

UNITED STATES BANKRUPTCY COURT

DISTRICT OF Delaware

In Re. Lodo Therapeutics Corporation

§
§
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§

Case No. 23-11662

Debtor(s)

Lead Case No. 23-11661

☒ Jointly Administered**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 02/23/2024

Petition Date: 10/03/2023

Months Pending: 5

Industry Classification:

5	4	1	7
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Reporting Method:

Accrual Basis ☒Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Sophie Rogers Churchill

Signature of Responsible Party

05/13/2024

Date

Sophie Rogers Churchill

Printed Name of Responsible Party

1201 N. Market St. Wilmington, DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Lodo Therapeutics Corporation

Case No. 23-11662

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$1,510,187	
b. Total receipts (net of transfers between accounts)	\$0	\$0
c. Total disbursements (net of transfers between accounts)	\$0	\$1,510,187
d. Cash balance end of month (a+b-c)	\$1,510,187	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$0	\$1,510,187

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input checked="" type="radio"/> Market <input type="radio"/> Other <input type="radio"/> (attach explanation))	\$0
d. Total current assets	\$0
e. Total assets	\$510,187
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$2,068,814
n. Total liabilities (debt) (j+k+l+m)	\$2,068,814
o. Ending equity/net worth (e-n)	\$-1,558,627

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$0	
f. Other expenses	\$4,240,040	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-4,240,040	\$-4,240,040

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Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>						
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
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	x						
	xi						
	xii						
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Debtor's Name Lodo Therapeutics Corporation

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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	c						
c.	All professional fees and expenses (debtor & committees)						

Part 6: Postpetition Taxes**Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$0
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐
- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

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Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|-------|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Yale S. Bogen

Signature of Responsible Party

Financial Advisor

Title

Yale S. Bogen

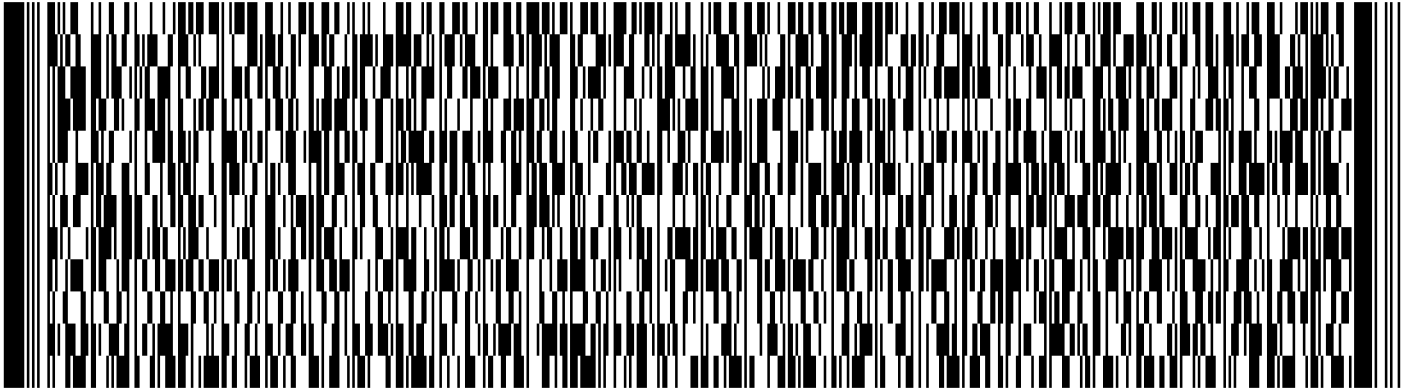
Printed Name of Responsible Party

05/13/2024

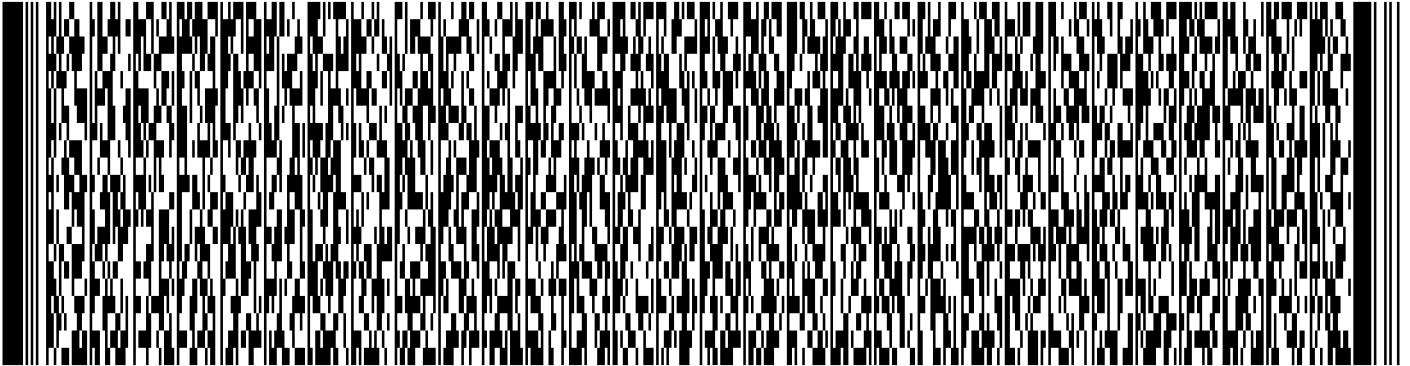
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Debtor's Name Lodo Therapeutics Corporation

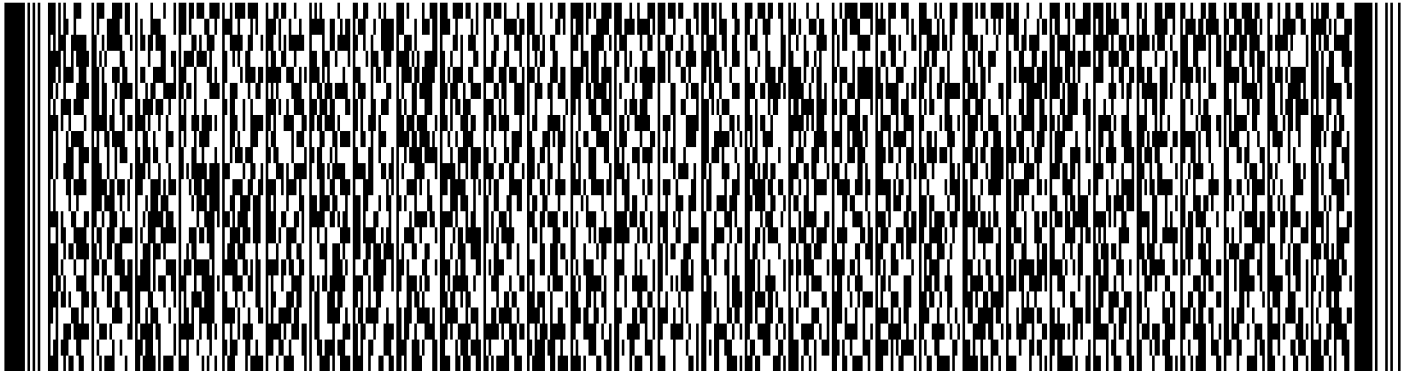
Case No. 23-11662



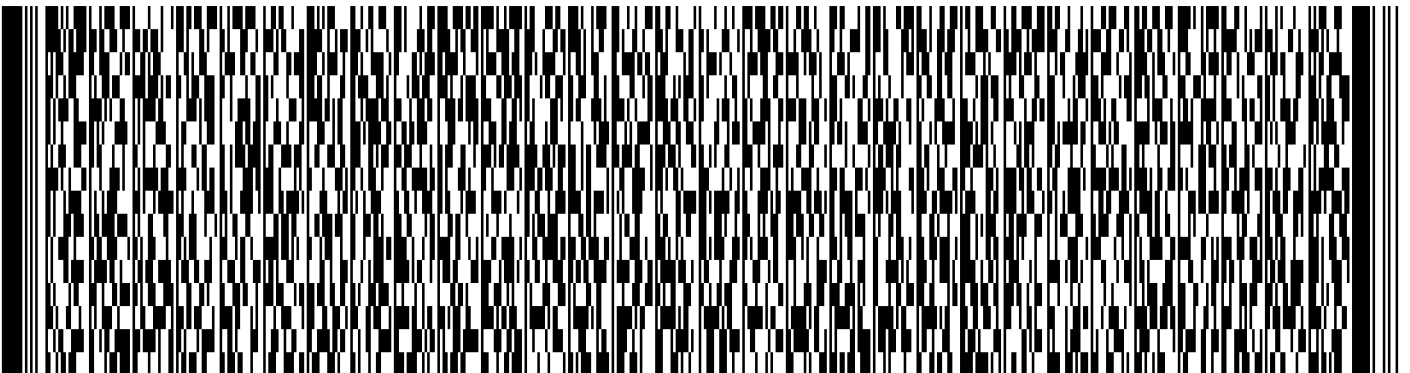
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PageTwoPartTwo

Debtor's Name Lodo Therapeutics Corporation

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Bankruptcy1to50



Bankruptcy51to100



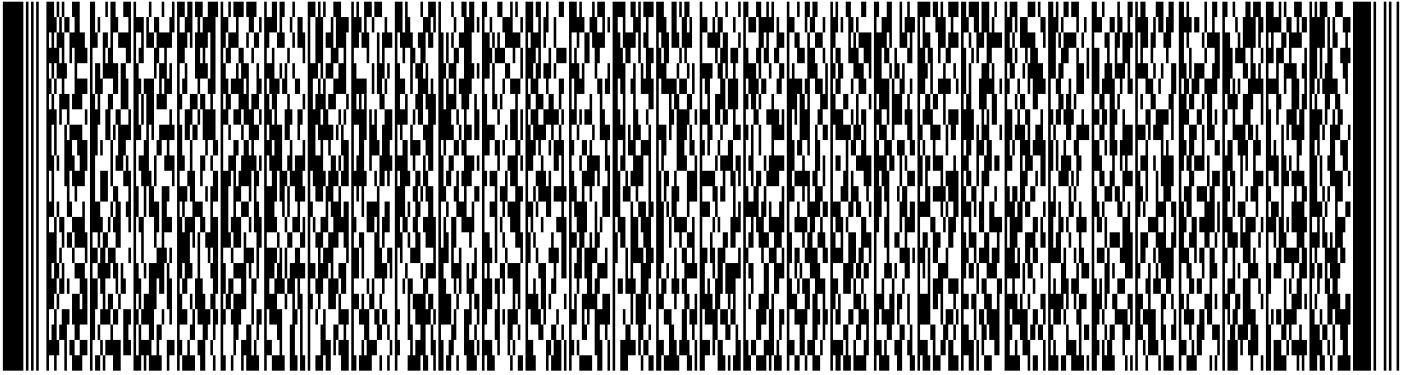
NonBankruptcy1to50



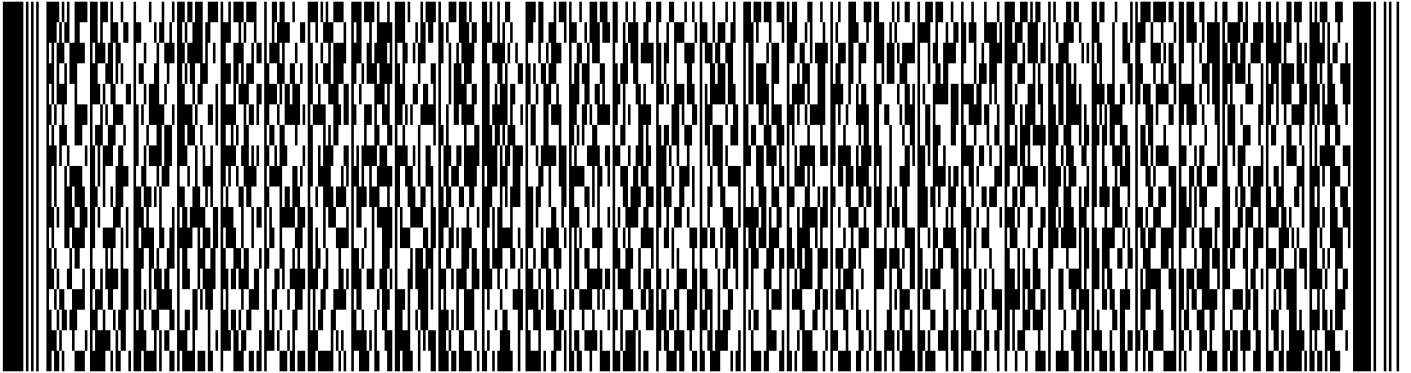
NonBankruptcy51to100

Debtor's Name Lodo Therapeutics Corporation

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Ginkgo Bioworks, Inc.

New Ginkgo Parent : Zymergen Consolidated : Zymergen, Inc.
Income Statement
Feb 2024

Financial Row	Amount
Ordinary Income/Expense	
Income	
4500 - Service Fee Revenue	(\$204,166.67)
Total - Income	(\$204,166.67)
Gross Profit	(\$204,166.67)
Expense	
6100 - Compensation & Benefits	
6105 - Payroll Expense	\$243,528.46
6110 - Employer Payroll Tax	\$13,189.67
6111 - Employer Payroll Tax on Stock Compensation	\$8,466.56
6115 - Employee Health Insurance	(\$41,752.77)
6118 - Benefits - Other	\$260,603.06
6120 - Retirement Benefits	\$14,521.91
Total - 6100 - Compensation & Benefits	\$498,556.89
6200 - Outside Services	
6232 - Contract Research	\$34,483.61
6240 - Other Outside Services	(\$93,414.14)
Total - 6200 - Outside Services	(\$58,930.53)
6230 - Contract Manufacturing - CMO	(\$59,007.50)
6400 - Rent & Facilities & Taxes	
6401 - Rent Expense	
6410 - Rent	
6411 - Straightline Rent	\$420,288.51
Total - 6410 - Rent	\$420,288.51
6472 - Utilities	\$69,390.03
6472 - Garbage Collection	\$2,305.59
6473 - Facilities operating charges	\$876,541.26
6474 - Property taxes on real estates	\$98,153.87
6820 - Facilities Repairs & Maintenance & Other	(\$42,965.98)
Total - 6401 - Rent Expense	\$1,423,713.28
6416 - Brokerage Fees	
6417 - Loss on Lease Termination	\$10,470.84
Total - 6416 - Brokerage Fees	\$10,470.84
6450 - Office	
6451 - Office Supplies	(\$35,199.55)
6452 - Dues and Subscriptions	\$4,279.26
6453 - Software & Databases	\$156,244.16
6460 - Insurance	\$150,671.38
6461 - D&O Insurance	\$9,493.70
6481 - License, Fees & Permits	\$21,872.26
6484 - Postage & Shipping	(\$6,044.59)
Total - 6450 - Office	\$301,316.62
6630 - Taxes	
6630 - Taxes	(\$1.00)
6483 - Bank Service Charges	\$3,035.00
6632 - Sales Tax	\$45,000.00
Total - 6630 - Taxes	\$48,034.00
Total - 6400 - Rent & Facilities & Taxes	\$1,783,534.74
6500 - Travel & Entertainment	
6505 - Travel	(\$1,052.59)
Total - 6500 - Travel & Entertainment	(\$1,052.59)
6550 - Information Services	
6551 - Computer Cloud Services	\$97,666.26
6552 - Computer Peripherals	(\$637.62)
6553 - Network & Internet	(\$6,045.68)
6554 - Non-capitalized Hardware & Software	(\$10,751.78)
Total - 6550 - Information Services	\$80,231.18
6709 - Legal Fees	
6710 - Legal - General Corporate Matter	\$1,988,501.50
6712 - Legal - Litigation	(\$2,658,478.44)
6715 - IP Expense -Other	(\$3,115.80)
6716 - Patent Prosecution	(\$2,020.20)
6716 - Patent Prosecution	(\$41,813.17)
6721 - Regulatory Advice	\$147,364.00
Total - 6709 - Legal Fees	(\$569,562.11)
6720 - Accounting Fees	\$307,622.53
6730 - Consulting Fees	\$1,514,314.21
6800 - Equipment Expense	
6811 - Equipment Maintenance Contracts - Service	(\$4,963.21)
6812 - Non-Capitalized Equipment	(\$2,595.00)
Total - 6800 - Equipment Expense	(\$7,558.21)
6813 - Short-term Lease Expense	(\$1,501.72)
6835 - Lab Supplies	
6835 - Lab Supplies	(\$22,183.25)
6836 - Chemicals	\$35,745.89
Total - 6835 - Lab Supplies	\$13,562.64
6900 - Non Cash Expense	
6911 - Amortization Expense of Intangible	\$168,214.28
6913 - Impairment of Fixed Assets - Held for Sale	\$2,910,166.95
6916 - Impairment of Goodwill	\$10,659,550.47
6917 - Impairment of Intangible Assets	\$5,463,700.14
Total - 6900 - Non Cash Expense	\$19,201,631.84
Total - Expense	\$22,701,841.37
Net Ordinary Income	(\$22,906,008.04)
Other Income and Expenses	
Other Income	
9010 - Other Income	\$228,487.66
9020 - Sublease Rent Income	\$689,211.63
9050 - Interest Income	\$3.83
9100 - Gain/Loss on Sale of Asset	\$278,920.88
Total - Other Income	\$1,196,624.00
Other Expense	
9112 - Unrealized Gain/Loss	\$250.67
9114 - Chargeback between Zymergen and Ginkgo	(\$225,733.39)
Total - Other Expense	(\$225,482.72)
Net Other Income	\$1,422,106.72
Net Income	(\$21,483,901.32)

In re: Zymergen Inc.*Statement of Cash Receipts and Disbursements*

Lead Case No. 23-11661 (KBO)

Reporting Period Feb. 1 - 23, 2024

Debtor	Total Disbursements
Zymergen Inc.	\$ 2,367,089
Lodo Therapeutics Corporation	see Note 1
enEvolv, Inc.	-
Genesis Acquisition Sub, LLC	-
Total	\$ 2,367,089

Debtor	Total Receipts
Zymergen Inc. (see Note 1)	\$ 2,096,857
Lodo Therapeutics Corporation	-
enEvolv, Inc.	-
Genesis Acquisition Sub, LLC	-
Total	\$ 2,096,857

NOTE 1 - During the reporting period, Debtor Lodo Therapeutics Corporation ("Lodo") transferred \$1,000,000 to Debtor Zymergen, Inc. ("Zymergen") as a matter of cash management. Given that this was a transfer between debtors, consistent with the monthly operating report instructions, this transfer has not been included as a disbursement on the monthly operating form for Lodo or a receipt for Zymergen.

In re: Zymergen Inc.
 Unaudited Balance Sheet as of February 23, 2024

Lead Case No. 23-11661 (KBO)
 Reporting Period Feb. 1 - 23, 2024

\$ USD	Zymergen Inc.	Lodo Therapeutics Corporation	enEvolv, Inc.	Genesis Acquisition Sub, LLC
Assets:				
Current assets:				
Cash and cash equivalents	\$ 46,893,909	\$ 510,187	\$ 32,070	\$ 28,428
Pre-petition restricted cash	2,014,564	-	-	-
Accounts receivable	982,923	-	-	-
Intercompany receivables	2,713,811	-	172,444	1,582,706
Other current assets	8,301,551	-	7,929	-
Total current assets	\$ 60,906,758	\$ 510,187	\$ 212,443	\$ 1,611,134
Non-current assets:				
Fixed assets held for resale	\$ 2,450,000	\$ -	\$ -	\$ -
Long-term prepaids	1,385,397	-	-	-
Operating lease right of use assets	30,537,686	-	-	-
Other Receivable	2,146,263	-	-	-
Deferred lease receivable	3,560,327	-	-	-
Intellectual property, net	-	-	-	-
Investments in subsidiaries	43,388,651	-	-	-
Total non-current assets	\$ 83,468,324	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 144,375,082	\$ 510,187	\$ 212,443	\$ 1,611,134
Liabilities:				
Current liabilities:				
Accounts payable	\$ 8,565,710	\$ -	\$ -	\$ -
Intercompany payables	1,775,653	2,011,701	-	-
Accrued expenses	3,126,184	57,114	-	-
Operating lease liabilities, current	644,492	-	-	-
Deferred revenue, current	-	-	-	-
Other current liabilities	(505,229)	-	-	-
Total current liabilities	\$ 13,606,809	\$ 2,068,814	\$ -	\$ -
Non-current liabilities:				
Operating lease liabilities, non-current	\$ 28,557,051	-	-	-
Other long-term liabilities	-	-	-	-
Total non-current liabilities	\$ 28,557,051	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 42,163,860	\$ 2,068,814	\$ -	\$ -
Equity				
Common stock	\$ -	\$ -	\$ -	\$ -
Additional paid-in capital	231,749,430	25,309,303	10,455,785	7,620,170
Accumulated deficit and other comp. loss	(129,538,207)	(26,867,931)	(10,243,341)	(6,009,036)
Total Equity	\$ 102,211,222	\$ (1,558,628)	\$ 212,443	\$ 1,611,134
TOTAL LIABILITIES AND EQUITY	\$ 144,375,082	\$ 510,187	\$ 212,443	\$ 1,611,134

Note:

The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.