Evotec invests in Exscientia to advance AI-driven drug discovery

29.09.2017 - Evotec AG and Exscientia Ltd announced that Evotec has made a EUR 15 m investment to take a minority stake in Exscientia. Through this investment, Evotec becomes the first strategic shareholder in the UK-based company. Exscientia is focused on Artificial Intelligence ("AI")-driven drug discovery and design.

Exscientia and Evotec have cooperated since early 2016 to advance small molecules and bispecific small molecules in immuno-oncology. The ongoing success of this partnership was the basis of this expanded and deepened corporate relationship. Exscientia is the world leader in developing and applying AI approaches specifically to design new and better therapeutic molecules in a faster and more cost-effective manner. Exscientia’s approach fuses the power of AI with the discovery experience of seasoned drug hunters and chemistry experts. This investment will enable Exscientia to drive higher value partner programmes and expand discovery on its automated design platform.

Dr Werner Lanthaler, Chief Executive Officer of Evotec, said: "Our investment in Exscientia represents Evotec’s single biggest equity placement to date and in, what we feel, is the world leading AI technology company. Working with Exscientia on a joint immuno-oncology project over the past year, we have experienced first-hand how its AI approaches, along with our medicinal chemistry platform, can positively and radically impact drug discovery. We are very excited about the joint potential to leverage AI in chemistry. This investment is also the first time that we can efficiently use our recently awarded EUR 75 m loan facility from the European Investment Bank to bring down cost of capital for such an investment."

Commenting on the investment, Prof. Andrew Hopkins, Chief Executive Officer of Exscientia, added: "Exscientia and Evotec have built a close relationship over the past year sharing mutual interest in agile innovation. We are delighted that Evotec has made this investment for a minority equity stake, allowing Exscientia to deliver more drug discovery projects in a rapid and capital efficient manner. I’m also delighted that Dr Mario Polywka, Chief Operating Officer of Evotec, will join Exscientia’s Board of Directors, allowing us to benefit from his strong operational expertise in growing successful biotech companies."