

Evolve announces long-term commercial agreement with Cargill

EverSweet™ next-generation stevia ingredient on track for 2018 launch

Evolve to establish global production hub in USA

3 April 2017 – **Evolve** (SIX: EVE) announced today that it has entered a major collaboration agreement with Cargill for the production and commercialisation of EverSweet™, the next-generation stevia sweetener. This product is on track for a 2018 launch, securing its first-mover advantage.

EverSweet™ is a next-generation stevia sweetener that solves both the stevia taste and Reb M & Reb D scalability challenges. EverSweet™ is brewed to produce large quantities of the most sought-after sweetness ingredients found in the stevia leaf, Reb M and Reb D. The stevia leaf contains only minute quantities of these ingredients. EverSweet™ also delivers better sweetness intensity, faster sweetness onset and improved sweetness quality – without the bitterness or off-note aftertaste common to existing stevia sweeteners. Evolve estimates the total addressable market to be worth around USD 4 billion.

Evolve will receive up to 30% of the EverSweet™ business, determined as a function of the strain efficiencies achieved. Evolve has the right to ask Cargill to support some of Evolve's early cashflow commitments at a favourable interest rate, however under the new agreement Evolve will not receive any further milestone payments from Cargill.

EverSweet™ next generation sweetener will initially be produced at a fermentation facility on Cargill's Blair, Nebraska campus that will be retrofitted for this purpose. The facility will be operated by Cargill and additionally be used for the fermentation of other Evolve products. In parallel, Evolve will build and operate a new state-of-the-art bioprocessing facility on adjacent land leased from Cargill. This bioprocessing facility will manufacture Evolve products such as nootkatone and resveratrol and is expected to come online in 2019. Together, this integrated infrastructure will provide Evolve with a global hub for the production of high value specialty ingredients.

Evolve CEO **Neil Goldsmith** said, "EverSweet™ is coming to market, and given it succeeds as we expect it to, Evolve will see 30% of the upside whilst mitigating some of our initial cash outflows. Plus our planned US production hub, working alongside Cargill, provides the foundation for truly scaleable, low cost, high quality, production for Evolve's other key products."

The production strategy provides a de-risked route for Evolva to establish its own low cost production of specialty ingredients through a collaboration with one of the world's pre-eminent bioprocessing companies. Locating these operations in Blair, Nebraska also allows Evolva to leverage and access key resources such as Cargill's centralised infrastructure, a skilled local labour pool, and a long-term supply of renewable resources from US farm inputs (corn, in particular). A number of world-class producers like Novozymes, Corbion and Evonik operate on the same Cargill campus in Blair.

Once completed, the Blair production facilities will play a pivotal role in accelerating the reduction of the cost-of-goods-sold for Evolva's products, increasing the company's long-term profitability. The facilities are expected to have sufficient capacity to generate an estimated USD 50 million-plus in annual product revenues for Evolva, over and above Evolva's share of EverSweet™ profits, and provide room for further expansion.

Over the next three years, principally in 2018 and 2019, Evolva expects to invest an estimated USD 60 million in the combined fermentation and bioprocessing facilities for EverSweet™ and its other products. The recent CHF 30 million equity commitment from Yorkville serves as a foundation for this investment and Evolva expects to secure an additional project financing package of around CHF 30 million by end 2017, which will enable full execution of the plans.

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Press/analyst meeting at 14.00 CET on 3 April 2017

Evolva will host a press and analyst meeting at **SIX Convention Point**, Selnaustrasse 30 Zürich, today at 2PM CET. The presentation is available on Evolva's website. The meeting will also be accessible by phone under the following numbers:

+41 (0)58 310 5000 (Europe)

+44 (0)203 059 5862 (UK)

+1 (1)631 570 5613 (USA)

A replay will be available as a podcast for 2 weeks after the call. The link to the podcast will be posted on Evolva's website.

About Evolva

Evolva solves the supply chain issues of nature through a 21st century mix of biotechnology and brewing. We develop, make and sell natural ingredients that provide significant benefits to people in daily life, but whose supply chain issues have limited their use until now. Our flagship ingredients are stevia, nootkatone and resveratrol, but we work on many more, both on our own behalf and with others. To make our world sustainable requires nature and technology to work together as one, and our aim is to play a (small) part in

achieving this transformation. We operate internationally. For more information see www.evolva.com.

Questions about our approach? Have a look at our [video](#).

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