UPDATE — Dyadic Advancing Proprietary Owned COVID-19 vaccine candidate, DYAI-100, Towards Human Clinical Trial

- ***Advancing Dyadic's proprietary owned COVID-19 vaccine candidate, DYAI-100, towards first-in-human Phase 1 clinical trial***
  - ***Engaged CR2O, a contract research organization, to manage and support further pre-clinical and clinical development***
  - ***To validate C1 produced proteins are safe in humans and accelerate C1 adoption***
  - ***To serve as proof of concept for next generation variant based COVID-19 vaccine candidates***
- ***Expanded Korea and South East Asia vaccine development partnership with Medytox (086900)(KOSDAQ) focused on next-generation COVID-19 variant vaccines and/or boosters***
- ***In parallel with DYAI-100, Dyadic is developing additional proprietary owned and third party COVID-19 variant vaccine candidates***
- ***Developing a number of other infectious disease vaccines and antibodies internally and in conjunction with others***

JUPITER, Fla., March 29, 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 progress made in certain of its coronavirus (COVID-19) and other infectious disease programs.

CR2O's Chief Scientific Officer, Prof. Dr. Albert Osterhaus, commented, "In response to the COVID-19 pandemic, pharmaceutical companies have developed vaccines within the unprecedented period of less than one year. To this end, and in close collaboration with strategic partners, they have implemented state-of-the-art technologies including the use of mRNA, viral vectors, and novel adjuvants. To effectively combat the COVID-19 pandemic worldwide, second generation vaccines to protect against the COVID-19 variants, produced at low cost and in large scale, are now urgently needed. The collaboration with Dyadic to use their highly-productive fungal C1-cell protein manufacturing system for this purpose appears to be a logical and promising way forward."

"The ongoing devastating COVID-19 pandemic requires a new variant of concern vaccine approaches that are not only safe, effective and protective but can also be scaled up to meet the global need for billions of doses of vaccines at an affordable price. We are honored to partner with Dyadic and its strategic partners in developing an affordable, scalable,

protective and safe vaccine to combat this disease that continues to impact our everyday life," added Hadil Es-Sbai, CR2O's Chief Executive Officer.

Dyadic's Chief Scientific Officer, Dr. Ronen Tchelet, added, "Moving DYAI-100 into a first in human Phase 1 clinical trial is a major milestone for the program and our C1 protein production platform. We believe that demonstrating the safety of a C1 expressed antigen in humans will open the door for many opportunities for us and our collaborators to apply our proprietary and patented C1-cells to produce biologic drugs and vaccines for human use. With our collaboration with CR2O, we continue to build momentum in our efforts to develop a safe and effective C1 COVID-19 vaccine candidate that can be rapidly and efficiently mass produced and we believe is better suited for global distribution, than mRNA-based vaccines. Interim results for DYAI-100 continue to be very promising, and animal studies conducted by the Israel Institute for Biological Research ("IIBR") and other collaborators demonstrated its potential to drive substantial immunogenicity responses with very high titers and neutralizing antibodies against SARS-CoV-2. Recently, the IIBR reported they carried out successful challenge studies using human ACE2 transgenic mice vaccinated with DYAI-100. Further, as SARS-CoV-2 continues to mutate into different variants, we began engineering new C1 cell lines, including the UK variant that could enable multivalent COVID-19 vaccine candidates, consisting of COVID-19 variants, with the potential for broader efficacy against new SARS-CoV-2 strains that may emerge as possible immune escape virus variants. Additionally, we recently announced an expanded fully funded vaccine development partnership with Medytox to accelerate the development of multivalent COVID-19 vaccine candidates and/or boosters to immunize people against multiple existing or future SARS-CoV-2 variants. As Dr. Gi-Hyeok Yang, Sr, Executive Vice President and Head of Research and Development at Medytox, recently stated, *'Based on our experience and comparing the C1 technology platform against several other expression platforms, such as CHO and insect cells, we believe that the fungi-derived C1 expression system is the most realistic technology to develop and manufacture multi-valent (i.e., tri-valent, and tetra-valent) vaccines, rapidly and affordably, against COVID-19 mutant viruses, without the need for a large-scale bioreactor facility. Medytox has confidence that the C1 technology platform can play a critical role in helping combat COVID-19, which may continue to persist as a seasonal influenza and necessitate COVID-19 variant vaccine shots every year. We look forward to gaining additional experience with the C1 technology as it has potential for use in developing and producing a growing number of vaccines, drugs, and other biological products in addition to COVID-19'*."

Mark Emalfarb, Dyadic's President and Chief Executive Officer, said, "Our C1 platform has demonstrated the versatility to efficiently produce large quantities of more affordable protein-based products, including vaccines. Our engagement with CR2O follows our successful development of a stable, highly productive, C1 cell line that has shown the potential to be used to rapidly produce our proprietary owned COVID-19 vaccine candidate, DYAI-100 in only five days. This clinical program will enable two key strategic advancements for Dyadic, demonstrating that C1 expressed protein is safe in humans and proof of concept

for the development of next generation multivalent COVID-19 vaccines, based on existing and future variants, thus enabling licensing, and partnering opportunities. In parallel with the DYAI-100 program, we are engineering multiple cell lines capable of producing COVID-19 variant antigens. This R&D effort will enable Dyadic to rapidly develop next generation COVID-19 variant based vaccine candidates with a development partner or licensee, positioning Dyadic as the partner of choice for high volume, low-cost next generation COVID-19 vaccines."

About CR2O

CR2O is a full service CRO, specialized in managing and operating clinical development activities towards infectious disease interventions. In the past decade, CR2O clinical experts contributed to >100 clinical trials in over 30 countries. Headquartered near Utrecht, The Netherlands, CR2O will continue to combine its scientific expertise and operational excellence to meet unmet medical needs in the virology field. More information can be found at www.cr2o.nl

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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