

# **Oryzon Genomics**

# Grants provide confidence and expand portfolio

Oryzon has announced that it has received two separate grants from the Spanish State Research Agency and the Ministry of Science and Innovation to conduct two different public-private collaboration projects. These two-year studies − the DICTIONIS Project (€0.95m budgeted cost) and the MODERN Project (€1.33m budgeted cost) − aim to discover and validate novel biomarkers and epigenetic targets for the treatment of neuronal pathologies. The grants give us confidence in management's ongoing efforts and they complement its clinical activities for vafidemstat, its lead CNS asset, which is currently involved in two Phase II clinical trials: PORTICO (for borderline personality disorder) and EVOLUTION (for schizophrenia). Further, the grants have the potential to expand the company's CNS portfolio, in our view.

| Year end | Revenue<br>(€m) | PBT*<br>(€m) | EPS*<br>(€) | DPS<br>(€) | P/E<br>(x) | Yield<br>(%) |
|----------|-----------------|--------------|-------------|------------|------------|--------------|
| 12/21    | 10.6            | (7.2)        | (0.09)      | 0.0        | N/A        | N/A          |
| 12/22    | 15.7            | (6.4)        | (0.07)      | 0.0        | N/A        | N/A          |
| 12/23e   | 17.3            | (4.2)        | (0.03)      | 0.0        | N/A        | N/A          |
| 12/24e   | 19.0            | (10.0)       | (0.14)      | 0.0        | N/A        | N/A          |

Note: \*PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

As per the <u>announcement</u>, the grants have been made through a provisional resolution proposal within the Spanish research plan 2021–23 for public-private collaboration projects and will be supported by the Spanish State Research Agency and the Ministry of Science and Innovation (financed by the European Union).

The DICTIONIS Project will be a collaboration with the Fundació Centre de Regulació Genomica, Barcelona, and will be focused on the diagnosis of chromatinopathies by detecting alterations in histone modifications. Similarly, the MODERN project will be a collaboration with three Spanish public research agencies (the Universitat Autònoma de Barcelona, the Fundació de Institut d'Investigació Biomédica de Bellvitge (IDIBELL) and LEiTAT), and will focus on high-throughput technologies for the discovery and validation of new epigenetic targets and inhibitors for the treatment of neuronal diseases. The DICTIONIS and MODERN projects will have budgets of €0.95m, and €1.33m, respectively, and Oryzon will receive c €1.35m, plus an additional grant to hire two PhDs. We note that both projects commenced on 1 April 2023, and have a duration of two years.

The new grants and collaborations are encouraging, in our view, and align with the company's objective of expanding its CNS R&D pipeline. Oryzon's ongoing clinical activities, iadademstat (oncology) and vafidemstat (CNS), both target the epigenetic modulator lysine-specific demethylase 1, and the DICTIONIS and MODERN projects focus on new epigenetics targets for the treatment of neurological diseases. These developments reinforce the company's expansion plans into new epigenetic targets, as previously shown through the nomination of a new clinical development candidate, ORY-4001, a histone deacetylase 6 inhibitor, in <a href="March 2023">March 2023</a>. Once ORY-4001 progresses into clinical studies, it would become Oryzon's second clinical-stage epigenetic programme in CNS indications, with potentially more to come, subject to the progress of the newly announced projects.

### Operational update

#### Pharma and biotech

#### 4 October 2023

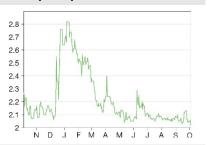
Madrid Stock Exchange

| Price                    | €2.02  |
|--------------------------|--------|
| Market cap               | €117m  |
|                          |        |
| Net debt at 30 June 2023 | €1.56m |
| Shares in issue          | 57.9m  |
| Free float               | 80%    |
| Code                     | ORY    |
|                          |        |

Secondary exchange N/A

#### Share price performance

Primary exchange



# **Business description**

Oryzon Genomics is a Spanish biotech focused on epigenetics. ladademstat is being explored for acute leukaemias, small-cell lung cancer and neuroendocrine tumours. Vafidemstat, its central nervous system (CNS) asset, has completed several Phase Ila trials and a Phase Ilb trial in borderline personality disorder is now the lead study, but Oryzon is rapidly expanding its CNS R&D pipeline.

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