Company announcement
No. 21/2021

Orphazyme A/S
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Orphazyme reports business highlights and financial results in Interim Report First Half 2021

Copenhagen, Denmark, August 31, 2021 – Orphazyme A/S (ORPHA.CO; ORPH) ("the Company"), a late-stage biopharmaceutical company, today announces its Interim Report First Half 2021 for the period January 1 – June 30, 2021.

"We remain steadfast in our belief that arimoclomol holds significant potential for people living with NPC and we remain committed to pursuing a path to regulatory approval in Europe and the United States," said Christophe Bourdon, Chief Executive Officer of Orphazyme. *"While maintaining our patients on the Early Access Programs across key countries, we have executed on our restructuring plan, enabling significant cost savings to the company and are pursuing approval for arimoclomol. In the fourth quarter of 2021, we expect a CHMP opinion from EMA on arimoclomol and expect to provide further detail on our path forward in the US following the conclusion of a Type A meeting with the FDA. We are assessing different possibilities for obtaining additional funding to sustain operations in 2022 and beyond".*

Pipeline Updates First Half 2021

- Announced top-line results from both the Phase 2/3 trial of arimoclomol in Inclusion Body Myositis and the Phase 3 trial of arimoclomol in Amyotrophic Lateral Sclerosis; neither trial met its primary endpoint and we have ceased further development of arimoclomol in these indications
- Received a Complete Response Letter from FDA following its review of the new drug application for arimoclomol in NPC; we are assessing the path forward with FDA
- Marketing authorization application for arimoclomol for NPC remains underway with the European Medicines Agency and a CHMP opinion is expected during Q4 2021
- Our Early Access Programs (EAP) for arimoclomol in the United States, Germany and France continued through the first half of 2021, with approx. 100 patients participating in the EAP as of June 30, 2021
- Presented 12-month and 24-month results from the open-label extension of the Phase 2/3 trial of arimoclomol in NPC at the 17th Annual WORLDSymposium Scientific meeting and the Parseghian Scientific Conference for NPC Research respectively. The results demonstrate that arimoclomol provided a sustained benefit to study participants through 36 months and are consistent with the previously reported safety profile

Financial and Business Highlights First Half 2021

- Appointed Christophe Bourdon as Chief Executive Officer, effective April 1, 2021
- Announced company restructuring that will result in a significant headcount reduction (~70 remaining FTEs expected by year-end), substantial cost savings, and a focus on activities to support potential approval of arimoclomol in Europe and in the US
- For the first six months of 2021, Orphazyme reported a net loss of DKK 463.8.0 million or DKK 13.27 per share (basic and diluted) compared to a net loss of DKK 251.4 million or DKK 9.77 per share (basic and diluted) for the same period in 2020
- Beginning in 2021 and for the six-month period ended June 30, 2021, Orphazyme recognized net revenue of DKK 13.2 million from the sale of arimoclomol for treatment of NPC under the ATU (remunerated early access program) in France

- Research and development expenses for the period totaled DKK 264.7 million compared to DKK 167.0 million for the same period in 2020 mainly due to the increased activity in our development functions for most of the period before receipt of the Complete Response Letter from the FDA; and recognition of restructuring provisions for the close-out of the clinical trials for IBM and ALS and related impairment charges recognized following the negative trial results.
- General and administrative expenses for the period totaled DKK 214.2 million compared to DKK 78.6 million for the same period in 2020 due to the build-up of the commercial organization in preparation for commercial launch during most of the period, including expenses related to supporting functions, before receipt of the Complete Response Letter from the FDA. In addition, this amount includes a restructuring provision for the commercial and administrative employees who were made redundant
- As of June 30, 2021, Orphazyme held cash totaling DKK 334.2 million compared to DKK 610.4 million as of June 30, 2020 and DKK 726.9 million as of December 31, 2020

Subsequent Events

- Announced publication of 12-month data from the double-blind portion of the Phase 2/3 trial in NPC in the Journal of Inherited Metabolic Disease (JIMD). Arimoclomol was well-tolerated with a statistically significant and clinically meaningful effect on disease progression (mean treatment effect in favor of arimoclomol of -1.40 points on 5-domain NPCCSS (95% CI: −2.76, −0.03; p = 0.046))

Outlook

The company maintains its revised outlook for 2021, as published on June 18, 2021. Operating expenses are anticipated to be in the range of DKK 700 -720 million; net operating loss is anticipated to be in the range of DKK 670–700 million; and our cash position at year-end 2021 is anticipated to be approximately DKK 50 million. We anticipate reaching net revenues of between DKK 30 and DKK 40 million by year-end December 31, 2021.

Conference Call

Orphazyme will host an investor call during which Management will present the Interim Report First Half 2021. The presentation will be followed by a Q&A session.

The call will be held on **Tuesday, August 31, 2021 at 2.00 PM CEST/8.00 AM EDT.**

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Event Title: Orphazyme Interim Report First Half 2021

Confirmation code: 4182747

The presentation will also be available via webcast: *https://edge.media-server.com/mmc/p/vmsh6rph*. After the call, the presentation will be available via the webcast link above.

For additional information, please contact

Orphazyme A/S

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About Niemann-Pick disease type C
Niemann-Pick disease type C (NPC) is a rare, genetic, progressively debilitating, and often fatal neurodegenerative disease. It belongs to a family known as lysosomal storage diseases and is caused by mutations leading to defective NPC protein. As a consequence, lipids that are normally cleared by the lysosome accumulate in tissues and organs, including the brain, and drive the disease pathology. We estimate the incidence of NPC to be one in 100,000 live births and the number of NPC patients in the United States and in Europe to be approximately 1,800 individuals. There are no approved treatments for NPC in the U.S.

About arimoclomol
Arimoclomol is an investigational drug candidate that amplifies the production of heat shock proteins (HSPs). HSPs can rescue defective misfolded proteins, clear protein aggregates, and improve the function of lysosomes. Arimoclomol is administered orally, and has now been studied in 10 Phase 1, four Phase 2, and three pivotal Phase 2/3 trials. Arimoclomol has received Orphan Drug Designation (ODD) for NPC in the US and EU. Arimoclomol has received Fast-Track Designation (FTD), Breakthrough Therapy Designation (BTD), and Rare Pediatric Disease Designation (RPDD) from the U.S. Food and Drug Administration (FDA) for NPC. On June 17, 2021, Orphazyme received a Complete Response Letter from the FDA regarding its New Drug Application for arimoclomol for the treatment of NPC. A marketing authorization application (MAA) for arimoclomol in NPC has been filed with the European Medicines Agency and is under review.

About Orphazyme A/S
Orphazyme is a late-stage biopharmaceutical company developing arimoclomol for Niemann-Pick disease type C (NPC). Orphazyme is headquartered in Denmark and has operations in the U.S. and Switzerland. ADSs representing Orphazyme's shares are listed on Nasdaq U.S. (ORPH) and its shares are listed on Nasdaq Copenhagen (ORPHA).

Forward-looking statement
This company announcement may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including in respect of the timing of the company's clinical trials and the results thereof, anticipated regulatory developments and approvals for the company's product candidates, the company's anticipated operating performance, financial position and ability to operate as a going concern. Although the Company believes its expectations are based on reasonable assumptions, all statements other than statements of historical fact included in this company announcement about future events are subject to (i) change without notice and (ii) factors beyond the Company's control, including adverse developments in the company's clinical program, actions by regulatory agencies, effects of the global COVID-19 pandemic, technical and scientific developments in the indications that the company's product candidates are designed to treat, regulatory developments and the impact of the Company's restructuring. These statements may include, without limitation, any statements preceded by, followed by, or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could", and other words and terms of similar meaning or the negative thereof. Forward-looking statements are subject to inherent risks and uncertainties beyond the Company's control that could cause the Company's actual results, performance, or achievements to be materially different from the expected results, performance, or achievements expressed or implied by such forward-looking statements. In light of these risks and uncertainties, and other risks and uncertainties that are described in the Risk Factors section and other sections of the Company's Annual Report on Form 20-F, filed with the Securities and Exchange Commission (SEC) on March 2, 2021, and other filings that the Company makes with the SEC from time to time (which are available at http://www.sec.gov), the events and circumstances discussed in such forward-looking statements may not occur, and the Company's actual results could differ materially and adversely from those anticipated or implied thereby. Although the Company's forward-looking statements reflect the good faith judgment of its management, these statements are based only on facts and factors currently known by the Company. As a result, you are cautioned not to rely on these forward-looking statements. Except as required by law, the Company assumes no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.