

Half-year *Interim Report*

24

Publication date: 14 August 2024

HIGHLIGHTS

- ▶ *SECOND QUARTER INFLUENCED BY VOLATILITY IN SHARED R&D PORTFOLIO AND CAPACITY RAMP-UP OF J.POD TOULOUSE, FRANCE*
- ▶ *IMPROVED ORDER INTAKE IN DISCOVERY NOT FULLY TRANSLATING INTO REVENUES IN 2024*
- ▶ *RESET FOR PROFITABLE GROWTH ON TRACK; FIRST VISIBLE EFFECTS IN H2*
- ▶ *REFINED GUIDANCE FOR FY 2024 TARGETING REVENUES IN A RANGE OF € 790 - 820 M; ADJ. EBITDA EXPECTED WITHIN RANGE OF € 15 - 35 M*
- ▶ *EXPANSION OF TECH PARTNERSHIP WITH SANDOZ (AFTER PERIOD-END)*
- ▶ *CLOSING OF A SYNDICATED LOAN FACILITY IN THE AMOUNT OF € 250 M (AFTER PERIOD-END)*
- ▶ *START OF NEW CEO DR CHRISTIAN WOJCZEWSKI ON 1 JULY*

NAVIGATING IN A CHALLENGING H1 2024

- ▶ Group revenues increased by 2% to € 390.8 m (6M 2023: € 383.8 m)
- ▶ Total Shared R&D revenues decreased by (7)% to € 302.4 m (6M 2023: € 324.8 m), due to a challenging market environment; Just - Evotec Biologics revenues increased by 50% to € 88.5 m (6M 2023: € 59.0 m)
- ▶ Adjusted Group EBITDA totalled € (0.5) m (6M 2023: € 33.9 m) driven by a still unfavourable relation of revenues and costs in the Shared R&D segment as well as costs related to the ramp up of the new J.POD in Toulouse, France.
- ▶ Closed sales in second quarter related to differentiated discovery services doubled versus an already very strong first quarter.

STRONG DEVELOPMENTS IN INTEGRATED R&D AND PRECISION MEDICINE PLATFORMS

- ▶ New and extended collaborations signed with Owkin (immunology and inflammation), Crohn's & Colitis Foundation (inflammatory bowel disease), Variant Bio (fibrosis), Bayer (precision cardiology), CHDI (Huntington's disease), Inserm, Lille University Hospital and Inserm Transfert (obesity and metabolic diseases)
- ▶ Further progress made in strategic neuroscience collaboration with Bristol Myers Squibb (BMS), research payments of US\$ 25 m and US\$ 20 m, announced in January and June
- ▶ Validation of Just – Evotec Biologics' strategy with new and extended agreements, e.g. with ABL, Fibrogen, and the U.S. Department of Defense

Events after Period-End

- ▶ Expansion of tech partnership with Sandoz for development and commercial manufacturing of biosimilars
- ▶ New multi-year master research collaboration and option and license agreement with Pfizer, initially focusing on early discovery research for metabolic and infectious diseases
- ▶ Further progress made in strategic neuroscience collaboration with Bristol Myers Squibb, payments of US\$ 25 m received

CORPORATE

- ▶ Management Board transition completed: Effective 01 July 2024, Dr Christian Wojczewski took over as Chief Executive Officer (“CEO”) from interim CEO Dr Mario Polywka; since 15 June 2024 Aurélie Dalbiez appointed new Chief People Officer (“CPO”)
- ▶ Reset for profitable growth on track to achieve expected annualized adjusted EBITDA improvement of over € 40 m starting in H2 2024, through
 - Exit of gene therapy and closing site of Orth, Austria and Chemistry activities in Marcy (Lyon)
 - In the first half of 2024 the group decided that the operation of Halle/Westphalia, Germany is no longer considered a core activity
 - Benefits from global purchasing optimisation programme
 - Identified headcount reduction potential of approximately 400 roles across the global footprint
 - Reduction of physical footprint through surrendering of certain lease agreements
 - One-off costs related to priority reset measures of € 68 m have been recognized as of H1
- ▶ Evotec receives NASDAQ notice related to late filing of 20-F; filing completed on 14 August 2024
- ▶ Annual General Meeting 2024: Most agenda items adopted with great majority; Wesley Wheeler and Duncan McHale elected to the Supervisory Board, replacing Dr Elaine Sullivan and Dr Mario Polywka

REFINED BUSINESS OUTLOOK FOR FULL-YEAR 2024

- ▶ Group revenues expected in the range of € 790 – 820 m (2023: € 781.4 m).
- ▶ R&D expenditures are expected in a range of € 50 – 60 m (2023: €64.8 m).
- ▶ Adjusted Group EBITDA is expected to reach € 15 – 35 m (2023: €66.4 m).

While the company saw good growth in sales orders, phasing and mix related to longer contract terms and less fast turning service business suggest that the contribution in 2024 will be lower than initially anticipated. In addition, EBITDA is affected from higher ramp-up costs at Just - Evotec Biologics to meet significantly sales order.

FINANCIAL HIGHLIGHTS

The following table provides an overview of the financial performance in the first six months 2024 compared to the same period in 2023. More detailed information can be found in the notes section of this interim statement.

Key figures of consolidated income statement & segment information

Evotec SE & subsidiaries – First six months of 2024

In k€	Six months ended 30 June 2024				Six months ended 30 June 2023			
	Shared R&D	Just - Evotec Biologics	Inter-segment Eliminations	Evotec Group	Shared R&D	Just - Evotec Biologics	Inter-segment Eliminations	Evotec Group
Revenues ¹⁾	302,379	88,471	—	390,850	324,848	58,987	—	383,835
Intersegment revenues	—	453	(453)	—	—	—	—	—
Costs of revenues	(259,536)	(81,017)	204	(340,348)	(242,763)	(41,512)	—	(284,275)
Gross profit	42,843	7,907	(249)	50,501	82,085	17,475	—	99,560
Gross margin in %	14%	9%	—%	13%	25%	30%	—%	26%
R&D expenses ²⁾	(29,348)	(154)	249	(29,253)	(30,983)	121	—	(30,863)
SG&A expenses	(74,859)	(17,046)	—	(91,905)	(73,469)	(14,723)	—	(88,192)
Other operating income	23,127	1,106	—	24,233	37,450	1,036	—	38,486
Other operating expense	(7,933)	—	—	(7,933)	(28,225)	(9,420)	—	(37,645)
Impairments of intangible assets	—	—	—	—	(5,119)	—	—	(5,119)
Reorganization costs	(67,447)	(1,009)	—	(68,456)	—	—	—	—
Operating income (loss)	(113,617)	(9,196)	—	(122,813)	(18,262)	(5,511)	—	(23,773)
Adjusted EBITDA^{3),4)}	(3,767)	3,300	—	(467)	29,158	4,760	—	33,919

1) Group revenues would have amounted to €389.8 m at constant exchange rates

2) H1 2023 includes € 1.8 m partnered R&D, not applicable in H1 2024

3) 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.

4) As of Q3 2023, the external, one-off related cyber expenses are excluded from Adjusted Group EBITDA and amount to €5.1 m in H1 2024 (H1 2023: € 7.8 m). Internal costs of recovery are included in Adjusted Group EBITDA. Adjusted EBITDA as of H1 2023 has been adjusted accordingly in order to reflect this new definition.

REPORT ON THE FINANCIAL SITUATION AND RESULTS

1. Results of operations

During the six months ended 30 June 2024 **Group revenues** increased by 2% to € 390.8 m compared to the same period of the previous year (6M 2023: € 383.8 m). The increase was driven by 50% higher revenues within Just-Evotec Biologics, however, within the Shared R&D segment, the revenue decreased by (7)% compared to the comparable prior year period. Excluding the positive fx-effects, Group revenues increased by 1.6% to €389.8 m. Base business increased by 3% from €379.6 m in 6M 2023 to €390.7 m in the six months ended 30 June 2024.

The Costs of revenue for the six months ended 30 June 2024 amounted to € 340.3 m (6M 2023: € 284.3 m) yielding a gross margin of 12.9% (6M 2023: 25.9%). Within the comparable prior year, €31.5 m were reclassified from Costs of revenue towards Other Operating Expense, representing the internal effort of the Operations functions focused on business recovery after the cyber-attack. The other main driver of the increase in the costs of revenue lies within Just-Evotec Biologics due to higher headcount numbers and therefore higher labour costs, as well as increased material and supplier costs to cover the increased business.

R&D expenses decreased to € 29.3 m, compared to € 30.9 m in the six months ended 30 June 2023 ((5.2)%), with a focused capital allocation to selected R&D projects.

SG&A expenses for the six months ended 30 June 2024 amounted to € 91.9 m and were thus € 3.7 m or 4% higher compared to last year (6M 2023: € 88.2 m) especially driven by higher IT costs as well as Business Development and General & Admin expenses. The increase was related to higher personnel costs, consultancy and depreciation expenses. Overall, SG&A

expenses have increased significantly more than the revenue growth in the past years and a simplification of the organization structure, operating model and footprint is needed as announced in the reorganization program.

For the six months ended 30 June 2024, **other operating income** amounted to € 24.2 m, compared to € 38.5 m for the comparable prior year period. The decrease was driven by the Sanofi contribution that ended in 2023 (6M 2023 €16.9 m). Key driver for the decrease of **other operating expenses** from € 37.6 m in the first six months 2023 to € 7.9 m in the first six months 2024 were the internal and external costs related to the recovery after the cyber-attack, which are significantly lower within H1 2024.six months ended 30 June 2024.

The Group has also reviewed its finite lived intangible assets as well as Goodwill for impairment whenever triggering events or changes in circumstances indicate that carrying amount value may not be recoverable. Following this review, the Group has not identified any impairment trigger. In the six months ended 30 June 2023, the review led to the recognition of an impairment loss of €(5.1) m linked to research and development projects.

For the six months ended 30 June 2024 **Reorganisation costs** amounted to €(68.5) m driven by planned headcount reduction, planned closure of select sites, and the further reduction of physical footprint through surrendering of certain lease agreements and the associated costs.

Adjusted Group EBITDA for the six months ended 30 June 2024 amounted to € (0.5) m (6M 2023: € 33.9 m) driven by higher Costs of revenues and SG&A expenses and less contributions within Other operating income.

The **net income (loss)** as of 30 June 2024 amounted to € (115.6) m (6M 2023: € (28.8) m), predominantly driven by higher costs of revenues and reorganization costs, partly offset by lower other operating expenses.

2. Results in our reportable segments Shared R&D and Just-Evotec Biologics

In the Shared R&D segment, **revenues** (incl. intersegment revenues) decreased by (7)% to € 302.4 m (6M 2023: € 324.8 m) mainly driven by a weaker performance within parts of the Discovery business area partially offset by increased revenues within the transactional business areas that was impacted heavily in the prior year after the cyber-attack.

Costs of revenue within Shared R&D were at € 259.5 m in the six months ended 30 June 2024 (6M 2023: € 242.8 m), corresponding to a gross margin of 14.2% (6M 2023: 25.3%). The decrease in the gross margin was mainly driven by a lower top-line performance, a high fixed-cost base and under-utilization in some areas of Shared R&D. In the six months ended 30 June 2023 we reclassified €22.1 m from Costs of revenues to Other operating expenses as this was time we spent on recovering after the cyber-attack.

R&D expenses decreased to € 29.3 m (6M 2023: € 31.0 m), with a focused capital allocation approach to specific R&D projects. **SG&A expenses** increased to € 74.9 m (6M 2023: € 73.5 m), mainly caused by an increase in IT expenses. For the six months ended 30 June 2024, **other operating income** amounted to € 23.1 m, compared to € 37.4 m for the comparable prior year period, driven by the conclusion of the Sanofi contribution in 2023. **Other operating expenses** were € 7.9 m (6M 2023: € 28.2 m) driven by one-off expenses related to the cyber-attack but significantly lower compared to the comparable prior year period due to less internal and external cyber costs

The **adjusted EBITDA** of the Shared R&D segment was € (3.8) m (6M 2023: € 29.2 m), due to lower revenues on an increasing cost base within costs of revenues and SG&A expenses and lower other operating income.

Revenues within Just-Evotec Biologics increased to € 88.5 m (6M 2023: € 59.0 m). This growth of 50% was strongly driven by the higher order book in our

Redmond, US plant. The new factory in Toulouse, France, is expected to be fully operational in Q1 2025.

Costs of revenues of € 81.0 m were incurred in the first six months 2024 with higher labour and service and supplier costs to cover the increased base business in the US and the continuous ramp-up in France, compared to € 41.5 m within the six months ended 30 June 2023, where we were still in the ramp up phase in the US. In the same period, gross margin significantly decreased to 8.9% from 29.6% in the first six months 2023, where last year was driven by the recognition of Sandoz work packages.

The increase in **SG&A expenses** (6M 2024: € 17.0 m vs. 6M 2023: € 14.7 m) was mainly caused by higher headcount and the continuous investment in IT-systems and process improvements. **Other Operating Expense** decreased by € 9.4 m, as this amount was reclassified from Costs of Revenues to Other Operating Expense within the six months ended 30 June 2023 related mainly to time spent on recovering after the cyber-attack.

The **adjusted EBITDA** within Just-Evotec Biologics has decreased to € 3.3 m (6M 2023: € 4.8 m), as the cost base has increased stronger than the revenue growth. Within the six months ended 30 June 2023, we recognized a higher upfront revenue compared to this year. The base business development however, shows a positive development.

3. Financing and financial position

Net cash used in operating activities in the first six months ended 30 June 2024 was € (98.6) m compared with € (7.3) m in the first six months 2023. This year's figure is negatively affected by an increased net loss and unfavourable changes in working capital.

Net cash used in investing activities for the six months ended 30 June 2024 amounted to € (62.2) m (6M 2023: € 34.7 m). Capital expenditure decreased to € 75.5 m (6M 2023: € 104.0 m) and was mainly related

to investments in the Just-Evotec Biologics production facilities. The proceeds from current investments (net) decreased significantly to € 17.1 m (6M 2023: € 141.6 m) and originated from the (net) sale of bonds and fixed term investments.

Net cash used in financing activities was € (124.9) m in the six months ended 30 June 2024 (6M 2023: € 6.2 m) which mainly results from the repayments of loans and lease obligations amounting to € (122.5) m (6M 2023: € (10.6) m).

Cash and cash equivalents amounted to € 221.9 m as of 30 June 2024 (31 December 2023: € 510.9 m).

Total **Liquidity** decreased to € 298.9 m (31 December 2023: € 604.1 m).

4. Assets, liabilities, and stockholders' equity

Assets

Between 31 December 2023 and 30 June 2024, **total assets** decreased by € 253.6 m to € 1,998.9 m (31 December 2023: € 2,252.5 m).

Investments amounted to € 77.0 m (31 December 2023: € 93.2 m). This decrease was due to the net sale of coupon bonds.

Trade and other receivables increased in the six months ended 30 June 2024 by € 21.9 m to € 120.2 m (31 December 2023: € 98.4 m). The increase was predominantly due to issued invoices to one of our key customers.

Contract assets amounted to € 35.4 m (31 December 2023: € 25.0 m). This increase is mainly due to an increase in contract assets in Just Evotec Biologics Inc. of € 8.3 m.

Current tax assets increased from € 80.7 m as per 31 December 2023 to € 104.5 m as per 30 June 2024. The increase mainly resulted from an increase in R&D tax credits as well as a reclassification from non-current tax assets.

Other current financial assets including derivatives decreased to € 10.4 m (31 December 2023: € 12.8 m) which is mainly due to a decrease in the fair value of our derivatives.

Prepaid expenses and other current assets as of 30 June 2024 decreased by € 2.6 m to € 48.8 m compared to 31 December 2023 (€ 51.3 m) primarily due to a decrease in VAT receivables.

Non-current investments and other non-current financial assets amounted to € 124.2 m (31 December 2023: € 139.0 m). This decrease resulted mainly from the revaluation of Evotec's share in Exscientia plc. and Sernova Corp.

Property, plant and equipment increased by € 13.2 m to € 819.7 m (31 December 2023: € 806.6 m) driven by capital expenditures for site expansions, especially in Just - Evotec Biologics EU SAS and Just - Evotec Biologics Inc., exceeding the depreciation as well as the effect from the early termination of lease contracts in connection with the reorganization.

Intangible assets and Goodwill increased by € 5.0 m compared with 31 December 2023, to € 296.1 m (31 December 2023: € 291.1 m), primarily due to new developed technologies in relation with the Sandoz collaboration as well as to a positive impact from foreign currency translation.

Non-current tax assets decreased to € 68.9 m (31 December 2023: € 94.4 m) mainly due to the reclassification to current tax receivables.

Deferred tax assets increased to € 29.4 m (31 December 2023: € 14.3 m) mainly driven by additional tax loss carry forwards in Germany.

Liabilities

Current financial liabilities decreased to € 45.3 m (31 December 2023: € 149.1 m) due to the repayment of a "Schuldscheindarlehen" and the related interest.

Trade and other payables decreased by € 47.4 m in the six months ended 30 June 2024 to € 86.9 m (31 December 2023: € 134.3 m), resulting from the settlement of a high amount of invoices in the first half of 2024.

Current and non-current contract liabilities decreased by € 28.6 m to € 224.3 m (31 December 2023: € 252.9 m) due to the recognition of revenue in relation with a BMS collaboration.

Current and non-current provisions increased by € 58.4 m to € 119.6 m (31 December 2023: € 61.2 m), mainly driven by an additional provision in the amount of € 64.5 m in relation with our global reorganization, partially offset by the payout of the employee bonus.

Stockholders' equity

Total stockholders' equity decreased by € 108.4 m to € 1,011.5 m (31 December 2023: € 1,119.9 m).

Evotec's equity ratio as of 30 June 2024 remained stable with 50.6% (31 December 2023: 49.7%).

5. Human Resources

Employees

Headquartered in Hamburg, Germany, the Evotec Group employs 5,022 people globally as of 30 June 2024 (31 December 2023: 5,061 employees), which corresponds to a decrease of (0.8)% to the prior year's end. Overall, the number of employees grew by 39 compared to the six months ended 30 June 2023 with 4,983, driven by increased headcount in Just - Evotec Biologics.

Stock-based compensation

During the first half of 2024, a total of 536,044 Share Performance Awards and of 591,829 Restricted Awards were granted. Thereof, 117,292 awards were given to the members of the Management Board. The remaining number of awards were given to other key employees.

During the first half-year 2024, 367,649 shares were issued through the exercise of Share Performance Awards. As of 30 June 2024, the total number of Share Performance and Restricted Awards available for future exercise amounted to 2,542,238 (approximately 1.0% of shares in issue).

Share Performance and Restricted Awards have been accounted for under IFRS 2 using the fair value at the grant date. The Supervisory Board of Evotec SE does not hold any Share Performance Awards.

Shareholdings of the Boards of Evotec SE as of 30 June 2024

	<i>Shares</i>	<i>Stock Options</i>	<i>Outstanding Shares from vested SPA 's</i>	<i>Granted unvested SPA 's and RSA 's (total)</i>	<i>Restricted Shares from STI Payout</i>
<u>Management Board</u>					
Dr Mario Polywka	11,938	—	—	—	—
Dr Cord Dohrmann	183,356	—	—	132,768	10,679
Dr Matthias Evers	—	—	—	103,593	—
Dr Craig Johnstone	28,844	—	—	122,179	—
Laetitia Rouxel	—	—	—	32,214	—
Aurélie Dalbiez	—	—	—	—	—
<u>Supervisory Board</u>					
Prof. Dr Iris Löw-Friedrich	—	—	—	—	—
Roland Sackers	—	—	—	—	—
Camilla Macapili Languille	—	—	—	—	—
Dr Constanze Ulmer-Eilfort	—	—	—	—	—
Dr Duncan McHale	—	—	—	—	—
Wesley Wheeler	3,188*	—	—	—	—

*Wesley Wheeler acquired 6,375 ADRs, each representing one-half of one ordinary share, no par value per share,

Pursuant to Article 19 of the European Market Abuse Regulation (EU-Marktmissbrauchsverordnung), the above tables and information list the number of Company shares held and rights for such shares granted to each board member as of 30 June 2024 separately for each member of Evotec's Management Board.

RISKS AND OPPORTUNITIES **MANAGEMENT**

The risks and opportunities described in Evotec's Annual Report 2023 on pages 52 to 70 remain mainly unchanged. At present, no risks have been identified that either individually or in combination could endanger the continued existence of Evotec SE.

GENERAL MARKET AND **HEALTHCARE ENVIRONMENT**

Trends in the pharmaceutical and biotechnology sector

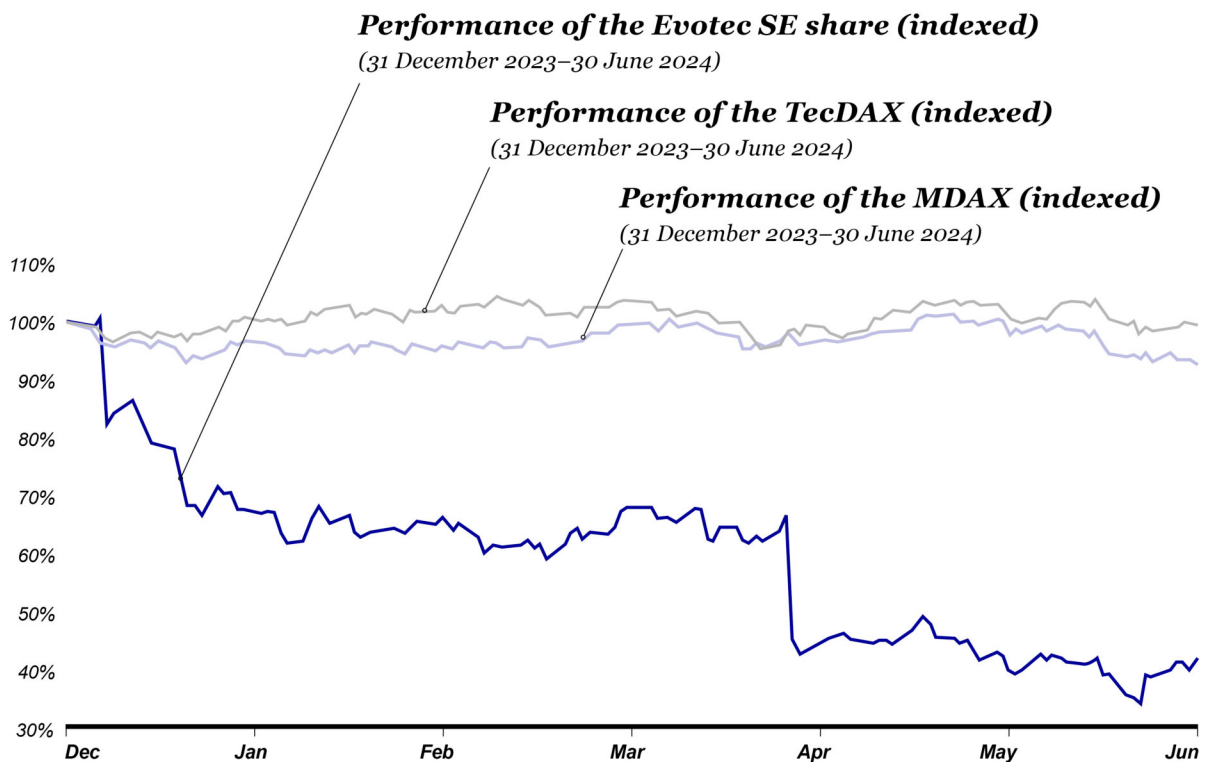
The biopharmaceutical industry is still affected by a number of negative market developments and indicators, starting back in the second half of 2023. Workforce reductions, ceasing operations and a wait and see approach is ongoing, described in Evotec's Annual Report 2023 on page 34. Please see Evotec's Annual Report 2023 for further information.

THE EVOTEC SHARE

Performance of the Evotec share in the first six months of 2024

The Evotec share started the year 2024 at € 21.28 and closed on 28 June 2024 at € 8.98. The departure of the former CEO on 3 January 2024 triggered a sharp share price correction that was completed on 12 February at a price of € 14.22. Supported by news related to operating progress, the share price stabilised at that level during March 2024. On 24 April 2024, following the announcement of the business figures for 2023 and the release of plans to refocus the business, Evotec recorded a further drop in its share price to minimum € 7.34 on 19 June 2024.

The announcement by Evotec and Sandoz to expand their technology partnership for the development and commercial manufacturing of biosimilars as well as the release on a multi-year master research collaboration with Pfizer, caused a moderate recovery in early July. Based on the closing price as of 30 June 2024 of € 8.98, the Evotec share traded 58% lower than at the end of 2023, significantly underperforming both benchmark indices, TecDAX (0%) and the MDAX (-7%).



UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS¹

Evotec SE and Subsidiaries

Consolidated interim income statement for the period from 1 January to 30 June 2024 and 30 June 2023

<i>in k€ except share and per share data</i>	Note reference	Six months ended 30 June 2024	Six months ended 30 June 2023	Three months ended 30 June 2024	Three months ended 30 June 2023
Revenue	6	390,850	383,835	182,123	170,279
Costs of revenue		(340,348)	(284,275)	(166,382)	(123,956)
Gross profit		50,501	99,560	15,742	46,324
Operating income (expense)					
– Research and development		(29,253)	(30,863)	(13,011)	(12,377)
– Selling, general and administrative expense		(91,905)	(88,192)	(45,969)	(45,609)
– Other operating income		24,233	38,485	11,552	17,777
– Other operating expense		(7,933)	(37,644)	(4,464)	(37,284)
– Impairments of intangible assets		–	(5,119)	–	(5,119)
– Reorganization costs	12	(68,456)	–	(68,456)	–
Total operating income (expense)		(173,314)	(123,333)	(120,347)	(82,612)
Operating income (loss)		(122,813)	(23,773)	(104,606)	(36,288)
Non-operating income (expense)					
Gain (loss) on investment in financial instruments reevaluation		(8,555)	5,567	(393)	8,065
Share of profit (loss) and reevaluation of at-equity investments		403	(7,149)	1,454	(3,090)
Other Financial income		1,884	5,678	467	2,826
Other Financial expense		(5,416)	(5,038)	(2,743)	(2,540)
Other non-operating income (expense)		3,260	(1,937)	1,366	10,590
Total non-operating income (expense)		(8,423)	(2,879)	151	15,851
Net Income (loss) before taxes		(131,236)	(26,652)	(104,455)	(20,437)
– Income taxes	14	15,632	(2,175)	9,523	5,508
Net income (loss)		(115,605)	(28,828)	(94,932)	(14,929)
Weighted average shares outstanding		177,242,377	176,935,744	177,303,470	176,935,744
Net result per share		(0.65)	(0.16)	(0.54)	(0.08)

¹) Each financial statement line item is rounded individually. Totals and subtotals may therefore deviate slightly from the sum of the individual items.

Evotec SE and Subsidiaries
Consolidated interim statement of comprehensive income (loss) for the six months ended 30 June 2024 and 30 June 2023

in k€	Six months ended 30 June 2024	Six months ended 30 June 2023	Three months ended 30 June 2024	Three months ended 30 June 2023
Net income (loss)	(115,605)	(28,828)	(94,932)	(14,929)
Accumulated other comprehensive income				
Items which are not re-classified to the income statement				
Revaluation of equity investments	(3,856)	1,861	(2,134)	865
Items which have to be re-classified to the income statement at a later date				
Foreign currency translation	11,176	4,264	3,995	5,475
Revaluation and disposal of other short-term investments measured at fair value through other comprehensive income	(1,382)	4,225	(3,649)	(4,216)
Other comprehensive income (loss)	5,938	10,350	(1,788)	2,124
Total comprehensive income (loss)	(109,667)	(18,478)	(96,720)	(12,805)

Evotec SE and Subsidiaries
Consolidated interim statement of financial position as of 30 June 2024 and as of 31 December 2023

<i>in k€</i>	<i>Note reference</i>	<i>as of 30 June 2024</i>	<i>as of 31 December 2023</i>
ASSETS			
Current Assets:			
– Cash and cash equivalents		221,883	510,909
– Investments	13	76,983	93,203
– Trade and other receivables		120,250	98,396
– Contract assets		35,409	25,000
– Inventories		37,343	30,890
– Current tax assets		104,531	80,659
– Other current financial assets including derivatives		10,352	12,759
– Prepaid expenses and other current assets		48,754	51,345
Total current assets		655,505	903,162
Non-current assets:			
– Non-current investments and other non-current financial assets		124,223	139,023
– Investments in associates and Joint ventures	9	5,058	3,071
– Property, plant and equipment	7	819,733	806,563
– Intangible assets and Goodwill	8	296,120	291,089
– Deferred tax assets		29,376	14,330
– Non-current tax assets		68,878	94,393
– Other non-current assets		–	837
Total non-current assets		1,343,388	1,349,306
Total assets		1,998,893	2,252,468

in k€
*Note
reference* *as of 30 June 2024* *as of 31 December 2023*

LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
– Current financial liabilities	10	45,330	149,096
– Trade and other payables		86,942	134,319
– Contract liabilities		96,647	97,587
– Deferred income		9,621	10,268
– Provisions	12	83,469	45,165
– Current income tax liabilities		8,394	5,565
– Other current liabilities		27,075	22,572
Total current liabilities		357,479	464,573
Non-current liabilities:			
– Non-current financial liabilities	10	428,181	477,112
– Deferred tax liabilities		14,972	18,137
– Provisions	12	36,167	16,063
– Contract liabilities		127,671	155,287
– Other non-current liabilities		22,958	1,387
Total non-current liabilities		629,948	667,987
Stockholders' equity:			
– Share capital	11	177,553	177,186
– Additional paid-in capital		1,450,513	1,449,654
– Retained Earnings		(591,896)	(476,290)
– Accumulated other comprehensive income		(24,704)	(30,643)
Total stockholders' equity		1,011,466	1,119,908
Total liabilities and stockholders' equity		1,998,893	2,252,468

Evotec SE and Subsidiaries
Condensed consolidated interim statement of cash flows for the six months ended 30 June 2024 and 30 June 2023

<i>in k€</i>	Six months ended 30 June 2024	Six months ended 30 June 2023
Cash flow from operating activities:		
– Net income (loss)	(115,605)	(28,828)
– Adjustments to reconcile net income to net cash provided by operating activities	91,267	59,695
– Change in assets and liabilities ¹	(74,261)	(38,121)
Net cash provided by (used in) operating activities	(98,598)	(7,254)
Cash flow from investing activities:		
– Interest Received ¹	2,722	5,554
– Purchase of property, plant and equipment ²	(75,490)	(104,034)
– Proceeds from sale of property, plant and equipment	503	–
– Acquisition of intangible assets and development expenditures	(3,331)	–
– Purchase of investments in associated companies and other long-term investments and convertibles	(7,776)	(9,210)
– Acquisition of current investments	(8,000)	(19,203)
– Proceeds from sale of current investments	25,116	160,818
– Proceeds from Government Grants ²	4,066	379
– Dividends received	–	424
Net cash provided by (used in) investing activities	(62,189)	34,728
Cash flow from financing activities:		
– Proceeds from capital increase	154	–
– Interest Paid ¹	(3,858)	(4,254)
– Proceeds from loans	960	20,807
– Proceeds from option exercise	368	233
– Repayment of loans	(110,329)	(2,280)
– Repayment of lease obligation	(12,205)	(8,281)
Net cash provided by (used in) financing activities	(124,911)	6,226
Net increase (decrease) in cash and cash equivalents	(285,699)	33,700
Exchange rate difference	(3,327)	10,899
Cash and cash equivalents at beginning of year	510,908	415,155
Cash and cash equivalents at end of the period	221,883	459,752

¹ Interest received and interest paid are reallocated from the operating cash flow to the investing cash flow and the financing cash flow, respectively. Hence, the previous year figures deviate from the figures published in the half-year report 2023. The change was made to provide a clearer picture of the financial position.

² Proceeds from government grants have been reclassified from "Purchase of property, plant and equipment" to a separate line within the investing cash flow.

Evotec SE and Subsidiaries
Interim consolidated statement of changes in stockholder's equity of the six months ended 30 June 2024 and 31 December 2023

in k€ except share data	Share capital		Income and expense recognized in other comprehensive income					Total stockholders' equity
	Shares	Amount	Additional paid-in capital	Foreign currency translation	Revaluation reserve	Retained Earnings		
Balance at 1 January 2023	176,952,653	176,953	1,440,010	(16,289)	(21,113)	(392,377)	1,187,184	
Exercised stock options	233,083	233	—	—	—	—	233	
Stock option plan	—	—	9,630	—	—	—	9,630	
Transaction costs	—	—	14	—	—	—	—	
Deferred and current tax on future deductible expenses	—	—	—	—	—	—	—	
Other comprehensive income	—	—	—	(1,760)	8,519	—	6,759	
Net income (loss) for the period	—	—	—	—	—	(83,913)	(83,913)	
Total comprehensive income (loss)	—	—	—	(1,760)	8,519	(83,913)	(77,153)	
Balance at 31 December 2023	177,185,736	177,186	1,449,654	(18,049)	(12,594)	(476,290)	1,119,908	
Balance at 1 January 2024	177,185,736	177,186	1,449,654	(18,049)	(12,594)	(476,290)	1,119,908	
Exercised stock options	367,648	368	153	—	—	—	521	
Stock option plan	—	—	705	—	—	—	705	
Transaction costs	—	—	—	—	—	—	—	
Deferred and current tax on future deductible expenses	—	—	—	—	—	—	—	
Other comprehensive income	—	—	—	11,176	(5,238)	—	5,938	
Net income (loss) for the period	—	—	—	—	—	(115,605)	(115,605)	
Total comprehensive income	—	—	—	11,176	(5,238)	(115,605)	(109,667)	
Balance at 30 June 2024	177,553,384	177,553	1,450,512	(6,873)	(17,832)	(591,895)	1,011,466	

**NOTES TO THE UNAUDITED INTERIM
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

1. Corporate information

Evotec SE (“Evotec” or the “Company”), is a drug discovery and development company, continuously driving innovative approaches to develop new pharmaceutical products through discovery alliances and development partnerships with leading pharma and biotechnology companies as well as academic institutions, patient advocacy groups and venture capital partners.

Evotec SE, located in Hamburg (Essener Bogen 7, 22419 Hamburg, Germany) is registered in the Commercial Registry of Hamburg with HRB 156381.

The Company was founded on 8 December 1993, and is listed on the Frankfurt Stock Exchange (XETRA) since 10 November 1999, Segment Prime Standard, under the ticker “EVT” as well as on NASDAQ, New York, USA under the trading symbol “EVO” since 8 November 2021.

2. Basis of presentation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed in the European Union. The Group has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The Group considers that there are no material uncertainties that may cast significant doubt over this assumption. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s consolidated financial statements and accompanying notes for the year ended 31 December 2023.

All majority-owned subsidiaries of the Company are included in the interim condensed consolidated financial statements and intercompany transactions have been eliminated in consolidation. The interim condensed financial statements are presented in Euros, due to rounding, amounts may not add up to totals provided.

3. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statement for the year ended 31 December 2023.

The following amendments became effective as of 1 January 2024:

- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an investor and its Associate or Joint Venture
- Amendment to IAS 12 - International Tax Reform - Pillar Two Model Rules
- Amendment to IFRS 16 - Lease Liability in a Sale and Leaseback
- Amendment to IAS 1 - Classification of liabilities as Current or Non-Current (including Amendment to IAS 1 - Classification of Liabilities as Current or Non-current - Deferral of Effective Date issued in July 2020)
- Amendments to IAS 1 - Non-current Liabilities with covenants
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Group falls within the scope of application of the so-called Pillar II framework, that entered into effect in the German legislation on 28 December 2023 and is effective for the financial years beginning 1 January 2024. As the Group is in scope of the Pillar II legislation the Group may be liable to pay a top-up tax for each jurisdiction having an effective tax rate below 15%.

During the transitional period from 2024 to 2026, the top-up tax can, upon request, be deemed zero for a jurisdiction where the requirements of the Country-by-Country Reporting safe harbour rules are met. The Group has exercised this option and based on its assessment, each jurisdiction in which the Group operates will meet the safe harbour test, i.e. no top-up taxes are expected for the financial year 2024.

4. Significant Information for the period

Effective 15 June 2024, Aurélie Dalbiez joined Management Board as Chief People Officer.

5. Segment information

For the six months period ended 30 June 2024, the Management Board made the decision to update the

reportable segments to better steer the business and to reflect the underlying trends, evolutions and activities of the various Business Areas the Group is involved in. The Group believes that the two new reportable segments Shared R&D and Just - Evotec Biologics represent fairly and provide a better information to external stakeholders on how resources are allocated and manage the Group's overall performance.

Intersegment revenues are valued with a price comparable to other third-party revenues. The evaluation of each reportable segment by the management is performed based on revenues and adjusted EBITDA.

The segment information for the first six months of 2024 and 2023 are as follows:

In k€	Six months ended 30 June 2024				Six months ended 30 June 2023			
	Share d R&D	Just - Evotec Biologics	Inter-segment Eliminations	Evotec Group	Shared R&D	Just - Evotec Biologics	Inter-segment Eliminations	Evotec Group
Revenues ¹⁾	302,379	88,471	—	390,850	324,848	58,987	—	383,835
Intersegment revenues	—	453	(453)	—	—	—	—	—
Costs of revenues	(259,536)	(81,017)	204	(340,348)	(242,763)	(41,512)	—	(284,275)
Gross profit	42,843	7,907	(249)	50,501	82,085	17,475	—	99,560
Operating income and (expenses)								
R&D expenses ²⁾	(29,348)	(154)	249	(29,253)	(30,983)	121	—	(30,863)
SG&A expenses	(74,859)	(17,046)	—	(91,905)	(73,469)	(14,723)	—	(88,192)
Other operating income	23,127	1,106	—	24,233	37,450	1,036	—	38,486
Other operating expense	(7,933)	—	—	(7,933)	(28,225)	(9,420)	—	(37,645)
Impairments of intangible assets	—	—	—	—	(5,119)	—	—	(5,119)
Reorganization costs	(67,447)	(1,009)	—	(68,456)	—	—	—	—
Operating income (loss)	(113,617)	(9,196)	—	(122,813)	(18,262)	(5,511)	—	(23,773)

1) Group revenues would have amounted to €389.8 m at constant exchange rates

2) H1 2023 includes € 1.8 m partnered R&D, not applicable in H1 2024

The EBITDA adjusted for the first six months 2024 is derived from Operating income (loss) as follows:

<i>In k€</i>	Shared R&D	Just Evotec Biologics	Evotec Group
Operating Income (Loss)	(113,617)	(9,196)	(122,813)
plus depreciation of tangible assets	34,258	11,487	45,745
plus impairment of intangible assets	—	—	—
plus amortization of intangible assets	3,064	—	3,064
plus external cyber-related costs	5,081	—	5,081
plus reorganization costs	67,447	1,009	68,456
Adjusted EBITDA	(3,767)	3,300	(467)

The EBITDA adjusted for the first six months 2023 is derived from Operating income (loss) as follows:

<i>In k€</i>	Shared R&D	Just Evotec Biologics	Evotec Group
Operating Income (Loss)	(18,262)	(5,511)	(23,773)
plus depreciation of tangible assets	30,579	10,271	40,851
plus impairment of intangible assets	5,119	—	5,119
plus amortization of intangible assets	3,904	—	3,904
plus external cyber-related costs	7,818	—	7,818
plus reorganization costs	—	—	—
Adjusted EBITDA¹⁾	29,158	4,760	33,919

1) As of Q3 2023, the external, one-off related cyber expenses are excluded from Adjusted Group EBITDA and amount to €5.1 m in H1 2024 (H1 2023: € 7.8 m). Internal costs of recovery are included in Adjusted Group EBITDA. Adjusted EBITDA as of H1 2023 has been adjusted accordingly in order to reflect this new definition.

6. Revenues

The following table shows the breakdown of the revenue the Group recognized for the first six months 2024 and includes revenue:

	6 months		
<i>in k€</i>	<i>Shared R&D</i>	<i>Just Evotec Biologics</i>	<i>Total</i>
Revenues from contracts with customers			
Fee for service and FTE-based research payments	252,896	88,471	341,367
Recharges*	41,952	–	41,952
Compound access fees	304	–	304
Milestone fees	–	–	–
Licenses	133	–	133
Total revenue from contracts with customers	295,286	88,471	383,757
Timing of revenue recognition			
At a point in time	41,952	25,961	67,913
Over a period of time	253,334	62,510	315,843
Total revenue from contracts with customers	295,286	88,471	383,757
Revenues by region			
USA	180,261	42,486	222,747
Germany	14,271	–	14,271
France	10,100	–	10,100
United Kingdom	42,616	70	42,687
Switzerland	10,927	45,607	56,534
Rest of the World	37,111	307	37,418
Total revenue from contracts with customers	295,286	88,471	383,757
Revenue from contributions	7,093	–	7,093
Total Revenue	302,379	88,471	390,850

*) Comprises of material re-charges to the customer

The following schedule shows the breakdown of the revenue the Group recognized for the first six months 2023 and includes revenue:

<i>6 months</i>			
<i>in k€</i>	<i>Shared R&D</i>	<i>Just Evotec Biologics</i>	<i>Total</i>
Revenues from contracts with customers			
Fee for service and FTE-based research payments	296,444	58,987	355,432
Recharges*	17,731	–	17,731
Compound access fees	1,875	–	1,875
Milestone fees	4,154	–	4,154
Licenses	105	–	105
Total revenue from contracts with customers	320,309	58,987	379,296
Timing of revenue recognition			
At a point in time	21,885	–	21,885
Over a period of time	298,424	58,987	357,411
Total revenue from contracts with customers	320,309	58,987	379,296
Revenues by region			
USA	198,346	16,490	214,836
Germany	18,181	–	18,181
France	16,049	–	16,049
United Kingdom	40,132	–	40,132
Switzerland	8,842	42,498	51,340
Rest of the World	38,758	–	38,758
Total revenue from contracts with customers	320,309	58,987	379,296
Revenue from contributions	4,539	–	4,539
Total Revenue	324,848	58,987	383,835

*) Comprises of material re-charges to the customer

Included in revenues from contracts with customers are bad debt expenses that lowered revenue by k€ 4,910 (first six months 2023: k€ 622).

7. Property, plant and equipment

Property, plant and equipment amounted to k€ 819,733 as of 30 June 2024 (31 December 2023: k€ 806,563) and included owned property, plant and equipment as well as right-of-use assets. The increase is mainly related to additions of k€ 77,067, especially in JUST production facilities (k€ 53,215), partially offset by depreciation k€ (45,754) and the premature termination of lease contracts k€ (12,547) in connection with the reorganization.

8. Goodwill and other intangible assets

Goodwill:

Goodwill amounted to k€ 279,541 as of 30 June 2024, versus k€ 275,635 as of 31 December 2023. The movement during the period was due to the impact of changes in exchange rates.

The Group performs its annual impairment test over goodwill in the fourth quarter of the fiscal year and when circumstances indicate that the carrying value may be

impaired. The Group's impairment test for goodwill is based on value-in-use calculations.

The key assumptions used to determine the recoverable amount for the different cash generating units are disclosed in the Group's consolidated financial statements for the year ended 31 December 2023.

Based on the analysis of the business performance as of and for the six months ended 30 June 2024, the Group has not identified any impairment trigger.

Finite lived intangible assets:

The Group also reviews its finite lived intangible assets for impairment whenever triggering events or changes in circumstances indicate that carrying amount value may not be recoverable. Following this review, the Group has not identified any impairment trigger. As of 31 December 2023, the review led to the recognition of an impairment loss of k€ 5,011.

9. Equity investments

The following table summarizes the development of the investments in associates during six months ended 30 June 2024:

<i>In k€</i>	<i>Centauri Therapeutics GmbH</i>	<i>Dark Blue Therapeutics Ltd.</i>	<i>Autobahn Labs LLC</i>	<i>Insignificant investments</i>	<i>Total</i>
Balance at 1 Jan 2024	2,179	—	—	892	3,071
Investment	—	—	1,378	206	1,584
Share of profit in associate	(349)	3,031	(1,378)	(900)	403
Impairment	—	—	—	—	—
Dividend earned	—	—	—	—	—
Divestment	—	—	—	—	—
Reclassification due to change of control	—	—	—	—	—
Balance at 30 June 2024	1,830	3,031	—	198	5,058

The following table provides the development of the investments in associates during year 2023:

<i>In k€</i>	<i>Autobahn Labs LLC</i>	<i>Centauri Therapeutics GmbH</i>	<i>Curexsys GmbH</i>	<i>Dark Blue Therapeutics Ltd.</i>	<i>Topas Therapeutics GmbH</i>	<i>Tucana Biosciences Inc.</i>	<i>Insignificant investments</i>	<i>Total</i>
Balance at 1 Jan 2023	1,371	—	3,967	4,022	405	2,325	3,954	16,043
Investment	2,360	3,455	—	—	2,023	—	—	7,838
Share of profit in associate	(3,730)	(309)	(968)	(4,022)	(2,428)	(775)	(650)	(12,881)
Impairment	—	(3,336)	(2,999)	—	—	(579)	(960)	(7,875)
Dividend earned	—	—	—	—	—	—	(424)	(424)
Divestment	—	—	—	—	—	(970)	—	(970)
Reclassification due to a change of control	—	2,369	—	—	—	—	(1,029)	1,341
Balance at 31 Dec 2023	—	2,179	—	—	—	—	892	3,071

10. Current and non-current financial liabilities

The decrease of current financial liabilities to k€ 45,330 (as of 31 December 2023: k€ 149,096) is mainly due to the repayment of a “Schuldscheindarlehen” (k€ 108,500) and the related interest (k€ 3,500).

Non-current financial liabilities decreased to k€ 428,181 (2023: k€ 477,112). The decrease is related to the termination of lease contracts (k€ 17,173) as well as reclasses to current financial liabilities (k€ 14,535) and other non-current liabilities (k€ 20,800) due to the reclassification of funding received for a forgivable loan.

Some of the Group’s borrowing is subject to covenants based on Net Debt leverage. The Group has determined that it would not meet some of those covenants as of 30 June 2024 and 30 September 2024, and has subsequently obtained waivers before 30 June 2024. The Group expects to meet its financial covenants in the following periods going forward.

11. Changes in shareholder’s equity and potentially dilutive instruments

In the six months ended 30 June 2024 a total of 536,044 Share Performance Awards were granted. Thereof, 117,292 awards were given to the members of the Management Board. The remaining number of awards were given to other key employees. In addition, a total of 591,829 restricted share units were granted in the six months ended 30 June 2024. These restricted share units were only given to key employees.

During the first half of 2024, 367,649 shares were issued through the exercise of Share Performance Awards which increased stockholder’s equity. In addition, 43,824 shares were issued through the exercise of restricted share units which were settled via treasury shares.

12. Reorganization

On April 24, 2024 as part of the publication of the 2023 Annual Results, the Group announced that it was currently assessing its current footprint and activities. As of June 30, 2024, the Group has recognized a provision of k€ (64,527) to cover the expected and estimated costs associated with the reorganization.

Estimated reorganization costs mainly include employee termination benefits, Real Estate footprint optimization and other direct costs associated with the reorganization.

13. Financial risk management

The Group’s activities expose it to a variety of financial risks such as currency risks, interest rate risks, credit risks and liquidity risks. The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required. Additional disclosures can be found in the “Risks and opportunities” described in Evotec’s Annual Report 2023 on pages 52 to 70.

There have not been significant changes to the risk management approach or to risk management policies since 31 December 2023.

Fair value of financial assets and liabilities:

The Group classifies its fair value measurements using a fair value hierarchy that reflects the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. The fair value hierarchy has the following levels:

- Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 – all significant inputs (other than quoted prices included within Level 1) are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

• Level 3 – one or more of the significant inputs are not based on observable market data, such as third-party pricing information without adjustments, for the asset or liability.

liabilities measured at amortized cost as of 30 June 2024 and as of 31 December 2023 are shown in the tables below. Financial assets measured at amortized cost approximate their carrying amounts in the statement of financial position.

The carrying amounts and fair values of the financial assets and liabilities measured at fair value and financial

30 June 2024

in k€	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Equity instruments	116,937	116,937	66,866	703	49,368
Other financial assets	5,370	5,370	—	—	5,370
Derivative financial instruments	856	856	—	856	—
Financial assets carried at FVTPL	123,163	123,163	66,866	1,560	54,738
Equity instruments	3,628	3,628	—	—	—
Current investments	81,468	81,468	—	—	—
Financial assets carried at FVTOCI	85,096	85,096	—	—	—
Financial assets carried at fair value	208,259	208,259	66,866	1,560	54,738
Financial liabilities					
Contingent consideration	(311)	(311)	—	—	(311)
Derivative financial instruments	(1,656)	(1,656)	—	(1,656)	—
Financial Liabilities carried at FVTPL	(1,967)	(1,967)	—	(1,656)	(311)
Trade accounts payables	(86,942)	(86,942)	—	—	—
Loans and borrowings	(306,709)	(269,061)	—	—	—
Other liabilities	(164,754)	(164,754)	—	—	—
Financial liabilities carried at amortized costs	(558,405)	(520,757)	—	—	—
Total financial liabilities	(560,372)	(522,724)	—	(1,656)	(311)

31 December 2023

in k€	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets					
Equity instruments	128,109	128,109	81,417	9,543	37,149
Other financial assets	3,179	3,179	–	–	3,179
Derivative financial instruments	6,137	6,137	–	6,137	–
Financial assets carried at FVTPL	137,425	137,425	81,417	15,680	40,328
Equity instruments	7,484	7,484	7,484	–	–
Current investments	321,550	321,550	321,550	–	–
Financial assets carried at FVTOCI	329,034	329,034	329,034	–	–
Financial assets carried at fair value	466,459	466,459	410,451	15,680	40,328
Financial liabilities					
Contingent consideration	(311)	(311)	–	–	(311)
Derivative financial instruments	(193)	(193)	(193)	–	–
Financial Liabilities carried at FVTPL	(504)	(504)	(193)	–	(311)
Trade accounts payables	(134,319)	(134,319)	–	–	–
Loans and borrowings	(437,058)	(380,204)	–	–	–
Other liabilities	(190,527)	(190,527)	–	–	–
Financial liabilities carried at amortized costs	(761,904)	(705,050)	–	–	–
Total financial liabilities	(762,408)	(705,554)	(193)	–	(311)

There were no changes in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurements during the period.

Apart from borrowings, the Group considers the carrying value of the financial instruments to approximate their fair value.

The following shows the development of the fair values of Level 3 for the six months ended 30 June 2024 and during year 2023:

in k€	Equity Instruments and other financial assets	Contingent Consideration
Balance as of 1 January 2024	40,328	(311)
Exchange rate differences	49	–
Additions	6,196	–
Disposals	–	–
Transfer from Level 3 to Level 2	(703)	–
Transfer from Level 2 to Level 3	9,543	–
Fair Value Change	(675)	–
Balance as of 30 June 2024	54,738	(311)

<i>in k€</i>	<i>Equity Instruments and other financial assets</i>	<i>Contingent Consideration</i>
Balance as of 1 January 2023	53,875	(306)
Exchange rate differences	—	—
Additions	14,028	—
Disposals	(3,523)	—
Transfer from Level 3 to Level 2	(10,909)	—
Transfer from Level 2 to Level 3	—	—
Fair Value Change	(13,144)	(5)
Balance as of 31 December 2023	40,328	(311)

Currency risk:

Foreign exchange exposure also arises because of inter-company loans and deposits. When the lending company enters such arrangements, the financing is generally provided in the functional currency of the subsidiary entity. When such loans would be part of the net investment in the subsidiary, net investment hedging would be applied. Translation exposure of foreign-currency equity invested in consolidated entities is generally not hedged.

14. Income taxes

The income tax amounted to an income of k€ 15,632 for the first six months 2024 compared to an income tax expense of k€ (2,175) for the six months ended 30 June 2023. This change is mainly driven by decreased gross profits and reorganization expenses resulting in additional tax loss carry forwards in Germany.

15. Related party transactions

Except for the transactions described in Evotec's Annual Report 2023 Note (19) on page 122, no other material transactions with related parties were entered into in the first six months 2024.

16. Subsequent events

The Supervisory Board of Evotec SE has appointed Dr Christian Wojczewski as new Chief Executive Officer with effect from 1 July 2024.

On July 30, 2024, Evotec signed a syndicated loan facility in the amount of €250 million with a consortium of major international financial institutions to support ongoing operations and strategic initiatives for future growth.

On August 6, 2024, Evotec issued an updated guidance for FY2024. The Group expects revenue to be in the range of €790 million to €820 million (previously low to mid-single digit percentage growth of 2023 revenue (2023: €781.4 million)), an adjusted EBITDA in the range of €15 million to €35 million (previously mid-double digit percentage growth of 2023 adjusted EBITDA (2023: €66.4 million)) and unpartnered R&D expenditures in the range of €50 million to €60 million (previously mid-single to low double digit percentage reduction of 2023 unpartnered R&D expenditures (2023: €64.8 million)).

III. RESPONSIBILITY STATEMENT

To the best of our knowledge and in accordance with the applicable reporting principles for interim financial reporting, the Interim Condensed Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and financial results of the Group, and the Group Interim Management Report 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.

14 August 2024

Dr Christian Wojczewski

Chief Executive Officer

Dr Cord Dohrmann

Chief Scientific Officer

Dr Matthias Evers

Chief Business Officer

Dr Craig Johnstone

Chief Operating Officer

Laetitia Rouxel

Chief Financial Officer

Aurélie Dalbiez

Chief People Officer

Financial calendar 2024

8 November 2024	Quarterly Statement 9M 2024
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FORWARD-LOOKING STATEMENTS

This half-year interim statement 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, Such statements include comments regarding Evotec’s expectations for revenues, Adjusted Group EBITDA and unpartnered R&D expenses, 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 few assumptions and estimates, which are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Evotec, Factors that could cause actual results to differ are discussed under the heading “Risk Factors” in our Annual Report for the year ended 31 December 2022, 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.