Phycus Biotechnologies and TeselaGen Biotechnology Partner to Accelerate the Production of Biome-friendly Ingredients for Cosmetics

Collaboration and licensing agreement provide access to TeselaGen, the leading artificial-intelligence-enabled operating system for biotechnology

TORONTO and SAN FRANCISCO – (March 31, 2021) Phycus Biotechnologies Inc., the company developing a bio-based solution for making ingredients used for cosmetics, and TeselaGen Biotechnology, Inc. announced today a collaboration and licensing agreement to speed the production of naturally derived, biome-friendly ingredients for cosmetics and personal care products. Under terms of the agreement, Phycus will license *TeselaGen*®, the leading artificial-intelligence-enabled operating system for biotechnology, to design and optimize industrial-scale workflows for the production of naturally derived glycolic acid.

Many cosmetics today include ingredients derived from crude oil that leave behind residual chemical contaminants, such as formaldehyde, that are harmful to the skin and the beneficial bacteria that protects it. Phycus' innovative fermentation process uses plant-based feedstock to develop glycolic acids for cosmetics and personal care products, such as anti-aging serums and peels, that are formaldehyde-free, biome-friendly and reduce the carbon footprint.

"Glycolic acid is one of the most effective ingredients in cosmetics, particularly among anti-aging products, yet there are too few options for the increasing number of consumers who want both sustainable and effective treatment options," said TeselaGen CEO Eduardo Abeliuk, Ph.D. "Phycus' innovative fermentation process for producing naturally derived glycolic acid using synthetic biology could radically transform the way cosmetics are made. This reflects an encouraging switch from petroleum-based chemical production to low-carbon footprint bio-based approaches. We look forward to working with the Phycus team to decrease the time it takes to bring products to market."

Under the collaboration, Phycus will license *TeselaGen* and have access to the entire end-to-end solution for designing and optimizing industrial-scale workflows, including the Design & Build, and Test & Discover Modules. The *TeselaGen* AI-enabled operating system has demonstrated a 7-times decrease in design-build time, a 10-fold reduction in development costs, and a 2-fold increase in production rate and titer.

"Like many other companies developing specialty chemicals, we struggle with disconnected data that is in disparate formats and difficult to analyze, particularly as we scale up. We were looking for an innovative partner to help make the development process smarter and faster," said Phycus Biotechnologies CEO Vikram Pandit. "TeselaGen's expertise and experience working with companies to optimize their fermentation scale-up make the company an ideal partner."

With the addition of Phycus to TeselaGen's select group of partners, TeselaGen will also gain access to product feedback that will guide the development of new features. Phycus is among a growing number of emerging companies developing high-value chemicals for bio-based products using *TeselaGen* to optimize R&D work and fermentation scale-up.

About Phycus Biotechnologies

Phycus Biotechnologies makes formaldehyde-free glycolic acid using synthetic biology. The technology produces high-purity ingredients in the cosmetics market, with a lower carbon footprint. Its technology uses a fermentation process to produce bio-based chemicals that are today sourced from petroleum, but that could instead be derived from biomass feedstocks, like sugars. Learn more at www.phycusbio.com.

About TeselaGen Biotechnology

TeselaGen Biotechnology has developed the first artificial intelligence-enabled operating system for biotechnology, enabling scientific organizations to commercialize high-performance bioproducts - from pharmaceuticals to food to fabrics - faster and easier than ever. *TeselaGen*® connects biologists, lab technicians, and bioinformaticians so that they can collaboratively design and build experiments, organize and standardize data and then test and continually learn. *TeselaGen* has been deployed by Fortune 50 companies and emerging innovators in biopharmaceuticals, agriculture, and specialty chemicals. The company is privately held and based in San Francisco, CA. For more information, visit www.teselagen.com.

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