

PRESS RELEASE | AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

Evolva partners with Grace Breeding to replace chemical fertilizers with nature-based alternative

By leveraging Evolva's precision-fermentation technology, Grace Breeding's Nitrogen Fixation solution has demonstrated the desired impact on yield and overall crop resilience

Reinach, Switzerland and Rehovot, Israel, 6 March 2023 — Evolva (SIX: EVE), a pioneer in the field of natural molecules and industrial biotech, partners with Grace Breeding (TASE: GRAC), a forward-thinking ag-climate-tech company developing biological-based products, to replace chemical nitrogen fertilizers for crops with eco-friendly and cost-effective biofertilizers. Grace Breeding's sustainable proprietary plant-based formula Bio-Fertilizer (NFT) leverages Evolva's precision-fermentation platform to boost crop yields without harming soil and causing chemical runoff entering bodies of water.

The nitrogen-based fertilizer market was estimated to be upwards of \$118 billion in 2021. Due to the environmental impact of chemical fertilizers on soil and groundwater, regulations regarding the use of these are ever increasing, supporting the significance of biologically-based fertilizers. Additionally, the war in Ukraine, a major producer of chemical fertilizers, has contributed to driving up global food prices due to the widespread use of nitrogenous fertilizers, despite the environmental damage they inflict. As such, biological alternatives are becoming increasingly important, addressing a notable market need.

NFT is an environmentally sensitive bio-fertilization approach where natural molecules are used to enable crops to naturally fix nitrogen, substantially reducing the need for chemical fertilizers. As a result, the process reduces CO₂ emissions and leads to a significantly lower environmental impact on soil and groundwater while being cost-effective. NFT can be applied to a wide range of crops including corn, wheat, and rice.

Grace Breeding's Bio-Fertilizer NFT solution, in combination with Evolva's precision-fermentation technology, has proven successful in farm-scale corn and wheat tests in Israel and Brazil. Additional ongoing field tests conducted in Brazil are slated to conclude this year.

"We are very excited to collaborate with Evolva to improve crop yields," says Assaf Dotan, CEO of Grace Breeding. "By substituting conventional fertilizers with our Bio-Fertilizer in combination with Evolva's precision-fermentation technology, we can make significant contributions towards climate change and reduce the impact on air, soil, and water."



"The partnership with Grace Breeding opens a new and attractive market for Evolva," says Christian Wichert, CEO of Evolva. "We see significant long-term potential in this partnership, which represents an additional upside to our mid-term plan. It is further testimony to Evolva's capabilities along the entire value chain and the potential of our powerful technology from our unique precision-fermentation platform."

Important dates

09 March 2023 Full-year 2022 results18 April 2023 Annual General Meeting

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About Grace Breeding

<u>Grace Breeding</u> is an ag-climate-tech company focused on developing products that are biologically based and provide efficient and natural solutions for farmers and distributors. Grace Breeding aims to disrupt crop and animal agriculture – including, soil microbiome, crop fertilization, and crop protection – by offering innovative products and solutions that reduce the environmental damage caused by synthetic fertilizers. Grace Breeding has an R&D center in Israel and in parallel the company is developing its products with several leading research and development centers around the world.

About Evolva

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