

## **Evolva with strong business momentum in 1H 2022, announcing targets of mid-term plan**

- **Evolva reports revenues of CHF 8.1 million in the first half of 2022, 28% above the high basis from the prior year period and already 54% of the full-year target**
- **Positive double-digit gross contribution margin of slightly above 10% in 1H 2022**
- **Company is well on track to reach its full-year guidance of CHF 15 million revenues and a double-digit gross contribution margin**
- **New mid-term plan aims for annual revenue growth of 40-60 % in the coming years, achieving over CHF 20 million revenues in 2023, over CHF 30 million in 2024 and CHF 45-50 million in 2025**
- **Detailed business review leads to cost improvements of CHF 2.3 million and a possible impairment of CHF 15-20 million**
- **Constructive discussions with several potential strategic partners ongoing**
- **Details on mid-term plan and financial results will be presented on 25 August 2022**

**Reinach, 26 July 2022 – Evolva (SIX:EVE)**, a pioneer in the field of natural molecules and industrial biotech, today reports key financial figures of the first half of 2022 as well as targets of its mid-term plan. Evolva achieved a strong sales performance with revenues of CHF 8.1 million in the first semester 2022 despite a slow start into the year. This corresponds to an increase of 28% against a high basis from the prior year period. Sequentially, i.e. compared to the second semester of 2021, the increase was +132%. With 54% of the targeted full-year revenues for 2022 already booked in the first half, Evolva is well on track to reach its 2022 revenue guidance of CHF 15 million. The gross contribution margin in the first half of slightly above 10% is also in line with guidance to achieve a positive double-digit gross contribution margin in 2022.

Evolva CEO Christian Wichert, who has joined the company in February this year and undertook a rigorous strategic and operational review of Evolva, comments: “We look back on intensive months of hard work, but also on very satisfactory first results of harvesting initial low hanging fruits and defining a path for future development and growth. My entire team has done a fantastic job in working together to accelerate the commercialization of our product portfolio. As such, we were able to attain a record half-yearly revenue level of CHF 8.1 million during the first six months of 2022, with strong growth especially from Vanillin.”

On occasion of yesterday’s meeting, the Evolva Board of Directors approved the new mid-term plan and financial targets as prepared by the leadership team and presented by management. The new mid-term targets aim for annual revenue growth of 40-60 % in the coming years. Specifically, the goal is to generate over CHF 20 million in revenue in 2023. For 2024, Evolva aims to surpass the CHF 30 million mark and targets to reach a revenue level of CHF 45-50 million in 2025. On profitability, the company expects the gross contribution margin to continue to increase significantly, leading to cash and EBITDA break-even in 2025.

In addition to focusing on boosting commercial performance, customer proximity, upscaling operations and process development, CEO Christian Wichert and his team are also committed to operational excellence and cost discipline going forward. A review of all spendings with the intention to redirect resources to the focus areas with substantial performance impact resulted in the identification of cost improvements of CHF 2.3 million on an annual basis against the original plan. These cost improvements relate mainly to administrative and overhead costs (e.g. office rents) and will not limit Evolva’s ability to succeed in the market. Analyses are also being conducted on the balance sheet. The company currently expects a non-cash relevant impairment of CHF 15-20 million, with the detailed assessment to be presented together with the half-year results.



As previously announced, Evolva is exploring potential strategic partnerships to further strengthen its business model with complementary capabilities and synergies on both operational and commercial levels. Fruitful discussions with several potential strategic partner have been initiated and are currently ongoing. This underscores Evolva's strong position in nature-based products in the sweet spot of health, wellness and sustainability as well as the attractiveness of the respective market.

Christian Wichert adds: "I am excited about our immediate and mid-term prospects. Together with the highly motivated leadership team, we have set ourselves ambitious targets. By focusing on the priority areas commercial excellence, profitability improvement, entrepreneurial culture and team spirit, I am convinced that we can further boost our commercial performance and leverage the positive momentum to bring Evolva to the next level of development."

Evolva will provide a detailed update on the company's strategy and mid-term targets on occasion of the half-year results on 25 August 2022.

### **Important dates**

25 August 2022

Half-year Results 2022

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### **About Evolva**

Evolva is a Swiss biotech company focused on the research, development and commercialization of ingredients based on nature. We have leading businesses in Flavors and Fragrances, Health Ingredients and Health Protection. Evolva's employees, half of which are women, are dedicated to make the best products that can contribute to health, wellbeing and sensory enjoyment. Find out more at [evolva.com](https://evolva.com) and connect with us on [LinkedIn](#).

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