



evolva

Evolva Holding SA
Duggingerstrasse 23
4153 Reinach
Switzerland

Reinach, 25 March 2020

Invitation to the Annual General Meeting
(no physical attendance by shareholders)

Dear Shareholder,

The **Annual General Meeting** will be held on **Wednesday, 15 April 2020, at 15.00 p.m.** at the premises of Evolva Holding SA, Duggingerstrasse 23, 4153 CH-Reinach. Physical attendance by shareholders is not possible (see below).

Notice concerning Coronavirus (COVID-19):

The Annual General Meeting of 15 April 2020 takes place. However, physical attendance of the shareholders is not possible. Shareholders may cast their votes by written or electronic power of attorney to the independent proxy.

On 16 March 2020, the Federal Council further tightened the measures for the protection of the population and amended *Ordinance 2 on measures to combat coronavirus (COVID-19) of 13 March 2020* ("COVID-19 Ordinance 2"). The amendments shall apply until 19 April 2020. According to Art. 6a para. 1 COVID-19 Ordinance 2, companies should no longer hold physical general meetings. Voting to the independent proxy remains possible. For this reason, the Company instructs its shareholders not to attend the General Meeting (shareholders will not be permitted to enter) and recommends that they vote by authorizing the independent proxy in writing or electronically (see the form "Proxy").

AGENDA AND PROPOSALS OF THE BOARD OF DIRECTORS

1. Approval of the Management Report, the Statutory Financial Statements and the Consolidated Financial Statements 2019

Proposal: The Board of Directors proposes that the Management Report, the Statutory Financial Statements and the Consolidated Financial Statements for 2019 be approved.

2. Consultative Vote on the Compensation Report 2019

Proposal: The Board of Directors proposes endorsement of Evolva Holding SA's Compensation Report 2019 in a consultative vote.

3. Discharge of the Members of the Board of Directors and of the Group Management Team

Proposal: The Board of Directors proposes to grant discharge to the members of the Board of Directors and the Group Management Team for the financial year 2019.

4. Appropriation of Results

Proposal: The Board of Directors proposes to carry forward the loss of the year 2019 in the amount of CHF 93,302,674.33.

5. Creation of Authorized Capital

Explanations: On 18 March 2020, the Company announced that it was examining various options, including a capital increase, for financing future growth until a positive EBITDA is achieved. The Company still had cash and cash equivalents of CHF 39.9 million at the end of 2019, but will need additional financial resources until it can achieve a positive EBITDA. To this end, the company intends to create the necessary flexibility in good time to be able to complete a financing transaction quickly at the appropriate value and time. The Board of Directors therefore proposes to create authorized capital in the maximum amount of CHF 32,875,129.40 by issuing a maximum of 164,375,647 registered shares. This corresponds to 20% of the existing share capital of the Company. The provision in sect. 1 of Art. 3a^{bis} of the Articles of Association that partial payment by means of freely disposable equity (including capital contribution reserves) is possible is set against the background of current uncertainties in the market and with regard to the subscription price of the shares under the rights offering. The subscription price is expected to include a discount on the market price. Since it is legally not possible to issue shares at a price below the nominal value of the shares, the Company reserves the right to partially pay up shares from freely disposable equity. In addition, authorized share capital allows the Company to take advantage of acquisition or investment opportunities flexibly and quickly.

Proposal: The Board of Directors proposes to create authorized capital in the maximum amount of CHF 32,875,129.40 and to include a new article 3a^{bis} into the Articles of Association as follows (translated from the German original which prevails):

"Article 3a^{bis}

Authorized capital for financing purposes

1. The Board of Directors is authorised to increase the share capital in accordance with Article 3 of the Articles of Association at any time until 15 April 2022 by a maximum amount of CHF 32,875,129.40 by issuing a maximum of 164,375,647 fully paid-up registered shares with a par value of CHF 0.20 each. Increases by firm underwriting and increases in partial amounts are permitted. The issue amount, the date of dividend entitlement and the type of contributions are to be determined by the Board of Directors. The new registered shares can be paid up in part by converting freely disposable equity up to a maximum amount of CHF 11,000,000. After acquisition, the new registered shares are subject to the restrictions on transferability set out in Art. 5 of the Articles of Association.
2. The Board of Directors is entitled to exclude shareholders' pre-emptive rights if the new registered shares are used (a) for the acquisition of companies, parts of companies or participations by means of an exchange of shares, or (b) to finance or refinance the acquisition of companies, parts of companies or participations, or (c) for new investment projects and/or for placement on domestic or international capital markets (including private placements with selected strategic investors).
3. If, in connection with company acquisitions or investment projects, the Company assumes obligations to service convertible bonds, convertible loans or option bonds, the Board of Directors is entitled to issue new shares and to exclude shareholders' pre-emptive rights in order to meet delivery obligations under such bonds or loans.

4. Registered shares, for which pre-emptive rights are granted but not exercised, must be used in the interests of the Company or sold on the market at market conditions."

6. Capital reduction through reduction of nominal value

Explanations: As already mentioned under agenda item 5, the Company announced on 18 March 2020 that it was examining various options, including a capital increase, for financing future growth until a positive EBITDA was achieved. It is not legally possible to issue shares at a price below the nominal value of the share. Accordingly, the Board of Directors proposes to reduce the nominal value per share and to allocate the nominal value reduction amount to reserves. *There will be no distribution to shareholders.* This is a technical step, a transfer within equity, that affects all shares equally – shareholders' rights are not affected, neither financial rights nor participation rights. Nor does this change the total equity.

Proposal: On the basis of the audit report available to the shareholders in accordance with art. 732 para. 2 of the Swiss Code of Obligations by the state-supervised auditing firm Ernst & Young AG, Basel, the Board of Directors proposes that the share capital of the Company be reduced as follows:

1. The share capital with nominal value of CHF 164,375,647.40 be reduced by CHF 123,281,735.55 to CHF 41,093,911.85.
2. According to the audit report, the claims of the creditors are fully covered despite the reduction in share capital.
3. The capital reduction be achieved through reduction of the nominal value of all 821,878,237 outstanding registered shares from CHF 0.20 to CHF 0.05 each.
4. The total amount of the reduction pursuant to section 1 be increased by the reduced nominal value of the registered shares issued from the authorized and conditional share capital of the Company after the annual general meeting.
5. The entire reduction amount be allocated to the statutory contribution reserve.
6. Upon entry of the capital reduction in the Commercial Register, Art. 3, Art. 3a, Art. 3a^{bis} and Art. 3c will be amended as follows, subject to changes in accordance with section 4 above:

<i>Current version</i>	<i>New version</i>
<p>Article 3</p> <p>Share capital</p> <p>The share capital of the Company amounts to CHF 164,375,647.40 and is divided into 821,878,237 registered shares with a nominal value of CHF 0.20 per share. The share capital is fully paid-in.</p>	<p>Article 3</p> <p>Share capital</p> <p>The share capital of the Company amounts to CHF <u>41,093,911.85</u> and is divided into 821,878,237 registered shares with a nominal value of CHF <u>0.05</u> per share. The share capital is fully paid-in.</p>
<p>Article 3a</p> <p>Conditional Share Capital for Financing Purposes</p> <p>1. The Company's share capital pursuant to Art. 3 of the Articles of Association shall be increased by an amount not exceeding CHF 6,932,075.80 through the issue of a maximum of 34,660,379 registered shares, to be fully paid in,</p>	<p>Article 3a</p> <p>Conditional Share Capital for Financing Purposes</p> <p>1. The Company's share capital pursuant to Art. 3 of the Articles of Association shall be increased by an amount not exceeding CHF <u>1,733,018.95</u> through the issue of a maximum of 34,660,379 registered shares, to be fully paid in, each</p>

<p>each with a nominal value of CHF 0.20 through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments or loans of the Company, or any of its group companies, that allow for conversion into shares of the Company (equity-related financial instruments).</p> <p><i>Paras. 2-5 remain unchanged</i></p>	<p>with a nominal value of CHF <u>0.05</u> through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments or loans of the Company, or any of its group companies, that allow for conversion into shares of the Company (equity-related financial instruments).</p> <p><i>Paras. 2-5 remain unchanged</i></p>
<p>Article 3a^{bis} Authorized capital for financing purposes</p> <p>1. The Board of Directors is authorised to increase the share capital in accordance with Art. 3 of the Articles of Association at any time until 15 April 2022 by a maximum amount of CHF 32,875,129.40 by issuing a maximum of 164,375,647 fully paid-up registered shares with a par value of CHF 0.20 each. Increases by firm underwriting and increases in partial amounts are permitted. The issue amount, the date of dividend entitlement and the type of contributions are determined by the Board of Directors. The new registered shares can be paid up in part by converting freely disposable equity up to a maximum amount of CHF 11,000,000. After acquisition, the new registered shares are subject to the restrictions on transferability set out in Art. 5 of the Articles of Association.</p> <p><i>Paras. 2-4 remain unchanged</i></p>	<p>Article 3a^{bis} Authorized capital for financing purposes</p> <p>1. The Board of Directors is authorised to increase the share capital in accordance with Art. 3 of the Articles of Association at any time until 15 April 2022 by a maximum amount of CHF <u>8,218,782.35</u> by issuing a maximum of 164,375,647 fully paid-up registered shares with a par value of CHF <u>0.05</u> each. Increases by firm underwriting and increases in partial amounts are permitted. The issue amount, the date of dividend entitlement and the type of contributions are determined by the Board of Directors. The new registered shares can be paid up in part by converting freely disposable equity up to a maximum amount of CHF 11,000,000. After acquisition, the new registered shares are subject to the restrictions on transferability set out in Art. 5 of the Articles of Association.</p> <p><i>Paras. 2-4 remain unchanged</i></p>
<p>Article 3c Conditional Capital for Employees, Persons of Comparable Positions and Board Members</p> <p>1. The share capital of the Company increases in the nominal value of up to CHF 7,940,153.00 by issuance of up to 39,700,761 fully paid-in registered Shares with a nominal value of CHF 0.20 each, subject to the direct or indirect exercise/issuance of options or other equity-based instruments granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members.</p> <p><i>Paras. 2-4 remain unchanged</i></p>	<p>Article 3c Conditional Capital for Employees, Persons of Comparable Positions and Board Members</p> <p>1. The share capital of the Company increases in the nominal value of up to CHF <u>1,985,038.05</u> by issuance of up to 39,700,761 fully paid-in registered Shares with a nominal value of CHF <u>0.05</u> each, subject to the direct or indirect exercise/issuance of options or other equity-based instruments granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members.</p> <p><i>Paras. 2-4 remain unchanged</i></p>

7. Number of members of the Board of Directors

Proposal: The Board of Directors proposes to reduce the minimum number of Board of Directors' members from 5 to 3 members and to change art. 18(1) of the Articles of Association as follows:

<i>Current version</i>	<i>New version</i>
Article 18 Composition and Term of Office 1. The Board of Directors consists of 5 to 11 members. <i>Para. 2 remains unchanged</i>	Article 18 Composition and Term of Office 1. The Board of Directors consists of <u>3</u> to 11 members. <i>Para. 2 remains unchanged</i>

Explanations: The reduction of the minimum number or rather the extension of the range of members of the Board of Directors provides the company with more flexibility in the organisation of the company.

8. Elections

8.1 Elections to the Board of Directors

Proposal: The Board of Directors proposes that the following persons each be elected individually to the Board of Directors for a term of one year until the end of the Annual General Meeting 2021.

- 8.1.1 Beat In-Albon
- 8.1.2 Stephan Schindler
- 8.1.3 Richard Ridinger

Explanation: As has already been communicated in the press releases dated 27 November 2019 and 21 January 2020, the Board of Directors is to be changed. Information on the new candidates, including curricula vitae, can be found on <https://www.evolve.com/investors/agm/>.

8.2 Election of the Chairperson of the Board of Directors

Proposal: The Board of Directors proposes the election of Beat In-Albon as Chairperson of the Board of Directors for a term of one year until the end of the Annual General Meeting 2021.

8.3 Election of the Compensation Committee

Proposal: The Board of Directors proposes that the following persons each be elected individually to the Compensation Committee for a term of one year until the end of the Annual General Meeting 2021.

- 8.3.1 Stephan Schindler
- 8.3.2 Richard Ridinger

8.4 Re-election of the Auditors

Proposal: The Board of Directors proposes to re-elect Ernst & Young Ltd., Basel, as auditors for a term of one year until the end of the Annual General Meeting 2021.

8.5 Re-election of the Independent Proxy

Proposal: The Board of Directors proposes the re-election of Dr. Oscar Olano, Gyr Gössi Olano Staehelin Advokatur und Notariat, Malzgasse 15, 4052 Basel, Switzerland, as independent proxy for a term of one year until the end of the Annual General Meeting 2021.

9. Compensation of the Board of Directors

Proposal: The Board of Directors proposes to approve a maximum compensation amount of CHF 0.7 million (maximum 2019/2020: CHF 0.7 million) for the Board of Directors covering the period until the Annual General Meeting in 2021.

Explanation: The remuneration of the Board of Directors does not contain any variable components. A detailed description of Evolva's remuneration principles and the actual and proposed amounts of the remuneration of the Board of Directors can be found in the Remuneration Report 2020, which is available on our website (www.evolva.com).

10. Compensation of the Group Management Team

Proposal: The Board of Directors proposes to approve a maximum amount of fixed and variable compensation of CHF 2.5 million (maximum 2019/2020: CHF 3 million) for the members of the Group Management Team for the period from 1 July 2020 until 30 June 2021.

Explanation: The proposed maximum amount is based on currency exchange rates as of year-end 2019. The compensation framework for the Group Management Team is aligned with the interests of our shareholders and consist of the following main elements:

- Fixed cash compensation – In-line with market benchmarks.
- Short-term variable compensation (up to 20% of base salary) – Instead of a conventional cash bonus, the Group Management Team receives Performance Share Units (PSU) with a one-year vesting period.
- Long-term incentive (up to 75% of base salary) – Compensation in Performance Share Units (PSU) with a five year overall vesting period, with the first instalment vesting three years from the grant date. PSUs will only vest in case certain specific targets have been met (revenues, EBITDA, stock price performance).
- Progress on short- and long-term targets will be reported to the Board of Directors on a quarterly basis.

An extensive description of Evolva's compensation policy as well as the actual and proposed amounts of compensation of the members of the Group Management Team are available in the Compensation Report which is available on our website at <https://www.evolva.com/investors/agm/>.

Annual Report

The English-language Annual Report 2019 (including the Statutory Financial Statements, Consolidated Financial Statements and the Compensation Report for 2019) and the statutory auditors' reports as well as the German-language summary may be inspected by shareholders at the Company's registered office (Duggingerstrasse 23, 4153 Reinach, Switzerland). Shareholders may request that the Annual Report be sent to them free of charge. The entire Annual Report is also available for download on our website (www.evolva.com/investors/agm).

Voting Rights

You are receiving the proxy card together with this invitation.

All shareholders registered in the shareholders register on 8 April 2020, 17:00 CET are *entitled to vote*. In case of sale of shares until or on 8 April 2020, the shareholder will *lose his/her right to vote*.

Proxy

Shareholders may appoint Dr. Oscar Olano, LL.M, Gyr Gössi Olano Staehelin Advokatur und Notariat, Malzgasse 15, 4052 Basel, Switzerland as the independent proxy.

For this purpose, please follow the instructions described on the reply form, and complete the reply form accordingly.

Correspondence

All correspondence concerning the Annual General Meeting should be addressed to: Evolva Holding SA, Share Register, c/o Nimbus AG, Ziegelbrückstrasse 82, 8866 Ziegelbrücke, Switzerland.

Yours sincerely,

On behalf of the Board of Directors of Evolva Holding SA

The Chairman
Gerard Hoetmer

(The original German text remains in all matters binding and prevails)

