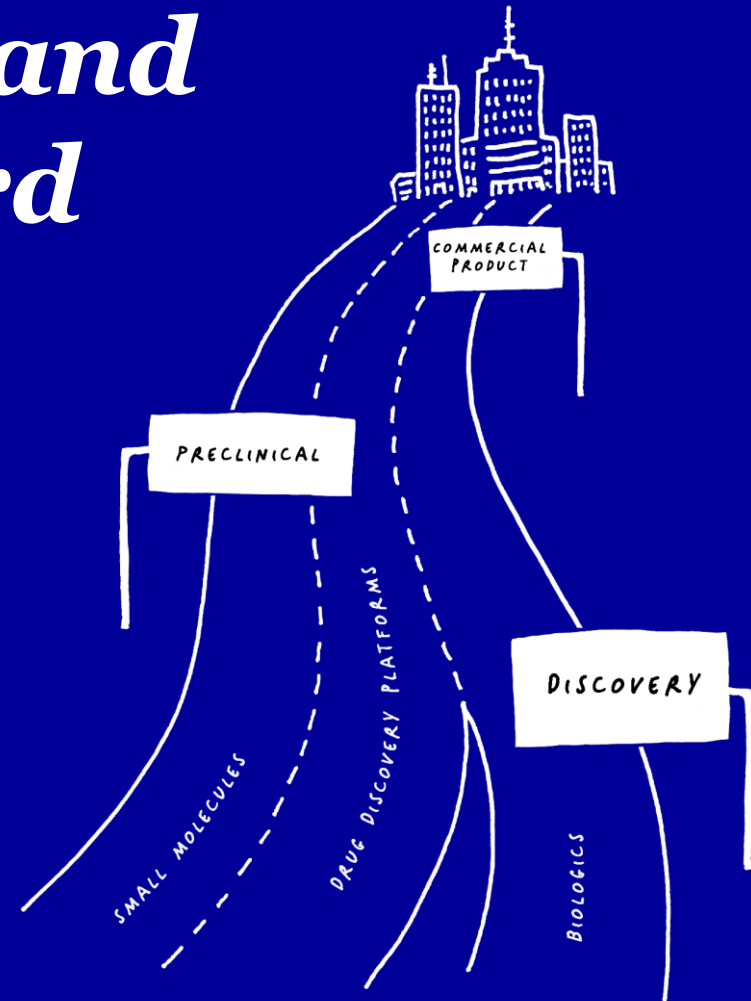


# *Driving Drug Discovery and Development fast forward*



## Forward-looking statement

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Information set forth in this presentation contains forward-looking statements, which involve a number of risks and uncertainties. The forward-looking statements contained herein represent the judgement of Evotec as of the date of this presentation. Such forward-looking statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in these forward-looking statements. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based.

**Note:**

*The 2018 and 2019 results are not fully comparable. The difference stems from the acquisition of Evotec ID (Lyon) SAS, effective 01 July 2018. The results from Evotec ID (Lyon) SAS are only included from 01 July 2018 onwards. Furthermore, Just - Evotec Biologics (former Just Biotherapeutics) was acquired effective 02 July 2019. The results from Just - Evotec Biologics are included from 02 July 2019 onwards.*

*The accounting policies used to prepare this interim information are the same as those used to prepare the audited consolidated financial statements for the year ended 31 December 2018, except for the adoption of IFRS 16 which is applied at Evotec as of 01 January 2019.*

# Welcome

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## The Management Team

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**Werner Lanthaler**  
CEO



**Enno Spillner**  
CFO



**Craig Johnstone**  
COO



**Cord Dohrmann**  
CSO

# Agenda

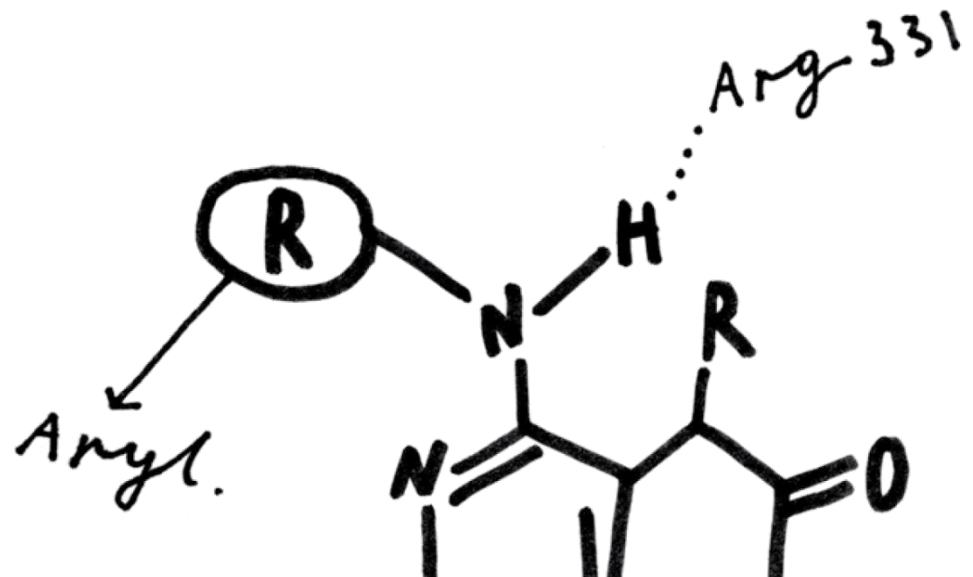
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## Highlights & strategy

Financial performance

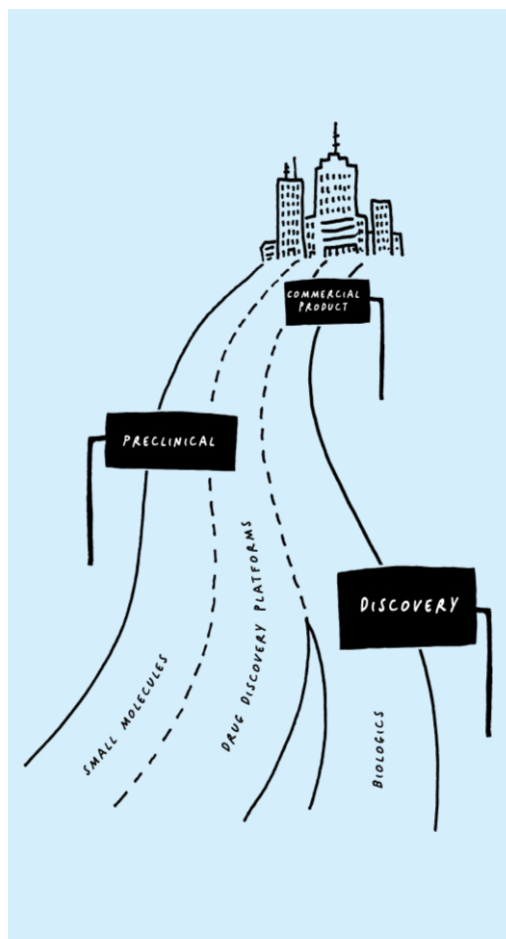
Scientific and operational performance

Guidance & next steps



# Strong positive momentum across all business lines

## Recent highlights



- New strategic drug discovery and development alliances
- Successful progress in co-owned pipeline
- Multiple important milestones achieved
- Just – Evotec Biologics picking up speed
- Extension into 2023 of iPSC alliance with Celgene triggers \$ 30 m payment
- Foundation of 50:50 Joint venture with Vifor Pharma (after period-end)
- New precision medicine initiatives in Woman´s Health and Oncology
- Expansion of BRIDGEs and equity based co-ownership engagements
- Expanding leading position in infectious diseases via multiple alliances

# Strong performance – increase in EBITDA guidance

## Financials 9M 2019 & FY 2019 Guidance

### Strong financial performance

- Increase of revenues by 16% to € 321.4 m (9M 2018: € 278.1 m<sup>1)</sup>)
- Adjusted EBITDA<sup>2)</sup> up by 36% to € 93.2 m (9M 2018: € 68.7 m)
- Unpartnered R&D expenses of € 25.7 m (9M 2018: € 16.0 m)
- Strong liquidity position of € 282.6 m (31 December 2018: € 149.5 m)

### Revenue guidance 2019 confirmed; EBITDA guidance increased

- Approx. 15% revenue growth (2018: € 364.0 m<sup>3)</sup>)<sup>4)</sup>
- Approx. 15% (*previously: >10%*) adjusted EBITDA<sup>2)</sup> growth (2018: € 92.0 m<sup>5)</sup>)
- Unpartnered R&D € 30-40 m (2018: € 22.9 m)

<sup>1)</sup> 2018 data including reclasses of recharges according to IFRS 15 (€ 8.1 m)

<sup>2)</sup> Before contingent considerations, income from bargain purchase & excluding impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

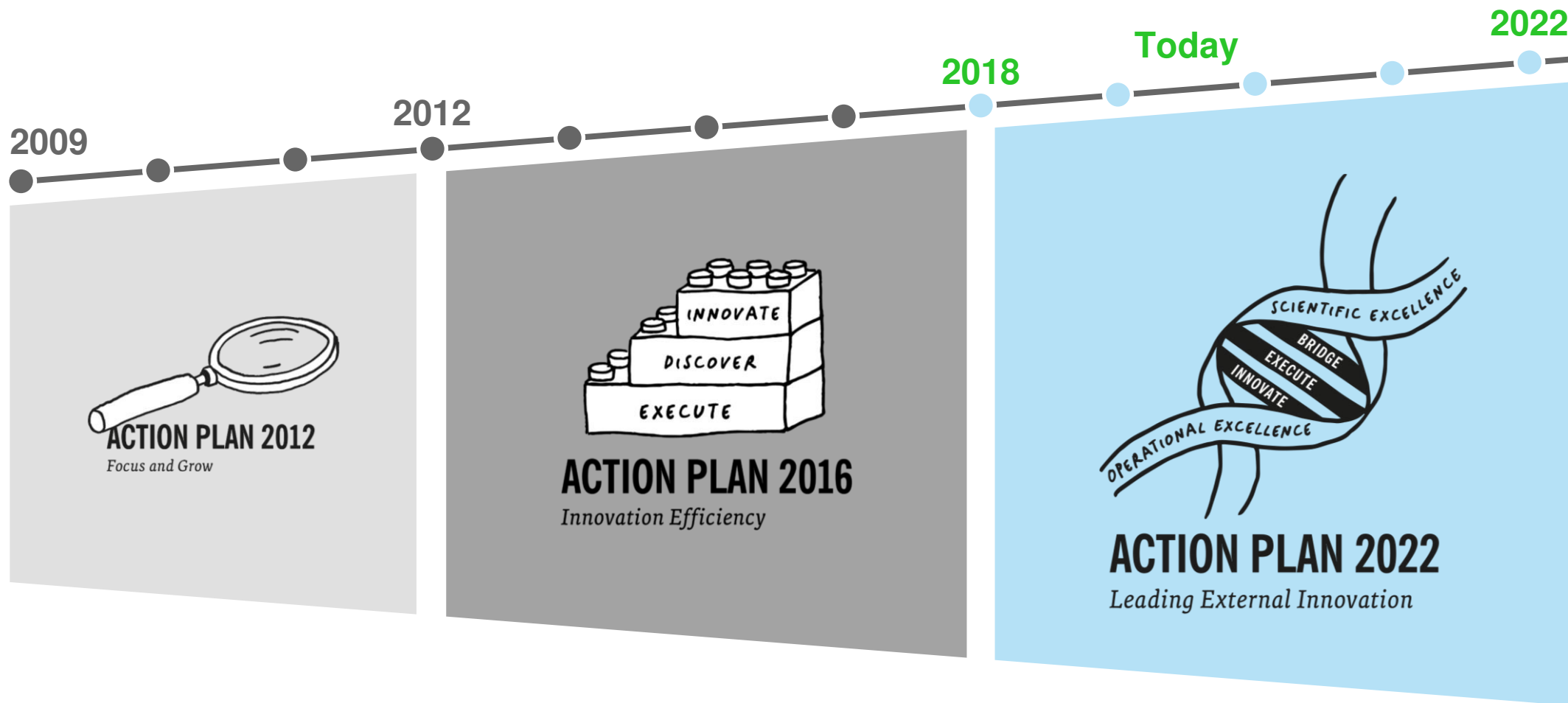
<sup>3)</sup> 2018 total revenues excl. revenues from recharges according to IFRS 15

<sup>4)</sup> Based on current/updated FX rates

<sup>5)</sup> 2018 total adjusted Group EBITDA excl. € 3.5 m one-off effects in 2018

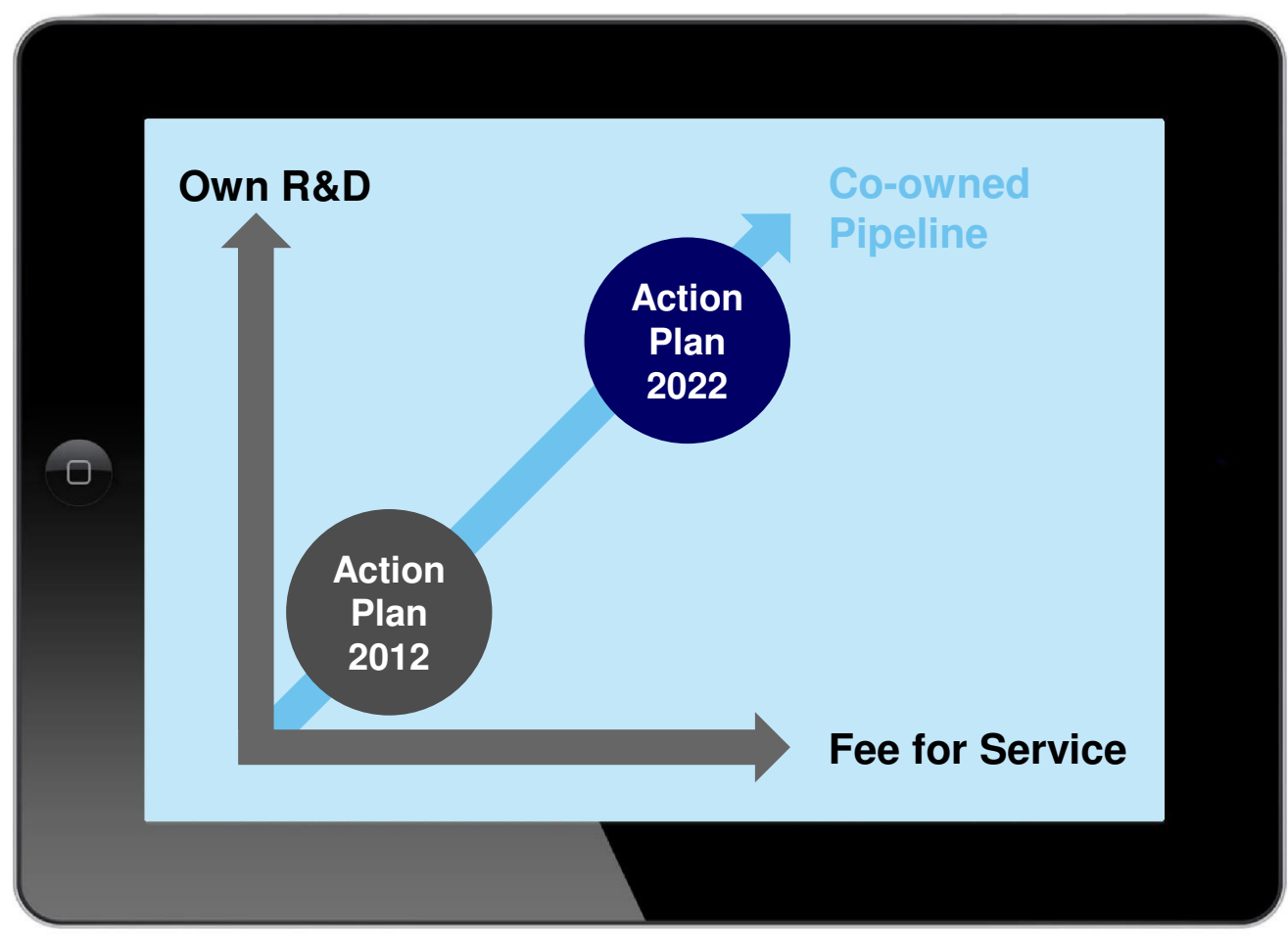
# “... just the beginning”

“Action Plan 2022 – Leading External Innovation”



# Co-owned pipeline gains momentum and visibility

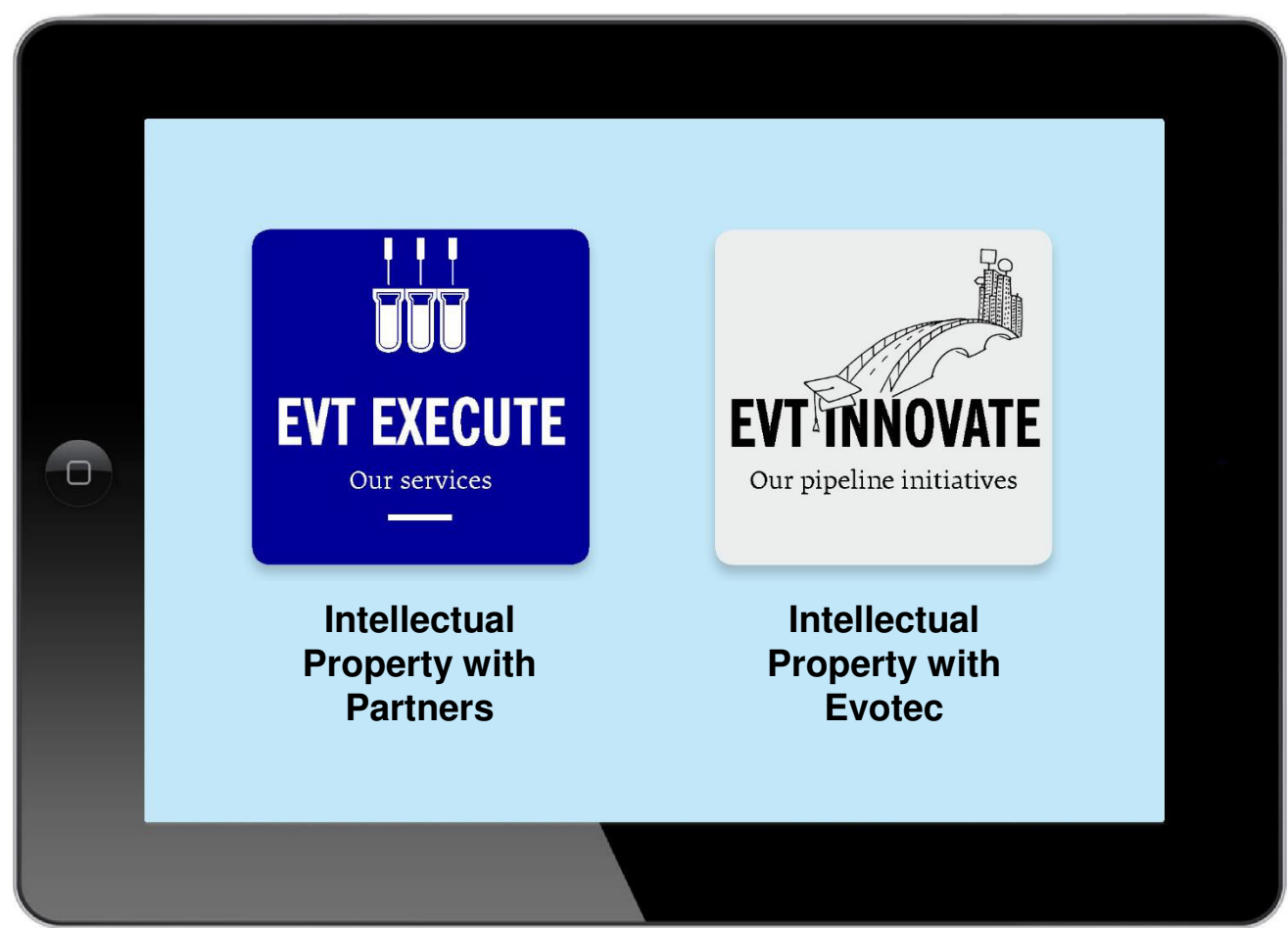
Unique business model





# ONE platform open for tailor made business formats

EVT Execute & EVT Innovate



# Agenda

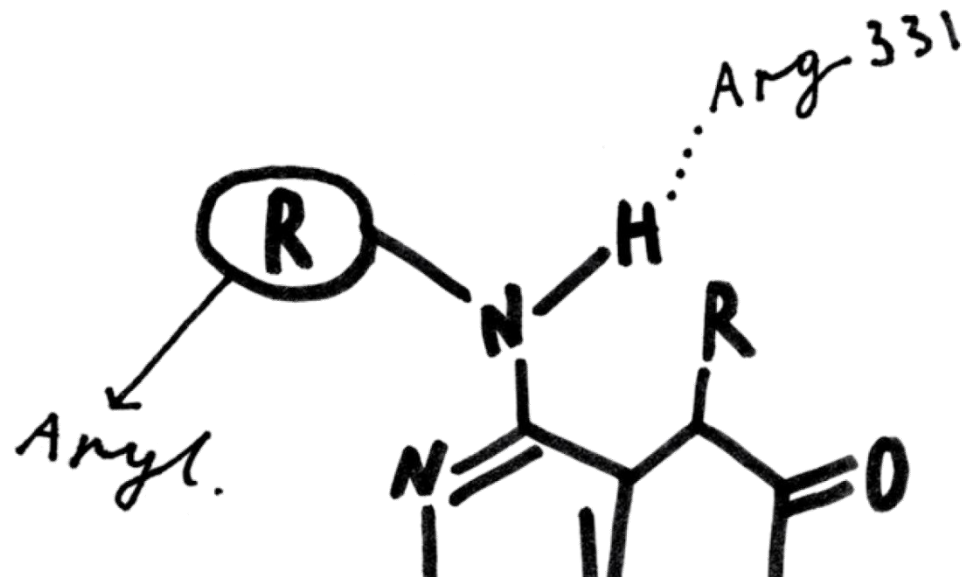
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Highlights & strategy

**Financial performance**

Scientific and operational performance

Guidance & next steps



# Strong growth translates into strong profitability

## Condensed income statement 9M 2019 – Evotec Group

in € m<sup>1)</sup>

	YTD 2019	YTD 2018 <sup>3)</sup>	% vs. 2018
Revenues from contracts with customers	<b>321.4</b>	278.1	16%
Gross margin	<b>30.7%</b>	30.1%	–
• R&D expenses	<b>(41.3)</b>	(20.9)	97%
• SG&A expenses	<b>(46.2)</b>	(40.8)	13%
• Impairment of intangible assets and goodwill	<b>(11.9)</b>	(4.2)	183%
• Income from bargain purchase	–	15.4	–
• Other op. income (expenses), net	<b>47.1</b>	26.3	79%
<b>Operating income</b>	<b>46.4</b>	<b>59.5</b>	(22%)
<b>Adjusted Group EBITDA<sup>2) 5)</sup></b>	<b>93.2</b>	<b>68.7</b>	36%
<b>Net income<sup>4)</sup></b>	<b>29.7</b>	<b>52.3</b>	

- Strong base business and Just – Evotec Biologics lead to significant revenue growth
- Unpartnered R&D expenses increase to € 25.7m (2018: € 16.0 m)
- One-off impairment due to termination of SGM-1019
- Improved other operating income due to recharges for Evotec ID (Lyon) and growing R&D tax credits
- Operating income 2018 positively impacted by one-off-effect from bargain purchase
- Adjusted Group EBITDA positively affected by IFRS 16 (€ 10.1 m) and impact from Just – Evotec Biologics
- Net Income is not comparable because of one-off effects

<sup>1)</sup> Differences may occur due to rounding

<sup>2)</sup> Before contingent considerations, income from bargain purchase and excl. impairments on goodwill, other intangible and tangible assets as well as the total non-operating result

<sup>3)</sup> 2018 data including reclasses of recharges according to IFRS 15

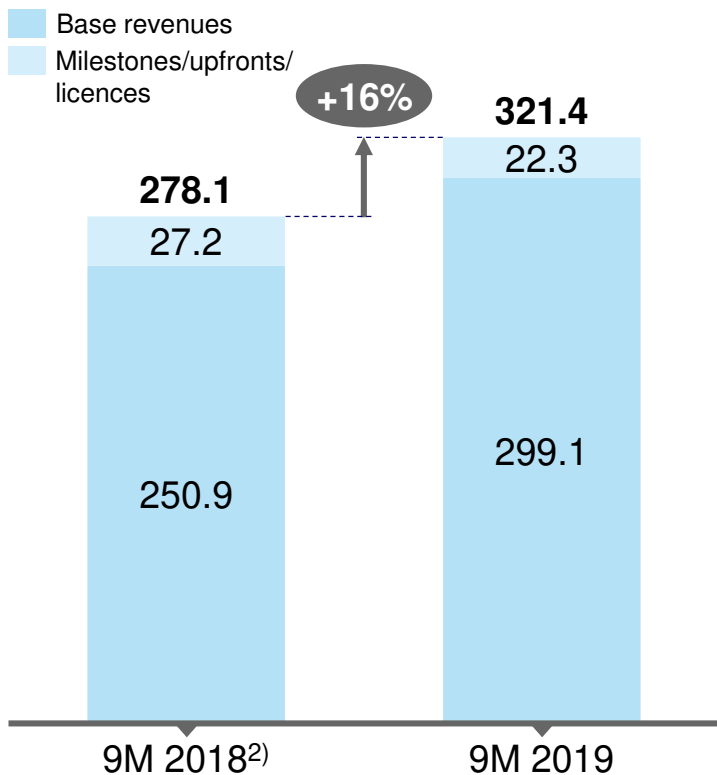
<sup>4)</sup> Not directly comparable because of one off effects in 2018

<sup>5)</sup> 2018 is not restated for IFRS 16

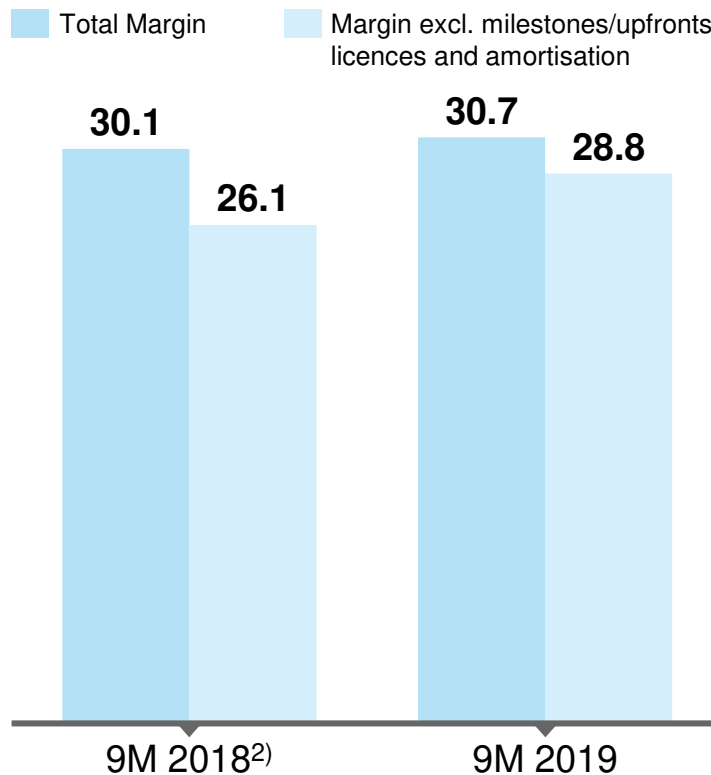
# Growth trend comes with increased gross margin

## Revenues & Gross margin overview 9M 2019

### Revenues from contracts with customers (in € m)



### Gross margin<sup>1)</sup> (in %)



- Despite slightly lower contribution from milestones, upfronts and licenses in first 9M 2019, strong overall revenue growth and gross margin increase
- IFRS 15 contributes € 10.6 m to the revenue line (2018: € 8.1 m)
- Increase in base margin based on good capacity utilisation and favourable FX while PPA amortisation and IFRS 15 are burdensome to the GM

<sup>1)</sup> Gross margin in the future may be volatile due to the dependency of receipt of potential milestone or out-licensing payments, both having a strong impact on the gross margin, also new business through Aptuit.

<sup>2)</sup> 2018 data including reclasses of recharges according to IFRS 15

# Very good Q3 shows strong utilization of platform

## Condensed income statement Q3 2019 – Evotec Group

in € m<sup>1)</sup>

	Q3 2019	Q3 2018	% vs. 2018
Revenues from contracts with customers	<b>114.3</b>	99.2	15%
Gross margin	<b>30.6%</b>	33.7%	–
• R&D expenses	<b>(12.0)</b>	(10.9)	10%
• SG&A expenses	<b>(16.3)</b>	(13.6)	20%
• Income from bargain purchase	–	15.4	–
• Other op. income (expenses), net	<b>15.7</b>	13.6	15%
<b>Operating income</b>	<b>22.4</b>	<b>37.8</b>	(41%)
<b>Adjusted Group EBITDA<sup>3)</sup></b>	<b>35.0</b>	<b>30.1</b>	16%
<b>Net income<sup>4)</sup></b>	<b>19.0</b>	<b>34.4</b>	(45%)

- Q3 revenue growth driven by strong base business and contribution from Just – Evotec Biologics (€ 10.4 m)
- Q3 2018 included higher milestone, upfront and license revenues
- SG&A increase reflects organic growth and expenses from acquired companies and transactions
- Net income is not directly comparable to 2018. Net income decreased due to higher deferred tax expenses in Q3 2019 and positive effect in Q3 2018 from bargain purchase of the acquisition of Evotec ID (Lyon)

<sup>1)</sup> Differences may occur due to rounding

<sup>2)</sup> 2018 data including reclasses of recharges according to IFRS 15

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

<sup>4)</sup> Not directly comparable because of one off effects in 2018

## Both business segments fully on strategy

Segment information 9M 2019 – Evotec Group

in € m<sup>1)</sup>

	<b>EVT Execute</b>	<b>EVT Innovate</b>	<b>Inter- segment elimination</b>	<b>Not allocated (IFRS 15)<sup>3)</sup></b>	<b>Evotec Group</b>
Revenues	<b>308.1</b>	<b>61.8</b>	(59.1)	10.6	<b>321.4</b>
Gross margin	<b>28.3%</b>	<b>29.7%</b>	–	–	<b>30.7%</b>
• R&D expenses	<b>(0.8)</b>	<b>(47.1)</b>	6.6	–	<b>(41.3)</b>
• SG&A expenses	<b>(35.9)</b>	<b>(10.3)</b>	–	–	<b>(46.2)</b>
• Impairment of intangible assets and goodwill	–	<b>(11.9)</b>	–	–	<b>(11.9)</b>
• Income from bargain purchase	–	–	–	–	–
• Other op. income (expenses), net	<b>14.6</b>	<b>32.5</b>	–	–	<b>47.1</b>
<b>Operating result</b>	<b>64.9</b>	<b>(18.5)</b>	–	–	<b>46.4</b>
<b>Adjusted EBITDA<sup>2)</sup></b>	<b>97.4</b>	<b>(4.2)</b>	–	–	<b>93.2</b>

- Growth of 21% in EVT Execute due to strong base business and contributions from Just – Evotec Biologics
- Revenue growth of 21% in EVT Innovate driven by strong underlying performance, milestones and new partnerships
- Increased R&D expenses in EVT Innovate both in unpartnered and partnered R&D according to strategy
- EVT Execute operating result increased due to efficiency, high utilisation and careful cost management

<sup>1)</sup> Differences may occur due to rounding

<sup>2)</sup> Before contingent considerations, income from bargain purchase & excl. impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

<sup>3)</sup> Not allocated to segments: Material charges according IFRS15

## Agenda

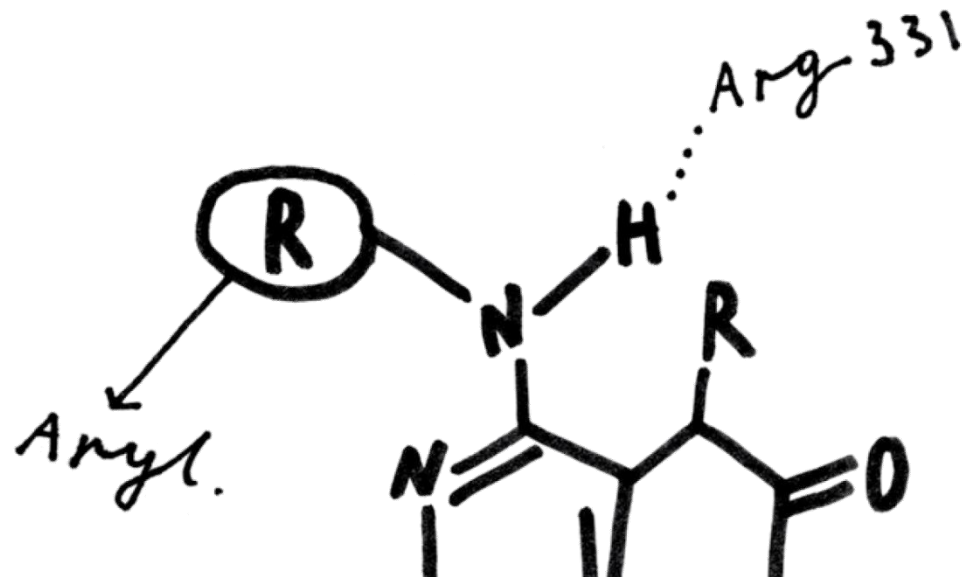
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Highlights & strategy

Financial performance

**Scientific and operational performance**

Guidance & next steps



## Strong progress for our partners

EVT Execute – Major achievements 9M 2019

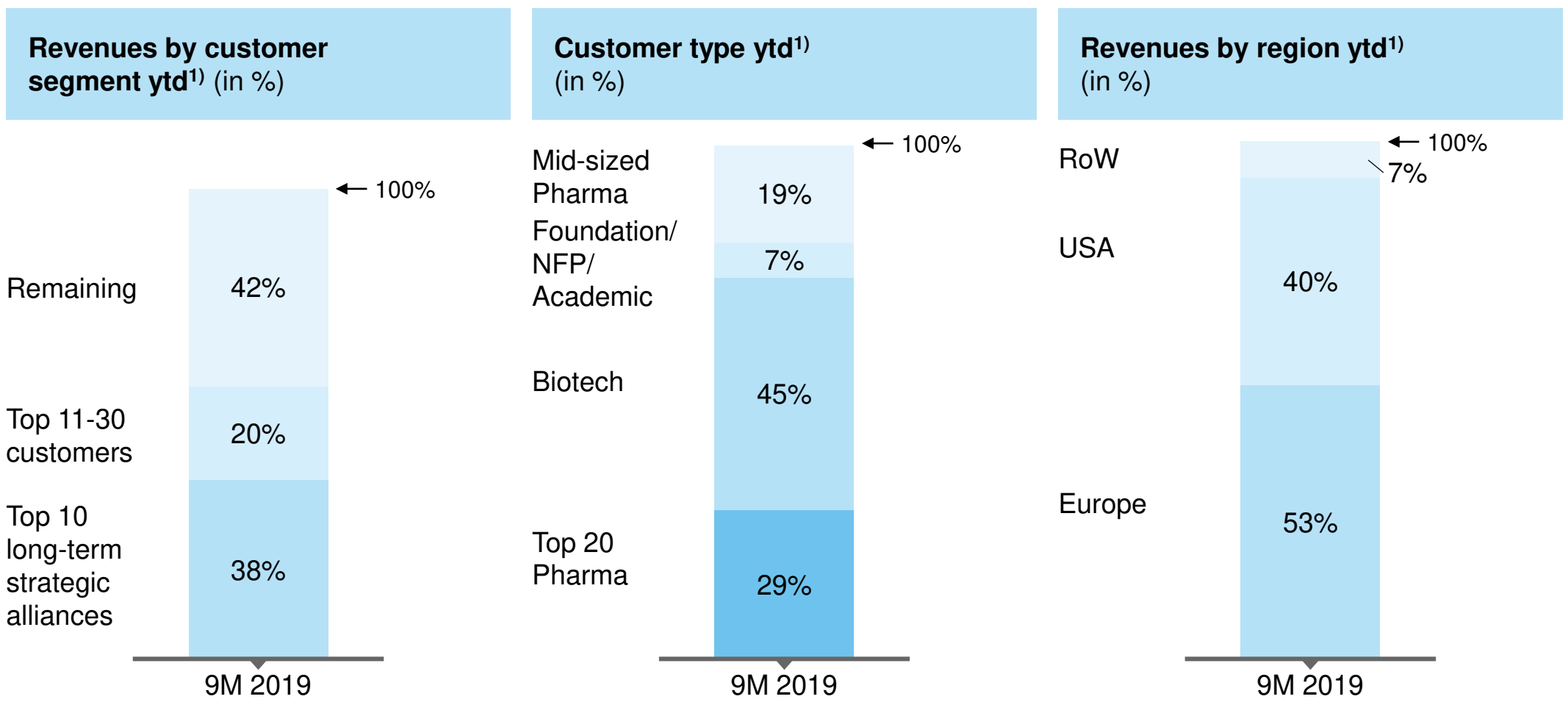


- Strong demand and performance on all business lines with strong increased demand from all customer groups
- New strategic multi-year drug discovery collaboration across multiple therapeutic areas with Takeda
- Milestone achievements (Bayer, Boehringer Ingelheim, Aeovian)
- Outlicensing of bio-similar project to Biocon Biologics from Just – Evotec Biologics
- Authorisation by AIFA<sup>1)</sup> to produce commercial drug products and orphan drugs – complements Evotec's fully integrated CMC offering



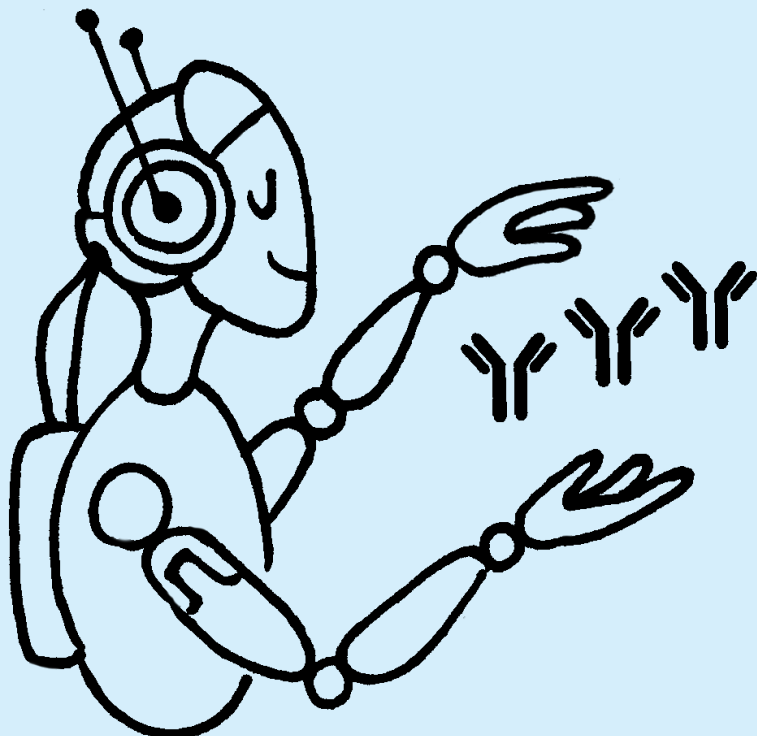
# Well-balanced global customer mix

EVT Execute – Selected KPIs 9M 2019



# “just the beginning ...” for dramatically improved access and processes in biologics

Just – Evotec Biologics – Value Proposition



Molecule and process optimization ensure predictable performance and manufacturability with significant time and cost savings.

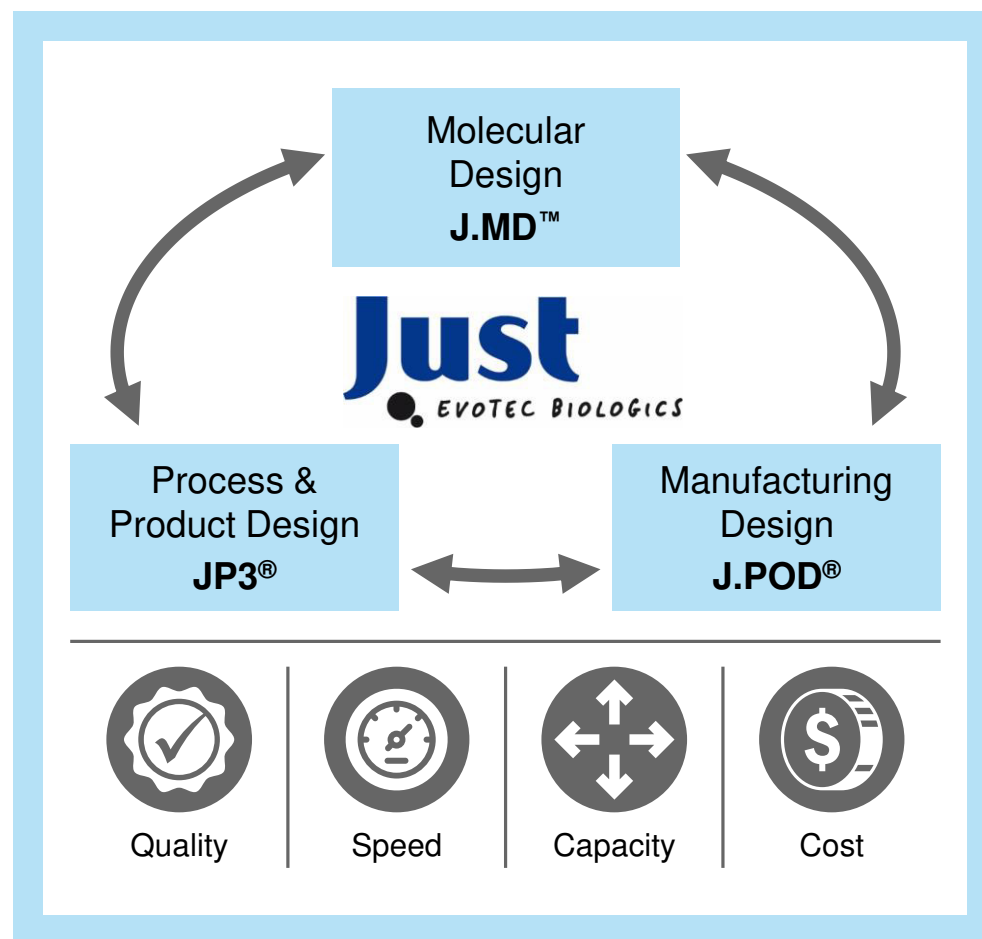
Our modular production system enables maximum flexibility in terms of capacity and location.

*James Thomas, PhD, Just – Evotec Biologics*

# Multimodality offering and partnering is reality

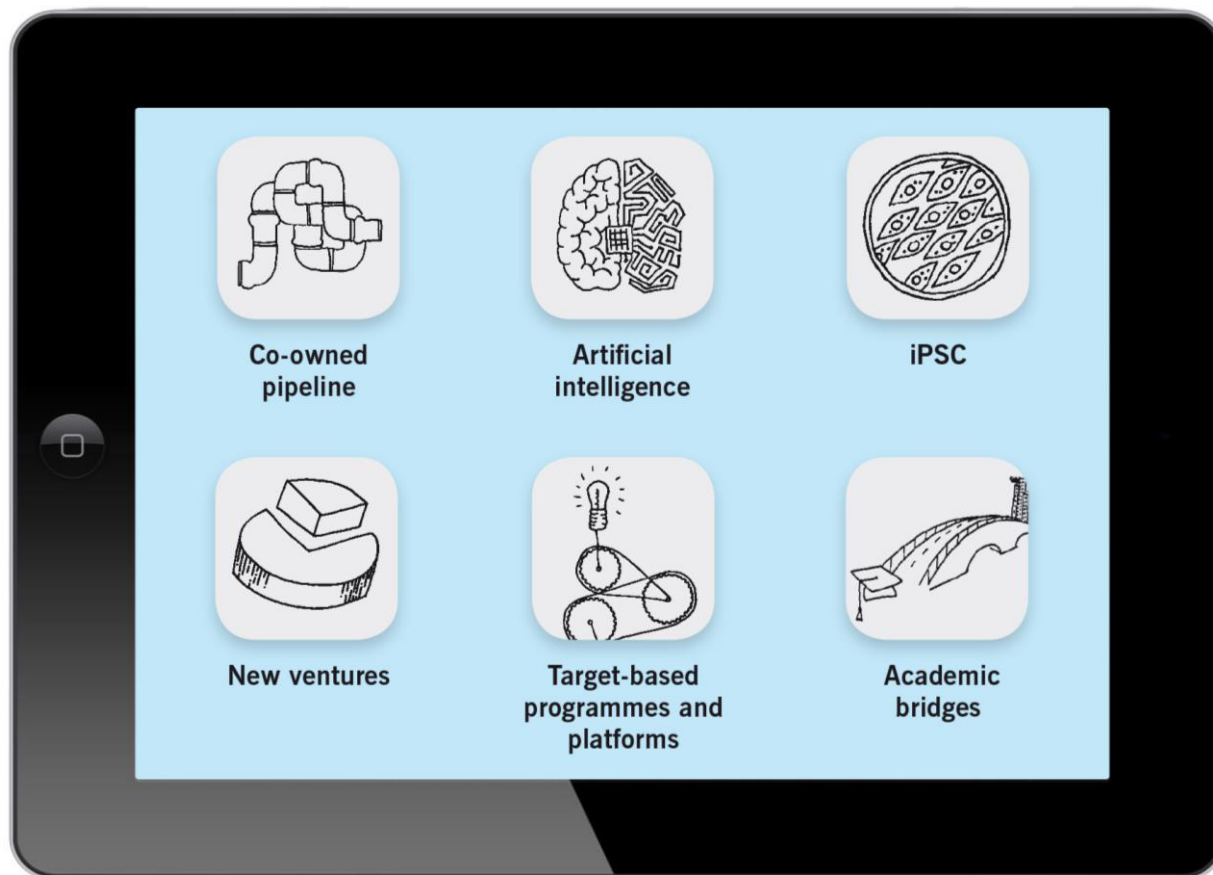
Initial achievements & outlook of Just – Evotec Biologics

- Integration of processes, services, and team into Evotec Group on track
- Teva alliance for design and development of high-productivity biomanufacturing
- Out-licensing of pre-clinical biosimilar asset with Biocon Biologics
- Strong initial revenue contribution of € 10.4 m in Q3
- New business “cross-selling” opportunities on horizon
- Webinar to share more detailed information on unique technological position and technological and capacity outlook planned before end 2019



# Co-ownership for massive pipeline opportunities

























EVT Innovate – Major achievements 9M 2019



- Very good pipeline progress
- Extension of iPSC partnership with Celgene
- Multiple new co-ownership agreements
- Collaboration with Celmatix in woman's health
- JV with Vifor in nephrology (after period-end)
- Building of leading position in Infectious Diseases via alliances (GARDP<sup>1)</sup>, GNA Now, Helmholtz and Bill & Melinda Gates Foundation)


























# Fully invested pipeline is gaining visibility

## Partnership portfolio pre-clinical and clinical

	Molecule	Therapeutic Area/Indication	Partner	Discovery	Pre-clinical	Phase I	Phase II	Phase III
Clinical	EVT201	CNS – Insomnia	 京新药业 JINGXIN PHARMACEUTICAL	[Progress bar]				
	BAY-1817080	Chronic cough	 BAYER	[Progress bar]				
	ND <sup>1)</sup>	Chronic cough	 BAYER	[Progress bar]				
	CT7001	Oncology	 Carrick therapeutics	[Progress bar]				
	CT7001	Oncology	 Carrick therapeutics	[Progress bar]				
	EVT401	Immunology & Inflammation	 康恩贝集团 CONBA GROUP	[Progress bar]				
	Various	Women's health – Endometriosis	 BAYER	[Progress bar]				
	Various	Women's health – Endometriosis	 BAYER	[Progress bar]				
	Various	Women's health – Endometriosis	 BAYER	[Progress bar]				
	Various	Respiratory	 Boehringer Ingelheim	[Progress bar]				
	ND <sup>1)</sup>	Oncology	 Boehringer Ingelheim  XYNOMIC Pharma	[Progress bar]				
Pre-clinical	ND <sup>1)</sup>	Immunology & Inflammation	 Topas  Therapeutics	[Progress bar]				
	ND <sup>1)</sup>	Pain	 Boehringer Ingelheim	[Progress bar]				
	Various	Women's health – Endometriosis	 BAYER	[Progress bar]				
	EVT801	Oncology	 SANOFI 	[Progress bar]				
	TargetImmuniT	Oncology – Immunotherapy	 SANOFI   APEIRON BIOLOGICS	[Progress bar]				
	ND <sup>1)</sup>	Oncology (+ several discovery programmes)	 Exscientia DRIVEN BY KNOWLEDGE	[Progress bar]				
	ND <sup>1)</sup>	Fibrosis	 Galápagos 	[Progress bar]				
	Various	CNS, Metabolic, Pain & Inflammation	>10 further programmes	[Progress bar]				

# >100 discovery projects are progressing rapidly

## Partnership research and discovery portfolio

	Molecule	Therapeutic Area/Indication	Partner	Discovery	Pre-clinical	Phase I	Phase II	Phase III
Discovery	Various ND <sup>1)</sup>	Nephrology						
	Various ND <sup>1)</sup>	Immunology & Inflammation						
	Various ND <sup>1)</sup>	Nephrology						
	Various ND <sup>1)</sup>	Metabolic – Diabetes						
	Various	Oncology						
	Various	Immunology & Inflammation – Tissue fibrosis						
	Various	Neurodegeneration						Extension
	ND <sup>1)</sup>	Oncology – DNA damage response						NEW spin-off
	ND <sup>1)</sup>	Anti-bacterial						
	Various	All indications	   					NEW BRIDGES
	ND <sup>1)</sup>	Dermatological diseases						
	ND <sup>1)</sup>	Facioscapulohumeral Dystrophy						
	INDY inhibitor	Metabolic						
	Various	Fibrotic disease	<b>Fibrocor Therap./ Galapagos</b>					
	TargetPicV	Antiviral						
	ND <sup>1)</sup>	PCOS						NEW Partnership
	ND <sup>1)</sup>	Nephrology						NEW Joint Venture
	ND <sup>1)</sup>	Oncology						
	ND <sup>1)</sup>	Novel antibiotics						
	ND <sup>1)</sup>	Novel antibiotics						
ND <sup>1)</sup>	Oncology – Colorectal cancer						Milestone achieved	
ND <sup>1)</sup>	Inflammatory						NEW Equity	
ND <sup>1)</sup>	Cancer	Immunitas					NEW Equity and Milestone achieved	
Various	Internal: Oncology, CNS, Metabolic, Pain & Inflammation	>40 further programmes						
Various	Anti-infectives	 >5 programmes						

# Precision medicine in kidney disease

Evotec and Vifor Joint Venture

CKD AFFECTS 1 IN 7 PEOPLE



- Chronic kidney disease (CKD) means your kidneys are damaged and losing ability to keep you healthy – CKD is the 9<sup>th</sup> leading cause of death in the United States
- Main causes of CKD are diabetes and high blood pressure
- Renal dialysis market size is > \$ 20 bn



VIFOR  
PHARMA

&



evotec

- Focus on patient data driven target identification to pursue precision medicine for treatment of kidney diseases
- Leveraging clinical data provided by unique UK kidney biobank, NURTuRE, to build co-owned clinical assets
- € 25 m initial financing from Vifor into the 50:50 Joint Venture

# Precision medicine in Women's Health

Evotec and Celmatix in e.g. PCOS

PCOS AFFECTS 1 IN 10 WOMEN



- Polycystic ovary syndrome (“PCOS”) is most frequent endocrine disorder – Underlying cause unknown
- PCOS is characterised by high levels of androgens (male hormones)
- Market size > \$ 5 bn



Focus on patient-centric approaches leveraging human genetic and big data into women's health specific drug discovery to build co-owned pipeline



## First milestone achieved in less than 3 months

Evotec and Indivumed – precision medicine in colorectal cancer (CRC)

**CRC AFFECTS 1 IN 20 PEOPLE**



### Colorectal Cancer (CRC)

- Third most common cancer type
  - Following lung and breast cancer;  
2<sup>nd</sup> leading cause of cancer death
- Market size of > \$ 10 bn



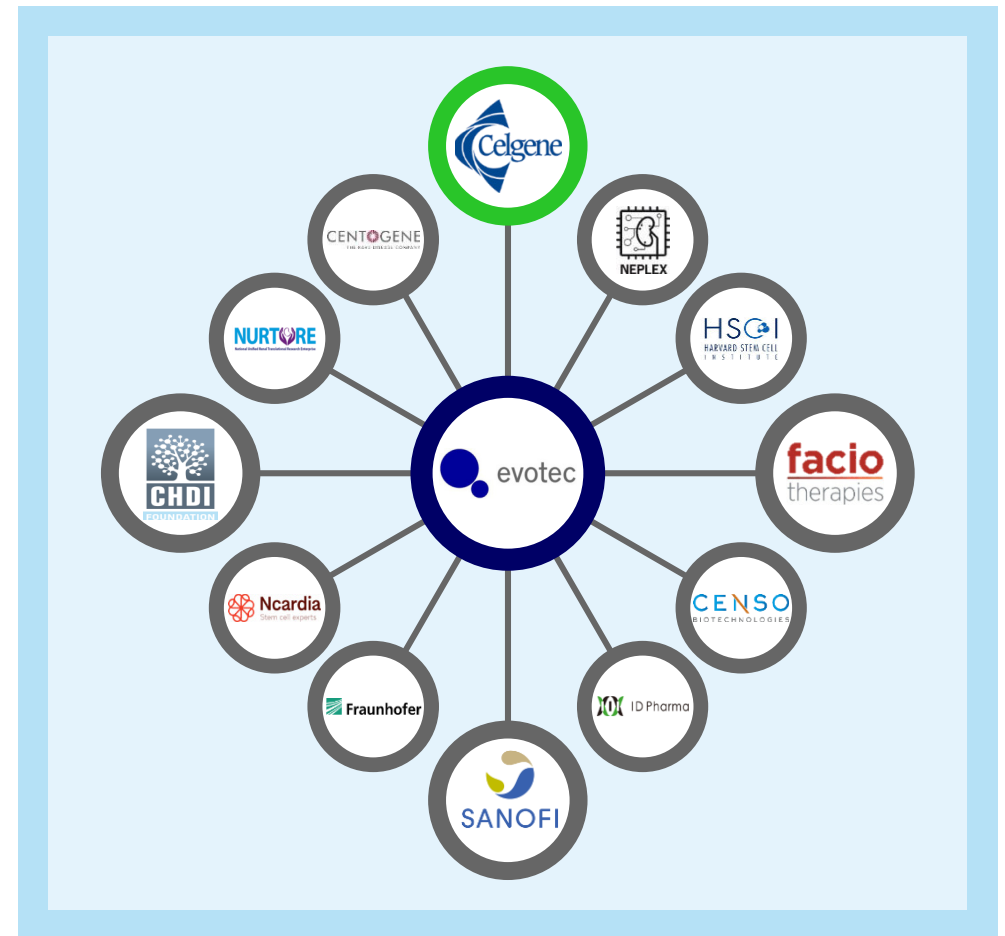
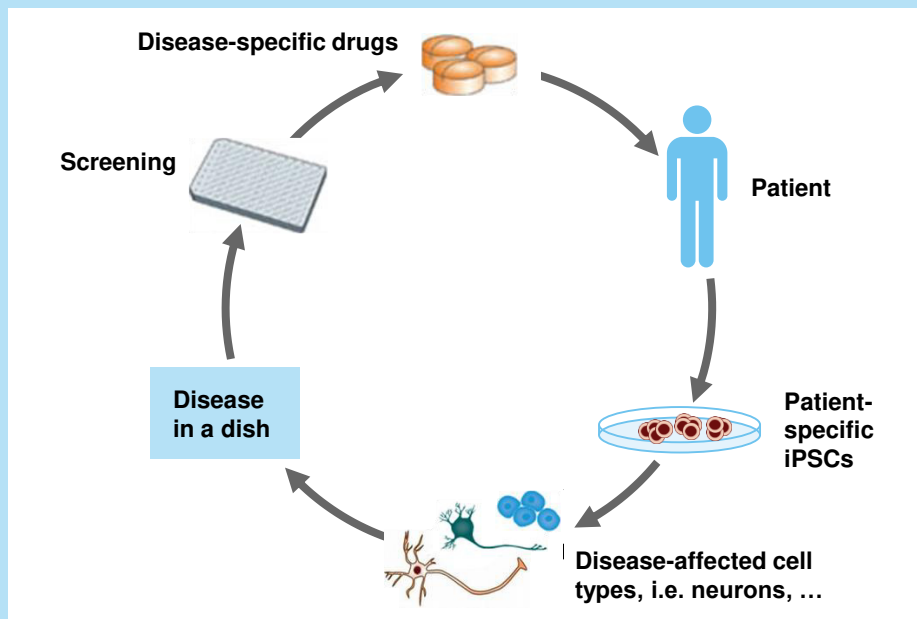
Focus on precision medicine to deliver highly effective and durable treatments with clear strategies for CRC patient stratification

# Extension into 2023 triggers \$ 30 m payment

## iPSC CNS alliance with Celgene

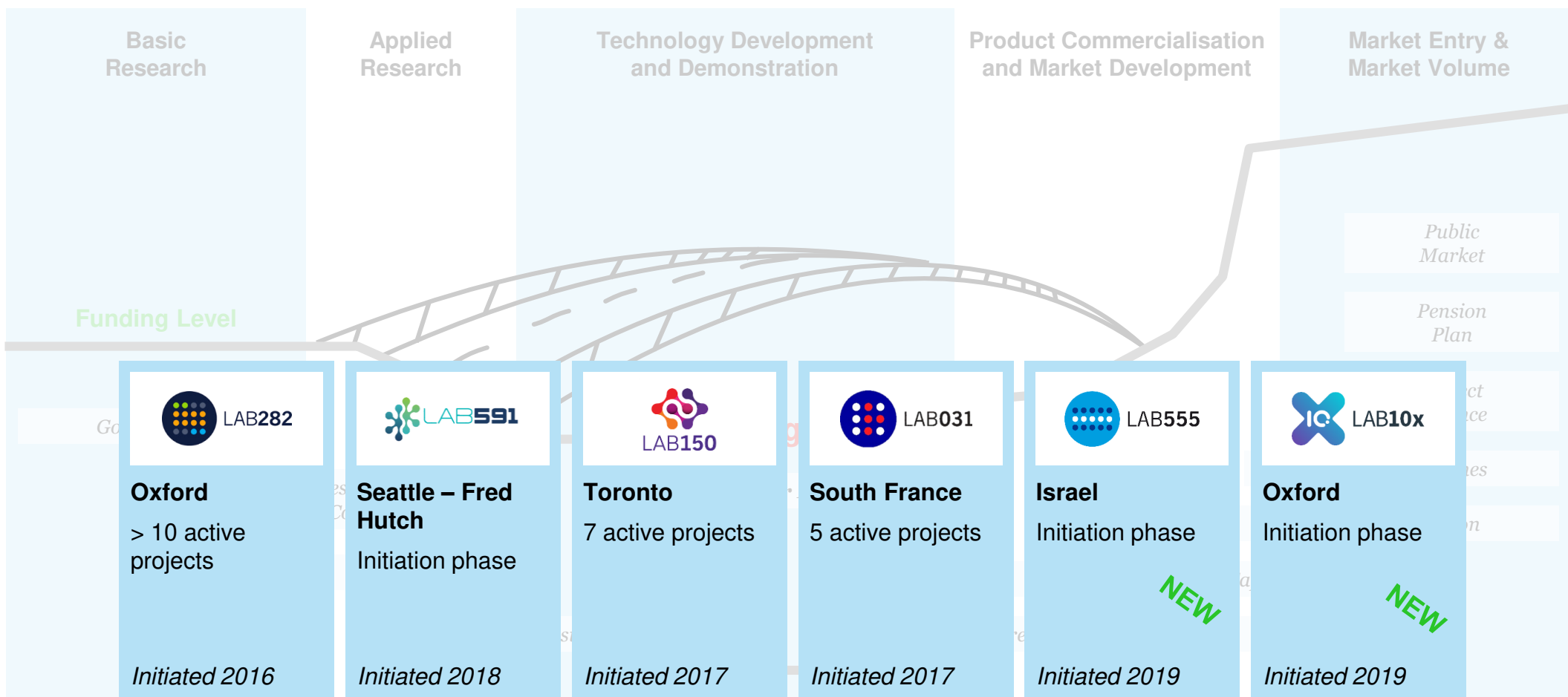
### iPSC alliance in neurodegeneration

- Goal: Development of novel therapies for a broad range of neurodegenerative diseases
- Initiated 2016 initially for 5 years; Productivity and success trigger extension into 2023














# BRIDGE concept continues rollout

LAB282, LAB150, LAB591, LAB031, LAB10x, LAB555, ...



# Co-owned pipeline of equity holdings is emerging

## Equity participations – Overview

 <p><b>Equity participation</b> Artificial Intelligence for automat-ed drug design</p> <p><i>Initiated 2018</i></p>	 <p><b>Equity participation</b> Facioscapulo-humeral muscular dystrophy</p> <p><i>Initiated 2017</i></p>	 <p><b>Equity participation</b> Metabolic disorders</p> <p><i>Initiated 2016</i></p>	 <p><b>Equity participation</b> Fibrosis partnership with TIAP</p> <p><i>Initiated 2017</i></p>	 <p><b>Equity participation</b> Targeting metalloenzymes</p> <p><i>Initiated 2016</i></p>	 <p><b>Equity participation</b> Innovative molecular pathways in oncology</p> <p><i>Initiated 2016</i></p>
 <p><b>Spin-off</b> Nanoparticle-based therapeutics</p> <p><i>Initiated 2016</i></p>	 <p><b>Consortium membership</b> Kidney diseases</p> <p><i>Initiated 2017</i></p>	 <p><b>Joint Venture</b> Kidney diseases</p> <p><b>NEW</b></p> <p><i>Initiated 2019</i></p>	 <p><b>Spin-off</b> DNA damage response</p> <p><i>Initiated 2019</i></p>	 <p><b>Equity participation</b> Inflammatory disease</p> <p><b>NEW</b></p> <p><i>Initiated 2019</i></p>	<p>Immunitas</p> <p><b>Equity participation</b> Oncology/Biologics</p> <p><b>NEW</b></p> <p><i>Initiated 2019</i></p>

## Agenda

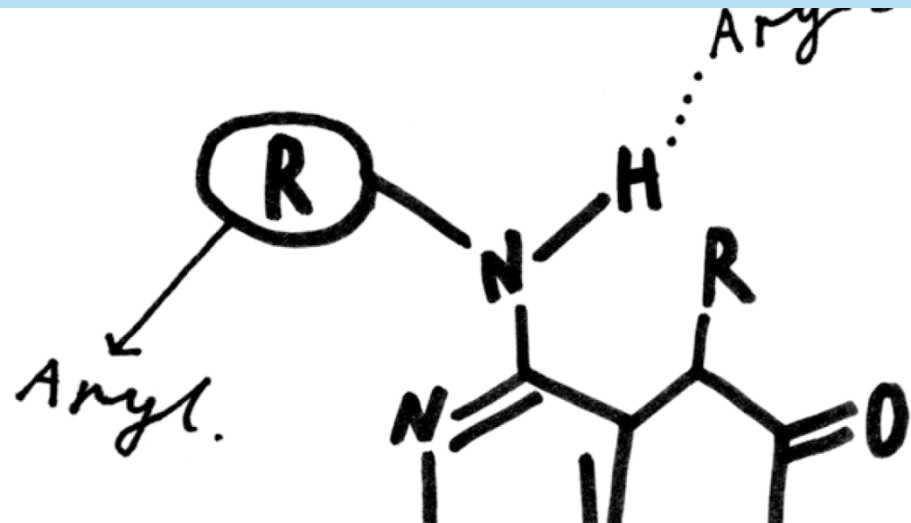
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Highlights & strategy

Financial performance

Scientific and operational performance

**Guidance & next steps**



# Very positive outlook for full-year 2019

Updated Guidance 2019

1	<b>Double-digit top-line growth</b>	<ul style="list-style-type: none"> <li>• Approx. 15% growth in Group revenues from contracts with customers without revenues from recharges<sup>1)</sup></li> </ul>
2	<b>Profitable and growing</b>	<ul style="list-style-type: none"> <li>• Adjusted Group EBITDA<sup>2)</sup> expected to improve by <b>approx. 15%</b> (<i>previously: &gt;10%</i>) compared to € 92.0 m in 2018<sup>3)</sup></li> </ul>
3	<b>Focused unpartnered investments</b>	<ul style="list-style-type: none"> <li>• Unpartnered Group R&amp;D expenses of € 30-40 m<sup>4)</sup></li> </ul>

<sup>1)</sup> 2018 total revenues excluding revenues from recharges according to IFRS 15: € 364.0 m / Based on current/updated FX rates

<sup>2)</sup> Before contingent considerations, income from bargain purchase & excl. impairments on goodwill, other intangible & tangible assets as well as the total non-operating result

<sup>3)</sup> 2018 total adjusted Group EBITDA excluding € 3.5 m one-off effects in 2018: € 92.0 m

<sup>4)</sup> For better comparison to previous years, Evotec focuses its guidance and upcoming reporting during the course of 2019 on the “unpartnered R&D” part. ID-related R&D expenses will be fully reimbursed by its partner Sanofi (“partnered R&D”).

## Stay tuned

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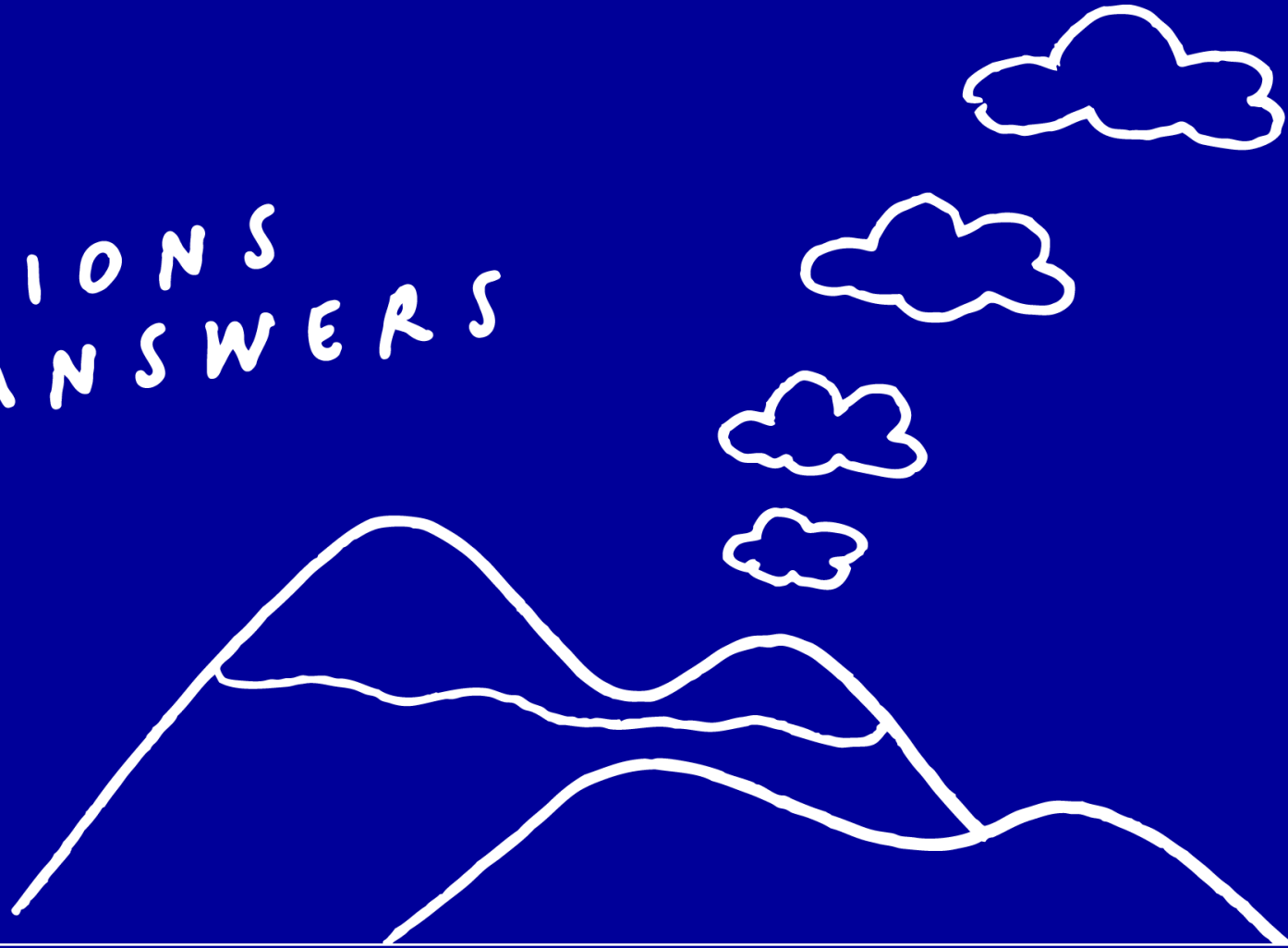
### Financial calendar 2020

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<b>Annual Report 2019</b>	26 March 2020
<b>Quarterly Statement Q1 2020</b>	14 May 2020
<b>Annual General Meeting 2020</b>	16 June 2020
<b>Half-year 2020 Interim Report</b>	12 August 2020
<b>Quarterly Statement 9M 2020</b>	12 November 2020

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QUESTIONS  
AND ANSWERS





**Your contact:**

Dr Werner Lanthaler  
*Chief Executive Officer*

+49.(0).40.560 81-242  
+49.(0).40.560 81-333 Fax  
werner.lanthaler@evotec.com

