

# Orgenesis

10:35 09 May 2019

## Orgenesis posts record fiscal 1Q profit, \$7.3M in revenue as its contact manufacturing business booms

Orgenesis Inc (NASDAQ: ORGS), a developer of advanced cell therapies, announced Thursday that it posted a record fiscal first-quarter profit and \$7.3 million in revenue.

The Germantown, Maryland-based biopharmaceutical company said revenue expanded nearly tripled to \$7.3 million, compared to \$2.6 million for the three months ended February 28, 2018.

Similarly, gross profit tripled to \$3 million, compared to \$992,000 for the three months ended February 28, 2018.

READ: Orgenesis leads the charge at an exciting time for cell therapy  
The company ended the quarter with \$14.4 million in cash and around \$21.4 million of shareholders' equity.

"Our financial performance is indicative of the rapid growth in the cell and gene therapy market," said Orgenesis CEO Vered Caplan.

She chalked up the revenue boost at Orgenesis to "expanding capacity" of the company's global contract development and manufacturing organization, or CDMO, business and "growing demand" from the company's client base.

CDMO business on a tear

On the manufacturing side, the company's subsidiary MaSTherCell Global is a global CDMO and helps companies shorten lead time and lower costs in getting cell therapies and products to the market.

"In order to meet the growing demand for our CDMO services, we are establishing a new, state-of-the-art production site within the Gosselies Biopark in Belgium, which will expand our CDMO capacity with the goal of serving the needs of commercial-stage customers," said Caplan.

The company is also establishing a new 30,000 square foot manufacturing facility in Houston, Texas, to expand its presence within North America.

Through its point-of-care platform, Orgenesis said it continues to align with regional partners to establish a network of leading healthcare facilities to develop cell and gene therapies. It recently inked an out licensing agreement with HekaBio KK for Japan. It also signed a pact with TheraCell for the clinical development and commercialization of cell and gene therapies in certain European countries.

On the technology side, the company's subsidiary Orgenesis Ltd, is a pioneer in transdifferentiation, which simply means cell reprogramming. It has utilized its proprietary technology to successfully reprogram human liver cells into glucose-responsive, fully functional, insulin-producing cells.

**Price:** US\$4.5

**Market Cap:** US\$72.52M

### 1 Year Share Price Graph



### Share Information

**Code:** ORGS

**Listing:** NASDAQ

**52 week High Low**  
**\$9.50 \$3.87**

**Sector:** Pharma & Biotech

**Website:** [www.orgenesis.com](http://www.orgenesis.com)

### Company Synopsis:

*Orgenesis is a development stage company with a novel therapeutic approach in the treatment of diabetes by correcting malfunctioning organs with new functional tissues created from the patient's own existing organs. Orgenesis employs a molecular and cellular approach directed at converting liver cells into functional insulin-producing cells as a treatment for diabetes.*

**Author:**

**Proactive Investors Ltd**

**+44 (0)207 989 0813**

**action@proactiveinvestors.com**

—(Updates on CDMO business, CEO quotes)—

Contact Uttara Choudhury at [uttara@proactiveinvestors.com](mailto:uttara@proactiveinvestors.com)

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

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