

Dyadic Announces Scientific Achievements Reported During ZAPI Stakeholders Virtual Web Meeting

Results demonstrate that Dyadic's C1 platform produced record levels of safe and effective vaccines in animal trials and further positions C1 products for potential human clinical trials

JUPITER, Fla., March 09, 2021 (GLOBE NEWSWIRE) — Dyadic International, Inc. ("Dyadic", "we", "us", "our", or the "Company") (NASDAQ: DYAI), a global biotechnology company focused on further improving, applying and deploying its proprietary C1-cell protein production platform to accelerate development, lower production costs and improve the performance of biologic vaccines and drugs at flexible commercial scales, today is updating the market on the Company's key scientific achievements reported in the Zoonotic Anticipation and Preparedness Initiative (ZAPI) Final Stakeholders Virtual Web Meeting, which was held on February 4-5, 2021.

ZAPI was a five-year research and development program sponsored by the European Union. Dyadic and its C1-cells played a key role in the €20 million ZAPI program since its launch in 2015. ZAPI brought together experts in human and animal health to create new platforms and technologies that will facilitate a fast, coordinated, and practical response to new infectious diseases as soon as they emerge.

Dyadic's patented and proprietary C1 gene expression and recombinant protein production platform was selected by ZAPI as a production host of antigens for the Schmallenberg virus (SBV) and Rift Valley Fever virus (RVFV). The SBV antigen from C1 produced 300 times greater yields than the SBV antigen from baculovirus and was more stable. Additionally, the C1 SBV antigen was shown to be safe and very effective (Full Protection) in protecting cattle and mice from the SBV. Based on these results, additional fully funded animal trials are continuing in 2021 with C1 expressed antigens for SBV and RVFV and to generate additional safety and efficacy data.

Several positive outcomes have already originated from the ZAPI results, including several fully funded animal health projects and several SARS-CoV-2 vaccine collaborations, including Dyadic's receptor-binding domain (RBD) antigen of the SARS-CoV-2 spike protein. This vaccine candidate is being developed in various collaborations, including with three of the top infectious disease and coronavirus scientists who worked with Dyadic and C1 in the ZAPI consortium, the Israel Institute for Biological Research (IIBR) and others. These activities have positioned Dyadic to determine the best path forward for an anticipated first in kind human Phase 1 clinical program using the C1 produced RBD COVID-19 vaccine candidate.

"Our participation in the ZAPI project has generated important safety and efficacy data as well as demonstrating very high antigen productivity. This data, along with other data generated outside of the ZAPI program, will allow us to apply our C1 technology in ways that we, and a growing number of scientists globally, believe can help industry and governments

in the fight against existing and new infectious diseases as soon as they emerge,” said Mark Emalfarb, Dyadic’s President and Chief Executive Officer.

“Now that we have demonstrated C1’s performance and productivity benefits compared to other cell lines, we are engaged in discussions with global scientists, biotech and pharmaceutical companies as well as governmental agencies to explore other possible vaccine and drug applications for use in human and animal health,” continued Mr. Emalfarb. “We look forward to potentially undertaking multiple IND enabling studies to allow us, and our collaborators, to enter the clinic with a number of recombinant protein vaccines and drugs.”

During the conference, ZAPI scientists highlighted the pivotal role Dyadic’s C1 technology platform played in the ZAPI project. “Efficient manufacturing processes are being developed and I specifically would like to mention Dyadic’s C1 fungal process which gives enormous amounts of antigens and I think especially in the face of the world’s situation with the pandemic, a system where you can produce much more vaccine would be an ideal one to look into so if that were to be the only spin-off, that would be fantastic.” stated Dr. Albert Osterhaus, Erasmus Medical Centre the ZAPI managing member.

Dyadic’s Chief Scientific Officer, Dr. Ronen Tchelet commented, “Our participation in the ZAPI program helped us accelerate the development of our C1 gene expression platform to rapidly develop and manufacture recombinant protein vaccines, at flexible commercial scales, faster, and more affordably than other traditional vaccine manufacturing processes, such as insect cells (baculovirus). The C1 platform has proven it is capable of producing safe and effective antigens in quantities that can help combat pandemics more affordably. The hyper-productivity data generated in the ZAPI project, along with the recent productivity demonstrated in our SARS-CoV-2 antigen programs, highlights the broad potential impact our C1 gene expression platform can also have on animal and human health applications, to help make healthcare more accessible and affordable to patients globally.”

ZAPI Stakeholders Final Conference speaker slides and webinar replay are now available on the IABS website via the following link: <https://zapi-stakeholders-final-conference.iabs.org/conference-information.php?parag=slides>

About Zoonotic Anticipation Preparedness Initiative (ZAPI)

In March 2015, IMI (Innovative Medicine Initiative – <https://www.imi.europa.eu>) launched ZAPI (Zoonotic Anticipation and Preparedness Initiative) to set up methodologies and platform technologies that would be ready to put into production for vaccines and neutralizing monoclonal antibodies to efficiently counter emerging or reemerging zoonotic viruses.

“The objective is to demonstrate that we can deliver on these platforms, using three different prototype models of diseases that occurred in the recent past and which are zoonotic in

nature.” The viruses that [have been] used as models are Middle East respiratory syndrome coronavirus (MERS-CoV); Schmallenberg virus; and Rift Valley Fever virus’. IMI ZAPI Interview.

Six years later, the ZAPI project has made great strides in vaccine and antibody design, and new approaches for achieving the “surge manufacturing capacity” objective.

About Dyadic International, Inc.

Dyadic International, Inc. is a global biotechnology company which is developing what it believes will be a potentially significant biopharmaceutical gene expression platform based on the fungus *Thermothelomyces heterothallica* (formerly *Myceliophthora thermophila*), named C1. The C1 microorganism, which enables the development and large-scale manufacture of low-cost proteins, has the potential to be further developed into a safe and efficient expression system that may help speed up the development, lower production costs and improve the performance of biologic vaccines and drugs at flexible commercial scales. Dyadic is using the C1 technology and other technologies to conduct research, development and commercial activities for the development and manufacturing of human and animal vaccines and drugs, such as virus like particles (VLPs) and antigens, monoclonal antibodies, Fab antibody fragments, Fc-Fusion proteins, biosimilars and/or biobetters, and other therapeutic proteins. Certain other research activities are ongoing which include the exploration of using C1 to develop and produce certain metabolites and other biologic products. Dyadic pursues research and development collaborations, licensing arrangements and other commercial opportunities with its partners and collaborators to leverage the value and benefits of these technologies in development and manufacture of biopharmaceuticals. As the aging population grows in developed and undeveloped countries, Dyadic believes the C1 technology may help bring biologic vaccines, drugs, and other biologic products to market faster, in greater volumes, at lower cost, and with new properties to drug developers and manufacturers, and improve access and cost to patients and the healthcare system, but most importantly save lives.

Please visit Dyadic’s website at <http://www.dyadic.com> for additional information, including details regarding Dyadic’s plans for its biopharmaceutical business.

Safe Harbor Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including those regarding Dyadic International’s expectations, intentions, strategies, and beliefs pertaining to future events or future financial performance. Actual events or results may differ materially from those in the forward-looking statements because of various important factors, including those described in the Company’s most recent filings with the SEC. Dyadic assumes no obligation to update publicly any such forward-looking statements, whether because of new information, future events or otherwise. For a more complete description of

the risks that could cause our actual results to differ from our current expectations, please see the section entitled “Risk Factors” in Dyadic’s annual reports on Form 10-K and quarterly reports on Form 10-Q filed with the SEC, as such factors may be updated from time to time in Dyadic’s periodic filings with the SEC, which are accessible on the SEC’s website and at <http://www.dyadic.com>.

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