



Solugen Inc. Secures \$32 Million in Series B Funding

Founders Fund Leads Latest Funding Round for Emerging Company Seeking to Decarbonize the Chemicals Industry with Bio-Based Technologies

HOUSTON – May 22, 2019 – Solugen Inc., an emerging specialty chemicals manufacturer and world’s first and only producer of bio-based peroxide solutions, today announced the closing of \$32 million in Series B funding led by Founders Fund with key participation from other venture capital investors such as Y Combinator, Refactor Capital, Fifty Years and KdT Ventures. The capital raise comes on the heels of the company securing \$13.5 million in October 2018 and will be used to continue fueling Solugen’s rapid growth as it seeks to decarbonize the chemicals industry with its bio-based technologies.

“Solugen is on track to become a major player in the chemical industry,” said Brian Singerman, Partner at Founders Fund. “The company’s success to date proves that there is significant demand for cleaner, greener methods of chemical production. For customers, choosing between toxic, petrochemical-based chemicals and cheaper, safer, environmentally friendly bio-chemicals from Solugen is a no-brainer.”

Founded in 2016, Solugen produces bio-based solutions that are fundamentally changing the chemicals industry. The company’s first product, Bioperoxide™, was created using patented enzymatic technology to convert plant sugars into hydrogen peroxide and led to the manufacturing of a comprehensive line of products such as its flagship BioSol™ and ScavSol™ solutions. Today, BioSol and ScavSol help treat, clean and oxidize water uses with oil and gas, waste water treatment and mining chemicals. Solugen’s solutions remove the need for highly combustible and toxic petrochemical-based chemicals to clean water as its products are more efficacious, cheaper, safer to produce, and less hazardous for customers and their employees as well as fully biodegradable.

“This is a momentous landmark in our company’s young history, and we want to thank our investors for their support as well as for their belief in our technology, team, and mission of decarbonizing the chemicals industry,” said CEO Gaurab Chakrabarti, M.D., Ph.D. “Our fundamental green chemistry and enzymatic technology have allowed us to create both products and technologies that no one in our industry currently has such as BioSol, ScavSol and our mini-mills. Innovations like the mini-mill, which go beyond the product, are especially important as we move forward since they illustrate how we understand the needs of our customers who are operating in an environment where freight, importer, and distributor margins for petrochemical-based water treatment chemistries cost more than double our solutions. This proprietary technology allows us to co-locate with large offtake customers to provide the best price while a customer can also descale its products and operate profitably at levels below 10,000 tons per year in an environment where most petro-based chemical plants can only be profitable at scales of more than 10 times that amount. Thanks to innovations like this our customers are seeing results that save them a tremendous amount of money, reduce their carbon footprint and minimize the dangers associated with using traditional, often dangerous petrochemical-derived products.”

Solugen’s revenue grew by nearly 10 times over the last year due to multiple, multi-million dollar oil and gas contracts and it recently began construction of a new state-of-the-art 200,000 square foot headquarters in Houston that will be completed early next year, housing its R&D and logistics operation as well as its commercial scale mini-mill. The company also launched and sold its first national brand, Ode to Clean, to Diamond Wipes last year, secured the Environmental Protection Agency’s Safer Choice Award for Innovation and is working on filing 10 U.S. patents.



It will use this latest round of funding to scale up its development of other bio chemical solutions and its mobile micromanufacturing platforms – mini-mills – as well as further deepen an already robust talent pool of energy executives, chemists and award-winning scientists.

“There is no other company today developing enzyme technology at the level Solugen is,” added Toni Lee, Solugen’s new Head of Enzymology who most recently served as Principal Scientist at Provivi, Inc. and was a member of the winning Nobel Prize in Chemistry team in 2018. “The things happening inside Solugen’s labs really do have the potential to change the world for the better as this company is dramatically altering the way businesses use chemicals as well as the way they are made.”

About Solugen

Founded in 2016 by Gaurab Chakrabarti, M.D., Ph.D., and Sean Hunt, Ph.D., Solugen is a specialty chemicals manufacturer and world’s first and only producer of bio-based chemical peroxide solutions that applies green chemistry principles to re-design the production of a variety of ingredients. Solugen's mission is to help the fight against climate change by creating cleaner, greener, and safer chemical processes that reduce reliance on non-renewable resources and energy-intensive manufacturing, without sacrificing safety and efficacy. To learn more, visit www.solugentech.com.

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