

# Amyris, Inc.

Q1 2020  
EARNINGS CONFERENCE CALL

May 8, 2020 – 6:00 am PT



**amyris**

Make good. No compromise.™

## FORWARD LOOKING STATEMENT

This presentation and oral statements accompanying this presentation contain forward-looking statements, and any statements other than statements of historical fact could be deemed to be forward-looking statements. These forward-looking statements include, among other things, statements regarding future events, such as expected revenue, including product and royalty revenues, recurring revenue, EBITDA, gross profit and operating expenses in 2020 and beyond, including related growth rates, anticipated growth for Amyris's Clean Beauty business, expected production volume, delivery and cost reduction in 2020, and expectations regarding Amyris's financial and operational results and ability to achieve its business plan in 2020 and beyond. These statements are based on management's current expectations and actual results and future events may differ materially due to risks and uncertainties, including risks related to Amyris's liquidity and ability to fund operating and capital expenses, risks related to potential delays or failures in development, production and commercialization of products, risks related to Amyris's reliance on third parties, and other risks detailed from time to time in filings Amyris makes with the Securities and Exchange Commission, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Amyris disclaims any obligation to update information contained in these forward-looking statements, whether as a result of new information, future events, or otherwise.

### NON-GAAP FINANCIAL INFORMATION

This presentation and oral statements accompanying this presentation contain both GAAP and non-GAAP financial information. Amyris considers non-GAAP financial information to be a helpful measure to assess its operational performance and for financial and operational decision-making.

*Totals in this presentation may not foot due to rounding.*

## Agenda

- 1 | Executive Overview
- 2 | Operational Review
- 3 | Financial Review
- 4 | 2020 Outlook
- 5 | Q&A



**John Melo**

*President and Chief Executive Officer*



**Han Kieftenbeld**

*Chief Financial Officer*



**Eduardo Alvarez**

*Chief Operating Officer*

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## COVID-19

- Our **first priority** is the safety and health of our people, our partners and our communities
- To-date **limited impact** on demand and our ability to supply
  - We are classified as an essential business thus allowed to continue operations
  - Inventory built up through the end of Q2
- **Consumer brands** accelerating growth trajectory. Our ingredients are formulated in **household cleaning and personal care** products
  - Consumer focus on cleaning and sustainable ingredients due to COVID-19 driving strong performance
  - Lower Clean Beauty sales due to Sephora store closures largely offset by increased ecommerce sales. Consumer has shifted to internet purchasing
  - Introduced new Pipette branded hand sanitizer in April, strong initial demand and short cash cycle

# Brought New Pipette Branded Hand Sanitizer To Market in 10 Days

## For Baby

### Baby Essentials

- Baby Shampoo+Wash (FF, Calming)
- Baby Lotion (FF, Calming)
- Baby Oil
- Baby Balm
- Baby Wipes

### Baby Extensions

- Baby Shampoo+Wash (Vanilla & Ylang Ylang)
- Baby Lotion (Vanilla & Ylang Ylang)
- Baby Wipes- 72ct
- Balm Stick

### Specialty Products

- Baby Cream to Powder
- Eczema Lotion
- Diaper Rash Cream

## For Mom

### Belly Products

- Belly Butter
- Belly Oil

### Everyday Essentials

- Relaxing Wash
- Relaxing Lotion

### Specialty Skincare

- Overnight Brightening Mask



## For the Family

### Everyday Protection

- Hand Sanitizer
- Mineral Sunscreen SPF 50

### Everyday Hand Care

- Hand Wash
- Hand Lotion

### Everyday Haircare

- Daily Hydrating Shampoo
- Daily Hydrating Conditioner
- Hair Detangler



## Q1 Financial Highlights

*Strong sales growth along with much improved earnings*

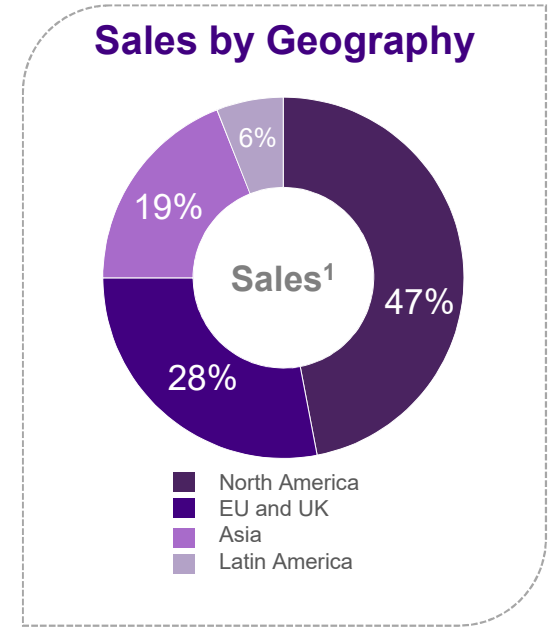
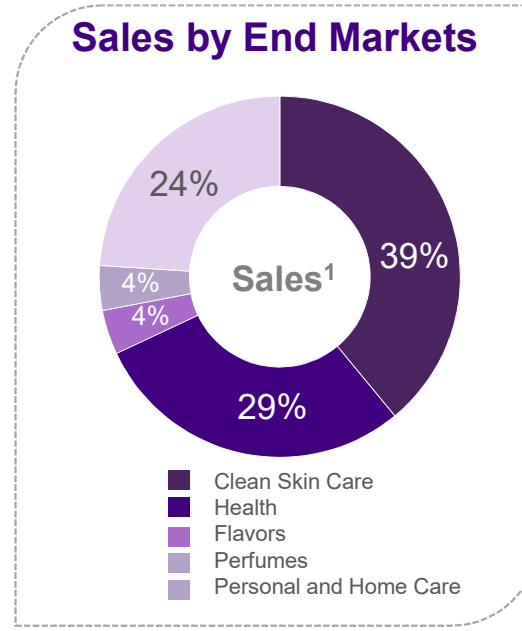
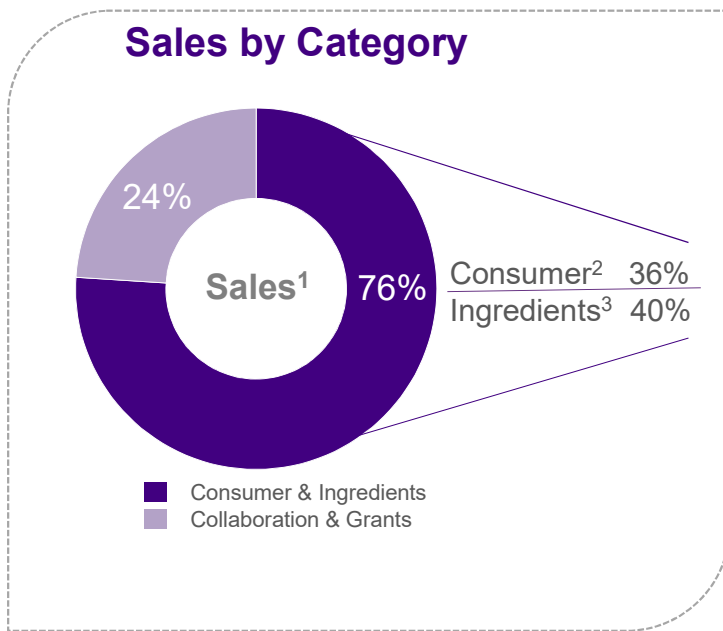
- **Sales well up** versus prior year quarter
  - Consumer and Ingredients product sales up 92% versus Q1 2019
  - Collaboration revenue up 158% versus Q1 2019
- **Earnings growth** due to sales growth, better sales mix, and lower unit cost
  - Gross margin of 63% improved due to increased Consumer sales and lower COGS
  - Adjusted EBITDA improved 41% resulting in +\$19m cashflow versus Q1 2019
- Significantly **improved balance sheet**
  - Reduced and simplified 12/31/2019 debt of \$297m to \$209m by end of Q1

**+103%**  
TOTAL SALES

**63%**  
GROSS MARGIN  
(NON-GAAP)

**30%**  
DEBT REDUCTION  
DURING Q1

## Serving Attractive Growth Markets



<sup>1</sup> Based on preliminary unaudited Q1 2020 performance

<sup>2</sup> Biossance, Pipette, Purecane

<sup>3</sup> Flavors and Fragrance, Natural Sweeteners, Personal and Home Care

# Our Strategic Priorities

*Driving a multi-faceted agenda to deliver value for consumers, partners and shareholders*

## 1 | High growth consumer brands

- Build on our Clean Beauty market leadership and double sales YOY
- Extend offering of clean and safe ingredients and product

## 2 | Scientific and commercial collaboration

- Execute on R&D collaboration programs to scale 3-4 new molecules yearly
- Establish market leadership in sustainable Health and Wellness markets

## 3 | Supply chain optimization

- Deliver lower unit costs targeting gross margins >60% of sales
- Drive agile and robust supply network to support sales growth

## 4 | Improved balance sheet, earnings and cash flow

- Reduced balance sheet leverage. Be fully funded to deliver growth
- Deliver on path to sustained cash generation from operational performance



## Q1 2020 Operations Update

*Fifth consecutive quarter of improved product margin and production volume growth*

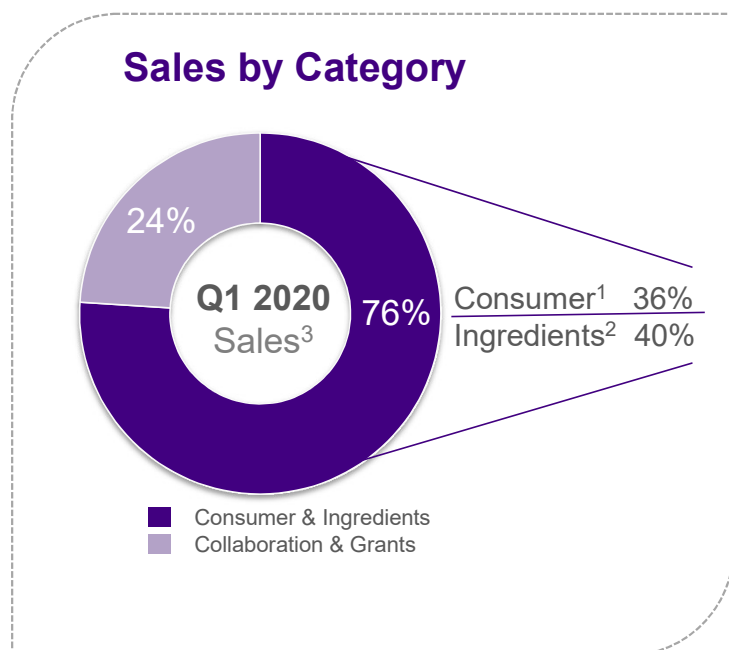
- No COVID-19 disruption to our production in Brazil, Europe and North America
- Delivered 637MT of product volume, +25% vs expectation, and COGS of \$11m
- Continued to optimize production and supply chain
  - **Scale** – Continued growth in output and efficiencies in production. Example: Squalane for Clean Beauty and Personal Care
  - **Campaigns** - Our fermentation processes exceeded target for our new campaigns Example: new Sweetener process improving throughput by three-fold
  - **New Product** - Supply chain and fulfillment agility in support of customer changes. Example: Pipette™ hand sanitizer on track for a 10-fold increase
- Strategic investment in Flavors and Fragrance plant in Brazil is progressing well and spend is benefiting from devalued Real vs US Dollar

**+103%**  
TOTAL SALES

**63%**  
GROSS MARGIN  
(NON-GAAP)

## Q1 2020 Sales Revenue by Category

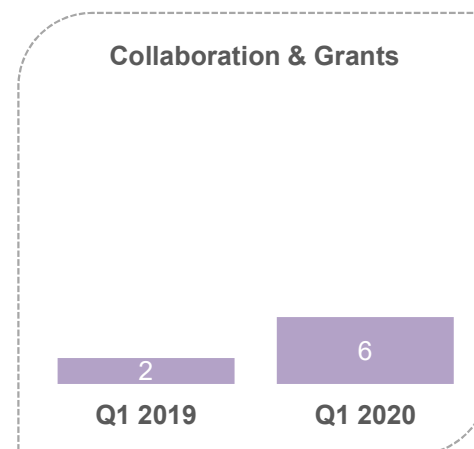
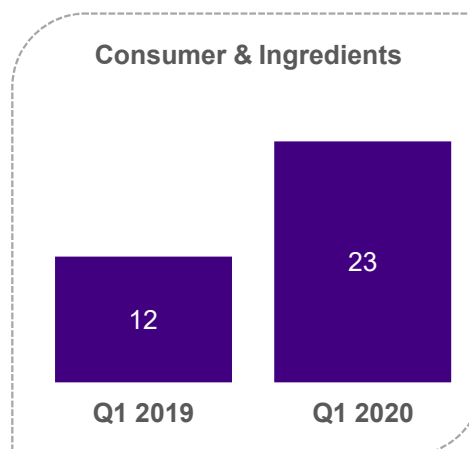
*Consumer & Ingredients sales is the total of Renewable Products and Licenses and Royalties*



<sup>1</sup> Biossance™, Pipette™, Purecane™

<sup>2</sup> Flavors and Fragrance, Natural Sweeteners, Personal and Home Care

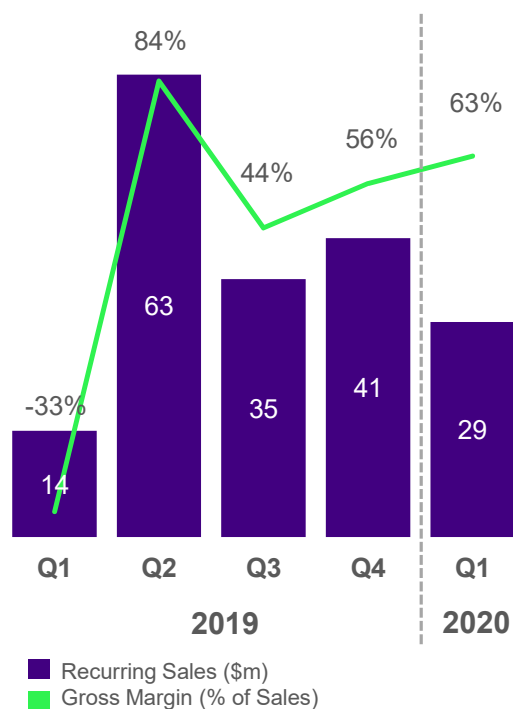
<sup>3</sup> % Share based on sales excluding \$3.75m non-recurring item



■ Sales Revenue (\$m)

|                        | Q1 2019   | Q1 2020   |              |
|------------------------|-----------|-----------|--------------|
|                        | \$m       | \$m       | YOY %        |
| Consumer & Ingredients | 12        | 23        | +92%         |
| Collaboration & Grants | 2         | 6         | +158%        |
| <b>Total Revenue</b>   | <b>14</b> | <b>29</b> | <b>+103%</b> |

## Q1 2020 Sales Revenue and Gross Margin



Non-recurring: Q2 2019 \$40.7m, Q4 2019 \$8.8m, Q1 2020 \$4.8m

| Sales Revenue Bridge              | Q1        |      |
|-----------------------------------|-----------|------|
|                                   | \$m       | %    |
| <b>2019</b>                       | <b>14</b> |      |
| Volume/Mix Consumer & Ingredients | 11        | 75%  |
| Price Consumer & Ingredients      | 0         | 2%   |
| Collaboration & Grants            | 4         | 26%  |
| <b>2020</b>                       | <b>29</b> |      |
| Variance                          | 15        | 103% |

Consumer & Ingredients sales is the total of Renewable Products and Licenses and Royalties

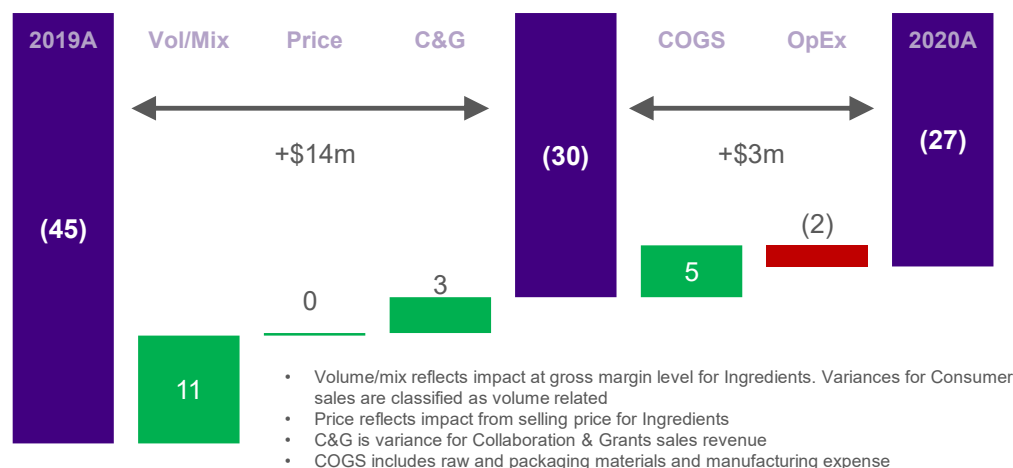
- Sales Revenue up \$15m or 103% mostly due to 11m from volume/mix improvement in Consumer & Ingredients (of which \$6m was related to growth in Consumer brands), and \$4 million from increased Collaboration & Grants revenue
- Consumer & Ingredients sales of \$23m, up 92% YOY of which price was +3% and volume/mix was +89%
- Collaboration & Grants sales of \$6m, up 158% YOY due to increased revenue from programs with two strategic partners

## Q1 2020 Key Financials

|                    | Q1     |           |       |
|--------------------|--------|-----------|-------|
|                    | \$m    | Variance  |       |
| Sales              | 29     | 15        | +103% |
| Gross Profit       | 18     | 23        | +BIG  |
| Gross Margin       | 63%    | +9650 bps |       |
| Net Income         | (87)   | (23)      | -36%  |
| Adj. Net Income    | (44)   | 15        | +25%  |
| Adj. EBITDA        | (27)   | 19        | +41%  |
| Adj. EBITDA%       | (91%)  | +BIG      |       |
| Diluted EPS        | (0.56) | 0.26      | +32%  |
| Adj. Diluted EPS   | (0.28) | 0.47      | +63%  |
| Adj EBITDA – Capex | (31)   | 17        | +36%  |

- Sales Revenue up 103%. Consumer & Ingredients sales up 92%, Collaboration & Grants up 158%
- Net Income lower by \$23m. Improvements from operations of \$19m were offset by adjustments in debt instruments of \$37m
- Adjusted Net Income improved by \$15m due to improved sales mix and lower unit cost

### Adjusted EBITDA Bridge (\$ Millions)



- Adjusted EBITDA improved by \$19m mostly due to \$11m from volume/mix improvement in Consumer & Ingredients and lower COGS of \$5m
- Operating expenses were up \$2m due to investments in marketing & sales to support Consumer brand growth, partly offset by lower R&D expenses

# Q1 2020 Earnings



Adjustments to EBITDA mostly relate to stock compensation

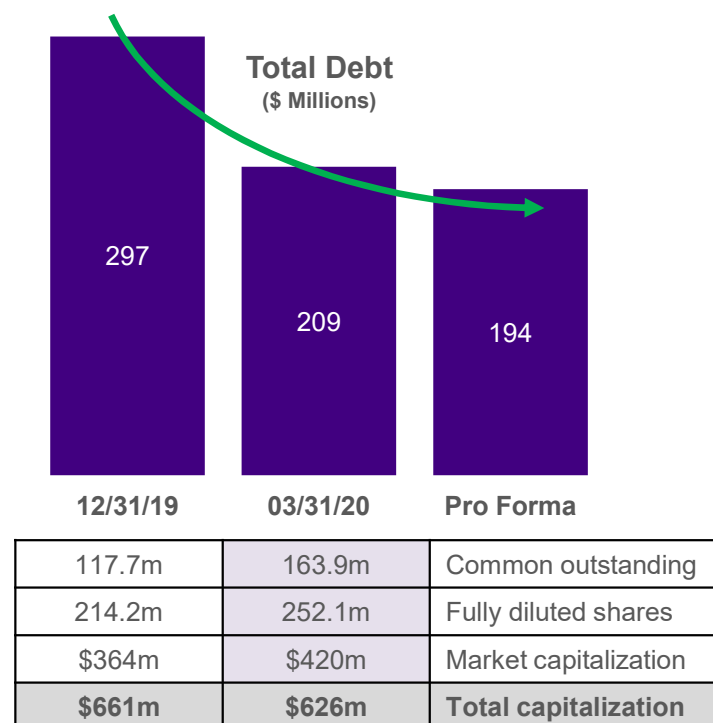
## Earnings Bridge

|                        | Net Income  | Adj EBITDA  |             |
|------------------------|-------------|-------------|-------------|
|                        | \$m         | \$m         | %           |
| <b>2019</b>            | <b>(64)</b> | <b>(45)</b> |             |
| Volume/Mix             | 11          | 11          | +25%        |
| Price                  | 0           | 0           | +1%         |
| Collaboration & Grants | 4           | 4           | +8%         |
| COGS                   | 5           | 5           | +12%        |
| Operating expense      | (2)         | (2)         | -5%         |
|                        | <b>(46)</b> | <b>(27)</b> | <b>+41%</b> |
| Depreciation & Amort   | (1)         | --          | --          |
| Stock compensation     | --          | --          | --          |
| Interest               | (2)         | --          | --          |
| Derivatives & debt     | (37)        | --          | --          |
| Tax                    | --          | --          | --          |
| Share count            | --          | --          | --          |
| <b>2020</b>            | <b>(87)</b> | <b>(27)</b> |             |
| YOY variance           | (23)        | 19          | +41%        |

## Q1 2020 Debt And Other Items

| Item                 | Q1 2020 | Q1 2019 | Comment  |
|----------------------|---------|---------|--|
|                      | \$m     | \$m     |  |
| Debt                 | 209     | 229     | Debt increased from Q1 2019 thru 12/31/2019 to \$297m and has since been reduced |
| Net interest expense | 15      | 13      | Up due to higher average debt position   |
| Effective tax rate   | --      | --      | Not calculated due to negative income  |
| Capital expenditures | 4       | 3       | Small increase mostly due to investments in new F&F plant in Brazil              |

### De-levered Balance Sheet by \$88 million in Q1 2020



Pro Forma includes \$15m reduction in 2022 Convertible Note (see 8-K dated 05/04/2020)

## 2020 Outlook

*Sales guidance maintained - COVID-19 presents uncertainties to which we do not have full visibility*

- Full year Sales Revenue is expected to grow approximately 44% versus 2019 GAAP sales of \$153 million
- 2020 recurring sales are expected to grow approximately 80% versus 2019 recurring sales of \$104 million
- Gross margin is expected to operate >60% of sales
- Adjusted EBITDA is expected to turn positive during Q4 of this year

| Full Year             | 2019   | 2020 Growth |
|-----------------------|--------|-------------|
| Total GAAP Sales      | \$153m | ~44%        |
| Total Recurring Sales | \$104m | ~80%        |

Expected growth trajectory skews sales and thus earnings and cashflow from operations toward H2

| Sales Phasing          | Full Year 2020 |            |
|------------------------|----------------|------------|
|                        | H1             | H2         |
| Consumer & Ingredients | 33%            | 67%        |
| Collaboration & Grants | 30%            | 70%        |
| <b>Total Revenue</b>   | <b>30%</b>     | <b>70%</b> |

2019 Full year Revenue includes a \$49m non-recurring item  
2020 Full year Revenue is expected to include \$36m in non-recurring items

## Closing Messages

- The leading Synthetic Biology platform: the fastest, cheapest and most sustainable approach to high value chemistry for a sustainable planet
- Delivering industry leading growth in the fastest growing and most profitable market segments: Clean Beauty, Natural Health and Natural Flavor and Fragrance ingredients
- Much improved balance sheet with substantial debt reduction and simplification
- We believe this is the moment to leverage \$1.3B investment and 14 years of developing and scaling technology and our market position to accelerate sector leadership



Thank You

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Q&A

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# GAAP to Non-GAAP Reconciliations

| (In thousands, except per share data)   | Three Months Ended March 31, |                    |
|---|------------------------------|--------------------|
|   | 2020                         | 2019               |
| <b>Net loss attributable to Amyris, Inc. common stockholders (GAAP)</b>                                     | \$ (86,757)                  | \$ (63,813)        |
| Non-GAAP adjustments:   |                              |                    |
| Stock-based compensation expense  | 3,504                        | 3,452              |
| (Gain) loss from change in fair value of derivative instruments   | (3,282)                      | 2,039              |
| Loss from change in fair value of debt  | 16,503                       | 2,130              |
| Loss upon extinguishment of debt  | 27,319                       | -                  |
| Loss allocated to participating securities  | (1,087)                      | (2,430)            |
| <b>Net loss attributable to Amyris, Inc. common stockholders (non-GAAP)</b>                                 | <b>\$ (43,800)</b>           | <b>\$ (58,622)</b> |
| <b>Weighted-average shares outstanding</b>  |                              |                    |
| Shares outstanding, basic and diluted   | 155,065,635                  | 77,512,059         |
| <b>Net loss per share attributable to Amyris, Inc. common stockholders - Basic (GAAP)</b>                   | <b>\$ (0.56)</b>             | <b>\$ (0.82)</b>   |
| Non-GAAP adjustments:   |                              |                    |
| Stock-based compensation expense  | 0.02                         | 0.04               |
| (Gain) loss from change in fair value of derivative instruments   | (0.02)                       | 0.03               |
| Loss from change in fair value of debt  | 0.11                         | 0.03               |
| Loss upon extinguishment of debt  | 0.18                         | -                  |
| Loss allocated to participating securities  | (0.01)                       | (0.03)             |
| <b>Net loss per share attributable to Amyris, Inc. common stockholders - Basic (non-GAAP)<sup>(1)</sup></b> | <b>\$ (0.28)</b>             | <b>\$ (0.76)</b>   |

<sup>(1)</sup> Amounts may not sum due to rounding.

| (In thousands)                           | Three Months Ended March 31, |                   |
|--|------------------------------|-------------------|
|  | 2020                         | 2019              |
| <b>Total revenue (GAAP and non-GAAP)</b> | <b>\$ 29,130</b>             | <b>\$ 14,374</b>  |
| <b>Cost of products sold (GAAP)</b>      | <b>\$ 11,790</b>             | <b>\$ 17,707</b>  |
| Other costs/provisions                   | (815)                        | 2,008             |
| Excess capacity                          | (66)                         | (441)             |
| Depreciation and amortization            | (233)                        | (136)             |
| <b>Cost of products sold (non-GAAP)</b>  | <b>\$ 10,676</b>             | <b>\$ 19,138</b>  |
| <b>Adjusted gross profit (non-GAAP)</b>  | <b>\$ 18,454</b>             | <b>\$ (4,764)</b> |
| Gross margin %                           | 63%                          | -33%              |

| (in \$M)     | GAAP Net Loss | Loss allocated to participating securities | Income Tax | Interest Expense/Gain(loss) from Change in FV of Derivatives & Debt/ Other Expenses | Depr/Amort | Stk Comp | Adjusted EBITDA |
|--------------|---------------|--|------------|---|------------|----------|-----------------|
| <b>Q1'20</b> | <b>(86.8)</b> | <b>(1.1)</b>                               | 0.1        | 56.0  | 1.7        | 3.5      | <b>(26.6)</b>   |
| <b>Q1'19</b> | <b>(63.8)</b> | <b>(2.4)</b>                               | -          | 16.8  | 0.8        | 3.5      | <b>(45.1)</b>   |

## Debt Schedule as of March 31, 2020

(\$ in millions)

|                   | Holder                     | Relation      | Security  | Maturity | Rate    | 12/31/2019     | Q1 Actions      | 3/31/2020      |
|-------------------|----------------------------|---------------|-----------|----------|---------|----------------|-----------------|----------------|
| Secured           | Foris (Senior Cap)         | Related Party | Secured   | Jul-22   | 12.5%   | \$115.4        | (\$64.9)        | \$50.5         |
|                   | Naxyris                    | Related Party | Secured   | Jul-22   | 12.75%  | \$24.4         | (\$0.1)         | \$24.3         |
|                   | Schottenfeld               |               | Secured   | Jan-23   | 12.0%   | \$12.5         |                 | \$12.5         |
|                   | Schottenfeld               |               | Secured   | Apr-20   | 12.0%   | \$7.9          |                 | \$7.9          |
|                   | DSM loan 2                 | Related Party | Secured   | Aug-22   | 12.5%   | \$8.0          |                 | \$8.0          |
|                   | Nikko note 2               | JV Partner    | Secured   | Dec-22   | 5.0%    | \$5.0          |                 | \$5.0          |
|                   | Nikko note 1               | JV Partner    | Secured   | Dec-29   | 5.0%    | \$2.8          |                 | \$2.9          |
|                   | Nikko note 3               | JV Partner    | Secured   | Apr-20   | 2.75%   | \$5.6          | (\$1.6)         | \$4.0          |
| Unsecured         | Total Raffinage Chimie     | Related Party | Unsecured | Apr-20   | 12.0%   | \$10.2         | (\$1.1)         | \$9.1          |
|                   | Nikko Aprinnova note B     | JV Partner    | Unsecured | Aug-20   | 2.75%   | \$0.9          |                 | \$0.9          |
|                   | DSM loan                   | Related Party | Unsecured | Dec-21   | 10.0%   | \$25.0         |                 | \$25.0         |
|                   | Convertible notes due 2022 |               | Unsecured | Sep-22   | 5.0%    | \$66.0         | (\$20.8)        | \$45.3         |
|                   | Ginkgo note                | Comm. Partner | Unsecured | Oct-22   | 12.0%   | \$12.0         | \$0.0           | \$12.0         |
|                   | Other loans                |               | Unsecured | Various  | Various | \$1.8          | (\$0.7)         | \$1.1          |
| <b>Total Debt</b> |                            |               |           |          |         | <b>\$297.5</b> | <b>(\$89.1)</b> | <b>\$208.5</b> |

1) Preliminary / unaudited  
Amounts are principal only

## Overview of Warrants Outstanding as of March 31, 2020

|                                  | Strike Price | Shares (M) | Cash from Warrants (\$M) | Total Shares (3/31/20) |
|----------------------------------|--------------|------------|--------------------------|------------------------|
| <b>Common Shares Outstanding</b> |              |            |                          | 163.9                  |
| <b>Warrants:</b>                 | \$0.00       | 6.1        | \$0.0                    |                        |
|                                  | \$0.15       | 0.2        | \$0.0                    |                        |
|                                  | \$2.87       | 33.8       | \$97.0                   |                        |
|                                  | \$3.25       | 3.0        | \$9.8                    |                        |
|                                  | \$3.87       | 2.0        | \$7.7                    |                        |
|                                  | \$4.76       | 1.2        | \$5.8                    |                        |
|                                  | \$5.02       | 3.1        | \$15.7                   |                        |
|                                  | \$5.12       | 0.2        | \$0.9                    |                        |
|                                  | \$7.52       | 7.2        | \$54.3                   |                        |
| <b>Total Warrants</b>            |              | 56.8       | \$191.1                  | 56.8                   |
| <b>Preferred and Converts</b>    |              |            |                          | 16.4                   |
| <b>Employee Stock Plans</b>      |              |            |                          | 15.0                   |
| <b>Fully Diluted Shares</b>      |              |            |                          | 252.1                  |

| Warrant Expiration | %    | # of Warrants | Cash  |
|--------------------|------|---------------|-------|
| <b>2020</b>        | 13%  | 7.2           | 54.3  |
| <b>2021</b>        | 53%  | 30.3          | 98.2  |
| <b>2022</b>        | 28%  | 16.1          | 38.6  |
| <b>2023</b>        | 5%   | 3.0           | 0.0   |
| <b>Various</b>     | 0%   | 0.2           | 0.0   |
| <b>Total</b>       | 100% | 56.8          | 191.1 |