

HY 2020 Results presentation

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EVOL_VΛ

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Highlights



Strategic progress and resilient performance despite a challenging environment around the globe



- **Received US EPA registration for nootkatone**, a protection against insect-borne diseases
- **Moved major existing products**, including EVE-X157/Z4, to **new CMOs** predominantly in Europe, to support future growth and realize cost savings
- **Record order intake of CHF 6.2m driven by Health Ingredients**, of which only **CHF 3.8m (+27%) could be realized due to delays at CMOs**. Volumes to be shipped in the second half of 2020
- **R&D revenue**, consisting of remaining portion of the BARDA contract, **faded out in line with plan** following the registration of nootkatone in the US
- **EBITDA impacted by lower F&F sales and delays at CMOs** both related to COVID-19 situation. **Product-based EBITDA nevertheless improving**

HY 2020 Highlights

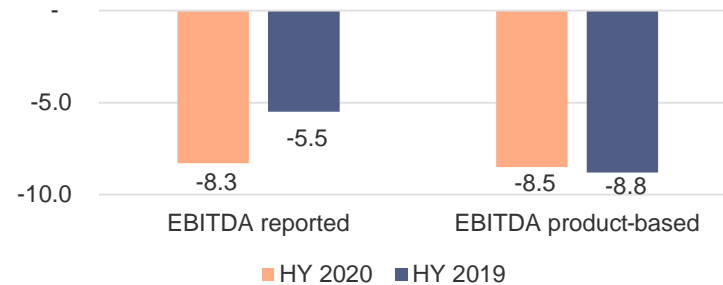
Product revenue

CHF 3.8m, +27%

Order backlog of CHF 3.4m
(by June 2020)

Accelerated order momentum
positively influencing H2 2020

EBITDA



Product-based EBITDA improved despite
COVID-19 and DTRA impact of CHF 1.5m

Cash

CHF 25.3m

Additional financing of
CHF 12m successfully
realized in July 2020

Product innovation

Several new products
in the pipeline

Multiple new product variants launched, such as Veri-te
Aqua™ and Evevalencene 94%™. Development of end
user applications with nootkatone

Targeting sales with major new
product, EVE-X157/Z4, in late 2020

Strategic priorities



On track to achieve strategic mid-term targets



Sustainable innovation

- Nootkatone registered by EPA as first novel active with 10 years of exclusivity in the US
- EVE-X157/Z4 to be launched in late 2020



Productivity

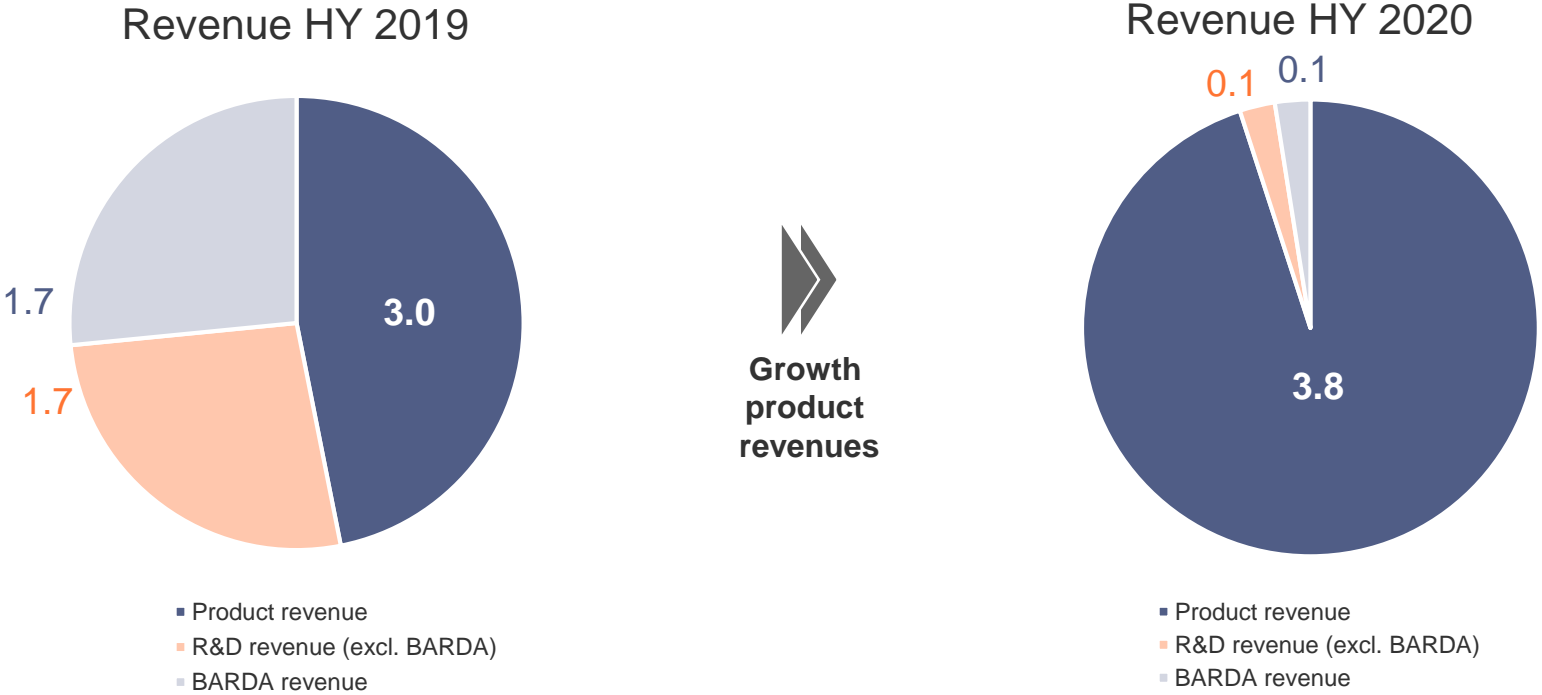
- Strengthening CMO network to support future growth at positive product margins
- Further building know-how in manufacturing
- Introducing scalable backbone processes



Profitable growth

- Working market segment-specific commercial approach
- Growing pipeline and strong order momentum
- Differentiation from competition creating value
- Increasing scale on all levels

Move towards a commercial company with a product-based revenue model



47% product-based revenues (CHF 3.0m);
53% discretionary projects

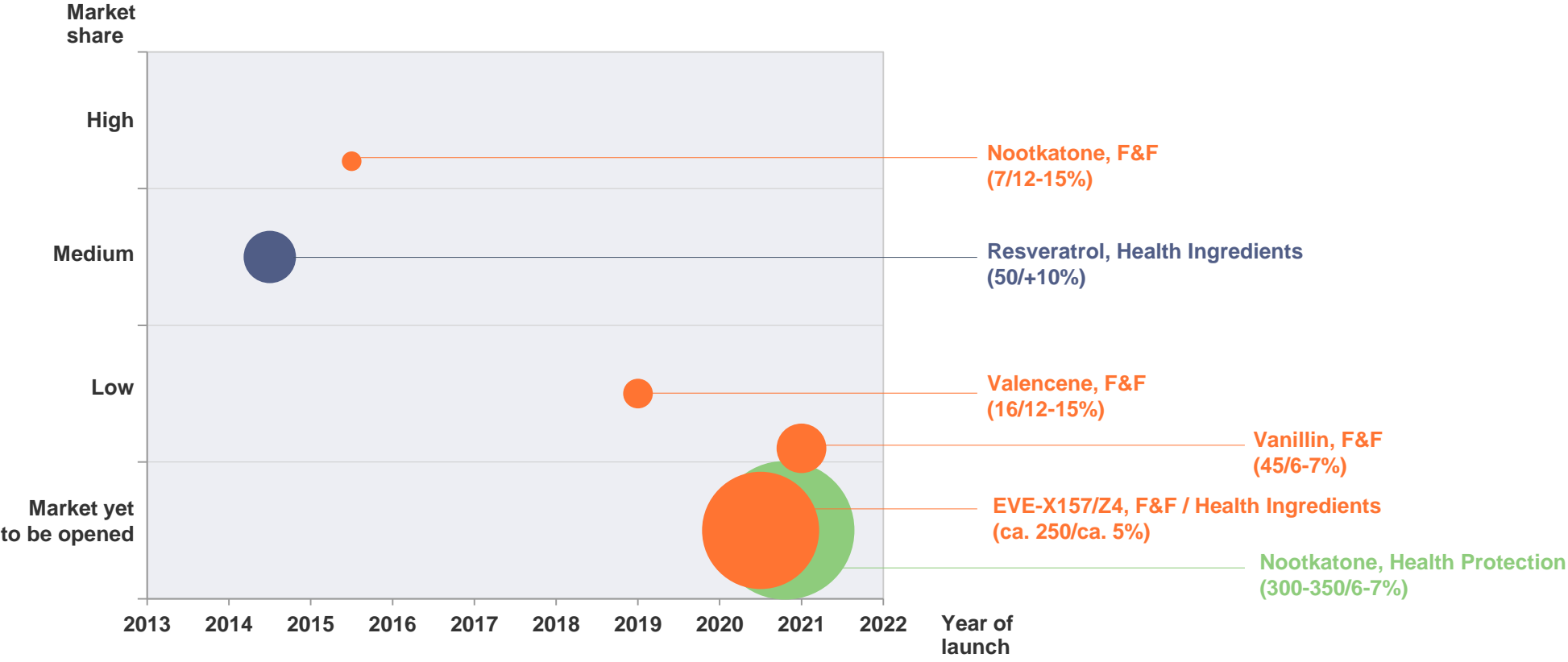
95% product-based (CHF 3.8m);
5% discretionary projects

Diversified product portfolio with sales volumes considerably growing

Now onboarding commercial scale CMO that can support future growth at positive product margins

Market segment	Product	Revenue model	Development	Optimization	Scale up of "initial" CMO	Scale up of "commercial-scale" CMO	Recurring manufacturing	Commercial sales
Flavors & Fragrances	Valencene	Product sales	✓	ongoing		in process	✓	since 2019
	Nootkatone	Product sales	✓	ongoing			✓	since 2015
	Vanillin	Product sales	✓	ongoing		2020/2021	✓	initial: 2014 full-fledged: 2021
	EVE-X157/Z4	Product sales	✓	ongoing	in process	2021/2022		from late 2020
	EVE-X192/Z8	Product sales	✓	ongoing		2021	2022/2023	from 2021
	EVE-X184/Z1	Product sales	✓	in process		2023/2024	2025	from 2024
Health Ingredients	Resveratrol	Product sales	✓	ongoing		in process	✓	since 2014
	EVE-X157/Z4	Product sales		See information under Flavors & Fragrances				
Health Protection	Nootkatone	Product sales	✓	ongoing	✓	✓ 2021/2022	✓	exp. from late 2021
Food & Beverages	Stevia	Royalties	✓	ongoing	✓	✓	✓	since 2018

Attractive markets across products



Note:

- Bubbles indicate size of addressable market in the year generating first product revenues
- Numbers in brackets indicate market size in USDm and CAGR

Building blocks to reach cash break-even (EBITDA) by 2023

2004 - 2017

R&D stage company
with services-based revenue model

- Established a differentiating technology platform
- Built a broad IP portfolio
- Shifted focus from pharma to specialty ingredients
- Delivered first product candidates
- Started commercial sales
- Signed first licensing agreements with IFF and Cargill

2017 - 2019

Early-stage commercial company
reached through a transformation process. Started phasing out R&D-related revenues

- Introduced new leadership (Board of Directors and Management)
- Restructured the organization
- Focused on selected market segments with first products
- Supported the transformation with significant financing
- Signed new licensing agreement with Cargill

2020 - ongoing

Commercial company
with innovative technology at its core and a product-based revenue model

- Strengthening team at all levels
- Put all commercial building blocks in place
- Signed new IFF agreement
- Grew customer demand
- Delivering product innovation focused on target market segments
- Building an efficient and scalable organization

Business update



Our key business segments



FLAVORS AND FRAGRANCES

We provide nature-based flavors and fragrances' ingredients such as nootkatone, valencene and vanillin.



HEALTH INGREDIENTS

We provide nature-based dietary supplements' ingredients that can contribute to the health and wellbeing.



HEALTH PROTECTION

We offer nature-based products with high efficacy that can protect health conscious consumers globally.

Flavors and Fragrances: poised for accelerated growth following product launch in late 2020

Valencene 94% is Evolva's highest purity natural valencene to meet the EU Flavor regulation (EC) No. 1334/2008's purity of a minimum 94%.

- Lower sales related to COVID-19 situation, especially for applications in fine fragrances. Early signs of recovery
- Launched three new product variants - including Valencene 94% - to meet customers' needs, expanding addressable market
- Plans to launch innovative product, EVE-X157/Z4, by the end of 2020
- New product in the pipeline to be launched in 2021
- Good progress in optimizing Vanillin for expanded commercialization in future years

Increased commercial demand in Health Ingredients with record order levels

Veri-te Aqua™ is a soluble resveratrol and was developed based on a market need, especially in functional beverages, for a completely transparent and fully solubilized resveratrol solution.

- Demand for resveratrol boosted by COVID-19 pandemic due to different tangible health benefits demonstrated in clinical studies
- With more than 13'000 published studies, resveratrol is one of the most studied molecules
- After launching Veri-Sperse™ in 2019, this year we've launched another innovative delivery solution, Veri-te Aqua™
- The results of studies, including RESHAW (Resveratrol Supporting Healthy Aging in Women) significantly increased interest in resveratrol

Health Protection: US EPA registration of nootkatone as a novel active ingredient

Nootkatone is an ingredient found in minute quantities in the bark of the Alaska yellow cedar and in the skin of grapefruit. It has been tested against a variety of biting pests, including the ticks that are responsible for spreading Lyme disease and mosquitoes.

- US EPA registration of Nootkatone pivotal step on this product's regulatory path
- Ten-year exclusivity in an estimated USD 350m US market
- To register consumer products, submission of registration package (efficacy, safety and product characterization)
- Investment in the development and registration of own formulations
- First sales expected late 2021/2022
- Expansion beyond US to countries based on US regulatory approval

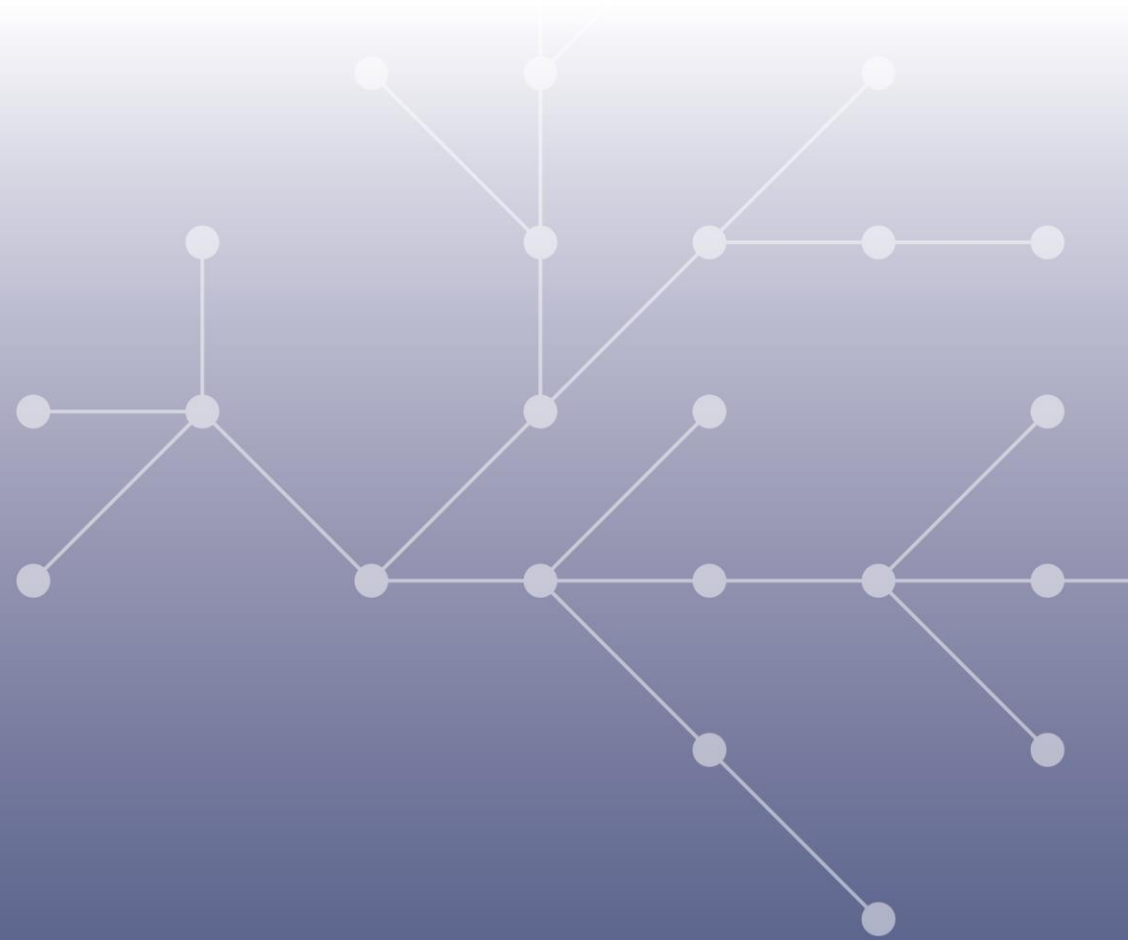


Other products: royalty income from EVERSWEET™ expected to grow over time

EVERSWEET™ is a calorie-free stevia sweetener. Not only does it deliver a high-quality sweetness profile, it's also sustainable.

- Evolva receives royalty payments on all EVERSWEET™ sales
- The first commercial-scale production of EVERSWEET™ has started on November 14, 2019 at Cargill's fermentation production facility in Blair, Nebraska, USA
- Registrations of EVERSWEET™ in US and Mexico (more markets expected to follow soon)
- Positive momentum with customers
- Based on this, Evolva anticipates its royalty income to grow over time

Financials



Key Figures

	HY 2020		HY 2019	
in CHF million	Reported	Product-based	Reported	Product-based
Product revenue	3.8	3.8	3.0	3.0
<i>Order backlog</i>	2.4	2.4	-	-
Total revenue	4.0	3.8	6.4	3.0
Gross profit	-0.2	-0.4 ¹⁾	3.3	-0.1
Total operating expenses	-12.4	-12.4 ²⁾	-12.8	-12.8
EBITDA	-8.3	-8.5	-5.5	-8.8
Operating free cash flow ³⁾	-14.0		-9.3	
Cash	25.3		45.3	

¹⁾ Extraordinary expenses related to COVID-19 of CHF 0.5m

²⁾ Increase of DTRA provision by CHF 0.7m

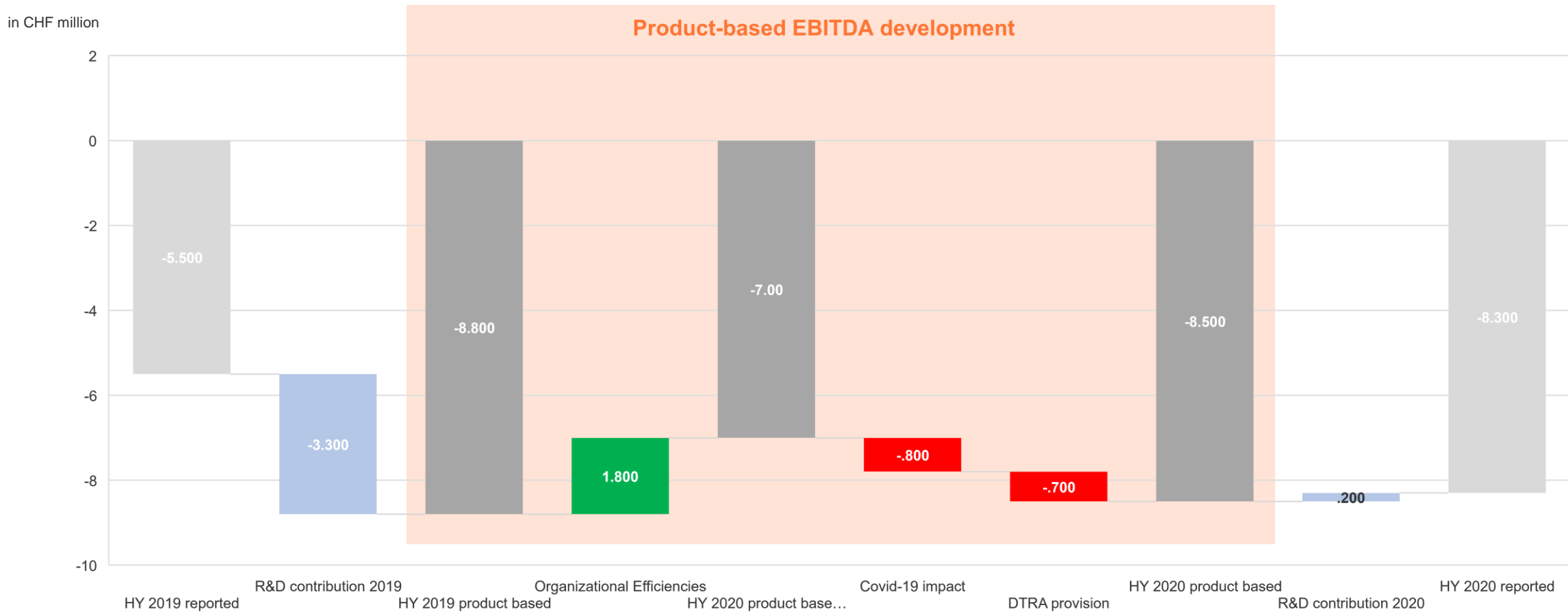
³⁾ Operating free cash flow: Cash flow from operating activities + operating capital investment, excluding contractual obligations to EVERSWEET™

Operating free cash flow in line with guidance

	HY 2020	HY 2019
in CHF million	Reported	Reported
Cash position at beginning	39.9	60.4
Operating free cash flow ¹⁾	-14.0	-9.3
Contribution EVERSWEET™ license	-	-5.2
Financing / Investing activities	-0.6	-0.6
Cash position end of period	25.3	45.3

¹⁾ Operating free cash flow: Cash flow from operating activities + operating capital investment, excluding contractual obligations to EVERSWEET™

EBITDA impacted by lower F&F sales and delays at CMOs. Product-based EBITDA nevertheless improving



Outlook



2020 Outlook

The below outlook assumes no further lockdown measures being imposed and business environment being consistent over the rest of the year 2020.

Despite a challenging global environment, we expect product-related revenue to double over prior year, and a fading out of R&D revenue following the completion of the contract with BARDA. As product related-revenue becomes the main driver to the top line and assuming COVID-19 will continue to cause some extraordinary expenses over the second half of 2020, EBITDA loss for the full-year is expected to be above prior-year level. However, gross profit on product sales will improve in the second half of the year.

We anticipate cash outflows to be above the 2019 level. In addition to the COVID-19 related effects, these will be driven by investments related to scale up of additional production capacities to keep up with increasing customer demand, launch of a major new product, building of necessary stock levels, and activities to progress nootkatone in the registration process for end-use products.