

February 13, 2024



Codexis Secures \$40 Million in Strategic Financing Deal with Innovatus Capital Partners to Further Strengthen Cash Position Ahead of Key Milestones

Term loan agreement enables Company to accelerate development and enhance commercialization of ECO Synthesis™ manufacturing platform for RNAi therapeutics

Financing bolsters cash position and provides additional flexibility on projected runway through positive cash-flow around end of 2026

Codexis management to host conference call today at 4:30 pm ET

REDWOOD CITY, Calif., Feb. 13, 2024 (GLOBE NEWSWIRE) -- Codexis, Inc. (NASDAQ: CDXS), a leading enzyme engineering company, today announced it has entered into a loan facility agreement with an affiliate of Innovatus Capital Partners, LLC (Innovatus) for up to \$40 million, including \$30 million upfront and access to an additional \$10 million upon achieving certain prespecified revenue thresholds. This loan facility reinforces the strength of Codexis' cash position, provides additional flexibility to its projected runway through cash-flow positive around the end of 2026 and will support the ongoing development and commercialization of the Company's Enzyme-Catalyzed Oligonucleotide (ECO) Synthesis™ manufacturing platform.

"The rapid technical progress we have made with our ECO Synthesis™ manufacturing platform has exceeded our expectations and opened the door for us to make targeted investments in accelerating our technology's value creation. After a competitive process, we are excited to partner with a leading financier like Innovatus, who truly understand the incredible opportunity that RNAi therapeutics represents," said Stephen Dilly, MBBS, PhD, Chief Executive Officer of Codexis. "By opening this line of non-dilutive capital, we can prudently deploy a portion of the funds to support our ambitions of growing up the value chain by building out a small-scale facility for making siRNA at the lab level—our planned ECO Synthesis™ Innovation Lab. This financing, combined with the anticipated return to growth of our Pharmaceutical Manufacturing business this year, gives Codexis the time and financial cushion to realize the full potential of our ECO Synthesis™ manufacturing platform."

The planned ECO Synthesis™ Innovation Lab will support both technical advancement and commercialization efforts related to the Company's ECO Synthesis™ manufacturing platform. Notably, in addition to providing a strong basis for partnering discussions and early access customer testing, this facility will enable the Company to develop new RNAi constructs, test new nucleotide modifications and conjugation modalities, develop tech transfer protocols and ensure flexibility with a small-scale footprint before potentially embarking on a full-scale GMP facility.

“Upon examining the forecasted demand for RNAi therapeutics, we see strong potential upside to supporting the development of Codexis’ ECO Synthesis™ manufacturing platform,” said Claes Ekstrom, Managing Director and Head of Life Sciences at Innovatus. “Between the Company’s innovative technology, foundational revenue-generating business, and highly experienced leadership team, we’re confident in the growth potential of Codexis and are excited to be a part of their story moving forward.”

Following the closing of the term loan agreement, Codexis retained approximately \$29 million in net proceeds from the first tranche. The loan carries an interest-only period of 36 months and a total term of 60 months. Additional details regarding the financing will be included in a Current Report on Form 8-K, which Codexis expects to file with the Securities and Exchange Commission within four business days of the date of this press release.

Armentum Partners acted as the Company’s exclusive financial advisor on this transaction.

Conference Call and Webcast

Codexis will hold a conference call today beginning at 4:30 p.m. ET. A live webcast to accompany the conference call will be available on the Investors section of the Company website at www.codexis.com/investors. The conference call dial-in numbers are 877-705-2976 for domestic callers and 201-689-8798 for international callers.

A recording of the call will be available for 48 hours beginning approximately two hours after the completion of the call by dialing 877-660-6853 for domestic callers or 201-612-7415 for international callers. Please use the passcode 13726635 to access the recording. A webcast replay will be available on the Investors section of the Company website for 30 days, beginning approximately two hours after the completion of the call.

About the ECO Synthesis™ Platform

Ribonucleic acid (RNA) as a therapeutic modality has gained tremendous traction in recent years with the growing number of messenger RNA (mRNA) vaccines and small interfering RNA (siRNA) candidates advancing in clinical studies. However, large-scale production of RNA interference (RNAi) therapeutics using traditional chemical synthesis faces complex challenges in nucleic acid quality and quantity, as well as overall economics. With over 450 RNAi therapies currently in clinical development, including more than 40 assets in Phase 2 and Phase 3 clinical trials targeting disease indications impacting millions of patients, RNAi therapeutic demand is projected to outpace current production capabilities by the end of the decade. Codexis’ proprietary ECO Synthesis™ technology platform is being designed to address these scalability and cost limitations by potentially enabling the commercial-scale manufacture of RNAi therapeutics through an enzymatic route. The Company achieved gram-scale synthesis in December 2023, where it demonstrated the preparative-scale manufacture of an oligonucleotide, composed of the modified nucleotide building blocks typically used in RNAi therapeutics, under process-like conditions. Codexis remains on track to initiate early access customer testing in the second half of 2024.

About Innovatus Capital Partners, LLC

Innovatus Capital Partners, LLC, is an independent adviser and portfolio management firm with approximately \$1.7B in assets under management. Innovatus adheres to an investment strategy that identifies disruptive and growth opportunities across multiple asset categories with a unifying theme of capital preservation, income generation, and upside optionality. The firm has a dedicated team of life sciences investment professionals with deep experience in

healthcare, including life sciences. Innovatus and its principals have significant experience providing debt financing to medical device, diagnostics, and biotechnology companies that address unmet medical needs, improve patient outcomes, and reduce overall healthcare expenditures. Further information can be found at www.innovatuscp.com.

About Codexis

Codexis is a leading enzyme engineering company leveraging its proprietary CodeEvolver[®] technology platform to discover, develop and enhance novel, high-performance enzymes and other classes of proteins. Codexis enzymes solve for real-world challenges associated with small molecule pharmaceuticals manufacturing and nucleic acid synthesis. The Company is currently developing its proprietary ECO Synthesis[™] platform to enable the scaled manufacture of RNAi therapeutics through an enzymatic route. Codexis' unique enzymes can drive improvements such as higher yields, reduced energy usage and waste generation, improved efficiency in manufacturing and greater sensitivity in genomic and diagnostic applications. For more information, visit <https://www.codexis.com>.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “design,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “positioned,” “potential,” “predict,” “seek,” “should,” “suggest,” “target,” “on track,” “will,” “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. To the extent that statements contained in this press release are not descriptions of historical facts, they are forward-looking statements reflecting the current beliefs and expectations of management, including but not limited to statements regarding whether Codexis will be able to initiate, and the timing of it initiating, early access customer testing of its ECO Synthesis[™] technology in 2024 and generating positive cash flow around the end of 2026; our expectation that Codexis' Pharmaceutical Manufacturing business will return to growth in 2024; our expected use of proceeds under our new loan facility with Innovatus, including the planned ECO Synthesis[™] Innovation Lab; the potential of the ECO Synthesis[™] platform, including its ability to be broadly utilized and to enable commercial-scale manufacture of RNAi therapeutics through an enzymatic route; the potential of an enzymatic route of synthesis to drive improvements relative to traditional chemical synthesis related to, among other things, nucleic acid quantity and quality and overall economics; and expectations regarding future demand for RNAi technologies. You should not place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond Codexis' control and that could materially affect actual results. Factors that could materially affect actual results include, among others: Codexis' dependence on its licensees and collaborators; if any of its collaborators terminate their development programs under their respective license agreements with Codexis; Codexis may need additional capital in the future in order to expand its business; if Codexis is unable to successfully develop new technology such as its ECO Synthesis[™] platform and dsRNA; Codexis' dependence on a limited number of products and customers, and potential adverse effects to Codexis' business if its customers' products are not received well in the markets; if Codexis is unable to develop and commercialize new products for its target markets; if competitors and potential competitors who have greater resources and experience than Codexis develop products and

technologies that make Codexis' products and technologies obsolete; if Codexis is unable to accurately forecast financial and operational performance; and market and economic conditions may negatively impact Codexis' business, financial condition and share price. Additional information about factors that could materially affect actual results can be found in Codexis' Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 27, 2023 and in Codexis' Quarterly Report on Form 10-Q filed with the SEC on November 3, 2023, including under the caption "Risk Factors," and in Codexis' other periodic reports filed with the SEC. Codexis expressly disclaims any intent or obligation to update these forward-looking statements, except as required by law.

For More Information

Investor Contact
Carrie McKim
(336) 608-9706
ir@codexis.com

Media Contact
Lauren Musto
(650) 421-8205
media@codexis.com



Source: Codexis, Inc.