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2Q 2022 Earnings Results Conference Call and Webcast

AUGUST 4, 2022

Management on Today's Call

Michael A. Carr
President and
Chief Executive Officer

Bill Koschak
Chief Financial Officer

Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify these statements by forward-looking words such as “anticipates,” “believes,” “continue,” “estimates,” “expects,” “intends,” “may,” “might,” “plans,” “predicts,” “projects,” “should,” “targets,” “will,” or the negative of these terms and other similar terminology. Forward-looking statements in this report include statements about the Company's future financial performance, including its cash runway; its product pipeline and development; its business model and strategies for the development, commercialization and sales of commercial products; commercial demand for its synthetic biology solutions; the development and deployment of its PlantSpring technology platform; its ability to deploy and leverage its artificial intelligence and machine learning (AIML) capabilities; the ability to scale production capability for its BioFactory production system; potential development agreements, partnerships, customer relationships, and licensing arrangements and their contribution to its financial results, cash usage, and growth strategies; the potential impact of the COVID-19 pandemic on its business and operating results; and anticipated trends in its business. These and other forward-looking statements are predictions and projections about future events and trends based on the Company's current expectations, objectives, and intentions and are premised on current assumptions. The Company's actual results, level of activity, performance, or achievements could be materially different than those expressed, implied, or anticipated by forward-looking statements due to a variety of factors, including, but not limited to: the impact of increased competition, including competition from a broader array of synthetic biology companies; competition for customers, partners, and licensees and the successful execution of development and licensing agreements; disruptions at its key facilities, including disruptions impacting its BioFactory production system; flaws in AIML algorithms, insufficiency of data inputs required by such algorithms, and human error in interacting with AIML; changes in customer preferences and market acceptance of its products; changes in market consensus as to what attributes are required for a product to be considered “sustainable”; the impact of adverse events during development, including unsuccessful pilot production of plant-based chemistries or field trials; the impact of improper handling of its product candidates during development; failures by third-party contractors; inaccurate demand forecasting or milestone and royalty payment projections; the effectiveness of commercialization efforts by commercial partners or licensees; disruptions to supply chains, including raw material inputs for its BioFactory; the impact of changes or increases in oversight and regulation; disputes or challenges regarding intellectual property; proliferation and continuous evolution of new technologies; management changes; changes in macroeconomic and market conditions, including inflation, supply chain constraints, and rising interest rates; dislocations in the capital markets; the severity and duration of the evolving COVID-19 pandemic and the resulting impact on macro-economic conditions; and other important factors discussed in Part I, Item 1A, “Risk Factors” in the Company’s filings with the SEC, included in Part I, Item 1A of its Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on March 3, 2022 (its Annual Report) and its subsequent reports on Forms 10-Q and 8-K filed with the SEC. Any forward-looking statements made by management of the Company are based only on currently available information and speak only as of the date of this report. Except as otherwise required by securities and other applicable laws, the Company does not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change.

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Progress Across Key Focus Areas

PlantSpring™/ BioFactory™ Molecules

95 cumulative demand-driven chemistries received

Several late-stage development agreement discussions underway

Solution for CPG customer anticipated in early 2023

Infrastructure Partners

Discussions underway to enable production from pilot to commercial scale, enabling Calyxt's speed to scale

Technology and Trait Licensing

Multiple advanced talks for patents underway

High level of interest in licensing of HOLL soybean and high-fiber wheat

Project for large food ingredient manufacturer remains on track

as of August 4,2022

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Customer Demand-Driven Plant-Based Chemistries under Development for Potential Customers

- We are **focused on advancing discussions and relationships** with new customers in the **cosmeceutical, nutraceutical,** and **pharmaceutical** industries
- In the second quarter, we received **nine new chemistries** from potential customers, bringing the total number of chemistries cumulatively evaluated for development with PlantSpring for production in its BioFactory to **95**
- Importantly, the group of 95 chemistries **includes several that were identified by the potential customers as having been unsuccessfully attempted by others** in the industry, which **speaks to our unique approach** to engineer plant metabolism to produce innovative high value plant-based chemistries for use in customers' materials and products
- 31 of the 95 customer demand-driven chemistries have passed our target product profile, or TPP criteria
- From the 31 chemistries, we are currently **negotiating several term sheets with potential customers** for the development of a select number of those plant-based chemistries
- We are targeting **two to four customer demand-driven compounds** for development by year end
- We are performing a **pilot project** for a potential high-value chemistry for a **large global consumer packaged goods (CPG) company**; expect to deliver an engineered solution in early 2023

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Discussions with Multiple Large-Scale Global Infrastructure Partners Underway

- We initiated conversations with **multiple infrastructure partners**
  - These potential infrastructure partners provide a **global footprint** and **capabilities to enable our speed to scale**
  - They have capacities to produce chemistries **in various size bioreactors** from **pilot to commercial scale**
  - These potential partnerships would give Calyxt the **ability to develop and produce chemistries at industrial scale** for potential customers in our key end markets
  - To date, we have **exchanged term sheets with one** of these potential infrastructure partners and are **advancing discussions with others**
- There is **genuine interest** from these potential infrastructure partners **to work with us**, and they understand we are going after **hard-to-solve chemistries** that are **high-value** and potentially **high-margin**
- This **asset-lite approach** enables the deployment of our capital to **our development of a robust customer base** and **accelerates the speed** at which we can bring chemistries to potential customers, instead of deploying that capital on large-scale manufacturing

Multiple Term Sheets for Licensing of Technology and Plant Traits under Evaluation

- We are canvassing a **wide range of potential licensees** for both our **technology** and **historically developed plant traits** and have made important progress
- We made a **strategic hire** in late 2021, onboarding **Pete Ball**, our **Technology Licensing Leader**, who helped finalize our strategy for **optimizing potential revenue** from the **licensing of our technology and historically developed plant traits**
- We have successfully procured **term sheets** for the **licensing of our patents** and for the **licensing of our plant traits**. For plant traits specifically, there has been significant interest in our **high fiber wheat** and second generation **high oleic soybean** traits
- These discussions are ongoing, but our potential licensees see the value in our offerings, especially in these **times of global supply chain issues and food insecurity**
- Our project with a large food ingredient manufacturer who contracted with us to develop a **soybean** intended to produce a **replacement for palm oil** remains on track for completion in the **first quarter of 2024**
  - Given world events, we have recently received **inbound interest** from other manufacturers and users of palm oil
  - Recently, we were included in an article published in THE WALL STREET JOURNAL. about this topic and the potential for Calyxt to provide solutions

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Second Quarter 2022 Financial Highlights

- **Cash**, cash equivalents, and restricted cash of **$11.9M** as of **June 30, 2022.**
- **Revenue** was nominal for the quarter compared to $11.9M in the prior year period. The decrease in revenue was driven by the late 2021 completion of the wind-down of the Company's soybean product line in late 2021. Revenue in the second quarter of 2022 was primarily associated with the Company's agreement with a food ingredient manufacturer to develop a palm oil alternative.
- **Total operating expenses** were $6.8M in the second quarter compared to $6.3M in the prior year period. The increase was primarily driven by adoption of the lease accounting standard which shifted amounts previously reported in interest, net to operating expenses.
- **Net loss** was $2.5M in the quarter, or $0.05 per share, compared to $4.8M, or $0.13 per share, in the prior year period. The improvement in net loss was driven by the mark-to-market of the Company's Common Warrants liability, which declined in value due to a decline in stock price in 2022, partially offset by the gain realized on the forgiveness of the Payroll Protection Program loan in the second quarter of 2021. The improvement in net loss per share was driven by the improvement in net loss and a year-over-year increase in weighted average shares outstanding.
- **Adjusted net loss** was $6.7M in the second quarter, or $0.14 per share, compared to $7.8M, or $0.21 per share, in the prior year period. The improvement in adjusted net loss was driven by the completion of the wind-down of the soybean product line in late 2021. The improvement in adjusted net loss per share was driven by the improvement in adjusted net loss and a year-over-year increase in weighted average shares outstanding.
- **Cash runway** projected to be into **early 2023 under current business plan**, with potential for that to extend with any customer cash flows from new deals.

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CEO's Closing Remarks

- The **second quarter of 2022** was a **period of tangible advancement**
  - Evaluated **another nine customer demand-driven plant-based chemistries** in the quarter, bringing cumulative chemistries evaluated for development to 95; **advanced discussions ongoing**
  - Set to **deliver an engineered solution** for a high-value molecule in early 2023 to a **large global consumer packaged goods company**
  - **Advanced discussions** continue to progress with **several potential infrastructure partners** able to produce chemistries from pilot to commercial scale production
  - **Multiple late-stage discussions** for patent licensing and trait licensing under review; high interest in high fiber wheat and second-generation soybean product offerings

- New strategic direction continues to be **on track**
  - Targeting 2-4 customer demand-driven chemistries for development
  - Targeting the signing of one infrastructure partner
  - Targeting multiple licensing agreements

- **Committed team** focused on **maintaining pace and momentum**

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Q&A

Appendix

Use of Non-GAAP Financial Information

To supplement the Company's financial results prepared in accordance with GAAP, it has prepared certain non-GAAP measures that include or exclude special items. These non-GAAP measures are not meant to be considered in isolation or as a substitute for financial information presented in accordance with GAAP and should be viewed as supplemental and in addition to the Company's financial information presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures. In addition, other companies may report similarly titled measures, but calculate them differently, which reduces their usefulness as a comparative measure. Management utilizes these non-GAAP metrics as performance measures in evaluating and making operational decisions regarding the Company's business.

The Company's 2021 non-GAAP financial measures reflect adjustments for certain commodity derivatives entered into in connection with its soybean product line. As a result of the completed wind-down of this product line, the Company held no commodity derivative contracts as of June 30, 2022.

The Company presents adjusted net loss, a non-GAAP measure, and defines it as net loss adjusted for (i) unrealized gains and losses associated with commodity derivatives entered into to hedge the change in value of fixed price grain inventories and fixed price grain production agreements that should be recognized in the future when the underlying inventory is sold, (ii) gains and losses from commodity derivatives realized in prior periods but associated with inventory sold in the current period, (iii) net realizable value adjustments to inventories occurring in the period which otherwise would have been recognized in the future when the underlying inventory is sold, and (iv) net realizable value adjustments recognized in prior periods but associated with inventory sold in the current period, and excluding cash-based Section 16 officer transition expenses, the recapture of non-cash stock compensation associated with the departure of Section 16 officers, the gain upon the extinguishment of the Payroll Protection Program (PPP) loan, and non-operating income (expenses). The foregoing adjustments are those necessary to present the underlying gross profit of the Company's soybean product line for the 2021 periods presented, together with the corresponding adjustment to the extent applicable to the corresponding 2022 periods presented.

The Company presents adjusted net loss per share, a non-GAAP measure, and defines it as net loss per share adjusted for (i) unrealized gains and losses associated with commodity derivatives entered into to hedge the change in value of fixed price grain inventories and fixed price grain production agreements that should be recognized in the future when the underlying inventory is sold, (ii) gains and losses from commodity derivatives realized in prior periods but associated with inventory sold in the current period, (iii) net realizable value adjustments to inventories occurring in the period which otherwise would have been recognized in the future when the underlying inventory is sold, and (iv) net realizable value adjustments recognized in prior periods but associated with inventory sold in the current period, and excluding cash-based Section 16 officer transition expenses, the recapture of non-cash stock compensation associated with the departure of Section 16 officers, the gain upon the extinguishment of the PPP loan, and non-operating income (expenses). The foregoing adjustments are those necessary to present the underlying gross profit of the Company's soybean product line for the 2021 periods presented, together with the corresponding adjustment to the extent applicable to the corresponding 2022 periods presented.

Net Loss: GAAP to Non-GAAP Reconciliations

$ in thousands	Three Months Ended June 30	
	2022	2021
Net loss (GAAP measure)	**$ (2,485)**	$ (4,807)
Non-GAAP adjustments:		
Commodity derivative impact, net	**-**	(658)
Net realizable value adjustments to inventories	**-**	(859)
Section 16 officer transition expenses	**116**	13
Gain upon extinguishment of Payroll Protection Program loan	**-**	(1,528)
Non-operating income (expenses)	**(4,296)**	(6)
Adjusted net loss	**$ (6,665)**	$ (7,845)

The Company provides in the table above a reconciliation of net loss, which is the most directly comparable GAAP financial measure, to adjusted net loss. The Company provides adjusted net loss because it believes that this non-GAAP financial metric provides investors with useful supplemental information as the amounts being adjusted affect the period-to-period comparability of net loss and financial performance.

Net Loss Per Share: GAAP to Non-GAAP Reconciliations

$ in thousands	Three Months Ended June 30	
	2022	2021
Net loss per share (GAAP measure)	**$ (0.05)**	$ (0.13)
Non-GAAP adjustments:		
Commodity derivative impact, net	**-**	(0.02)
Net realizable value adjustments to inventories	**-**	(0.02)
Section 16 officer transition expenses	**-**	-
Gain upon extinguishment of Payroll Protection Program loan	**-**	(0.04)
Non-operating income (expenses)	**(0.09)**	-
Adjusted net loss per share	**$ (0.14)**	$ (0.21)

The Company provides in the table above a reconciliation of net loss per share, which is the most directly comparable GAAP financial measure, to adjusted net loss per share. The Company provides adjusted net loss per share because it believes that this non-GAAP financial metric provides investors with useful supplemental information as the amounts being adjusted affect the period-to-period comparability of net loss per share and financial performance.