

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 09, 2022**

**CODEX DNA, INC.**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-40497**  
(Commission File Number)

**45-1216839**  
(IRS Employer  
Identification No.)

**9535 Waples Street**  
**Suite 100**  
**San Diego, California**  
(Address of Principal Executive Offices)

**92121**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (858) 228-4115**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	DNAY	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### **Item 1.01 Entry into a Material Definitive Agreement.**

On August 9, 2022, the Company entered into (i) a Credit, Security and Guaranty Agreement (Term Loan) (the Term Loan Agreement), among the Company, EtonBio, Inc., a California corporation and the Company's wholly-owned subsidiary (EtonBio and together with the Company, the Borrowers), certain subsidiaries of the Company that may become party thereto from time to time as borrowers or guarantors, the lenders party thereto from time to time (collectively, the Term Loan Lenders), and MidCap Financial Trust, as administrative agent (the Term Agent), and (ii) a Credit, Security and Guaranty Agreement (Revolving Loan) (the Revolving Loan Agreement, and together with the Term Loan Agreement, the Loan Agreements), among the Company, EtonBio, certain subsidiaries of the Company that may become party thereto from time to time as borrowers or guarantors, the lenders party thereto from time to time (collectively, the Revolving Loan Lenders, and together with the Term Loan Lenders, the Lenders), and MidCap Funding IV Trust, as administrative agent (the Revolving Agent).

The Term Loan Agreement provides for a secured term loan facility in an aggregate principal amount of up to \$30.0 million, comprised of (i) a tranche 1 term loan of up to \$20.0 million (the Tranche 1 Term Loan), (ii) a tranche 2 term loan of up to \$5.0 million (the Tranche 2 Term Loan), and (iii) a tranche 3 term loan of up to \$5.0 million (the Tranche 3 Term Loan, and, with the Tranche 1 Term Loan and Tranche 2 Term Loan, the Term Loans). The Revolving Loan Agreement provides for a secured revolving loan facility (the Revolving Loans) in an aggregate principal amount of up to \$10.0 million, subject to a borrowing base equal to percentages of eligible accounts receivable and inventory as determined in accordance with the Revolving Credit Agreement. The Term Loans and Revolving Loans mature on August 1, 2027.

The Tranche 1 Term Loan was fully funded on August 9, 2022, to pay transaction fees incurred in connection with the Loan Agreements and to repay in full the Company's borrowings under its existing loan facility with Silicon Valley Bank, with the remaining amount to be used be for general corporate purposes. Subject to certain terms and conditions of the Term Loan Agreement, the Tranche 2 Term Loan is available between January 1, 2023, and September 30, 2023, following the Company's achievement of specified milestones relating to minimum net revenues and minimum net cash proceeds from equity financing. Subject to certain terms and conditions of the Term Loan Agreement, the Tranche 3 Term Loan is available between September 30, 2024, and March 31, 2025. The proceeds of the Tranche 2 Term Loan and Tranche 3 Term Loan may be used for working capital and general corporate purposes.

The Term Loans bear interest at a floating rate based on an adjusted term SOFR (subject to a floor of 1.50%) for a one-month interest period, plus a margin of 5.75%. Interest on the Term Loans is payable monthly in arrears on the first day of each month and at maturity. Following an initial interest-only period, beginning on August 1, 2025, the outstanding principal amount of the Term Loans is repayable in twenty-four equal monthly principal payments, with all remaining outstanding principal, together with all accrued and unpaid interest, due at maturity. The Term Loans may be voluntarily prepaid in full, but not in part, at any time and are also subject to mandatory prepayments with the net proceeds of certain dispositions and casualty events, subject to specified thresholds and reinvestment rights. Prepayments are subject to prepayment premiums of 3.00%, 2.00%, and 1.00% of the amount prepaid for prepayments made during years one, two, and three of the term, respectively. Once repaid, the Term Loans may not be reborrowed. The Borrowers are also obligated to pay an exit fee equal to 4.5% of the outstanding principal amount of the Term Loans borrowed and other customary fees for a credit facility of this size and type.

The Borrowers may borrow, repay and reborrow the Revolving Loans until August 1, 2027, at which time the revolving commitments will terminate and all outstanding Revolving Loans, together with all accrued and unpaid interest, must be repaid. The proceeds of the Revolving Loans may be used for working capital needs and general corporate purposes. As of the closing date, no Revolving Loans were outstanding under the Revolving Loan Agreement.

The Revolving Loans bear interest at a floating rate based on an adjusted term SOFR (subject to a floor of 1.50%) for a one-month interest period, plus a margin of 3.00%. Interest on the Revolving Loans is payable monthly in arrears on the first day of each month and at maturity. The Borrowers are obligated to pay an unused line fee equal to 0.50% per annum on the unused portion of the available revolving commitments, a fee for failure to maintain a minimum balance under the Revolving Loan Agreement, and other customary fees for a credit facility of this size and type.

The obligations of the Borrowers and any future guarantors are secured by liens on substantially all of their assets.

The Loan Agreements require the Borrowers to comply with (i) a minimum net revenue covenant and (ii) a minimum cash covenant, which requires certain unrestricted cash to be greater than or equal to \$7.0 million at all times.

The Loan Agreements contain customary affirmative and negative covenants, including covenants limiting the ability of the Company and its subsidiaries, among other things, to incur debt, grant liens, make distributions, enter certain restrictive agreements, pay or modify subordinated debt, dispose of assets, make investments and acquisitions, enter into certain transactions with affiliates, and undergo certain fundamental changes, in each case, subject to limitations and exceptions set forth in the Loan Agreements.

Each of the Loan Agreements contain customary events of default that include, among other things, certain payment defaults, cross defaults to certain other contracts and indebtedness, covenant defaults, inaccuracy of representations and warranties, bankruptcy and

---

insolvency defaults, judgment defaults, change of control defaults, defaults related to the failure to remain registered with the Securities and Exchange Commission and listed for trading on the Nasdaq Stock Market, and a material adverse change default.

Upon the occurrence and during the continuance of an event of default under the Loan Agreements, the respective administrative agent, if requested by the respective Lenders, may, among other things, (i) suspend or terminate commitments, as well as obligations of the relevant administrative agent and lenders, (ii) declare all outstanding obligations under the applicable agreement (including principal and accrued and unpaid interest) immediately due and payable, and (iii) exercise the other rights and remedies provided for under the applicable agreement. The Loan Agreements provide that, under certain circumstances, a default interest rate will apply on all obligations under such agreement during the existence of an event of default, at a per annum rate equal to 2.0% above the applicable interest rate.

The description of the Loan Agreements contained herein is qualified in its entirety by reference to the text of the Loan Agreements, which the Company will file with the Securities and Exchange Commission as exhibits to a forthcoming periodic financial report, and are hereby incorporated by reference herein.

#### **Item 1.02 Termination of a Material Definitive Agreement.**

On August 9, 2022, contemporaneously with the execution and delivery of the Loan Agreements, that certain Loan and Security Agreement, dated as of March 4, 2021, by and among the Borrowers and Silicon Valley Bank, as subsequently amended, was terminated in accordance with the terms thereof and all outstanding amounts were repaid.

#### **Item 2.02 Results of Operations and Financial Condition.**

On August 9, 2022, Codex DNA, Inc. (“the Company”) issued a press release (the “Earnings Release”) announcing results for the quarter ended June 30, 2022. A copy of the Earnings Release is attached as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein.

The information under Item 2.02 in this current report on Form 8-K and the related information in the Earnings Release attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

#### **Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth in Item 1.01 hereof is incorporated by reference into this Item 2.03.

#### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	<a href="#">Press Release dated August 9, 2022</a>
104	Cover Page Interactive Data File (formatted as Inline XBRL)

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CODEX DNA, INC.

Date: August 9, 2022

By: /s/ Brent Hunter  
Name: Brent Hunter  
Title: VP Finance

---

## Codex DNA Reports Second Quarter 2022 Financial Results

**SAN DIEGO – August 9, 2022** – Codex DNA, Inc. (Nasdaq: DNAY), a pioneer in automated benchtop synthetic biology systems, today reported financial results for the second quarter ended June 30, 2022.

### Recent Highlights

*Continued execution across all areas of the growth strategy:*

- Increased total revenue by 98% over prior year period
- Grew revenue by 44% on an organic basis year over year, excluding contributions from Eton Bioscience acquisition
- Delivered solid growth in BioXp 3250 instrument placements
- Experienced record high BioXp kit revenues, driven by growth in gene fragments, cloning, and DNA library kits
- Launched MyBioXperience, a new e-commerce solution, which dramatically simplifies and streamlines the customer ordering process for BioXp kits across DNA synthesis, cloning, libraries, and mRNA synthesis
- Strengthened leadership team with the addition of Eric Esser as Chief Operating Officer

*Key advancements on research and development (R&D) programs:*

- Progressing towards a fourth quarter 2022 launch of the higher-throughput BioXp 9600 instrument and production of an in-house oligo synthesis platform
- Completed proof-of-concept demonstrations showing that Codex DNA's BioXp instrument can be used to effectively encode and retrieve digital data using DNA sequences
- Advanced the SOLA enzymatic DNA synthesis (EDS) program to consistently and reliably generate oligos of 20 to 100 base pairs that are further assembled into genes, mRNA and protein on the BioXp instrument

“I am pleased to share that this quarter we were able to once again deliver robust revenue growth across our product portfolio,” said Todd R. Nelson, Ph.D., Codex DNA's Chief Executive Officer. “These financial results reflect the strong underlying momentum that has been building over the last year and better position the company for long-term success. We continue to make progress on key research and development milestones, including multiple next-generation product launches expected in the fourth quarter of this year, which we believe will bolster revenue growth.”

### Second Quarter 2022 Financial Results

- Revenue was \$5.7 million for the second quarter 2022, a 98% increase from \$2.9 million for the same period in the prior year.
  - BioXp 3250 sales of 16 instruments, which was up 23% over the same period in the prior year. Additionally, BioXp kit revenue increased 66% to \$0.8 million compared to the same period in the prior year.
  - Royalties and other revenue grew at 113% over second quarter 2021 due to revenue from the collaboration with Pfizer and continued growth of in-licensing royalties.
  - Gross margin increased from 33.4% to 48.0%.
  - Net loss was \$14.8 million for the second quarter 2022, compared to \$9.2 million in the same period in the prior year. Net loss per share was \$0.50 for the second quarter of 2022, compared to \$1.06 for the second quarter of 2021.
  - Cash, cash equivalents, and short-term investments were \$61.9 million as of June 30, 2022.
-

## Updated 2022 Financial Guidance

“We have experienced strong performance in the first half of 2022, and we are raising our full-year revenue guidance accordingly,” said Brent Hunter, Codex DNA’s Vice President of Finance. “This updated guidance reflects our expectations for strong financial results in 2022, driven by continued growth in our core BioXp business and new product launches in the fourth quarter.

For the full year 2022, Codex DNA provided the following updated financial guidance:

- Total revenue in the range of \$22 million to \$24 million, up from prior guidance of \$19 million to \$21 million.
- Operating expenses in the range of \$62 million to \$65 million.

## Webcast and Conference Call Information

Company management will host a conference call today, August 9, 2022, at 1:30 p.m. PDT / 4:30 p.m. EDT to discuss the financial results and other recent corporate highlights.

The press release and live audio webcast can be accessed via the Investor section of Codex DNA’s website at [www.codexdna.com](http://www.codexdna.com). The conference call can be accessed by registering at the following link: <https://register.vevent.com/register/BI3c5895f666544e6abb6418b1b284105e>. Once registered, participants can dial in with an assigned personal PIN number or select the ‘Call Me’ option for an instant dial to your phone. Please log in approximately 5-10 minutes before the event to ensure a timely connection. The archived webcast will remain available for replay on Codex DNA’s website for 30 days.

## About Codex DNA

Codex DNA is empowering scientists with the ability to create novel, synthetic biology-enabled solutions for many of humanity’s greatest challenges. As inventors of the industry-standard Gibson Assembly® method and the first commercial automated benchtop DNA and mRNA synthesis system, Codex DNA is enabling rapid, accurate and reproducible writing of DNA and mRNA for numerous downstream markets. The award-winning BioXp™ system consolidates, automates, and optimizes the entire synthesis, cloning and amplification workflow. As a result, it delivers virtually error-free synthesis of DNA and RNA at scale within days and hours instead of weeks or months. Scientists around the world are using the technology in their own laboratories to accelerate the design-build-test paradigm for novel, high-value products for precision medicine, biologics drug discovery, vaccine and therapeutic development, genome editing, and cell and gene therapy. Codex DNA is a public company based in San Diego. For more information, visit [codexdna.com](http://codexdna.com).

*Codex DNA, the Codex DNA logo, Gibson Assembly, and BioXp are trademarks of Codex DNA Inc.*

## Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical facts contained herein are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include statements and guidance regarding Codex DNA’s future financial performance as well as statements regarding the future release and success of products and services. Such statements are based on current assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties, many of which are beyond our control, include risks described in the section entitled Risk Factors and elsewhere in our Quarterly Report on Form 10-Q, which is anticipated to be filed with the Securities and Exchange Commission on August 10, 2022. These forward-looking statements speak only as of the date hereof and should not be unduly relied upon. Codex DNA disclaims any obligation to update these forward-looking statements.

---

**Codex DNA, Inc.**  
**Selected Balance Sheet Financial Data**  
**(in thousands)**  
**(unaudited)**

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
<b>Balance Sheet Data:</b>		
Cash, cash equivalents and investments	\$ 61,889	\$ 82,806
Working capital	53,783	83,451
Total assets	97,284	116,257
Total liabilities	32,564	25,473
Accumulated deficit	(93,295)	(65,270)
Total stockholders' equity	64,720	90,784

---

**Codex DNA, Inc.****Selected Statements of Operations Financial Data**

(in thousands, except per share amounts)

	(unaudited) Three Months Ended June 30,		(unaudited) Six Months Ended June 30,	
	2022	2021	2021	2020
Revenue:				
Product sales	\$ 4,092	\$ 2,120	\$ 8,220	\$ 3,919
Royalties and other revenue	1,563	732	3,071	1,260
Total revenue	5,655	2,852	11,291	5,179
Cost of revenue	2,943	1,899	5,801	2,924
Gross Profit	2,712	953	5,490	2,255
Operating expenses:				
Research and development	7,124	2,746	13,505	5,624
Sales and marketing	4,514	2,630	7,975	4,905
General and administrative	5,561	3,149	11,360	5,562
Total operating expenses	17,199	8,525	32,840	16,091
Loss from operations	(14,487)	(7,572)	(27,350)	(13,836)
Interest expense, net	(299)	(379)	(635)	(620)
Change in fair value of derivative liabilities	(27)	(1,251)	(4)	(1,547)
Loss on extinguishment of debt	—	—	—	(618)
Other expense, net	(12)	3	(24)	(16)
Provision for income taxes	(6)	(2)	(12)	(6)
Net loss	\$ (14,831)	\$ (9,201)	\$ (28,025)	\$ (16,643)
Net loss per share, basic and diluted	\$ (0.50)	\$ (1.06)	\$ (0.95)	\$ (2.39)
Weighted average common shares used to compute net loss per share, basic and diluted	29,435,838	8,697,707	29,383,870	6,955,084

**Contact:**

Brent Hunter

Vice President of Finance

(815) 780-0842

[finance@codexdna.com](mailto:finance@codexdna.com)

