EVOLVA

# CONSOLIDATED ANNUAL FINANCIAL STATEMENTS 2023

## Consolidated Statement of Financial Performance

| CHF 1'000 | Note | Period from 1 January to 31 December 2023 | 2022 |
|---|---|---|---|
| Revenue from contracts with customers | 4 | 9'437.8 | 15'539.4 |
| Cost of goods sold | 5 | (12'020.4) | (21'548.1) |
| **Gross profit** | | **(2'582.6)** | **(6'008.7)** |
| Research & development expenses | 6 | (32'123.7) | (23'596.8) |
| Commercial, general & administrative expenses | 7 | (57'539.1) | (10'786.6) |
| **Total operating expenses** | | **(89'662.7)** | **(34'383.4)** |
| **Operating loss** | | **(92'245.3)** | **(40'392.1)** |
| Financial income | 8 | 7'378.2 | 2'684.7 |
| Financial expense | 8 | (5'730.2) | (5'658.9) |
| Loss on sale of Evolva AG | 9 | (14'632.1) | - |
| **Net loss before tax** | | **(105'229.4)** | **(43'366.4)** |
| Income tax | 10 | - | - |
| **Net loss for the period** | | **(105'229.4)** | **(43'366.4)** |
| Basic and diluted loss per share (in CHF) | 25 | (19.50) | (10.13) |

The accompanying notes form an integral part of these consolidated financial statements.

## Consolidated Statement of other Comprehensive Income

| | | Period from 1 January to 31 December | |
|---|---|---|---|
| CHF 1'000 | Note | 2023 | 2022 |
| Net loss for the period | | (105'229.4) | (43'366.4) |
| *Items to be reclassified to the statement of finan-cial performance (net of tax)* | | | |
| - Translation differences | | (6'577.0) | 4'321.6 |
| *Items not to be reclassified to the statement of financial performance (net of tax)* | | | |
| - Remeasurement gain / (loss) on defined benefit plans | 13 | (457.6) | 1'110.8 |
| Other comprehensive income / (loss) - (net of tax) | | (7'034.6) | 5'432.4 |
| Total comprehensive loss | | (112'264.0) | (37'934.0) |

The accompanying notes form an integral part of these consolidated financial statements.

## Consolidated Statement of Financial Position

| CHF 1'000 | Note | 31 December 2023[1] | 31 December 2022[2] |
|---|---|---|---|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | 15 | - | 92'648.3 |
| Property, plant and equipment | 16 | - | 5'258.0 |
| Financial assets | 17 | - | 2'971.2 |
| **Total non-current assets** | | **-** | **100'877.5** |
| | | | |
| Current assets | | | |
| Inventories | 18 | - | 18'392.0 |
| Compound embedded derivative | 27 | - | 70.6 |
| Prepayments & accrued income | 19 | - | 2'485.2 |
| | | | |
| Trade and other receivables | 20 | 3'989.6 | 4'039.3 |
| Cash and Cash equivalents | 21 | 5'838.7 | 5'142.7 |
| **Total Current assets** | | **9'828.2** | **30'129.8** |
| **Total Assets** | | **9'828.2** | **131'007.3** |
| | | | |
| EQUITY AND LIABILITITES | | | |
| Equity | | | |
| Share capital | 22 | 7'230.6 | 56'064.0 |
| Share premium | | 377'245.2 | 372'969.8 |
| Treasury shares | 24 | (18.0) | (218.9) |
| Other reserves | | 45'074.4 | 40'555.6 |
| Accumulated loss | | (423'979.6) | (371'024.3) |
| Other components of equity | | - | 7'892.8 |
| **Total equity** | | **5'552.6** | **106'238.9** |
| | | | |
| Non-current liabilities | | | |
| Pension liabilities | 13 | - | 459.2 |
| Lease liabilities | 29 | - | 2'906.8 |
| Accrued and other liabilities | 26 | 979.4 | 1'670.8 |
| Provisions | 26 | 600.0 | 1'065.6 |
| **Total non-current liabilities** | | **1'579.4** | **6'102.5** |
| | | | |
| Current liabilities | | | |
| Trade and other payables | | 91.4 | 4'222.4 |
| Accrued and other liabilities | 26 | 2'604.9 | 2'292.8 |
| Convertible loan | 27 | - | 11'487.6 |
| Lease liabilities | 27 | - | 663.1 |
| **Total current liabilities** | | **2'696.2** | **18'665.9** |
| **Total Equity and Liabilities** | | **9'828.2** | **131'007.3** |

[1] liquidation values, refer to note 2
[2] going concern values, as published in prior year
The accompanying notes form an integral part of these consolidated financial statements.

## Consolidated Statement of Cash Flows

| CHF 1'000 | Note | Period from 1 January to 31 December 2023 | 2022 |
|---|---|---|---|
| **Operating activities** | | | |
| Net loss for the period | | (105'229.4) | (43'366.4) |
| Non-cash adjustments to reconcile net loss for the period to net cash flows | | | |
| - Depreciation of tangible assets | 16 | 713.2 | 1'174.1 |
| - Impairment of tangible assets | | 2'019.1 | - |
| - Amortization of intangible assets | 15 | 3'868.0 | 6'914.6 |
| - Impairment of intangible assets | 15 | 66'283.3 | 17'033.3 |
| - Loss on sale of Evolva AG | 9 | 14'632.1 | |
| - Interest income | 8 | (7.2) | (76.8) |
| - Financial income and expenses | 8 | 2'343.2 | 100.0 |
| - Net foreign exchange differences | | (3'929.7) | 2'621.9 |
| - Share-based compensation | 11 | 4'391.7 | 1'222.2 |
| - Change in current assets | | 5'406.5 | (1'868.5) |
| - Change in current liability | | 767.2 | (2'244.5) |
| - Change in pension liability | 13 | 97.5 | (119.3) |
| - Interest payments received | 8 | 7.2 | 76.8 |
| - Interest expenses paid | 8 | (617.3) | (348.0) |
| **Net cash flow from operating activities** | | **(9'254.5)** | **(18'880.8)** |
| **Investing activities** | | | |
| Purchase of property, plant and equipment | 16 | (387.5) | (492.3) |
| Disposal of property, plant and equipment | | 2.4 | 9.9 |
| Capitalized development expenses | 15 | (79.1) | (1'760.5) |
| Proceeds of disposal of subsidiary | | 16'410.2 | - |
| Reduction of financial deposits | 17 | 3.4 | 479.4 |
| **Cash flow from investing activities** | | **15'949.4** | **(1'763.5)** |
| **Financing activities** | | | |
| Proceeds from convertible loan | 27 | 7'055.4 | 9'560.0 |
| Repayment of convertible loan | 27 | (12'450.0) | 9'560.0 |
| Proceeds from private placement | 22 | - | 6'327.4 |
| Cost of capital change | | (114.1) | (281.9) |
| Payment of principal portion of lease liabilities | 29 | (463.9) | (839.5) |
| Sale of Evolva AG | | - | - |
| **Cash Flow from financing activities** | | **(5'972.6)** | **24'325.9** |
| **Net increase / (decrease) in cash and cash equivalents** | | **722.3** | **(5'878.3)** |
| Exchange gain on cash and cash equivalents | | (26.3) | 20.2 |
| Cash and cash equivalents at the beginning of period | | 5'142.7 | 11'000.7 |
| **Cash and cash equivalents at end of the period** | | **5'838.7** | **5'142.7** |

The accompanying notes form an integral part of these consolidated financial statements.

EVOLVA

## Consolidated Statement of changes in Equity

| CHF 1'000 | Note | Share Capital | Share premium | Total capital paid in | Treasury shares | Other Reserves | Employee benefit reserve | CTA | Accumulated loss | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2023** | | 56’064.0 | 372’969.8 | 429’033.8 | (218.9) | 40’555.6 | 1’315.8 | 6’577.0 | (371’024.3) | 106’238.9 |
| Loss of the period | | - | - | - | - | - | - | - | (105’229.4) | (105’229.4) |
| Other comprehensive income | | - | - | - | - | - | (457.6) | (6’577.0) | - | (7’034.6) |
| **Total comprehensive loss** | | - | - | - | - | - | (457.6) | (6’577.0) | (105’229.4) | (112’264.0) |
| Capital increase from conditional capital | | 2’721.9 | 4’578.1 | 7’300.0 | - | - | - | - | - | 7’300.0 |
| Nominal value reduction | | (52’274.1) | - | (52’274.1) | - | - | - | - | 52’274.1 | - |
| Effect of deconsolidation group company | | - | - | - | - | 858.2 | (858.2) | - | - | - |
| Cost of capital charge | | - | (114.1) | (114.1) | - | - | - | - | - | (114.1) |
| Effects of share-based compensation | 12 | 718.8 | (188.6) | 530.1 | 200.9 | 3’660.7 | - | - | - | 4’391.7 |
| **Balance at 31 December 2023** | | 7’230.6 | 377’245.2 | 384’475.8 | (18.0) | 45’074.4 | - | - | (423’979.7) | 5’552.6 |
| | | | | | | | | | | |
| **Balance at 1 January 2022** | | 51’531.5 | 367’602.8 | 419’134.3 | (1’718.4) | 39’552.0 | 204.9 | 2’255.3 | (327’657.9) | 131’770.3 |
| Loss of the period | | - | - | - | - | - | - | - | (43’366.4) | (43’366.4) |
| Other comprehensive income | | - | - | - | - | - | 1’110.8 | 4’321.6 | - | 5’432.4 |
| **Total comprehensive loss** | | - | - | - | - | - | 1’110.8 | 4’321.6 | (43’366.4) | (37’934.0) |
| Capital increase from private placement | | 3’132.4 | 3’195.0 | 6’327.5 | - | - | - | - | - | 6’327.5 |
| Capital increase from conditional capital | | 1’400.2 | 899.8 | 2’300.0 | - | - | - | - | - | 2’300.0 |
| Cost of capital charge | | - | (246.9) | (246.9) | - | - | - | - | - | (246.9) |
| Effects of share-based compensation | 12 | - | - | - | 218.6 | 1’003.6 | - | - | - | 1’222.2 |
| Conversion of convertible loan | | - | 1’519.1 | 1’519.1 | 1’280.9 | - | - | - | - | 2’800.0 |
| **Balance at 31 December 2022** | | 56’064.0 | 372’969.8 | 429’033.8 | (218.9) | 40’555.6 | 1’315.8 | 6’577.0 | (371’024.3) | 106’238.9 |

The accompanying notes form an integral part of these consolidated financial statements

# NOTES TO THE CONCOLIDATED FINANCIAL STATEMENTS

## 1. Corporate information

Evolva Holding SA (the "Company") together with its subsidiaries (collectively "Evolva", the "Group" or "we") until 21 December 2023 was an international group that researched, developed and commercialized high quality ingredients with applications in flavor & fragrancies, health ingredients, health protection and other sectors. Evolva Holding SA is incorporated in Switzerland and has been the parent company of the Group since 11 December 2009. The shares of the Company are listed on the SIX Swiss Exchange (SIX: EVE) with a nominal value of CHF 1.00 per share.

Evolva Holding SA on 21 November 2023 signed a share purchase agreement (SPA) with Danstar Ferment AG, a Swiss affiliate of Lallemand Inc., a global leader in the development, production, and marketing of yeast, bacteria and specialty ingredients. Danstar Ferment AG has acquired 100% of the shares in Evolva AG (including its subsidiaries) from Evolva Holding SA. The transaction was closed on 28 December 2023.

On 21 December 2023 Shareholders approved the dissolution and liquidation as well as the delisting of the company from SIX Swiss Exchange. On 12 April, 2024 Shareholders approved to revoke the resolution on liquidation and the delisting of the company. Therefore the company from 21 December 2023 until 12 April 2024 was registered as "Evolva Holding SA in Liquidation". Please also refer to note 31, Events subsequent to the reporting date.

The legal domicile of the Company is: Evolva Holding SA, Duggingerstrasse 23, 4153 Reinach, Switzerland.

As mentioned above, in 2023 all the subsidiaries were sold to a third party. Thereof, on 31 December 2023 the Group only consist of the Company. Previously, the group comprised the following subsidiaries:

| Name | Domicile | Ownership[1] 31.12.2023 | 31.12.2022 | Shareholder | Share capital |
|---|---|---|---|---|---|
| Evolva AG[2] | Reinach, CH | - | 100% | Evolva Holding SA | CHF 6'369'540 |
| Evolva Inc.[2] | Lexington, USA | - | 100% | Evolva AG | USD 7'835 |
| Non-operational entities | | | | | |
| Evolva Bio UK Ltd.[3] | Cambridge, UK | - | 100% | Evolva AG | GBP 14.62 |
| Evolva Singapore PTE. Ltd. | Singapore | - | 100% | Evolva AG | SGD 100 |
| Evolva Biotech Private Limited[4] | Chennai, India | - | 100% | Evolva AG | INR 169'930 |

[1] Capital ownership is equal to voting ownership
[2] Company sold in 2023
[3] Company liquidated in 2023
[4] Company in liquidation

On 31 December 2023, Evolva employed no employees (2022: 50), on 31 December 2022, 21 employees were directly involved in research, development and manufacturing activities while the remaining staff was employed with managerial, commercial and administrative tasks.

These consolidated financial statements were authorized for public disclosure in accordance with a resolution of the Board of Directors of the Company dated 28 October 2024.

## 2. Summary of significant accounting policies

### Basis of preparation

The financial statements of Evolva until 21 December 2023 were prepared in accordance with the historical cost convention. On 21 December 2023 Shareholders approved its dissolution and liquidation as well as the delisting of the company from SIX Swiss Exchange. With closing date 28 December 2023, the company sold 100% of its shares in Evolva AG to Danstar Ferment AG, a Swiss affiliate of Lallemand Inc. a global leader in the development, production, and marketing of yeast, bacteria and specialty ingredients. As a result the financial statements as of 31 December 2023 were prepared based on liquidation values according to article 959b(4) of the Swiss Code of Obligations (SCO) and IAS 1.25 whereas the balance sheet as of 31 December 2022 is reported as published in prior year and was based on going concern values. Evolva's financial statements comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements are presented in Swiss francs (CHF) and all values are rounded to the nearest CHF 1'000 except where otherwise stated.

### Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to apply certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Such estimates and assumptions affect the reported amounts and disclosures in the consolidated financial statements and accompanying notes. Management evaluates on an ongoing basis its estimates and assumptions for the critical accounting estimates and judgements as listed below. Management bases its estimates and assumptions on historical experience, input from advisors and on various market and non-market specific assumptions that management believes to be reasonable under the circumstances. Based on the result of these estimates, management makes its judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from those estimates.

For the financial year 2022, the following areas involved assumptions and estimates that can have a significant impact on the consolidated financial statements:

- Product and process development costs
- Royalty and licenses
- Impairment of Goodwill
- Income taxes
- Governmental contracts
- Revenue recognition

After the sale of Evolva AG, for the financial year 2023, the only area involving assumptions and estimates that can have a significant impact on the consolidated financial statements is the estimate of the costs to complete the liquidation of the company.

### Principles of consolidation

#### Subsidiaries

Subsidiaries in which the Group has a controlling interest are consolidated. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee and
- the ability to use its power over the investee to affect its returns.

Subsidiaries in which the Group has lost controlling interest (either due to liquidation or due to sale) are deconsolidated on the date of the respective transaction.

#### Intra-Group transactions

Intercompany balances and transactions are eliminated in the consolidation process. Intercompany transactions result from one Group company providing services to another Group company or the transfer of assets within the Group.

#### Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.
When the Group acquires a business, it assesses the assets, liabilities and contingencies assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value through the statement of financial performance as of the acquisition date.
Any contingent consideration to be transferred by the Group will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed a financial asset, or a financial liability will be recognized in the statement of financial performance.

#### Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized.
Goodwill is initially measured at cost, being the excess of the aggregate of consideration transferred, non-controlling interests and the acquirer's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the aggregated amount is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized as a gain in the statement of financial performance (negative goodwill).
After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The carrying amount of goodwill is tested for impairment annually or when events or changes in circumstances indicate that the carrying amount is not recoverable. Gains and losses on the disposal of an

entity include the carrying amount of goodwill relating to the entity sold. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

### Foreign currency translation

The consolidated financial statements are expressed in Swiss francs (CHF), which is the Group's presentation currency.
Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. All resulting foreign exchange gains and losses are recognized in the individual company's statement of financial performance.
For consolidation purposes, the statements of financial position of foreign consolidated companies are translated into CHF at the spot rate at the reporting date. Income and expenses of the foreign consolidated companies are translated into CHF using the monthly average exchange rates during the year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rate at the dates of the transactions).
Foreign currency differences arising from the translation of intercompany loans from a foreign currency into the functional currency of Evolva are recorded as gains or losses in the consolidated statement of financial performance.
On disposal of a foreign operation, the cumulative currency translation difference recognized within equity relating to that particular foreign operation is reclassified in the Statement of Financial Performance as gain or loss on sale of that foreign operation.

The exchange rates (in CHF) for the Group's significant foreign currencies were as follows:

| | | 2023 | | 2022 | |
|---|---|---|---|---|---|
| Currency | Unit | Closing rate | Average rate | Closing rate | Average rate |
| USD | 1 | 0.85 | 0.90 | 0.93 | 0.96 |
| EUR | 1 | 0.94 | 0.96 | 0.99 | 1.02 |
| INR | 100 | 1.02 | 1.12 | 1.13 | 1.24 |
| GBP | 1 | 1.08 | 1.13 | 1.12 | 1.20 |

### Revenue recognition

Evolva recognizes revenue from the sale of innovative ingredients ("products") and from the delivery of collaborative research and development services. In addition, the Group may occasionally have other revenues, e.g. from the sale of compounds and other assets. Revenue is measured at the fair value of the consideration received or of the receivable, considering contractually defined terms of payment and excluding taxes and duties. In the following, the revenue recognition criteria applied for the different sources of revenue are further explained:

### Product related revenue

Product related revenue comprises the sale of products by Evolva and revenue from sales-based royalty, license and similar sources that derive from Evolva originally developed and/or Evolva co-developed

products. Revenue from sale of products by Evolva is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the product if no other agreement has been made. Revenue from sales-based royalty or license is recognized when the performance criteria of the sales are met or when the performance obligation of the sales-based revenue is satisfied (in whole or in part).
The normal credit term is 30 to 90 days upon invoicing. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

### Research & development revenue

Revenue from research and development arrangements is recognized in the accounting period in which the services are rendered, using a basis, which reflects the nature and scope of the services rendered. Up-front payments for access to Evolva's technology are recognized and deferred in the period during which the technology is being applied. Where agreements include milestones that are determined to be substantive and at risk at the inception of the agreement, revenue is recognized upon confirmation by the counterparty that the milestone has been achieved.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments, which are readily convertible to known amounts of cash and have a maturity of three months or less from the date of acquisition. This definition is also applicable for cash and cash equivalents presented in the consolidated statement of cash flow.

### Financial assets and liabilities

Financial instruments carried on the statement of financial position include cash and cash equivalents, receivables, financial deposits, payables, selected accrued and other current liabilities and loans.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.
Cash and cash equivalents, trade and other receivables and financial deposits represent financial assets classified as Financial Assets at amortized cost. For a financial asset to be classified and measured at amortized cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Non-current financial assets/liabilities are measured at amortized cost, i.e. the amount at which the financial asset or liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Trade and other payables, accrued liabilities , loans and financial liabilities are recorded at amortized cost. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

Financial assets and liabilities are included in current assets or current liabilities, except for maturities longer than twelve months after the reporting date, in which case they are classified as non-current assets or non-current liabilities and shown separately in the statement of financial position.

The Group applies the expected credit loss model. Resulting allowances for financial assets, if material, are recognized in the statement of financial performance.

### Convertible note

At initial recognition convertible notes are measured at fair value less transaction costs that are directly attributable to the issue of the financial liability. The convertible note does not qualify as an equity instrument, since it is a) neither a non-derivate instrument without contractual obligations for the issuer to deliver a variable number of own shares, nor b) will it be settled by the issuer exchanging a fixed amount of cash for a fixed amount of own equity instrument. The conversion feature is a derivative financial instrument to deliver a variable number of shares based on a volume-weighted average share price prior to the conversion date. It is consequently a financial liability. The fair value of the convertible notes is determined by the difference of consideration received and the fair value of the embedded derivatives. The convertible loans must be subsequently measured at amortized cost using the effective interest method.

The embedded derivative is a component of a hybrid contract that also includes a non-derivative host - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a current asset or current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is less than 12 months and is expected to be realized or settled within 12 months.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available.

### Property, plant and equipment

Property, plant and equipment is recognized at historical cost less accumulated depreciation and impairment. Depreciation expense is recognized using the straight-line method over the estimated useful life of respective assets. Assets are depreciated to their expected residual value, which is usually determined to be zero. The useful lives are estimated as follows:

- Buildings 50 years,
- Leasehold improvements 5-20 years,
- Furniture & fixture 5-8 years,
- Laboratory equipment 4-6 years,
- Office and IT equipment 3-6 years, and
- Manufacturing equipment 5-15 years.
- Right-of-use assets 3-8 years

Property, plant and equipment held-for-sale is not depreciated and reported at the lower of the carrying amount or fair value less cost to sell. Subsequent costs are included in the relevant assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognized. Repair and maintenance costs are expensed as incurred.

### Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for a consideration.
To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either;
- the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone prices.
The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses if any and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group’s incremental borrowing rate.
Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Intangible assets other than Goodwill

Costs of purchasing intellectual property rights (i.e. patents and patent applications) are capitalized as intangible assets when it is probable that future economic benefits will be generated. Acquired intangible assets (other than goodwill) are initially valued at cost or, if acquired within the context of a business combination, recorded at fair value. Generally, the Group amortizes patents and patent applications over 20 years or according to their expected useful lives on a straight-line basis.

Capitalized product development include compensation to staff, consultants and contract research organizations involved in R&D activities, process development (scale-up, fermentation, downstream processing), consumables for laboratory work, intellectual property expenses, including potential impairment and depreciation of corresponding property, plant and equipment. Capitalized development cost is amortized over the useful live of the technology deployed, which is in the range of three to five years.

Royalty & licences are amortized over their contractual lives of 20 years on a straight-line basis.

Costs are capitalized only if they satisfy the criteria as defined by IAS 38 as below:

- the intangible asset is clearly identified, and the related costs are itemized and reliably monitored;
- the technical and industrial feasibility of completing the intangible asset is demonstrated;
- there is a clear intention to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset arising from the project;
- the Group can demonstrate how the intangible asset will generate probable future economic benefits;
- the Group has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

If these conditions are not satisfied, development costs generated by the Group are charged to the statement of financial performance as incurred.

Intangible assets are evaluated for potential impairment when facts and circumstances warrant to do so. Any impairment charge is recorded in the consolidated income statement.

### Impairment of assets

Property, plant and equipment and intangible assets with definite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If the recoverable amount (being the higher of its fair value less costs of disposal or its value in use) of the asset is less than its carrying amount, an impairment is recorded.

### Inventories

Inventories are initially recognized at cost and categorized as finished products, intermediate products or raw material. Costs of purchased inventory are determined after deducting rebates and discounts. The costs of individual items of inventory are determined using weighted average costs. Finished products consist of ingredients for nutrition, healthcare and wellness, and are stated at the lower of the production cost or net realizable value. We evaluate the recoverability of our inventories based on assumptions about expected demand and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### Provisions

Evolva recognizes a provision if it has a present legal or constructive obligation to transfer economic benefits as a result of past events and if a reasonable estimate of the obligation can be made and an outflow of resources is probable. If the effect of discounting is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### Share-based compensation

The Group operates various share-based compensation plans comprising the grant of share options, restricted stock units and performance share units. The members of the Board of Directors, all employees and selected advisors are eligible to participate in the Group's share-based compensation plans. The Group manages its share-based compensation plans with different vesting conditions. Vesting of all share-based compensation plans is conditional to service rendered by the plan participant. This usually comprises that the plan participant is not under notice during the vesting period. The fair value of the services received in exchange for the award of share-based compensation is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the awards granted. At each reporting date, Evolva revises its estimates of the number of awards that are expected to be exercised. It recognizes the impact of such updates compared with original estimates, in the statement of financial performance and a corresponding adjustment to equity. Any subsequent cash flows from exercises of vested awards are recorded as an increase in equity.

### Treasury shares

Own equity instruments are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration received is recognized as share premium in equity.

### Post-employment benefits

In accordance with employment contracts, some Evolva companies make monthly contributions to employee pension plans. Contributions are recognized as employee benefit expenses when they are due.
Net defined asset/liability of pension plans is recognized in the Group's statement of financial position. For defined benefit plans, the pension liability and related service costs are based on actuarial valuation techniques, using the projected unit credit method and related assumptions as further detailed in note 12 of the Group's consolidated financial statements. The defined benefit obligation is measured as the present value of the estimated future cash flows using a discount rate based on the interest rate of high-quality corporate bonds. The charge for such pension plans, representing the net periodic cost, is included in the salary expenses. Plan assets are recorded at their fair values. In case of settlement events, related gains and losses are added to the yearly pension costs when settlement occurs. Past service costs are added to the annual pension costs when they occur. Actuarial gains and losses on the defined benefit obligation are recognized in other comprehensive income.

### Cost of goods sold

Cost of goods sold include expenses for manufacturing, compensation to staff and consultants involved in manufacturing, payments to third-party manufacturers, value adjustment because of lower of production costs and net realizable value assessment and other expenses related to manufacturing activities, including impairment, amortization and depreciation of corresponding intangible assets and property, plant and equipment.

### Research and development expenses

Expenses for research and development comprise compensation to staff, consultants and contract research organizations involved in R&D activities, consumables for laboratory work, intellectual property expenses and depreciation of corresponding intangible assets and property, plant and equipment.

### Commercial, general & administrative expenses

Commercial expenses consist of compensation to sales staff and consultants, expenses to distributors, regulatory matters, marketing, advertisement, business development and other commercial expenses. General and administrative expenses consist of compensation to group management, Board of Directors and administrative staff, expenses related to investor relations, legal and financial services, indirect tax and other expenses related to general and administrative activities. Government grants related to income are recorded under commercial, general & administrative expenses. Other income is recorded when contractual milestones are met.

### Deferred taxes

Deferred taxes are provided using the balance sheet liability method for all temporary differences between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, except for those temporary differences related to investments in entities where the timing of their reversal can be controlled, and it is probable that the difference will not reverse in the foreseeable future. Deferred tax assets relating to the carry-forward of unused tax losses and other deductible temporary differences are recognized to the extent that future taxable profit is expected to be available. The recognition and utilization of deferred tax assets is assessed on an annual basis. Deferred taxes are based on tax rates currently enacted or substantially enacted and which are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled.
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax jurisdiction.

### Earnings/ (loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to ordinary shareholders of the parent by the weighted average number of shares outstanding during the period. Diluted earnings per share is calculated by dividing the net profit attributable to the ordinary shareholders of the parent by the weighted average number of shares outstanding during the period adjusted for the conversion of all dilutive potential ordinary shares.

### Dividends

The Company may declare dividends upon the recommendation of the Board of Directors and the approval of shareholders at their Annual General Meeting. The Company has not paid any dividends since its inception and does not anticipate paying dividends in the foreseeable future.

### Segment reporting

Evolva reports the financial performance of its operating segment according to the "management approach" required by IFRS 8. Generally, the information to be disclosed is what management uses internally for evaluating segment performance and deciding how to allocate resources. Evolva operates in one segment, namely research, development and commercialization of novel nutritional, healthcare and wellness ingredients. As the chief operating decision-maker, the Board of Directors and the Group Management Team assess the performance of the operating segments and allocate resources on a consolidated level.

### Changes in accounting policies

The accounting policies which were adopted are consistent with those of the previous year.

The following new or revised standards became applicable for the current reporting period and did not have any material effect on the Group's financial statements:

- IFRS 17 Insurance Contracts;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- International Tax Reform – Pillar Two Model Rules – amendments to IAS;
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies.

The adoption of the amendments did not have any significant impact on the amounts recognized in the reporting period or prior periods and are not expected to significantly affect future periods.

Certain new and amended accounting standards and interpretations that have been published are not mandatory for the reporting period ended on 31 December 2023 and have not been adopted early by the Group. These standards and interpretations are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

## 3. Financial risk management

### Financial risk factors

Financial risk management is governed by policies and guidelines approved by management. These policies cover foreign exchange risk, interest rate risk, liquidity risk and credit risk. Management regularly evaluates the Group's identified operating and financial risks regarding their probability and potential impact. With the consent of the Board of Directors, appropriate measures are taken to reduce or to mitigate the risks identified.

### Liquidity risk and capital management

Evolva's objective when managing its liquidity is to secure sufficient funding to finalise the liquidation of the company. Management regularly updates its cash flow projections and may adjusts its planned time-schedule for liquidation accordingly.

The tables below summarize the maturity profile of the Group's financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Financial assets

CHF 1'000

| 31 December 2023 | Valuation category | Less than 3 months | Between 3 months and 1 year | Between 1 year and 5 years | Over 5 years | Total | Carrying amount |
|---|---|---|---|---|---|---|---|
| Cash & cash equivalents | AC | 5’838.7 | - | - | - | 5’838.7 | 5’838.7 |
| Trade and other receivables | AC | 3’389.6 | 600.0 | - | - | 3’989.6 | 3’989.6 |
| **Total financial assets** | | **9’228.2** | **600.0** | **-** | **-** | **9’828.2** | **9’828.2** |
| **31 December 2022** | | | | | | | |
| Cash & cash equivalents | AC | 5’142.7 | - | - | - | 5’142.7 | 5’142.7 |
| Trade and other receivables | AC | 4’039.3 | - | - | - | 4’039.3 | 4’039.3 |
| Compound embedded derivative | FVTPL | - | 70.6 | - | - | 70.6 | 70.6 |
| Investment in non-listed R&D company | FVTPL | - | - | 285.9 | - | 285.9 | 285.9 |
| Other financial assets | AC | - | - | 2’076.6 | 608.6 | 2’685.3 | 2’685.3 |
| **Total financial assets** | | **9’182.0** | **70.6** | **2’362.5** | **608.6** | **12’223.8** | **12’223.8** |

AC = Financial asset or liability measured at amortized costs
FVTPL = Financial asset or liability measured at fair value through profit and loss

Financial liabilities

CHF 1'000

| 31 December 2023 | Valuation category | Less than 3 months | Between 3 months and 1 year | Between 1 year and 5 years | Over 5 years | Total | Carrying amount |
|---|---|---|---|---|---|---|---|
| Other payables | AC | 91.4 | - | - | - | 91.4 | 91.4 |
| **Total financial liabilities** | | **91.4** | **0.0** | **0.0** | - | **91.4** | **91.4** |
| **31 December 2022** | | | | | | | |
| Lease liabilities | AC | 263.2 | 789.7 | 3’022.7 | - | 4’075.7 | 3’569.9 |
| Convertible loan | AC | - | 11’487.6 | - | - | 11’487.6 | 11’487.6 |
| Trade payables | AC | 2’947.1 | - | - | - | 2’947.1 | 2’947.1 |
| Other payables | AC | 348.9 | 926.5 | 1’670.8 | - | 2’946.1 | 2’946.1 |
| **Total financial liabilities** | | **3’559.2** | **13’203.8** | **4’693.6** | - | **21’456.5** | **20’950.7** |

The fair value of financial assets and liabilities at amortized costs are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments.

Changes in liabilities arising from financing activities

| CHF 1'000 | 1 January 2023 | Changes from financing cash flows | Changes in fair value | Derecognitions | 31 December 2023 |
|---|---|---|---|---|---|
| Current lease liabilities | 663.1 | (204.8) | - | (458.3) | - |
| Convertible loan | 11'487.6 | (11'487.6) | - | - | - |
| Compound embedded derivative | (70.6) | 123.1 | (52.5) | - | - |
| Non-current lease liabilities | 2'906.7 | (259.0) | - | (2'647.7) | - |
| **Total liabilities from financing activities** | **14'986.9** | **(11'828.3)** | **(52.5)** | **(3'106.0)** | **-** |

| CHF 1'000 | 1 January 2022 | Changes from financing cash flows | Changes in fair value | Derecognitions | 31 December 2022 |
|---|---|---|---|---|---|
| Current lease liabilities | 834.4 | (171.4) | - | - | 663.1 |
| Convertible loan | 6'430.9 | 5'056.7 | - | - | 11'487.6 |
| Compound embedded derivative | 346.8 | 384.5 | (660.7) | - | (70.6) |
| Non-current lease liabilities | 3'574.0 | (667.3) | - | - | 2'906.7 |
| **Total liabilities from financing activities** | **11'186.2** | **4'602.6** | **-** | **-** | **14'986.9** |

### Market risk

The Group sourced manufacturing supplies of materials, research and development, consulting and other services in several countries and managed subsidiaries worldwide. The Group was therefore exposed to foreign currency movements affecting its net result and financial position, as expressed in Swiss francs. Evolva monitored its currency exposures by regularly assessing future spending plans in foreign currencies.

After the sale of all subsidiaries, the company is not exposed to relevant foreign currency risks anymore.

### Foreign currency sensitivity analysis

Evolva applies a sensitivity analysis to assess its foreign exchange exposure risks. Evolva's sensitivity analysis assumes a simultaneous, parallel foreign exchange rate shift in which the CHF gains in value against all currencies by 5% (a loss of 5% would result in the same amounts but with inverted prefixes) and the impact of this exchange rate shift on the statement of financial performance. In 2022 and 2021, no hedge accounting has been applied.

The following sensitivity analysis includes financial assets and liabilities related to third parties.

| in 1'000 CHF | USD | EUR | GBP | other | Total |
|---|---|---|---|---|---|
| Monetary assets | - | - | - | - | - |
| Monetary liabilities | - | - | - | - | - |
| Net exposure 31 Dec 2023 | - | - | - | - | - |
| | | | | | |
| Monetary assets | 220.3 | 132.0 | 1.8 | 0.9 | 355.0 |
| Monetary liabilities | (183.7) | (53.8) | (0.1) | (0.4) | (238.0) |
| Net exposure 31 Dec 2022 | 36.6 | 78.2 | 1.7 | 0.5 | 117.1 |

### Interest-rate risk

Interest rate risk arises from movements in interest rates, which could have adverse effects on Evolva's net result or financial position. Other than cash and time deposits, the Group has no material assets or liabilities subject to interest income or expense. Evolva deems the interest rate risk in the statement of performance and in the equity as insignificant.

### Credit risk

Credit risk results mainly from a counterparty's failure to meet its obligation towards Evolva. For product sales, Evolva may conduct selective analysis of the creditworthiness of distributors and other customers. Cash and cash equivalents are held with financial institutions with A+ ratings (Standard & Poor's long-term credit rating). Minor positions in foreign subsidiaries are held with banks with a BBB- or better ratings.

For trade receivables the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on industry averages, adjusted for forward-looking factors specific to the debtors and the economic environment. Trade receivables have been grouped based on their credit risk characteristics.

## 4. Segment and geographical information

Evolva researched, developed and commercialized high quality ingredients with applications in flavor & fragrancies, health ingredients, health protection and other sectors. The Board of Directors and the Group Management Team (the chief operating decision-maker) did not base their decisions on geographical, demographical or sociographical criteria, but rather on strategic and operational factors related to research, development, manufacturing and commercialization of novel nutritional, healthcare and wellness ingredients. Therefore, the Group had identified one segment, which was equivalent to the Group's CGU, namely research, development, manufacturing and commercialization of novel nutritional, healthcare and wellness ingredients.
After the sale of Evolva AG, Evolva does not perform any business activities anymore.
Set out below is the disaggregation of the Group's revenue from contracts with customers:

| CHF 1'000 | Period from 1 January to 31 December 2023 | 2022 |
|---|---|---|
| Type of goods or services | | |
| Product-related revenue | 9’267.3 | 14’847.8 |
| Research & development revenue | 170.5 | 691.6 |
| Total revenue from contracts with customers | 9’437.8 | 15’539.4 |
| | | |
| Geographical allocation[1)] | | |
| Switzerland | 3’787.8 | 9’203.1 |
| United States | 5’650.0 | 6’336.3 |
| Total revenue | 9’437.8 | 15’539.4 |
| | | |
| Timing of revenue recognition | | |
| Revenue recognition at a point in time | 9’267.3 | 14’847.8 |
| Revenue recognition over a period of time | 170.5 | 691.6 |
| Total revenue from contracts with customers | 9’437.8 | 15’539.4 |

1) The geographical allocation of revenue reflects the location where Evolva’s invoices are generated (invoice entity).

The geographical breakdown of non-current assets (excluding financial assets) is as follows:

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Switzerland | - | 44’366.3 |
| United States | - | 53’183.5 |
| Rest of the world | - | 356.4 |
| Total non-current assets | - | 97’906.3 |

### Major customers

In 2023, Evolva’s largest customer accounted for 8.8% (2022: 46%), the second largest for 6.5% (2022: 7%) and third largest customer for 5% (2022: 6%) of total Group revenues, respectively.

## 5. Cost of goods sold

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Direct production costs | 6'916.5 | 12'474.1 |
| Write-off of Inventory | 363.0 | 1'585.7 |
| Staff compensation (incl. share-based compensation) | 1'281.8 | 1'408.8 |
| Other operating expenses | 1'037.1 | 872.6 |
| Amortization of intangible assets | 1'149.3 | 2'126.9 |
| Depreciation of tangible assets | 212.4 | 206.1 |
| Impairment of tangible assets | 1'060.3 | - |
| Impairment of intangible assets | - | 2'873.8 |
| **Total cost of goods sold** | **12'020.4** | **21'548.1** |

Total cost of goods sold decreased by 44.2% compared to 2022, mainly due to significant improvements in the production processes and due to lower sales. Amortization of intangible assets have decreased because of the impairment of intangible assets in 2022. The impairment of intangible assets relates to capitalized product & process development expenses. The impairment of tangible assets was based on the impairment test in 1H 2023.

## 6. Research & development expenses

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Other research & development expenses | 224.8 | 744.7 |
| Staff compensation (incl. share-based compensation) | 3'692.8 | 3'246.8 |
| Amortization of intangible assets | 2'718.7 | 4'787.7 |
| Impairment of intangible assets | 24'814.6 | 14'159.5 |
| Depreciation of tangible assets | 125.9 | 658.1 |
| Impairment of tangible assets | 546.8 | - |
| **Total research & development expenses** | **32'123.7** | **23'596.8** |

Research and development expenses have increased by 36.1% compared to 2022 driven by the impairment of intangible and tangible assets. Excluding the impairment in both years, research and development expenses have decreased by 28.3% to CHF 6.8 million (2022: CHF 9.4 million). The decline in research and development expenses is due to lower amortization of intangible assets following the impairment of intangible assets. In addition, cost efficiencies were realized in all areas.

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## 7. Commercial, general & administrative expenses

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Other commercial, general & administrative expenses | 7'242.1 | 3'110.7 |
| BoD, GMT and staff compensation | 8'259.5 | 7'470.7 |
| Other income | (220.5) | (106.4) |
| Depreciation of tangible assets | 377.2 | 311.6 |
| Impairment of tangible assets | 412.0 | - |
| Impairment of intangible assets | 41'468.7 | - |
| **Total commercial, general & administrative expenses** | **57'539.1** | **10'786.6** |

Commercial, general and administrative expenses have increased by 45.2% compared to 2022 (excel. impairments) mainly due to costs incurred relating to the sale of Evolva AG and the accrual of liquidation costs. Other income relates to a grant, which the Group obtained from a US government agency in 2022 and 2023. The grant was obtained with the goal of further developing and evaluating application methods for NootkaShield™. Considering the impairment of intangible assets, which was recognized on goodwill in 1H 2023, commercial, general & administrative expenses increased by 433.4%.

## 8. Financial result

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Interest & bank expense | (467.7) | (104.7) |
| Effective interest on convertible note | (1'673.5) | (412.7) |
| Fair value loss on embedded derivative | (52.5) | - |
| Lease expenses | (149.6) | (243.3) |
| Other financial expenses | - | - |
| Foreign exchange loss | (3'387.0) | (4'898.2) |
| **Total financial expense** | **(5'730.2)** | **(5'658.9)** |
| | | |
| Interest income | 7.2 | 76.8 |
| Foreign exchange gain | 7'371.0 | 1'947.1 |
| Fair value gain on embedded derivative | - | 660.7 |
| **Total financial income** | **7'378.2** | **2'684.7** |
| | | |
| **Net financial result** | **1'648.0** | **(2'974.2)** |

Foreign exchange losses and gains results mainly from balances with subsidiaries which are revalued at the current exchange rate.

## 9. Loss on sale of Evolva AG & Derecognized assets

On 28 December 2023, Evolva Holding SA sold all its shares in Evolva AG to Danstar Ferment AG, a subsidiary of Lallemand Inc. Evolva AG is the sole shareholder of Evolva Inc., which consequently was sold as well. Evolva Holding SA has no operating business anymore. Consequently, Evolva Holding SA's extraordinary general meeting on 21 December 2023, has decided to liquidate Evolva Holding SA.
Up to the date of disposal, Evolva AG and its subsidiary, Evolva Inc, has generated net sales of CHF 9.4 million.

At the date of sale, Evolva AG contained the following balance sheet positions:

| CHF 1'000 | 28 December 2023 |
|---|---|
| Intangible assets | 20'860.3 |
| Property, plant and equipment | 2'900.0 |
| Financial assets | 2'525.0 |
| Inventories | 15'108.7 |
| Prepayments & accrued income | 1'125.3 |
| Trade and other receivables | 2'273.9 |
| Cash and Cash equivalents | 1'551.6 |
| Pension liabilities | (1'014.3) |
| Lease liabilities | (2'647.7) |
| Accrued and other liabilities | (285.9) |
| Provisions | (695.7) |
| Trade and other payables | (3'776.9) |
| Accrued and other liabilities | (1'504.9) |
| Lease liabilities | (458.3) |
| **Total net assets derecognized** | **35'961.1** |
| **Net proceeds from Sale of Evolva AG** | **21'329.0** |
| **Loss on sale of Evolva AG** | **(14'632.1)** |

The net loss from this transaction amounted to CHF 14.6 million and is recorded in the statement of financial performance.

Possible additional proceeds from Sale of Evolva AG are not accounted for, as on the balance sheet date it was not highly probable to receive such additional proceeds. Refer to note 20.

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## 10. Income taxes

The consolidated income tax statement is presented as follows:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Income taxes related to the current period | - | - |
| Deferred income taxes related to the reversal of temporary differences | - | - |
| Total deferred tax liabilities | - | - |

The main elements contributing to the difference between the Group's overall expected tax rate (as a weighted average of the tax rates in the tax jurisdictions in which Evolva operates) and the effective income tax expense are:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Net loss before tax | (105'229.4) | (43'366.4) |
| *Expected tax rate* | *14.9%* | *17.4%* |
| Expected tax income at group level | 13'998.0 | 7'553.1 |
| Effect of expenses not entitled for deduction for tax purposes | (13'222.4) | 8'464.5 |
| Effect of current losses, for which no deferred tax is recognized | (23'006.2) | (16'017.5) |
| Effective income tax (expense) | - | - |
| *Effective income tax rate* | *0.0%* | *0.0%* |

Expected group tax rate has decreased from 17.4% in 2022 to 14.1% in 2023 because of a changed distribution of net loss before tax to different countries and legal entities.

## 11. Deferred tax assets and liabilities

Evolva has tax loss carryforwards, which are available to offset future taxable income. The tax loss carryforwards with their expiry dates are as follows:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Within one year | 773.9 | 24'639.6 |
| Later than one year and no later than five years | 134'260.3 | 181'590.5 |
| More than five years | 184'091.3 | 234'830.1 |
| **Total tax loss carry-forwards** | **319'125.4** | **441'060.2** |

Unrecognized tax loss carry-forward and deductible temporary differences would give rise to potential deferred tax assets of CHF 39.1 million in 2023 resp. CHF 61.5 million in 2022.

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Temporary differences | - | 38'324.8 |
| intangible assets | - | 37'766.9 |
| others | - | 557.9 |
| Tax loss carry-forwards set-off against temporary differences | - | (38'324.8) |
| Total deferred tax liabilities | - | - |

In 2023, no temporary differences had been set off against tax loss carry-forwards.

In 2022, if temporary differences had not been set off against tax loss carry-forwards, in a potential deferred tax asset of CHF 76.1 million would result.

## 12. Share-based compensation

The Board of Directors administers the Group's incentive share-based compensation plans. Equity instruments are granted according to the Group's plan regulations. Members of the Board of Directors, Group Management Team, staff and some selected advisors are eligible for receiving share-based compensation instruments.

Caused by the sale if Evolva AG all share-based compensation plans have been settled in 2023.

Total share-based compensation summarizes as following:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Research & development | 909.1 | 180.4 |
| Operations & manufacturing | 403.1 | 148.3 |
| Commercial, general & administrative expenses | 3'079.5 | 888.3 |
| **Total share-based compensation** | **4'391.7** | **1'217.0** |

Evolva currently uses following compensation plans involving share-based compensation components

- Restricted stock unit plans (RSU)
- Performance stock unit plans (PSU)
- Incentive share option plans
- Restricted stock plans

### 12.1 New share grants

In 2023, and in line with the financial year 2022, Evolva granted a short-term plan to Group Management and Senior Management members with a one-year vesting period (STI). The number of shares to vest under the STI plan is subject to the achievement of agreed Group objectives as well as individual targets of the current the financial year. In addition, the Group has granted a long-term plan (LTI) to Group Management and Senior Management members. The number of shares to vest under the LTI plan is subject to the achievement of agreed Company objectives. Agreed Group objectives are product-related revenue, EBITDA, operating cash-flow and individual operational targets.

### 12.2 Key parameters of outstanding RSUs and PSUs

At the end of the reporting period there were no outstanding RSUs and PSUs.

Reconciliation of outstanding share units:

| | Number of share units | |
|---|---|---|
| | 2023 | 2022 |
| Outstanding at 1 January | 41'614'213 | 26'507'717 |
| Adjustment due to reverse split (ratio 1:250) | 41'479'275 | 0 |
| Granted | 324'136 | 22'281'246 |
| Vested | 450'408 | 4'320'479 |
| Forfeited | 8'666 | 2'854'271 |
| **Outstanding at end of period** | **-** | **41'614'213** |

### 12.3 Share option plans

**Incentive share option plans**

The fair value of the different share option awards (EVE 7 – EVE 9) was determined by using a binomial option valuation model. The resulting expenses for the Company are recognized over the vesting period (in general 4 years). The key parameters in the valuation model are as follows:

| Plan name | Grant date | Expiry date | Share price at grant in CHF | Exercise price in CHF | Volatility | Risk-free rate | FV at grant at CHF |
|---|---|---|---|---|---|---|---|
| EVE 9 | 15.02.2016 | 14.02.2026 | 192.50 | 200.00 | 42.70% | 0.00% | 75.00 |
| EVE 8 | 01.01.2015 | 31.12.2024 | 330.00 | 327.50 | 45.00% | 0.36% | 155.00 |

One share option entitles the option holder to purchase one Evolva share at a fixed price ("the exercise price").

The volatility applied reflects Evolva's share price volatility for the last three years. Risk-free rate is based on ten-years Swiss government bonds.

The following table illustrates the number-weighted average exercise price in CHF (WAEP), the number of share options outstanding and the weighted average years remaining contractual life (WAYCL) as at 31 December 2023.

| Plan name | Year of grant | WAEP | Number of options | WAYCL |
|---|---|---|---|---|
| EVE 9 | 2016 | 200.00 | 30'570 | 2.1 |
| EVE 8 | 2015 | 327.50 | 19'735 | 1.0 |
| **Total** | | **250.02** | **50'305** | **1.7** |

A summary of share options granted, exercised, forfeited and outstanding for the above plans is as follows:

| | Number of options 2023 | 2022 |
|---|---|---|
| **Outstanding at 1 January** | 20'951'036 | 23'626'232 |
| Adjustment due to reverse split (ratio 250:1) | 20'867'232 | - |
| Forfeited | 913 | 27'000 |
| Expired | 32'586 | 2'648'196 |
| **Outstanding at end of period** | **50'305** | **20'951'036** |
| -of which exercisable | 50'305 | 20'951'036 |

In 2023, no share options were exercised (2022: none).

## 13. Management and employee benefits

The Swiss pension plan is considered a defined benefit plan in accordance with IAS 19. The plan is structured according to the principles of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG), which states that pension plans are to be managed by independent, legally autonomous entities. A pension plan's most senior governing body (Board of Trustees) must be composed of equal numbers of employee and employer representatives.

The plan is funded by regular employer and employee contributions, which are determined as a percentage of the employees' insured salaries, to a collective foundation operated by an insurance company. Interest is credited to the employees' accounts at the minimum rate provided in the plan. The plan regulations define some minimum benefit guarantees. Due to these minimum guarantees, the Swiss plan is treated as defined benefit plan for the purposes of these IFRS financial statements. Additionally, the plan provides insurance in case of death or long-term disability of plan participants.

The fair value of plan assets is the estimated cash surrender value on the respective reporting date.

The amounts recognized in the statement of financial position for the Swiss plan in accordance with IAS 19 are determined as follows:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| **Principal actuarial expectations** | | |
| Discount rate at 1 January | 2.25% | 0.35% |
| Discount rate at 31 December | 1.50% | 2.25% |
| Interest rate on retirement savings capital at 31.12. | 1.50% | 2.25% |
| Rate of future salary increases 31.12. | 0.75% | 0.75% |
| Future pension increases at 31.12. | 0.00% | 0.00% |
| Inflation expectation | 1.00% | 1.00% |
| Mortality decrement | BVG 2020 GT | BVG 2020 GT |
| | | |
| **Reconciliation of Financial Position amounts** | | |
| Benefit obligation at 31 December | - | 10'786.2 |
| Fair value of plan assets at 31 December | - | 10'327.0 |
| Deficit (surplus) at 31 December | - | 459.2 |
| **Net defined benefit liability 31 December** | **-** | **459.2** |
| - thereof recognized as separate liability | - | 459.2 |
| | | |
| **Reconciliation of net defined benefit liability** | | |
| Net defined benefit liability at 1 January | 459.2 | 1'689.3 |
| Defined benefit costs recognized in profit and loss | 712.4 | 620.6 |
| Defined benefit costs recognized in other comprehensive income | 457.6 | (1'110.8) |
| Contributions by Evolva | (614.9) | (739.8) |
| Effect of business combination and disposal | (1'014.3) | |
| **Net defined benefit liability at 31 December** | **-** | **459.2** |

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| **Reconciliation of defined benefit obligation** | | |
| Defined benefit obligation at 1 January | 10'786.2 | 17'407.4 |
| Interest expense on defined benefit obligation | 239.0 | 53.7 |
| Current service cost (Evolva) | 693.4 | 1'020.4 |
| Contributions by plan participants | 599.7 | 739.8 |
| Benefits (paid) / deposited | (1'618.3) | (346.1) |
| Past service cost | 2.4 | - |
| (Gains) and losses on settlement | - | (5'533.5) |
| Effect of business combination and disposal | (11'149.0) | - |
| Administration costs (excl. costs for managing plan assets) | 5.4 | 8.7 |
| Actuarial (gain) / loss on defined benefit obligation | 441.3 | (2'564.3) |
| **Defined benefit obligation at 31 December** | **-** | **10'786.2** |
| | | |
| **Components of defined benefit costs in OCI** | | |
| Actuarial (gain) / loss on defined benefit obligation | 441.3 | (2'564.3) |
| Return on plan assets excl. Interest income | 16.3 | 1'453.5 |
| **Defined benefit cost recognized in other comprehensive income** | **457.6** | **(1'110.8)** |
| | | |
| **Components of actuarial gains / losses on obligations** | | |
| Actuarial (gain) / loss arising from changes in financial assumptions | 672.1 | (2'120.0) |
| Actuarial (gain) / loss arising from changes in demogr. assumptions | (11.4) | - |
| Actuarial (gain) / loss arising from experience adjustments | (219.3) | (444.3) |
| **Actuarial (gain) / loss on defined benefit obligation** | **441.3** | **(2'564.3)** |

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| **Components of defined benefit cost in profit or loss** | | |
| Current service cost (employer) | 693.4 | 1'020.4 |
| Past service cost | 2.4 | - |
| (Gains) and losses on settlement | - | (414.2) |
| Interest expense on defined benefit obligation | 239.0 | 53.7 |
| Interest (income) on plan assets | (227.8) | (48.0) |
| Administration cost excl. cost for managing plan assets | 5.4 | 8.7 |
| **Defined benefit cost recognized in profit or loss** | **712.4** | **620.6** |
| - therefor service cost and administration cost | 701.2 | 614.9 |
| - therefor net interest on the net defined benefit liability (asset) | 11.2 | 5.7 |
| | | |
| **Plan assets** | | |
| Fair value of plan assets at 1 January | 10'327.0 | 15'718.1 |
| Interest income on plan assets | 227.8 | 48.0 |
| Contributions by Evolva | 614.9 | 739.8 |
| Contributions by Evolva's plan particpants | 599.7 | 739.8 |
| Benefits (paid) / deposited | (1'618.3) | (346.1) |
| Gains and (losses) on settlement | - | (5'119.3) |
| Effect of business combination and disposal | (10'134.8) | - |
| Return on plan assets excluding interest income | (16.3) | (1'453.5) |
| **Fair value of plan assets at 31 December** | **-** | **10'327.0** |
| | | |
| **Maturity profile of defined benefit obligation** | | |
| Weighted average duration of defined obligation in years | n/a | 14.6 |
| Weighted average duration of defined obligation in years for active members | n/a | 14.7 |
| Weighted average duration of defined obligation in years for pensioners | n/a | 13.3 |

The Company has no employees anymore and therefore expects to contribute nothing to the plan in 2023.

The fair values of each major class of plan assets are as follows:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Cash and cash equivalents | - | 248.9 |
| Equity instruments | - | 3’523.6 |
| Debt instruments (e.g. bonds) | - | 3’382.1 |
| Real estate | - | 2’805.8 |
| Others | - | 366.6 |
| Total plan assets at fair value (quoted market price) | - | 10’327.0 |

### Sensitivity analyses

The sensitivity analyses were performed by re-calculating the defined benefit obligation (DBO) with the same method as in the comparison period and by changing the following assumptions:

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| DBO at 31.12. with DR -0.25% | - | 11’175.9 |
| DBO at 31.12. with DR +0.25% | - | 10’404.2 |
| DBO at 31.12. with IR -0.25% | - | 10’625.5 |
| DBO at 31.12. with IR +0.25% | - | 10’951.2 |
| DBO at 31.12. with SI -0.25% | - | 10’709.3 |
| DBO at 31.12. with SI +0.25% | - | 10’850.3 |
| DBO at 31.12. with life expectancy +1 year | - | 10’905.1 |
| DBO at 31.12. with life expectancy -1 year | - | 10’665.6 |
| DBO at 31.12. with PI -0.25% | - | 10’600.3 |
| DBO at 31.12. with PI +0.25% | - | 10’981.5 |
| | - | |
| SC of next year with DR +0.25% | - | 647.0 |
| SC of next year with IR +0.25% | - | 713.5 |

DBO = defined benefit obligation, SC = service cost (employer)

## 14. Employee benefits

Total Group compensation

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Short-term benefits | 8'829.8 | 10'388.1 |
| Share-based compensation | 4'391.7 | 1'222.2 |
| Termination benefits | (25.3) | 113.8 |
| Other staff related expenses | 38.0 | 402.3 |
| **Total compensation** | **13'234.2** | **12'126.3** |

The table above excludes compensation paid to members of the board of directors.

### Group Management Team compensation

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Short-term benefits | 784.5 | 997.4 |
| Post employment benefits | 82.9 | 85.6 |
| Share-based compensation | 235.6 | 0.0 |
| **Total compensation** | **1'103.0** | **1'082.9** |

## 15. Intangible assets

| CHF 1'000 Historical cost | Patents & patent appli-cations | Royalty & Li-cences | Product & process de-velopment | Goodwill | Total |
|---|---|---|---|---|---|
| **1 January 2023** | **38'730.3** | **80'022.2** | **12'410.5** | **41'054.8** | **172'217.8** |
| Additions | - | - | 79.1 | - | 79.1 |
| Derecognitions | (37'654.6) | (78'341.6) | (12'432.3) | (40'344.9) | (168'773.3) |
| Translation effects | (1'075.7) | (1'680.6) | (57.4) | (709.9) | (3'523.6) |
| **31 December 2023** | - | - | - | - | - |
| **Accumulated amortization** | | | | | |
| **1 January 2023** | **(27'692.5)** | **(44'893.6)** | **(6'983.3)** | - | **(79'569.5)** |
| Amortization of the period | (692.3) | (2'026.4) | (1'149.3) | - | (3'868.0) |
| Impairment of the period | (10'070.7) | (11'490.3) | (4'326.9) | (40'395.4) | (66'283.3) |
| Derecognitions | 37'654.6 | 57'209.2 | 12'432.3 | 40'344.9 | 147'641.0 |
| Translation effects | 800.9 | 1'201.2 | 27.3 | 50.5 | 2'079.9 |
| **31 December 2023** | - | - | - | - | - |
| **Net book value at 31 December 2023** | - | - | - | - | - |

| Historical cost | Patents & patent appli-cations | Royalty & Li-cences | Product & process de-velopment | Goodwill | Total |
|---|---|---|---|---|---|
| **1 January 2022** | **38'521.0** | **79'542.3** | **10'654.9** | **40'889.0** | **169'607.2** |
| Additions | - | - | 1'760.5 | - | 1'760.5 |
| Transfers | - | (2.8) | - | - | (2.8) |
| Translation effects | 209.4 | 482.7 | (4.9) | 165.7 | 853.0 |
| **31 December 2022** | **38'730.3** | **80'022.2** | **12'410.5** | **41'054.8** | **172'217.8** |
| **Accumulated amortization** | | | | | |
| **1 January 2022** | **(24'276.2)** | **(30'041.2)** | **(1'987.9)** | - | **(56'305.3)** |
| Amortization of the period | (1'513.2) | (3'274.5) | (2'126.9) | - | (6'914.6) |
| Impairment of the period | (2'039.6) | (12'119.9) | (2'873.8) | - | (17'033.3) |
| Translation effects | 136.5 | 539.1 | 5.3 | - | 680.9 |
| Transfers | - | 2.8 | - | - | 2.8 |
| **31 December 2022** | **(27'692.5)** | **(44'893.6)** | **(6'983.3)** | - | **(79'569.4)** |
| **Net book value at 31 December 2022** | **11'037.8** | **35'128.5** | **5'427.2** | **41'054.8** | **92'648.3** |

Amortization of patents, patent applications and royalty & licences (EVERSWEET™) is recorded under research and development expenses, while amortization of product and process development expenses is recorded under cost of goods sold.

Evolva continuously improved the efficacy and efficiency of production processes for its own products. Related costs that met the capitalization criteria outlined in IAS 38 were recognized as Product & process development cost. In 2023, Evolva has recognised CHF 0.1 million as product & process development cost (2022: CHF 1.8 million) of which the majority is related to manufacturing process improvements and developments of Evolva's on-market products.

Following the sale of Evolva AG on 28 December 2023, all intangible assets were derecognized.

### Impairment test of goodwill and intangible assets

Intangible assets other than goodwill are tested for possible impairment when an impairment indicator is identified. The Group performs the impairment test by determining the recoverable amounts based on a value in use model.

In 2022, Group management has conducted a detailed business review and approved a new mid-term plan. In the course of this review all intangible assets other than goodwill were strategically reassessed based on new business insights. As a result of this, a non-cash relevant impairment of CHF 17 million was recognized on patents & patent applications (CHF 2 million), royalty & licenses (CHF 12.1 million) and product & process development (CHF 2.9 million). The main product concerned was EVERSWEET™ due to slower than expected market uptake. The discount rate applied in 2022 to determine the value in use was 12.5% (2021: 10.8%). The impairment was recorded under cost of goods sold (CHF 2.9 million) and research and development expenses (CHF 14.1 million).

The Group has identified several events in the first half-year of 2023, where the carrying amount of equity exceeded the CGU's fair value less cost of disposal. Therefore, the Group has performed an impairment lest to determine the recoverable amount. The value in use was determined based on a discounted cash flow model. The fair value less cost of disposal is represented by the market capitalization (fair value level1) plus a Group specific control premium less cost of disposal. As of 30 June 2023, the value in use of the CGU exceeded the fair value less cost of disposal and is therefore determined as the recoverable amount. The carrying amount of equity exceeded the recoverable amount of the CGU by CHF 68.3 million. Consequently, a non-cash relevant impairment of CHF 68.3 million was recognized on goodwill, patents & patent application, product & process development, royalty & licences and property, plant and equipment. For further information on the impairment on property, plant and equipment see note 16.

The Group performs the goodwill impairment test annually or when an impairment indicator is identified by determining the recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less cost of disposal and its value in use. The cash-generating unit's fair value less costs of disposal is represented by the market capitalization (fair value level 1) plus a Group specific control premium less cost of disposal. The Group has identified one CGU, namely research, development, manufacturing and commercialization of novel food, nutritional and healthcare ingredients.

As of 31 December 2023 there were no goodwill nor intangible assets anymore in the balance sheet. Therefore there was no need for an impairment test.

| CHF 1'000 | 31 Dec 22 | 31 Dec 21 | 31 Dec 20 |
|---|---|---|---|
| Total number of shares | 1'121'280.4 | 1'030'629.4 | 821'878.2 |
| Treasury shares | 4'378.8 | 34'367.5 | 15'148.3 |
| Shares outstanding | 1'116'901.5 | 996'261.8 | 806'730.0 |
| Share price in CHF | 0.082 | 0.134 | 0.202 |
| Market capitalisation | 91'585.9 | 133'499.1 | 162'959.5 |
| Control premium (25%) | 22'896.5 | 33'374.8 | 40'739.9 |
| Fair value | 114'482.4 | 166'873.9 | 203'699.3 |
| Cost of disposal (2.5%) | 2'862.1 | 4'171.8 | 5'092.5 |
| Fair value less cost of disposal | 111'620.3 | 162'702.0 | 198'606.8 |
| | | | |
| Carrying amount of equity | 106'238.9 | 131'770.3 | 145'092.1 |
| Fair value less cost of disposal | 111'620.3 | 162'702.0 | 198'606.8 |
| Headroom | 5'381.4 | 30'931.7 | 53'514.7 |

**Sensitivity Analysis**

| CHF 1'000 | 31 Dec 22 | 31 Dec 21 | 31 Dec 20 |
|---|---|---|---|
| Market capitalisation | 87'170.4 | 108'119.2 | 119'050.0 |
| Control premium (25%) | 21'792.6 | 27'029.8 | 29'762.5 |
| Fair Value | 108'963.0 | 135'149.0 | 148'812.4 |
| Cost of disposal (2.5%) | 2'724.1 | 3'378.7 | 3'720.3 |
| Fair value less cost of disposal | 106'238.9 | 131'770.3 | 145'092.1 |
| | | | |
| Carrying amount of equity | 106'238.9 | 131'770.3 | 145'092.1 |
| Fair value less cost of disposal | 106'238.9 | 131'770.3 | 145'092.1 |
| Headroom | 0 | 0 | 0 |
| Reduction of market capitalization | (4'415.5) | (25'379.9) | (43'909.5) |
| Reduction of share price in CHF | -0.0040 | -0.0255 | -0.0544 |
| Reduction of market capitalization and share price in % | (4.8)% | (19.0)% | (26.9)% |

As of 31 December 2022, the market capitalization would need to decrease by CHF 4.4 million (-4.8%) and the share price would need to decrease by CHF 0.0040 (-4.8%) to be equal to the carrying amount of the CGU.

## 16. Property, plant and equipment

| CHF 1'000 Historical cost | Laboratory equipment | Office and IT equipment | Leasehold improvements | Manu-facturing equipment | Right-of-use assets | Total |
|---|---|---|---|---|---|---|
| 1 January 2023 | 9'286.2 | 511.9 | 914.6 | 2'041.0 | 8'505.4 | 21'259.1 |
| Additions | - | 5.3 | - | 382.2 | - | 387.5 |
| Disposals | (2.4) | (14.0) | - | - | - | (16.5) |
| Derecognitions | (9'186.2) | (503.2) | (914.6) | (2'410.3) | (8'505.4) | (21'519.7) |
| Translation effects | (97.6) | - | - | (12.8) | - | (110.4) |
| 31 December 2023 | - | - | - | - | - | - |
| Accumulated depreciation | | | | | | |
| 1 January 2023 | (9'213.3) | (459.1) | (373.3) | (488.5) | (5'466.9) | (16'001.1) |
| Additions | (19.2) | (18.1) | (45.7) | (109.5) | (520.7) | (713.2) |
| Disposals | - | 14.0 | - | - | - | 14.0 |
| Impairment of assets | (51.2) | (40.1) | (495.6) | (1'432.2) | - | (2'019.1) |
| Derecognitions | 9'186.2 | 503.2 | 914.6 | 2'028.1 | 5'987.6 | 18'619.7 |
| 31 December 2023 | - | - | - | - | - | - |
| Net book value at 31 December 2023 | - | - | - | - | - | - |
| Historical cost | | | | | | |
| 1 January 2022 | 12'410.6 | 1'806.0 | 914.6 | 1'616.1 | 8'560.7 | 25'308.0 |
| Additions | 37.2 | 16.6 | - | 438.4 | - | 492.3 |
| Disposals | (3'190.0) | (1'310.8) | - | (8.4) | (58.5) | (4'567.7) |
| Translation effects | 28.3 | 0.1 | - | (5.2) | 3.2 | 26.5 |
| 31 December 2022 | 9'286.2 | 511.9 | 914.6 | 2'041.0 | 8'505.4 | 21'259.1 |
| Accumulated depreciation | | | | | | |
| 1 January 2022 | (12'307.3) | (1'715.9) | (281.9) | (292.1) | (4'758.1) | (19'355.3) |
| Additions | (67.7) | (52.1) | (91.5) | (206.1) | (756.7) | (1'174.1) |
| Disposals | 3'190.0 | 1'309.1 | - | 8.4 | 50.3 | 4'557.8 |
| Translation effects | (28.3) | (0.1) | - | 1.3 | (2.4) | (29.5) |
| 31 December 2022 | (9'213.3) | (459.1) | (373.3) | (488.5) | (5'466.9) | (16'001.1) |
| Net book value at 31 December 2022 | 72.8 | 52.9 | 541.3 | 1'552.5 | 3'038.6 | 5'258.0 |

In 2023, Group management has conducted a detailed business review and approved a new mid-term plan. In the course of this review all tangible were strategically reassessed based on new business insights. As a result of this, a non-cash relevant impairment of CHF 2 million was recognized. For mor details see note 15.

## 17. Financial assets

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Financial deposits | - | 608.6 |
| Financial loans | - | 1'787.2 |
| Prepayments to supplier | - | 289.4 |
| Investment in non-listed R&D company | - | 285.9 |
| **Total financial assets** | **-** | **2'971.2** |

Evolva does not hold any financial assets following the sale of its operating business, Evolva AG, on 28 December 2023. In 2022, financial deposits include a rent deposit for the HQ facility of CHF 0.6 million. Financial loans related to loans granted to manufacturing partners for manufacturing, supply and CAPEX investments. Loans were recognized at amortized cost. Evolva held an investment in equity shares in a non-listed R&D company (see note 28).

## 18. Inventories

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Raw materials | - | 252.7 |
| Intermediate products | - | 3'403.6 |
| Finished products | - | 14'734.1 |
| Stock in transit | - | 1.6 |
| **Total Inventories** | **-** | **18'392.0** |

Evolva does not hold any inventories following the sale of its operating business, Evolva AG, on 28 December 2023. Total inventories were stated at the lower of production cost and net realizable value. In 2022 finished products consist of nootkatone, valencene, resveratrol, L-Arabinose and vanillin.

## 19. Prepayments and accrued income

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Prepayments to suppliers | - | 150.3 |
| Transitory Assets | - | 1'858.8 |
| Accrued income | - | 476.0 |
| **Total prepayments and accrued income** | **-** | **2'485.2** |

Evolva does not hold any prepayments and accrued income following the sale of its operating business, Evolva AG, on 28 December 2023. In 2022 prepayments to suppliers were mainly due to the capitalization of previously prepaid manufacturing equipment to one specific CMO. Transitory assets included prepaid rent and other expenses. Accrued income related to research and development income.

## 20. Trade and other receivables

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Trade receivables | - | 3'413.2 |
| Other receivables | 60.6 | 626.1 |
| Unpaid proceeds for Sales of Evolva AG | 3'929.0 | - |
| **Total Trade and other receivables** | **3'989.6** | **4'039.3** |

On 28 December 2023 Danstar Ferment AG has acquired 100% of the shares in Evolva AG (including its subsidiaries) from Evolva Holding SA.

The purchase price was set at CHF 20 million, subject to upward or downward adjustments depending on certain post-signing / completion adjustments. The company received cash proceeds of CHF 18 million on 28 December 2023 and CHF 2 million of the purchase price were transferred to an escrow account. The purchase price adjustment was finalized in March 2024 and resulted in a positive (upward) adjustment of CHF 1.929 million. Both the escrow and the purchase price adjustment are recorded for in Trade and other receivables. For a potential downward price adjustment over CHF 0.6 million to be charged on the escrow account a provision is recorded in Provisions and accrued liabilities – refer to note 26.

In addition, Evolva Holding SA and Danstar Ferment AG have entered into an earn-out agreement providing for an additional future contingent purchase price payments of up to CHF 10 million, depending on the achievement of certain product-based sales targets. Such possible additional proceeds from Sale of Evolva AG are not accounted for, as on the balance sheet date it was not highly probable to receive such additional proceeds - refer to note 20.

As of 31 December 2023, there are no trade receivables in the balance sheet of the company. Its operating subsidiaries held CHF 3.4 million trade receivables on 31 December 2022.

Other receivables include VAT receivable and property tax credit.

## 21. Cash and cash equivalents

Cash and cash equivalents are available immediately or within a notice period of a maximum of three months. On both 31 December 2023 and 31 December 2022, the full amount recognized refers to balances on bank accounts.

## 22. Share capital

The issued share capital over the past two years developed as follows:

| | Total number of shares Evolva Holding SA | CHF 1,000 |
|---|---|---|
| 1 January 2022 | 1'030'629'353 | 51'531.5 |
| Shares from authorized capital | 62'647'026 | 3'132.4 |
| Shares from conditional capital | 28'003'988 | 1'400.2 |
| 1 January 2023 | 1'121'280'367 | **56'064.0** |
| Shares from conditional capital | 15'112'404 | 755.6 |
| Shares from ordinary capital increase | 229 | 0.0 |
| *pre reverse split AGM 2023* | *1'136'393'000* | *56'819.7* |
| Reverse split (ratio 250:1) | 4'545'572 | 56'819.7 |
| Nominal value reduction | - | 4'545.6 |
| Shares from conditional capital | 2'685'054 | 2'685.1 |
| 31 December 2023 | 7'230'626 | 7'230.6 |

During January and March 2023, Evolva issued 15.1 million shares from conditional capital. Thereof, 9.0 million shares were issued at an average price of 0.0835 per share to cover bond conversions and 6.1 million shares were issued at nominal value of CHF 0.05 to cover the vesting of STI 5. Additionally, an ordinary capital increase of 229 shares at nominal value of CHF 0.05 was approved by the Annual General Meeting (AGM) to obtain a number of shares divisible by 250. The reverse split in the ratio of 250:1 was approved by the AGM and the first trading day of the new shares was Wednesday, 26 April 2023.

The reverse split in the ratio of 250:1 resulted in a new nominal value of CHF 12.5 per share. The AGM approved a nominal value reduction by CHF 11.50 per share to a new nominal value of CHF 1 per share. The reduction amount was allocated to the accumulated deficit.

After the reverse split, during May to June 2023 Evolva issued an additional 2'685'054 shares from conditional capital. Thereof, 2'272'674 shares at an average price of CHF 2.88 per share to cover bond conversions and 412'380 shares at nominal value of CHF 1 to cover the vesting of share-based payments.

Due to the fact that the number of ordinary shares outstanding decreased as a result of a reverse share split, the calculation of basic and diluted earnings per share has been adjusted for the comparative period. The disclosed loss per share of CHF 10.13 in the statement of financial performance is equivalent to the previously disclosed loss per share of CHF 0.04.

## 23. Conditional and authorized capital

The development of conditional and authorized capital over the past two years is as follows:

| | Conditional shares | | Authorized shares | |
|---|---|---|---|---|
| | share number | CHF 1'000 | share number | CHF 1'000 |
| **1 January 2022** | **74'361'140** | **3'718** | **48'312** | **2'415.6** |
| Approved by AGM 2022 | 245'826'631 | 12'291 | 103'063 | 5'153.1 |
| Issued in May | (13'953'488) | (698) | (62'647) | (3'132.4) |
| Issued in July | (8'974'358) | (449) | - | - |
| Issued in December | (5'076'142) | (254) | - | - |
| **1 January 2023** | **217'822'643** | **10'891** | **40'416** | **2'020.8** |
| Issued in January | (4'164'683) | (208) | - | - |
| Issued in March | (10'947'721) | (547) | - | - |
| Reverse split (ratio 250:1) | 871'291 | 871 | 162 | 161.7 |
| Approved by AGM 18 April 2023 | 131'898 | 132 | - | - |
| Issued in May | (8'766) | (9) | - | - |
| Issued in June | (211'954) | (212) | - | - |
| Issued in July | (458'222) | (458) | - | - |
| Approved by AGM 24 August 2023 | 2'612'257 | 2'612 | - | - |
| Approved by AGM 21 December 2023 | 2'891'730 | 2'892 | | |
| Issued in September | (1'248'498) | (1'248) | - | - |
| Issued in October | (354'000) | (354) | - | - |
| Issued in December | (403'614) | (404) | - | - |
| **31 December 2023** | **885'618** | **3'498** | **-** | **-** |
| | | | | |
| *-for financing purposes* | *884'232* | | | |
| *-for share-based compensation* | *1'386* | | | |

The revision of the company law that entered into force on 1 January 2023 replaced the institute of authorized capital with a capital band. On 18 April 2023, the Annual General Meeting approved the change of the articles of association by cancelling the stipulations regarding authorized capital and introducing a capital band. The capital band has a lower limit of 3'636'000 shares and an upper limit of 7'836'771 shares, which corresponds to 50% of the registered share capital. The capital band is limited in time until 18 April 2028.

## 24. Treasury shares

The amount of treasury shares held by the Group over the past two years developed as follows:

| | Treasury shares | |
|---|---|---|
| | Shares | CHF 1'000 |
| 1 January 2022 | 34'367'504 | 1'718.4 |
| Use of shares for financing purposes | (25'617'534) | (1'280.9) |
| Use of shares for share-based compensation | (4'371'147) | (218.6) |
| 1 January 2023 | 4'378'823 | 218.9 |
| Use of shares for share-based compensation | (39'476) | (2.0) |
| *pre reverse split AGM 2023* | 4'339'347 | 217.0 |
| Reverse split (ratio 250:1) | 17'357 | 217.0 |
| Nominal value reduction | 17'357 | 17.4 |
| Use of shares for share-based compensation | (472) | (0.5) |
| Shares not settled for share-based compensation | 2'189 | 1.1 |
| 31 December 2023 | 19'074 | 18.0 |

## 25. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to ordinary shareholders by the weighted average number of shares outstanding during the year. For the calculation of diluted loss per share, profit and loss and the weighted average number of shares are adjusted for the effects of all dilutive potential shares outstanding during the year.

| CHF 1'000 | 2023 | 2022 |
|---|---|---|
| Net loss attributable to shareholders of the parent | (105'229.4) | (43'366.4) |
| Weighted average number of shares outstanding | 5'396.3 | 1'070'304.2 |
| Basic and diluted loss per share (in CHF) | (19.50) | (0.04) |

For the years ending 31 December 2023 and 31 December 2022, basic and diluted loss per share is based on the weighted average number of shares issued and outstanding and excludes shares to be issued upon the exercise of equity rights as these shares would be anti-dilutive. If Evolva reports a profit in the future, the shares to be issued and the options may have a dilutive effect on the net profit per share and will need to be considered for the purpose of this calculation.

## 26. Provisions and accrued liabilities

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| Provisions for potential repayments contract R&D | - | 1'065.6 |
| Provision for potential price adjustment sale of Evolva AG | 600.0 | - |
| **Total non-current provisions** | **600.0** | **1'065.6** |
| | | |
| Accruals for manufacturing, research & development expenses | - | 523.4 |
| Accruals for commercial, general & administrative expenses | 3'517.6 | 1'005.3 |
| Accruals for compensation and benefits, including social security | 66.7 | 746.4 |
| Other accrued liabilities | - | 17.8 |
| **Total accrued liabilities** | **3'584.3** | **2'292.8** |

Accruals include unsettled financial, tax and related consulting items during the ordinary business course of the Company well as related to the sale of Evolva AG. The accruals also include the estimated cost until liquidation of the Company.

### Provisions for potential repayments contract R&D and litigation

| CHF 1'000 | 31 December 2023 | 31 December 2022 |
|---|---|---|
| **Beginning of period** | **1'065.6** | **1'056.5** |
| Provisions made during the year | 755.1 | - |
| Provisions used during the year | (55.1) | - |
| Provisions reversed during the year | (293.7) | - |
| Derecognitions | (795.7) | - |
| Currency translation effect | (76.2) | 9.2 |
| **End of period** | **600.0** | **1'065.6** |
| - of which non-current | 600.0 | 1'065.6 |
| - of which current | - | - |

As of 31 December 2023, provisions consisted of CHF 0.6 million (2022 1.1 million) for the potential purchase price adjustment for part of the unpaid proceeds for Sales of Evolva AG. The reduction of other provisions decreased due to the sale of Evolva AG.

## 27. Convertible loan

In 2020, Evolva Holding SA entered into an agreement for the issuance and subscription of convertible notes with Nice & Green SA, a company incorporated and registered in Switzerland ("investor"). Under the terms of the agreement and the subsequent amendments in 2020, 2021 and 2022, the investor has committed to invest up to an amount of CHF 56 million ("maximum commitment"), divided into tranches, until March 2024 ("the commitment period").

In the new agreement dated 23 June 2023, the parties have agreed for the nominal value of each convertible note to be changed from CHF 50'000 to CHF 10'000.

After the sale of Evolva AG, the company repaid all remaining outstanding tranches in cash (total 1'245 tranches for CHF 12.5 million).

For the period from 1 January to 31 December 2023:

| | |
|---|---|
| Convertible notes issued | CHF 7.8 million |
| Transaction costs | CHF 0.7 million |
| Net proceeds from convertible notes | CHF 7.1 million |

The net proceeds received from the issuance of the convertible notes have been split between the non-derivative host and the embedded derivative.

| in CHF 1'000 | No. of tranches at CHF 50'000 | Non-derivative host | Embedded derivative | Net proceeds |
|---|---|---|---|---|
| **Convertible notes 01.01.2022** | **134** | 6'430.9 | 346.8 | |
| Notes issued in 2022 | 200 | 9'601.4 | 398.7 | 9'560.0 |
| Notes converted in 2022 | 94 | (4'544.7) | (815.9) | |
| **Convertible notes outstanding 31.12.2022** | **240** | **11'487.6** | **(70.6)** | |

| in CHF 1'000 | No. of tranches at CHF 10'000 | Non-derivative host | Embedded derivative | Net proceeds |
|---|---|---|---|---|
| **Convertible notes 01.01.2023** | **1'200** | **11'487.6** | **(70.6)** | |
| Notes issued in 2023 | 775 | 7'475.4 | 274.6 | 7'055.4 |
| Notes converted in 2023 | 730 | (7'031.7) | (201.8) | |
| Notes repaid in 2023 | 1'245 | (11'931.4) | (2.2) | (12'450.0) |
| **Convertible notes outstanding 31.12.2023** | - | - | - | **(5'394.6)** |

For the conversion of 730 convertible notes (CHF 7.3 million), Evolva has delivered 2.3 million shares created from conditional capital at an average conversion price of CHF 3.16.

The impact of the changes in fair value of the embedded derivative amounts to CHF 0.1 million (2022: CHF 0.7 million). This amount is included in the financial result. Directly related transaction expenses of CHF 0.7 million (commitment fee) are amortized using the effective interest method.

## 28. Fair Value of Financial Instruments

| Financial assets<br>CHF 1'000 | Valuation category | FV level | Fair value |
|---|---|---|---|
| **1 January 2023** | | | |
| Shareholding in non-listed R&D company | FVTPL[1)] | Level 3 | 285.9 |
| Foreign exchange loss | | | -33.9 |
| Derecognitions | | | -252.0 |
| **31 December 2023** | | | |
| Shareholding in non-listed R&D company | FVTPL[1)] | Level 3 | - |

| Financial liabilities<br>CHF 1'000 | Valuation category | FV level | Fair value |
|---|---|---|---|
| **1 January 2023** | | | |
| Compound embedded derivative | FVTPL[1)] | Level 3 | -70.6 |
| Notes issued in 2023 | | | 274.6 |
| Notes converted in 2023 | | | -201.8 |
| Notes repaid in 2023 | | | -2.2 |
| **31 December 2023** | | | |
| Compound embedded derivative | FVTPL[1)] | Level 3 | - |

1) FVTPL = Financial asset or liability measured at fair value through profit and loss

There were no transfers between the different hierarchy levels during the reporting period, nor in the previous year. The carrying amounts of all other financial assets and liabilities at amortized cost are reasonable approximations of their fair values.

Evolva held an investment in equity shares in a non-listed R&D company. The Group considers the investment to be not strategic in nature. Valuation of the investment is determined by the share price of the latest financing round of the company. The investment is categorized as fair value (Level 3).

In 2020, Evolva Holding SA entered into an agreement for the issuance and subscription of convertible notes with Nice & Green SA. The compound embedded derivate was valued based on a model, to which the main variable input is the VWAP of Evolva's share price of the eight last trading days before valuation date. For detailed information on the compound embedded derivative see Note 26.

## 29. Lease liabilities

Lease liabilities consist mainly in rental contracts and leasehold improvement for office and laboratory space. At signing of the contracts, the most extensive rental period lasts 7 years unless terminated earlier or extended.

| Lease commitments | 31 December 2023 | | 31 December 2022 | |
|---|---|---|---|---|
| in CHF 1,000 | Future minimum lease payments | Present value of future minimum lease payments | Future minimum lease payments | Present value of future minimum lease payments |
| Within one year | - | - | 1'053.0 | 663.1 |
| Between one and five years | - | - | 3'022.7 | 2'906.8 |
| More than five years | - | - | - | - |
| **Total minimum lease payments** | **-** | **-** | **4'075.7** | **3'569.9** |
| Less amounts representing financing charges | - | - | (505.9) | |
| **Total as of 31 December** | **-** | **-** | **3'569.8** | |

Set out below are the carrying amounts of lease liabilities and the movements during the period:

| in CHF 1'000 | 2023 | 2022 |
|---|---|---|
| **As at 1 January** | **3'569.8** | **4'408.5** |
| Disposals | - | (10.0) |
| Accretion of interest | 149.6 | 244.8 |
| Payments | (613.5) | (1'073.4) |
| Derecognitions | (3'106.0) | |
| **As at 31 December** | **-** | **3'569.8** |
| - of which current | - | 663.1 |
| - of which non current | - | 2'906.8 |

## 30. Related party transactions

In 2023, Evolva did not sell any products to a company where a member of the board of Evolva is part of the board of the customer (2022: 0.04 million).

All transactions with related parties were conducted at arm's lengths. As of the reporting date, Evolva has no outstanding receivable from transactions with related parties (2022: CHF 0 million).

## 31. Events subsequent to the reporting date

On 21 December 2023 the Shareholders approved the dissolution and liquidation as well as the delisting of the company from SIX Swiss Exchange. On 28 December 2023 the company sold 100% of its shares in Evolva AG to Danstar Ferment AG, a Swiss affiliate of Lallemand Inc. a global leader in the development, production, and marketing of yeast, bacteria and specialty ingredients.

On 25 March 2024 SIX Exchange Regulation AG granted Evolva the temporary exemption until and including 11 June 2024 from publishing and submitting the annual report 2023 according to IFRS.

At the Annual General Meeting on 12 April 2024 the Shareholders approved to revoke the liquidation resolution and the delisting resolution. This allows Evolva to seize market opportunities in the area of public mergers and acquisitions, in particular so-called 'reverse takeovers' or 'reverse mergers'. The remaining accruals over CHF 1.6 million to liquidate the company were consequently released in April 2024. The equity balance at 30 June 2024 stands at CHF 7.1 million.

After the Annual General Meeting's decision on 12 April 2024 to revoke the liquidation resolution and the delisting resolution, Evolva started discussions with SIX Exchange Regulation AG to clarify whether (and if so when) to publish IFRS accounts for 2023. On 12 July 2024 the Regulatory Board of SIX and SIX Exchange Regulation AG granted Evolva an extended deadline for publishing and submitting IFRS financial statements for 2023 as well as the half-year report 2024 until 31 October 2024.

# Report of the independent auditor to the board of directors of Evolva Holding SA, Reinach

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Evolva Holding SA (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor's Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 2 “Summary of significant accounting policies – Basis of preparation” in the consolidated financial statements which describes the decision to liquidate the company and the resulting accounting at liquidation values due to the departure from the going concern basis of accounting. Our audit opinion is not modified in relation to this matter.

### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

### Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

**Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Zurich, 28 October 2024

**Forvis Mazars AG**

| | |
|---|---|
| **Roger Leu**<br>October 28, 2024<br>Qualified Electronic Signature by SwissID | **Florian Seidel**<br>28. Oktober 2024<br>Qualified Electronic Signature by SwissID |
| Roger Leu<br>Licensed audit expert | Florian Seidel<br>Licensed audit expert |

**Attachments:**

- Consolidated Financial statements as at 31 December 2023 (consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flow and notes)

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