DEAR SHAREHOLDERS,

When we reported on our good performance in 2022 at the Annual General Meeting (AGM) in Basel on 18 April 2023, we were proud of the strong accomplishments in the first year under the new leadership team with targets fully met for the first time in the company's recent history, both in terms of revenue and profitability.

- Revenues increased by 57% to CHF 15.5 million (product-related revenues even grew by 62%)
- Gross contribution margin increased from negative -59% in 2021 to positive +16% in 2022 (H2 even at +22%)
- Adjusted EBITDA improved by CHF 9.3 million.

We were excited about the continuous progress we were making towards our major strategic initiatives facilitating continued strong growth in Flavors & Fragrances, especially with our sustainable Vanillin and Natural Nootkatone™, as well as boosting the Health Ingredients business with our responsible Veri-te™ Resveratrol by entering new market segments. We also further developed promising future business opportunities with NootkaSHIELD™ and eco-friendly Agro-Solutions as communicated in various press releases.

With a significantly strengthened CMO network from 2024 onwards, major technology improvements, substantial cost efficiencies, and a filled R&D pipeline, Evolva was well underway to reach its ambition of EBITDA and cash break-even by 2025.

We were also convinced that, with the open financing lines with Nice & Green, we had sufficient short-term liquidity levels to support the further building of the New Evolva at least until the end of the first quarter of 2024. In addition, we were entertaining discussions with several potential strategic partners for minority investments in the company to cover the remaining financing needs until cash break-even in a shareholder friendly way, while at the same time strengthening our business model.

Beginning of June, Nice & Green informed Evolva that they do not intend to keep their financial commitments due to a different interpretation of their obligations under the then existing contractual agreement. This came as a surprise as Nice & Green had repeatedly signaled in April and May their continued support of Evolva and the respective financing. Attempts by Evolva to further clarify and resolve the situation unfortunately failed.

Although we were and still are very confident about the validity of our legal position, the refusal of Nice & Green to meet their financing obligations created an immediate emergency for Evolva, including the risk of insolvency in the short term. We were therefore forced to negotiate a new agreement with Nice & Green which secures the financing at least until the end of 2023. At the same time, Evolva was required to initiate a review of strategic alternatives, including a potential sale of the company. The new financing agreement with Nice & Green announced on 26 June 2023 gives the required time to conduct such review in an orderly manner and to find a solution that is in the best interest of all stakeholders.

We very much regret these recent developments and fully share the frustration with you. Just when we had achieved one of our major milestones by signing the multi-year contract with a leading CMO to enable the Vanillin business with our global F&F partner and to generate additional benefits from 2024 onwards, the issues with Nice & Green cut the momentum.

Nevertheless, our focus in this difficult situation remains on ensuring the best possible outcome for the company, our employees, shareholders, customers, and suppliers. We very much believe in the value proposition of Evolva and will do our utmost to protect the company's future. In a first step, we need to secure the short-term financing until a long-term solution is reached. In order to achieve this, we have to convene an Extraordinary General Meeting (EGM) on 24 August 2023.

The EGM has two agenda items for which we ask your support:

1. **Increase of the conditional capital for the purpose of Nice & Green financing**

   This agenda item deals with the proposed increase of the company's conditional capital. Under the new financing agreement with Nice & Green, Evolva had to agree to increase the conditional capital in order to be able to comply with its obligations towards Nice & Green. If the EGM does not increase the conditional capital, Evolva would not be able to draw funds of (minimum) CHF 5,250,000 from Nice & Green in 2023, but only funds of CHF 1,500,000; in this case, the going concern of the company would be in danger.

   For more details, reference is made to the EGM Invitation.

2. **Increase in the upper limit of the capital band for capital increases**

   This agenda item deals with the proposed increase of the upper limit of the company's capital band. As communicated on 14 and 26 June 2023, Evolva is currently evaluating all strategic alternatives, including a sale of the company. A possible strategic alternative (which could include an alternative to Nice & Green) would be to raise new capital from existing and/or new investors as part of a capital increase. With the EGM increasing the capital band's upper limit, Evolva would be quick and flexible in raising funds without a need to convene another extraordinary shareholders meeting.

   For more details, reference is made to the EGM Invitation.

Dear shareholders, we thank you for your trust, understanding and support in this difficult situation for Evolva. We deeply regret the course of actions which were forced upon us in the last months.

Yours,

Stephan Schindler
Chairman of the Board of Directors

Christian Wichert
CEO