

# EVOLVA

**Evolva Holding LTD**  
Duggingerstrasse 23  
4153 Reinach  
Switzerland

Reinach, July 28, 2023

## Invitation to the Extraordinary General Meeting

Dear Shareholder,

We hereby invite you to the **Extraordinary General Meeting** to be held on Thursday, **August 24, 2023, 11:00 a.m. (door opening at 10:30 a.m.)** at Hotel Victoria, Centralbahnplatz 3-4, 4002, Basel, Switzerland.

### Agenda items and proposals of the Board of Directors

#### 1. Increase of conditional capital for the purpose of financing and strategic cooperation and amendment of Articles of Association

*Proposal:* The Board of Directors proposes, with effect from registration of the amendment to the Articles of Association regarding adjustment of the shares issued by 678'942 registered shares of CHF 1 par value each already issued from the conditional capital to a total of 5'224'514 registered shares, to increase the maximum amount of the conditional capital for the purpose of financing and strategic cooperation to CHF 2'486'730.00 consisting of a maximum of 2'486'730 registered shares with a par value of CHF 1 and to amend Art. 3a of the Articles of Association as follows:

#### "Article 3a

##### **Conditional capital for the purpose of financing and strategic cooperation**

1. *The share capital of the Company pursuant to Article 3 of the Articles of Association shall be increased in the maximum amount of CHF 2'486'730.00 by issuing a maximum of 2'486'730 fully paid registered shares with a par value of CHF 1 each through the voluntary or compulsory exercise of conversion and/or option rights issued in connection with bonds or other financial market instruments or loans of the Company or one of its group companies (equity-related financial instruments).*

*[Article 3a paras. 2 to 3 unchanged]*

4. *The Board of Directors is authorized, when issuing such equity-related financial instruments, to waive the shareholders' preferential subscription rights if (i) the purpose of the issue is to finance, including refinance, the acquisition of companies, parts of companies, participations or new investment projects, (ii) the issue is related to strategic cooperations and/or (iii) the issue is made on national or international capital markets (including private placements with selected strategic investors and the servicing of the Investment Agreement with Nice & Green SA dated June 23, 2023 and any future amendments thereto). Pursuant to Art. 36 para. 2 of the Takeover Ordinance, the Board of Directors is authorized, after publication of a takeover bid, to issue equity-related financing instruments (including convertible loans) for the purpose of securing the financing of the Company for the duration of the takeover procedure, excluding advance subscription rights.*

*[Article 3a para. 5 unchanged]"*

*Explanations:* Evolva informed on 14 June 2023 that its financing partner Nice & Green SA (N&G) adopted an interpretation of the existing financing agreement that jeopardized the Company's financing. On 26 June 2023, it communicated that the Company had signed a new agreement with N&G. According to this agreement, N&G grants Evolva financing in the amount of at least CHF 5,250,000 in 2023 against the issuance of convertible notes (notes). N&G is entitled to convert the notes into Evolva shares.

However, Evolva can only draw the funds if certain conditions are met. In particular, Evolva is obliged to ensure that sufficient conditional capital is available to issue Evolva shares to N&G when N&G exercises the right to convert its notes. For this reason, Evolva also had to commit to N&G to convene an extraordinary shareholders' meeting by the end of August 2023 to increase the conditional capital. The Board of Directors proposes to increase the total of the conditional capital in accordance with Art. 3a and Art. 3c of the Articles of Association to 50% of the share capital (the maximum permitted by law). This is necessary to enable Evolva to comply with its obligations towards N&G. Without an increase of the conditional capital, as proposed, Evolva cannot draw funds of (minimum) 5,250,000 from N&G in 2023, but only funds in the amount of CHF 1,500,000. Thus, the financing of the Company would no longer be secured until the end of 2023 as communicated on 26 June 2023. The going concern of the Company would be imminently in danger.

The proposed amendment in para. 4 of the conditional capital enables the Company to issue and service convertible bonds, even in the event of a possible takeover bid, in order to enable the Company to be financed during the duration of a possible takeover process. It ensures the going concern status of the company and serves to facilitate a possible takeover procedure.

## **2. Increase in upper limit of capital band and amendment of Articles of Association**

*Proposal:* The Board of Directors proposes, with effect from registration of the amendment to the Articles of Association regarding adjustment of the shares issued by 678'942 registered shares of CHF 1 par value each already issued from the conditional capital to a total of 5'224'514 shares, to increase the upper limit of the capital band to CHF 7'836'771.00 consisting of a maximum of 7'836'771 registered shares with a par value of CHF 1 and to amend Art. 3b of the Articles of Association as follows:

### **"Article 3b**

#### **Capital band**

- 1. The Board of Directors is authorized to change the share capital until 18 April 2028 to conduct one or more increases and/or reductions of the share capital within the upper limit of CHF 7'836'771.00, corresponding to 7'836'771 registered shares with a par value of CHF 1 each, and the lower limit of CHF 3'636'000.00, corresponding to 3'636'000 registered shares with a par value of CHF 1 each. Capital reductions can be conducted either through a reduction of the par value of the shares or through cancellation of shares or through a combination of both. If the share capital is increased from conditional capital, the upper and lower limits of the capital band as well as the amount of the issued shares shall increase accordingly.*

*[Article 3b para. 2 unchanged]*

- 3. The Board of Directors is entitled to restrict or withdraw subscription rights of existing shareholders and allocate such rights to individual shareholders, third parties, the Company or any of its group companies (i) for the acquisition of companies, parts of companies or participations by exchange of shares, (ii) for financing or refinancing the acquisition of companies, parts of companies or participations, (iii) for new investment projects, (iv) to raise funds quickly and flexibly through the placement of shares, which would be difficult to achieve through a rights issue and/or (v) for the issuance on national or international capital markets (including private placements with selected strategic investors).*

*[Article 3b paras. 4 and 5 unchanged]"*

*Explanations:* Evolva communicated on 14 June and 26 June 2023 that all strategic alternatives are being evaluated, including a sale of the Company. One possible strategic alternative is to raise new capital from existing and new investors through a capital increase. To avoid the Company needing to approach the shareholders again to carry out such a capital increase, the Board of Directors proposes to increase the capital band to 50% of the share capital, which corresponds to the statutory maximum. This would ensure that the Company is quick and flexible in raising funds as an alternative to selling the Company.

## **Organizational notes**

### **Admission and voting rights**

You will receive the admission card directly with the invitation. Nevertheless, we kindly ask you to register if you wish to attend the Extraordinary General Meeting. You can do this either electronically or by mail; you will find the necessary information on the form "Registration/Proxy authorization".

Shareholders entered in the share register on 17 August 2023, 5:00 p.m. CEST are *entitled to vote*. In the event of a sale of shareholdings listed on the admission card, the shareholder is no longer entitled to vote for the shares sold.

### **Granting of power of attorney (proxy)**

Shareholders who do not attend the Extraordinary General Meeting may be represented by one of the following proxies:

- their legal representative;
- a representative by means of a written proxy;
- the independent proxy Dr. Oscar Olano, LLM, staehelin olano Advokatur und Notariat, Malzgasse 15, 4052 Basel, Switzerland.

For this purpose, the procedure described in the reply coupon must be followed and the reply coupon must be completed accordingly.

### **Correspondence**

Please address all correspondence relating to the Extraordinary Annual General Meeting to the share office of Evolva Holding LTD, Aktienregister, c/o Nimbus AG, Ziegelbrückstrasse 82, 8866 Ziegelbrücke, Switzerland.

With kind regards

For the Board of Directors of Evolva Holding LTD  
The Chairman of the Board of Directors



Stephan Schindler