volatile food and energy costs amounted to 3.2% in December 2024. Fed expects an average core inflation of 2.8% for 2025 and of 2.2% for 2026.

Europe – Modest growth and decreasing inflation

For the Eurozone, OECD projects GDP growth to strengthen from 0.8% in 2024 to 1.3% in 2025 and 1.5% in 2026, on the back of recovering domestic demand. Private consumption will be supported by wage increases in buoyant labour markets and sustained growth of real disposable incomes. Private investment will benefit from more favourable credit conditions, and public investment will be supported by the Recovery and Resilient Facility funds. Wage growth is projected to ease gradually, as labour cost pressures moderate, helping core inflation approach 2% in the second half of 2025. According to the European Central Bank ("ECB") headline inflation averaged at 2.4 per cent in 2024 and is expected to reach 2.1 per cent in 2025 and 1.9 per cent in 2026. The projections continue to foresee a rapid decline in core inflation, from 2.9 per cent this year to 2.3 per cent in 2025 and 1.9 per cent in 2026 and 2027.

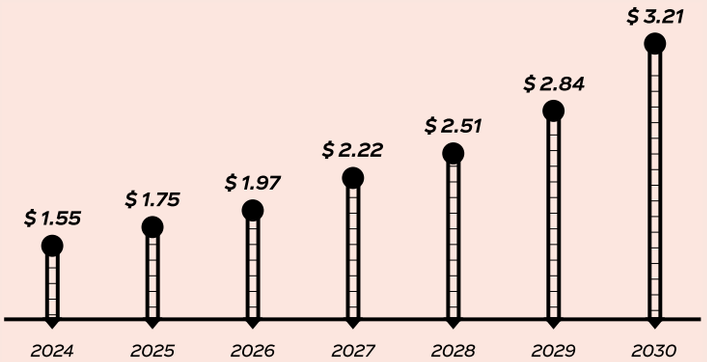
Germany: Stagnating growth and inflation

In its December report, the German Bundesbank stated that the German economy not only has to struggle with persistent economic headwinds, but also has to adapt to changing structural conditions. This affects industry in particular and is impacting its export business and investments. As a consequence, also the labour market is now reacting significantly to the prolonged weakness in economic activity, which is dampening private consumption. Against this backdrop, the German economy was stagnating in the winter half-year 2024 and will only slowly begin to recover in the course of 2025.Calendar-adjusted real GDP fell again slightly by 0.2% in 2024 and is expected to grow by 0.2% in 2025 and 0.8% in 2026. Despite the weak economy, the inflation rate will remain high in the coming year, falling only slightly from 2.5% in 2024 to 2.4% (measured by the Harmonised Index of Consumer Prices "HICP"). Main reasons for this development are the temporarily stronger rise in food prices and the slow decline in the price of services. In the following years, however, the inflation rate in Germany is expected to gradually return to 2%.

Developments in the pharmaceutical and biotechnology markets

According to Grand View Research, the global biotechnology industry is driven by strong government support in the form of initiatives to modernize the regulatory framework, improvements in approval processes & reimbursement policies, as well as standardization of clinical trials. The increasing prevalence of personalized medicine and the growing number of orphan drug formulations are opening new opportunities for biotechnology applications and are encouraging the influx of emerging and innovative biotechnology companies, further boosting market sales.

Precedence Research estimates the global biotechnology market to grow with a Compounded Annual Growth Rate („CAGR“) of 11.5% from $ 1.6 tn in 2024 to $ 3.2 tn by 2030.



Drug discovery outsourcing continues to grow

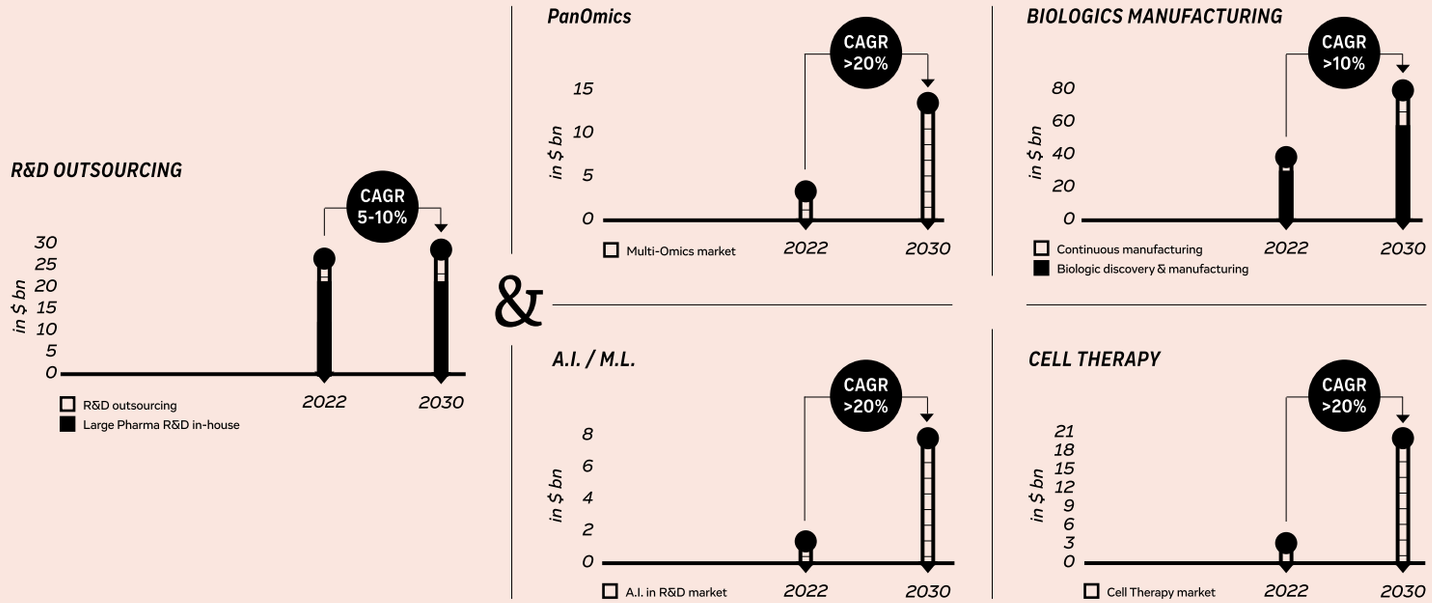
The global drug discovery outsourcing market size was valued at $ 6.6 bn in 2024 and is expected to grow at a CAGR of 7.6% to $ 10.2 bn until 2030.

The global drug discovery outsourcing market is primarily driven by the growing investments in the research and development of various new and innovative drugs. The surging growth and popularity of the global biopharmaceutical industry is a major factor which is estimated to boost the growth of the global drug discovery outsourcing market.

Outsourcing activities are continuing in both the pharma and biotech sectors. While outsourcing in the biotech sector continues, although it is already at a high level, outsourcing activities in the pharma sector are rising sharply.

Pharmaceutical companies are gradually outsourcing R&D activities to academic and private Contract Research Organisations (“CROs”) to reduce drug development timelines and costs. The pharmaceutical industry has seen radical changes in the past two decades, with a shift toward biologics, patent expiration, and unprecedented downsizing of the in-house research of big pharmaceutical companies. All this has accelerated the adoption of outsourcing activities.

Technology as accelerator - Growth dynamics in our industry



Sources: Grand View Research; Precedence Research; Mordor Intelligence; SNS Insider; Evaluate Pharma Analysis; Global Market Insights gminsights.com , Statista - AI drug discovery market worldwide

The industry collectively needs to improve research and development productivity. Improving research and development productivity imposes the need to increase the probability of success of each individual project at lower unit cost through the use of highest-quality platforms and industry-leading expertise.

Evotec provides the entire spectrum of drug discovery, development and manufacturing platforms needed to realise projects and thereby helps companies to advance their product development efficiently and successfully.

Evotec believes that these market dynamics will continue to provide positive impetus to strategic, integrated and long-term collaborations for the advancement of innovations and the accelerated development of novel targets with first-in-class and/or best-in-class potential.

— OPERATIONAL AND BUSINESS ENVIRONMENT —

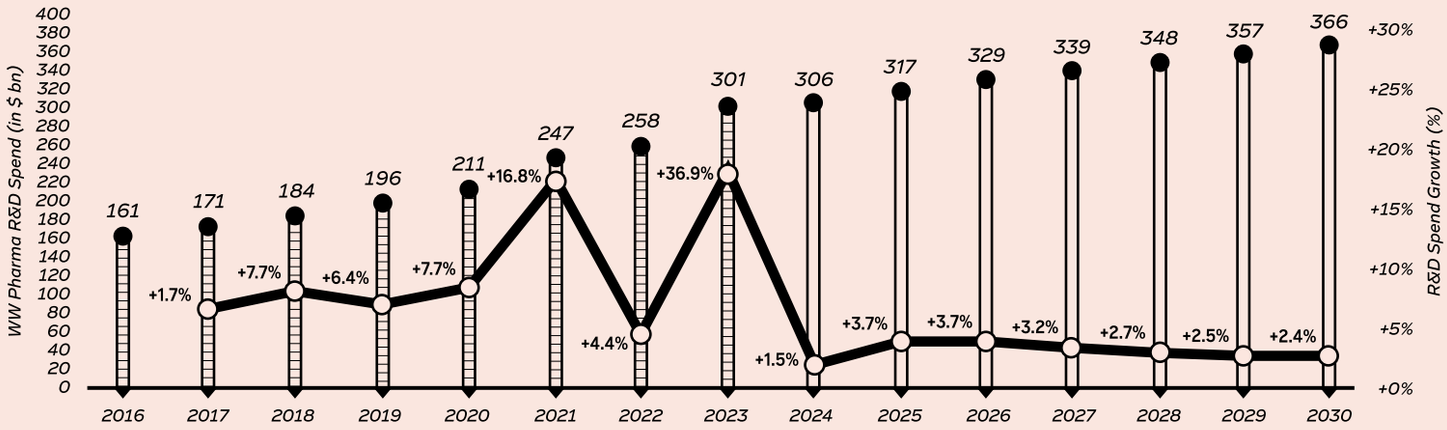
The market environment for biopharmaceutical industry remained challenging in 2024. At one end of the spectrum, small biotech companies have not seen a recovery of the overall funding environment, while many larger pharmaceutical companies conducted pipeline reviews and implemented restructuring measures. As a consequence, money spent for external R&D collaborations has not recovered. Spending was rather selective. While transactional agreements related to more standardised execution of experiments by third parties was affected in particular, there was still a certain interest in long-term collaborations with more strategic focus. However, while the scope of these collaborations has increased, phasing turned out to be more back-end loaded. As a consequence, conversion of order volumes into revenues has taken longer than in previous years.

Pharmaceutical industry: R&D expenses trending higher, revenues stagnating

For more than ten years, the global pharmaceutical industry has been struggling with declining efficiency in introducing new products. While expenses for research and development have risen significantly over the years, products already on the market are generating lower revenues than in earlier decades: According to Evaluate Pharma, from 2016 to 2030, expenses for R&D in the biotechnology and pharmaceutical industries are set to rise by 127% from $ 161 bn to $ 366 bn. Pharma R&D spend is forecast to grow significantly more slowly in the second half of the decade than it did in the first: CAGR of over 9% in 2016 to 2023 shrinks to below 3% between 2023 and 2030. Combined R&D spend of over $ 300 bn in 2024 (27% of sales) is predicted to fall to 21% of sales in 2030.

GLOBAL R&D EXPENSES OF PHARMA AND BIOTECH COMPANIES (2016-2030)

in $ bn



Market orientation of strategic research focus areas

Evotec has ongoing alliances and partnerships in many disease areas including autoimmune diseases, diabetes, fibrosis, gynaecological diseases, immunological and inflammatory diseases, infectious diseases, metabolic diseases, respiratory diseases and complications such as chronic kidney diseases and retinal diseases, neurological diseases and oncological diseases. These disease areas represent markets with huge unmet medical needs and significant revenue and value opportunities. The table below shows the expected sizes of markets addressed by Evotec's R&D activities.

MARKET POTENTIAL FOR INDIVIDUAL INDICATIONS

Indication	*Current market size*	*Market potential*
Autoimmune diseases	2024: $ 214.5 bn	2030: $ 336.2 bn
Diabetes	2024: $ 70.4 bn	2030: $ 103.7 bn
Gynaecological diseases (endometriosis)	2024: $ 1.8 bn	2030: $ 3.5 bn
Infectious diseases	2024: $ 123.9 bn	2030: $ 155.0 bn
Inflammatory diseases	2024: $ 105.6 bn	2030: $ 134.0 bn
Kidney diseases	2024: $ 106.6 bn	2028: $ 140.4 bn
Liver diseases	2024: $ 20.6 bn	2030: $ 28.6 bn
Metabolic diseases	2024: $ 77.2 bn	2030: $ 120.7 bn
Neuronal diseases	2024: $ 68.3 bn	2030: $ 83.0 bn
Cancer	2024: $ 225.0 bn	2030: $ 432.4 bn
Pain	2024: $ 85.0 bn	2030: $ 106.3 bn
Rare diseases	2024: $ 195.2 bn	2030: $ 374.4 bn
Respiratory diseases	2024: $ 91.3 bn	2032: $ 129.8 bn

FINANCIAL OUTLOOK FOR 2025

Revenues, research and development expenses and adjusted Group EBITDA are the most important and thus the key financial performance indicators for the management of the Evotec Group.

— EXPECTED OPERATING RESULTS —

Evotec expects to achieve Group revenues in the range of € 840 m - € 880 m and Adjusted Group EBITDA of € 30 m - € 50 m. Pipeline reviews of big pharma companies and a muted funding environment for small biotech companies with early-stage programs are likely to result in a soft start to the year. As cuts in pre-clinical and early stage programs seem to be close to peak and given that funding is selectively improving, we see signs for an improving environment in H2 2025.

In addition, we expect revenues to benefit from stronger demand for differentiated technologies to improve R&D efficiency, such as Evotec's platforms in the areas of PanOmics; iPSCs and Biologics manufacturing. Capacity and footprint adjustments, first efficiency gains in procurement and a stronger focus on profitable offerings should result in strong EBITDA growth. Higher wages, and materials costs as well as potential underutilisation in H1 2025 may have offsetting effects.

In € m		*Actual figures for 2024*	*Forecasts for 2025*	*Main assumptions*
Financial key performance indicators	**Group revenues**	797.0	840-880	– Growth in Just — Evotec Biologics – Cautious expectations of market recovery in Shared R&D
	Adjusted Group EBITDA	22.6	30-50	– Revenue growth – Full year impact of reorganisation measures – Increased cost base related to J.POD2 grand-opening
	R&D expenses	50,857.1	40-50	– Focus on first-in-class platforms and projects
Non-financial key performance indicators	**Number of customers**	849	>800	– Continued high levels of customer retention
	Number of customers contributing more than € 1 m to revenue	109	>110	– High levels of customer satisfaction and retention leading to extension and expansion of contracts
	Repeat business	94%	>90%	– High levels of customer satisfaction

EXPECTED LIQUIDITY AND STRATEGIC MEASURES

The Company's operational financing plan does not require any additional external financing to fund organic growth in the medium term. However, any strategic moves to further push growth and strengthen the Company's competitive position or increase critical mass via potential company or product acquisitions, or costs for transforming the company will need to be considered separately. Evotec intends to achieve organic profitable growth as a result of its corporate strategy. The Company continued to increase investments in the expansion and development of individual locations in 2024. In Toulouse, it has completed the construction of its second J.POD (J.POD Toulouse, France). Given that the largest investment project - the J:POD Toulouse, France - is set to start operations in 2025, investment needs are anticipated to be lower than in 2024.

DIVIDENDS

The payment of dividends depends on Evotec's financial situation and liquidity requirements, general market conditions, and statutory, tax and regulatory requirements. Evotec currently intends to retain any potential future profits and reinvest them in the Company's growth strategy to even better advance long-term growth and sustainability. In addition, Evotec SE will not be authorised to pay dividends before its annual profits exceed the losses carried forward. Evotec SE does not generate any distributable profits currently.

GENERAL STATEMENT ON EXPECTED DEVELOPMENTS BY THE MANAGEMENT BOARD

Evotec intends to further strengthen and expand its business as an innovative provider of drug discovery and development solutions based on a wide range of disruptive technologies. The Company is very well-positioned to generate value for pharmaceutical and biotechnology companies and for foundations, addressing the industry's structural stable growth in demand for innovation.

The Management Board is convinced that Evotec will benefit from the continuing need to generate returns on R&D investment in the pharmaceutical sector. Despite a still soft environment in some parts of the market and continued investments in R&D and ramp up costs for J.POD Toulouse, France, the Management Board expects Evotec to achieve a moderate revenue growth and an improved adjusted Group EBITDA in 2025 versus 2024. With its healthy liquidity position, Evotec will be able to further strengthen its strategic role in the drug discovery and development market and to create shareholder value.

Information pursuant to section 289a and section 315a of the German Commercial Code (HGB) and explanatory report

Evotec management primarily aims to generate shareholder value. For that reason, any proposed change of control or takeover offer that could uncover hidden reserves and value for the benefit of Evotec shareholders will be carefully analysed with regard to the expected synergies and future value creation. Pursuant to German Securities Acquisition and Takeover Act (Deutsches Wertpapiererwerbs- und Übernahmegesetz "WpÜG") a change of control is generally considered to have occurred if, as a result of any takeover, exchange or other transfer, a single shareholder or a group of shareholders acting in concert acquires more than 30% of the outstanding voting rights, or if, as a result of a merger or reverse merger, the shareholders of Evotec from the effective date of such a transaction own less than 30% of the voting rights in the merged entity. Evotec has no specific takeover defence measures in place.

COMPOSITION OF SHARE CAPITAL, VOTING RIGHTS AND AUTHORISATION TO ISSUE NEW SHARES

As of 31 December 2024, the share capital of Evotec SE amounted to € 177,553,456 and was divided into 177,553,456 non-par value shares. All shares are bearer shares and have equal voting rights. Evotec management is not aware of any restriction on the voting rights or the right to transfer. No binding lock-up agreements have been made by the Company with any shareholder, and neither stock loans nor pre-emptive stock purchase rights are known to the Company. Moreover, the Company does not control voting rights of any shares owned by employees.

No shareholder holds the right to have representatives on the Supervisory Board or is restricted or bound to specific votes at the Annual General Meeting. Existing stock option schemes do not allow for immediate vesting or additional issuance in the case of a takeover offer. The shareholders have authorised the Management Board to issue new shares or option or conversion rights as follows:

Authorised capital: Pursuant to section 5 paragraph 5 of the Articles of Association of the Company, the Management Board, with the approval of the Supervisory Board, is authorised to increase the Company's share capital by up to € 35,434,147.00 in one or more tranches until 9 June 2029 by issuing new shares against cash or non-cash consideration. Any shares to be issued on this basis will be subject to the statutory subscription rights of Evotec's shareholders. However, with the approval of the Supervisory Board, the Management Board may exclude the pre-emptive rights of its shareholders for some of the shares on one or several occasions under certain well-defined conditions.

Conditional capital: As of 31 December 2024, the remaining conditional capital of the Company amounted to € 47,563,303.00. Conditional capital in the amount of € 12,172,773.00 shall be used only to the extent that holders of stock options, share performance awards ("SPAs") or restricted share awards ("RSAs"), granted by Evotec on the basis of the shareholders' resolutions of 9 June 2015, 14 June 2017, 16 June 2020 and 22 June 2022, exercise their rights to subscribe for new Evotec shares. In 2024, conditional capital in the total amount of € 367,720.00 was used as holders of stock options and SPAs exercised their rights to subscribe for new shares in the Company. Additional conditional capital in the amount of € 35,390,530.00 exists to issue no-par-value bearer shares to owners or creditors of convertible bonds and/or warrant-linked bonds, participation rights and/or income bonds (or a combination of such instruments) that may be issued by Evotec on the basis of the authorisation passed at the Annual General Meeting on 20 June 2023. Any such contingent capital increase shall only be used to the extent that option or conversion rights are utilised, or the owners or creditors are obligated to carry out their duty of conversion, and to the extent that no treasury shares or new shares from an exploitation of authorised capital are utilised for servicing.

The Company has not issued any convertible bonds or option debentures in the last three years and none are currently outstanding.

SHAREHOLDINGS OF AT LEAST 10% OF VOTING RIGHTS

As of 31 December 2024, no shareholder holds at least 10% of voting rights.

CORPORATE GOVERNANCE STRUCTURE

Evotec's corporate governance structure is further detailed in the "Declaration of Corporate Management", which is available on the Company's website under *https://www.evotec.com/en/sustainability/governance*.

AUTHORISATION OF MANAGEMENT TO REPURCHASE STOCK

Evotec is currently not authorised by a resolution of the Annual General Meeting to acquire its own shares.

AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION/APPOINTMENT OF THE MANAGEMENT BOARD

Any amendment to the Company's Articles of Association requires a shareholder resolution. According to sections 133 and 179 of the German Stock Corporation Act (AktG) and section 17 of the Articles of Association, the shareholder resolution amending the Company's Articles of Association requires an affirmative vote of at least three-quarters of the Company's share capital present at an Annual General Meeting. Appointment and dismissal of members of the Management Board are governed by sections 84 and 85 of the German Stock Corporation Act (AktG).

CHANGE-OF-CONTROL PROVISIONS

The Management Board merely has customary rights in the event of change of control where a shareholder of the Company or a third party acquires either alone or under the rules of § 30 WpÜG (German Securities Acquisition and Takeover Act (e.g. via 'acting in concert') a holding of more than 30% of the shares of the Company, and as a consequence thereof, the members of the Management Board's tasks and scope of responsibility are substantially altered. The contracts of the members of the Management Board contain a standard clause that allows the members of the Management Board to terminate their existing contracts with three months' notice within a period of twelve months following the occurrence of such an event. In the event of such an effective termination the member of the Management would be entitled to a settlement payment amounting to eighteen (18) month's salary calculated as the sum of the monthly base payments and 1/12 of the target bonus, but no more than the total compensation due for the remaining term of the service agreement. The Long Term Incentive ("LTI") Plans contain Change-of-Control regulations.

Declaration of corporate management

Evotec SE is guided by recognised standards of good and responsible corporate governance: The German Corporate Governance Code ("Deutscher Corporate Governance Kodex"), as amended from time to time, is the guideline for the exercise of management and control. The corporate governance standards applied are summarised in the corporate governance declaration in accordance with § 289f and § 315d HGB. It contains the Declaration of Conformity pursuant to § 161 of the German Stock Corporation Act ("Deutsches Aktiengesetz"), which was adopted by the Management Board and the Supervisory Board in December 2024 and updated in February and April 2025, as well as the Corporate Governance Report (Principle 22 of the Code 2022).

The corporate governance declaration ("Declaration of Corporate Management") is available for download on the Company's website in the "IR & ESG" section at *https://www.evotec.com/en/sustainability/governance*.

Remuneration Report

The Remuneration Report of Evotec is available on the Company's website in the Governance/Remuneration of Management Board and Supervisory Board section under the following link: *https://www.evotec.com/en/sustainability/governance*

Evotec SE
The Management Board
Hamburg, 14 April 2025

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and financial results of the Group, and the Group Management Report, which has been combined with the Management Report of Evotec SE for the financial year 2024, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Evotec SE
The Management Board
Hamburg, 14 April 2025

Dr Christian Wojczewski
Chief Executive Officer

Paul Hitchin
Chief Financial Officer

Aurélie Dalbiez
Chief People Officer

Dr Cord Dohrmann
Chief Scientific Officer

Note: This is a convenience translation of the German original. Solely the original text in German is authoritative.

INDEPENDENT AUDITOR'S REPORT

To Evotec SE, Hamburg

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the annual financial statements of Evotec SE, Hamburg, which comprise the balance sheet as at December 31, 2024, the statement of profit or loss for the financial year from January 1, 2024 to December 31, 2024 and notes to the annual financial statements, including the presentation of the recognition and measurement policies.

In addition, we have audited the combined management report (report on the position of the company and of the group) of Evotec SE for the financial year from January 1, 2024 to December 31, 2024. In accordance with the German legal requirements, we have not audited content of the parts of the combined management report listed in section "OTHER INFORMATION".

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2024 and of its financial performance for the financial year from January 1, 2024 to December 31, 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report listed in section "OTHER INFORMATION".

Pursuant to section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the combined management report in accordance with section 317 German Commercial Code (HGB) and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT" section of our auditor's report. We are independent of the company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

In addition, in accordance with Article 10 (2) letter (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1, 2024 to December 31, 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

We have identified the following matter as a key audit matter to be disclosed in our auditor's report:

- Recoverability of financial assets

Matter

In the annual financial statements of Evotec SE, financial assets in the amount of EUR 939.9 m (72.8 % of total assets) are presented on the balance sheet. These relate to shares in affiliates as well as loans granted to them and investments in early-stage companies. In the financial year 2024 impairment expense of EUR 33.9 m was recorded.

These balance sheet items are measured at historic cost or nominal value or the lower fair value in case of an expected permanent impairment.

The assessment of the recoverability of financial assets is complex and requires numerous estimates and judgment by the legal representatives. The basis for the assessment whether there are indications of a permanent impairment is the current economic situation of the respective subsidiary or investment and its expected future development.

The fair values of affiliated companies are derived from the future cash flows derived from the detailed planning period of the budget calculations for subsidiaries prepared by the legal representatives. These projections are based on expectations regarding future market developments as well as revenue and margin trends. Assumptions for the assessment of recoverability include the growth rate of cash flows beyond the detailed planning period and the discount rate used.

For investments, for which no observable stock market prices are available, the fair value is derived from external financing rounds or capital transactions with new investors, or in the absence of these, Evotec uses qualitative factors such as scientific progress and assesses the liquidity situation for the valuation. If the investment has a potential going concern risk and there are no other promising factors, Evotec SE recognizes an impairment loss to the lower fair value.

Considering the quantitative significance of the financial assets and the uncertainty associated with the judgmental decisions and estimates of the legal representatives regarding the financial position and results of operations of Evotec SE, the assessment of recoverability was a key audit matter in the context of our audit.

For disclosures on financial assets of Evotec SE, we refer to section II “Accounting and valuation principles” and section III “Notes to the balance sheet – 2. Financial assets” of the notes to the annual financial statement.

Audit response and findings

We obtained an understanding of the legal representatives’ process for identifying indications of impairment of financial assets and assessed whether the approach is appropriate for identifying objective indications of changes in fair values.

With respect to affiliates, we further gained an understanding of the planning model and the planning process as well as the significant assumptions and expectations made by the executive directors in the planning. With the involvement of our valuation specialists, we evaluated the calculation methodology used to assess the recoverability of the affiliated companies and assessed the appropriateness of the valuation method applied. We discussed the data and assumptions underlying the planning with the legal representatives and other persons responsible for planning and critically assessed them, taking into account past developments and industry-specific market expectations. We reconciled the forecast of future cash surpluses in the detailed planning period with the multi-year plan prepared by the executive directors and satisfied ourselves of the reliability of the plan based on an analysis of past deviations from the plan. We verified the growth rates assumed in the forecast of cash flows beyond the detailed planning period

by comparing them with current industry-specific market expectations and satisfied ourselves of the appropriateness of the discount rates used.

For investments where external financing rounds took place, we verified the fair value derived from financing rounds with external investors. Moreover, we discussed with the executive directors their assessment of possible scientific indications of an impairment of investments that is expected to be permanent, relying on the scientific life science expertise of the respective department. We further critically scrutinized the assumptions made in this context, while taking into account information provided by the investments and publicly available information. We also assessed the reporting of the investments for possible further indicators of impairment and discussed these with the executive directors.

Where indications of a permanent impairment were identified by the executive directors, we assessed whether the fair value was determined appropriately.

Considering the information available, we believe that the valuation parameters applied by the executive directors and the underlying valuation assumptions as well as the procedures to evaluate the recoverability are appropriate for the proper valuation of the financial assets.

OTHER INFORMATION

The executive directors or the supervisory board are responsible for the other information. The other information comprises:

- the separately published declaration on corporate governance in accordance to section 289f and section 315d German Commercial Code (HGB) to which reference is made in section ”Declaration of corporate management” of the combined management report;
- the separately published Sustainability Report to which reference is made in section “Reporting pursuant to section 289c and 315c of the German Commercial Code (HGB)” of the combined management report;
- the separately published remuneration report according to section 162 AktG, to which reference is made in section “Remuneration Report” of the combined management report;

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and

appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 German Commercial Code (HGB) and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW*)* will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls arrangements and measures of the company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial

performance of the company in compliance with German Legally Required Accounting Principles.

- evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT, PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) GERMAN COMMERCIAL CODE

Assurance Opinion

We have performed assurance work in accordance with section 317 (3a) German Commercial Code (HGB) to obtain reasonable assurance as to whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "Evotec_JAuLB_2024-12-31_de.zip" and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) German Commercial

Code for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) German Commercial Code (HGB) for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying combined management report for the financial year from January 1, 2024 to December 31, 2024 contained in the “Report on the audit of the annual financial statements and of the combined management report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file identified above in accordance with section 317 (3a) German Commercial Code (HGB) and the IDW Assurance Standard (IDW AsS): Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with section 317 (3a) German Commercial Code (HGB) (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the “Auditor’s Responsibilities for the Assurance Work on the ESEF Documents” section. Our audit firm has applied the requirements of the IDW Quality Management Standards, which implement the IAASB’s International Standards on Quality Management.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the company are responsible for the preparation of the ESEF documents with the electronic renderings of the annual financial statements and the combined management report in accordance with section 328 (1) sentence 4 No. 1 German Commercial Code (HGB).

In addition, the executive directors of the company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of section 328 (1) German Commercial Code (HGB) for the electronic reporting format.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) GERMAN COMMERCIAL CODE. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) GERMAN COMMERCIAL CODE, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i. e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited combined management report.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as auditor by the annual general meeting on June 10, 2024. We were engaged by the audit committee on November 14, 2024. We have been the auditor of the Evotec SE without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER — USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the assured ESEF documents. The annual financial statements and the combined management report converted to the ESEF format — including the versions to be published in the German Company Register — are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion

contained therein are to be used solely together with the assured ESEF documents provided in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Julia Wirth.

Berlin, April 14, 2025

BDO AG
Wirtschaftsprüfungsgesellschaft

Silvia Sartori
Wirtschaftsprüferin
(German Public Auditor)

Julia Wirth
Wirtschaftsprüfer
(German Public Auditor)