Leadership in drug discovery
Proposed acquisition of Cyprotex

Evotec AG, Investor and Analyst call, 26 October 2016
Forward-looking statements

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Welcome

The Management Team

Werner Lanthaler, CEO
Enno Spillner, CFO
Mario Polywka, COO
Cord Dohrmann, CSO
Agenda

Executive summary

Leadership in drug discovery

Summary & next steps
Offer expected to close before end of 2016

Summary and rationale of acquisition of Cyprotex

- World leader in pre-clinical ADME-Tox and DMPK testing*
- 136 employees operating from 4 sites in the UK and USA
- H1 2016 revenues of GBP 8.73 m (€ 9.78 m**); underlying EBITDA of GBP 2.34 m (€ 2.62 m**)
- Listed on UK AIM market

- Strong addition to Evotec’s drug discovery platform
- Strengthens EVT Execute stand-alone capabilities
- Early screening and predictive ADME accelerates early decision making in integrated drug discovery projects

- Offer: Issued share capital and funding of all existing debt of Cyprotex PLC for approx. GBP 55.36 m (€ 62.0 m**) paid in cash
- Offer of 1.60 GBP/share represents a 9.4% premium to VWAP of past 30 trading days
- >50% Cyprotex shareholder irrevocables in place; intention to implement and secure transaction by a scheme of arrangement

- Full financial commitment for acquisition covered through Evotec’s cash on balance sheet
- Acquisition adds high-quality revenue and accretive EBITDA
- If accepted by >75% of shareholders, deal should close by end of 2016

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* ADME-Tox: Absorption, distribution, metabolism, excretion-Toxicology; DMPK: Drug metabolism and pharmacokinetics
** Exchange GBP/EUR 1.12
Agenda

Executive summary

Leadership in drug discovery

Summary & next steps
Best-in-class discovery services & co-owning drugs

Evotec’s strategy overview

- Restructuring
- Capital efficiency for sustainability
- First Cure X investments

2009

- Business segmentation
- Investments in discovery service platform
- Performance-based integrated discovery and clinical alliances
- Cure X/Target X strategy
- Royalty income from legacy pipeline

2012

2016

- Highest quality drug discovery and pre-clinical services on platforms
- Cure X/Target X alliances ad “Academic bridge” strategy
- Company formations to accelerate drug discovery and product development

2020
Leading the macro trend of R&D productivity

Market dynamics in drug discovery

**Growth drivers**

1. Increasing comfort with outsourcing also in drug discovery
2. Higher R&D capital efficiency through switch from fixed costs to variable business models
3. Ability to adjust investments proportional to portfolio needs for Pharma and biotech

**Drug discovery outsourcing is a macro trend**

Market overview – Revenues, in $ bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues ($ bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>12.8</td>
</tr>
<tr>
<td>2014</td>
<td>14.5</td>
</tr>
<tr>
<td>2015</td>
<td>16.6</td>
</tr>
<tr>
<td>2016(e)</td>
<td>19.2</td>
</tr>
<tr>
<td>2017(e)</td>
<td>21.8</td>
</tr>
<tr>
<td>2018(e)</td>
<td>24.5</td>
</tr>
<tr>
<td>2019(e)</td>
<td>27.1</td>
</tr>
<tr>
<td>2020(e)</td>
<td>29.7</td>
</tr>
</tbody>
</table>

5–10% p.a.
Cyprotex is right in our “Sweet spot”

Generating the Pre-clinical Development Candidate (PDC)

Constant upgrade and improvement of technologies

Acquisitions and consolidation to build integrated drug discovery platforms

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology / Acquisition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>DeveloGen / BioFocus</td>
<td>TI/TV platform in diabetes/metabolic disease</td>
</tr>
<tr>
<td>2011</td>
<td>Agilent Technologies</td>
<td>Comprehensive compound/library management</td>
</tr>
<tr>
<td>2012</td>
<td>KINAXO</td>
<td>Versatile proteomics platform, compound profiling, biomarkers</td>
</tr>
<tr>
<td>2013</td>
<td>Evotec (France)</td>
<td>Access to patient-derived iPS cell lines</td>
</tr>
</tbody>
</table>

**Target ID/validation**
- 2010: TI/TV platform in diabetes/metabolic disease

**Compound management**
- 2011: Comprehensive compound/library management

**Assay development**
- 2012: Rapid Fire/MS screening

**Screening**
- 2011: Versatile proteomics platform, compound profiling, biomarkers

**Lead optimisation**
- 2013: Access to patient-derived iPS cell lines
- 2015: Comprehensive compound/library management capabilities
- 2016: Evotec (France) In vitro ADME-PK services

**Additional**
- 2013: Customised cell-based assays and cell lines
- 2014: Validated portfolio of assays and disease models
Expanding leadership in drug discovery with acquisition of strategic niche player

**Strategic rationale**

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<table>
<thead>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Adding the most comprehensive pre-clinical ADME-Tox full service and know-how to strengthen Evotec’s drug discovery platform portfolio</td>
</tr>
<tr>
<td>2</td>
<td>Dovetails with Evotec’s strategic compound profiling activities and strengthens integrated drug discovery competence for our partners</td>
</tr>
<tr>
<td>3</td>
<td>Addresses market’s increasing requirement to screen drug liabilities at an early stage</td>
</tr>
<tr>
<td>4</td>
<td>Strong revenue and EBITDA growth and good bottom-line contribution</td>
</tr>
</tbody>
</table>
Industry leader in pre-clinical ADME-Tox

Cyprotex summary

- Founded 1999, Cyprotex, publicly listed on AIM
- Unique portfolio and high-margin services:
  - In vitro ADME-PK
  - In vitro Toxicology
  - In silico PK
  - Biosciences (efficacy in cell-based assays)
- Based in Macclesfield and Alderley Park (UK) – Watertown and Kalamazoo (USA)
- About 136 employees
- Worked with more than 1,500 partners/customers
- Strong financial performance:
  - Revenues 2015: GBP 15.61 m (€ 17.48 m*); underlying EBITDA GBP 3.40 m (€ 3.81 m*)
  - H1 2016 Revenues: GBP 8.73 m (€ 9.78 m*); underlying EBITDA GBP 2.34 m (€ 2.62 m*)

* Exchange GBP/EUR 1.12
Highly experienced team with best-in-class technology

Cyprotex – Differentiating factors

Highly experienced team

High-throughput screening approaches

Pioneering technology and processes

Extrapolation of results
Strong overlap in client base

Cyprotex – Client Base

- 64.9% Pharmaceuticals
- 9.7% Government and Academia
- 8.2% Chemical
- 7.4% Biotech
- 8.2% Other
- 3.0% Cosmetics
- 6.7% Other
Building No 1 position in drug discovery outsourcing

EVT Execute & Cyprotex

Comprehensive suite of high-throughput ADME assays

Proprietary toxicology and in silico PK offerings

Stand-alone and integrated drug discovery support
Growth and financial performance reflect outsourcing trend

Summary – Cyprotex financials

<table>
<thead>
<tr>
<th>Growth drivers</th>
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<tbody>
<tr>
<td>• General increase in market outsourcing</td>
</tr>
<tr>
<td>• Continued strong business in HT ADME in EU</td>
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<td>• Increasing customer build-up in USA through Watertown site</td>
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<tr>
<td>• Market access to 3D cellular tox models</td>
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<tr>
<td>• Roll-out of GLP genotoxicity services from Kalamazoo</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>GBP m</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>H1 2016</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>9.8</td>
<td>11.6</td>
<td>15.6</td>
<td>8.7 (€ 9.8*)</td>
</tr>
<tr>
<td>Growth</td>
<td>–</td>
<td>18.4%</td>
<td>34.9%</td>
<td>26.0%</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>1.5</td>
<td>0.6</td>
<td>3.4</td>
<td>2.3 (€ 2.6*)</td>
</tr>
<tr>
<td>Growth %</td>
<td>–</td>
<td>(60%)</td>
<td>457%</td>
<td>113%</td>
</tr>
<tr>
<td>Clients Served</td>
<td>370</td>
<td>479</td>
<td>585</td>
<td>620</td>
</tr>
<tr>
<td>Growth %</td>
<td>–</td>
<td>30%</td>
<td>22%</td>
<td>6%</td>
</tr>
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* Exchange GBP/EUR 1.12
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Executive summary

Leadership in drug discovery

Summary & next steps
# Transaction to be effective by year-end 2016

## Summary of proposed acquisition

<table>
<thead>
<tr>
<th></th>
<th>Financial</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>• Cash purchase of all issued and to be issued shares and the funding of all existing company debt; approx. GBP 55.36 m (€ 62.0 m*)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• &gt;50% shares already secured with irrevocables</td>
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<tr>
<td></td>
<td>• Financial commitment covered completely through Evotec’s balance sheet</td>
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<thead>
<tr>
<th></th>
<th>Transaction Process</th>
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<tbody>
<tr>
<td>2</td>
<td>• Acquisition of all outstanding Cyprotex shares and debts</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• The proposed acquisition will be implemented by a scheme of arrangement</td>
<td></td>
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<tr>
<td></td>
<td>• Regulated by the City Code of Takeovers and Mergers</td>
<td></td>
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<tr>
<td></td>
<td>• Expected to close before year-end 2016</td>
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<table>
<thead>
<tr>
<th></th>
<th>Next Steps</th>
<th></th>
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<tbody>
<tr>
<td>3</td>
<td>• Complete regulated process</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Further market communication on closing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Integration into Evotec both operationally and commercially</td>
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<tr>
<td></td>
<td>• De-listing from AIM subsequent to completed transaction</td>
<td></td>
</tr>
</tbody>
</table>

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QUESTIONS AND ANSWERS