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Dyadic Applied BioSolutions, Inc. (DYAI: NASDAQ)

DYAI: Purchase Orders Rolling In

Our valuation approach employs a DCF model and a 15% discount rate. We assume a 22.5% probability of ultimate success for C1, based on historical drug approval rates and number of projects in the pipeline. The model assumes revenue contributions from sources worldwide.

Current Price (11/13/2025)	$0.91
Valuation	**$9.00**

OUTLOOK

Dyadic has developed C1, its proprietary fungal expression system that can produce a variety of recombinant proteins. C1 has been commercialized in industrial applications and is in development for production of pharmaceutical grade proteins. C1 exhibits potential to economically produce recombinant proteins, biologic vaccines, virus-like particles, antibodies, Fc-fusion, enzymes, AAVs and other biopharmaceuticals.

In 2015, the company sold its industrial business to DuPont for $75 million and retained the exclusive right to sublicense C1 for use in animal and human pharmaceutical applications. Proceeds from the DuPont sale provided cash for further development of the C1 platform for production of biologics. Additional R&D funding is provided by partners. Dyadic is working with several biopharmaceutical companies and government organizations to validate the technology and has completed a Phase I trial evaluating the effectiveness of its COVID vaccine in 2023.

In the near term, we expect growing R&D revenue as additional partners are added using C1 and Dapibus technology to produce their products.

SUMMARY DATA

52-Week High	**2.20**
52-Week Low	**0.71**
One-Year Return (%)	**-15.4**
Beta	**1.2**
Average Daily Volume (sh)	**121,009**
Shares Outstanding (mil)	**36.2**
Market Capitalization ($mil)	**32.2**
Short Interest Ratio (days)	**0.9**
Institutional Ownership (%)	**11.4**
Insider Ownership (%)	**25.2**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**16**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**N/A**
P/E using 2026 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue

(In millions of USD)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	$0.3 A	$0.4 A	$2.0 A	$0.8 A	$3.5 A
2025	$0.4 A	$1.0 A	$1.2 A	$1.5 E	$4.0 E
2026					$5.5 E
2027					$7.0 E

Earnings per Share

	Q1	Q2	Q3	Q4	Year
2024	-$0.07 A	-$0.07 A	-$0.01 A	-$0.05 A	-$0.20 A
2025	-$0.07 A	-$0.06 A	-$0.06 A	-$0.03 E	-$0.21 E
2026					-$0.11 E
2027					-$0.07 E

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WHAT'S NEW

Dyadic Applied BioSolutions, Inc. (NASDAQ: DYAI) announced third quarter 2025 results on November 12th, 2025, and held a conference call to discuss them after that day's market close. The remarkable takeaway from the press release is that Dyadic has a diversified set of revenue opportunities that may all contribute to the topline in the next few months. Customers have submitted purchase orders for C1 and Dapibus produced proteins including cell culture media and molecular biology reagents, recombinant growth factors and fibroblast growth factors. First deliveries of cellulosic enzymes have been made to Fermbox customers and Proliant's commercial launch of recombinant serum albumin will begin in the next few months. Initial purchase orders for DNase 1 (RNase free) and recombinant transferrin are expected before year end.

Beyond the revenue opportunities, Dyadic also penned agreements with longer term impacts. The first is with Intralink Group for expanding commercial efforts in Japan and Korea. It will focus on putting DNase 1 and human transferrin in front of partners throughout the value chain including gene therapy manufacturers, suppliers and distributors. The second is a deal with ERS Genomics which offers licensing of a broad range of CRISPR/Cas9 gene editing technologies which can help Dyadic develop desired strains for customers more quickly and improve optimization yields.

Dyadic has also advanced its research-focused efforts. The Gates Foundation collaboration has achieved key milestones and Dyadic has received $2.4 million of a $3.0 million grant. Data shows that C1-produced monoclonal antibodies (mAbs) perform comparably to mAbs produced from traditional Chinese Hamster Ovary (CHO) cell lines. The CEPI/Fondazione Biotecnopolo di Siena provides up to $2.4 million for Dyadic to support antigen design, cell line development and cGMP scale-up for vaccines and antibodies. Other biopharmaceutical program work with the European Vaccines Hub, Uvax Bio and the AdaptVac Consortium may also contribute several million dollars to Dyadic's research efforts in vaccines.

During the third quarter, Inzymes paid Dyadic a $250,000 milestone for productivity achievements for a second enzyme. Next steps for this project are scale-up and commercialization efforts and an anticipated late 2025 or early 2026 launch. Additional enzymes are in development. After the end of the reporting period and in October, Dyadic received its third and final milestone of $500,000 from Proliant for reaching a productivity milestone for animal-free serum albumin manufacturing. The remaining hurdle is the completion of manufacturing to begin to ship product to customers. Sales are expected to be recognized in 2026. Also in 2026, sampling for research and nutritional markets is expected for alpha-lactalbumin. Dyadic has an arrangement with a non-animal dairy development company to develop a product in the infant nutrition segment.

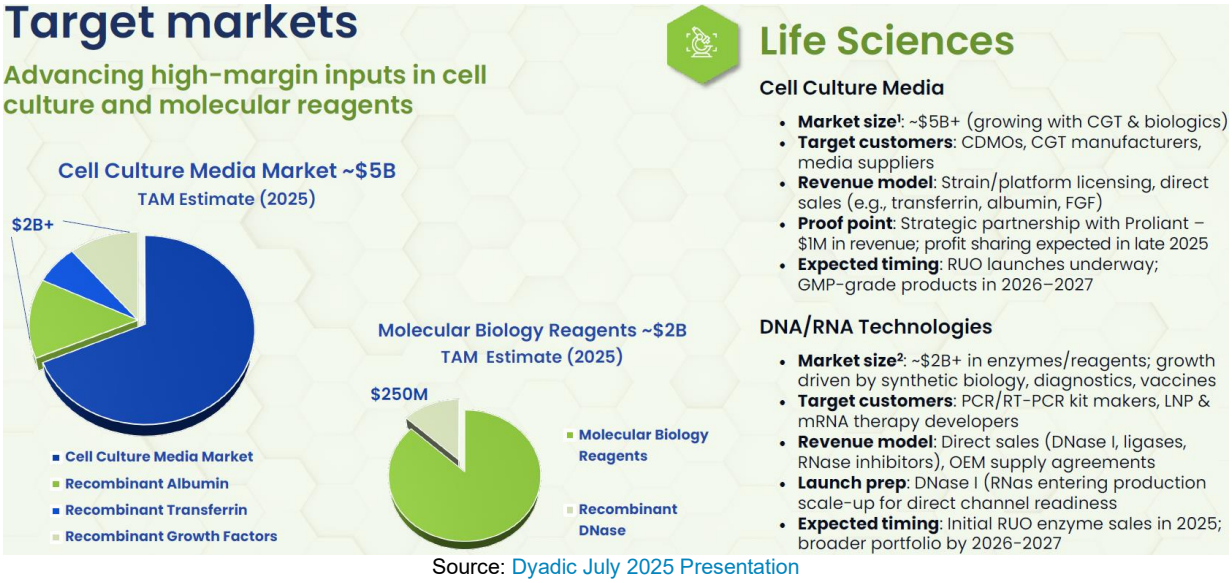
Third Quarter 2025 Operational & Financial Results

On November 12th, 2025, Dyadic published 3Q:25 operational and financial results in a press release and a Form 10-Q filing with the SEC. Further detail was provided in a conference call held with investors. Below are financial results for the three months ending September 30th, 2025, compared to the same prior year period:

- Revenues were $1.2 million, down 41% from $2.0 million. The decrease is attributed to a reduction in the number of active collaborations, and license and milestone revenue. In the prior year, milestones from both Proliant and Inzymes were recognized and this year was only partially replaced by grant revenue from the Gates Foundation and the Coalition for Epidemic Preparedness Innovations (CEPI);
- Cost of revenue totaled $1.0 million, rising from $0.4 million due to the higher cost of grant revenue;
- Research and development expense was up 24% to $572,000 from $460,000 due to an increase in the number of active internal research initiatives in support of product development;
- General and administrative expenses were $1.5 million vs. $1.3 million, rising 14%. Rebranding and business development expenses, legal and accounting expenses, and other expenses contributed to the rise, and were partially offset by a decrease in share-based compensation expense;
- Net loss amounted to ($2.0) million versus ($0.2) million. On a per share basis, net loss was ($0.06) compared with ($0.01).

As of September 30th, 2025, cash, equivalents and short-term securities totaled $10.3 million compared to $9.3 million at the end of 2024. Cash burn during the first nine months of 2025 was ($3.9) million compared with ($3.3) million for the same period in 2024. Cash from financing for the first nine months was $5.0 million mostly from an equity raise in the third quarter. Dyadic believes that it has sufficient cash to support operations for the next 12 months.

Exhibit I – Life Sciences



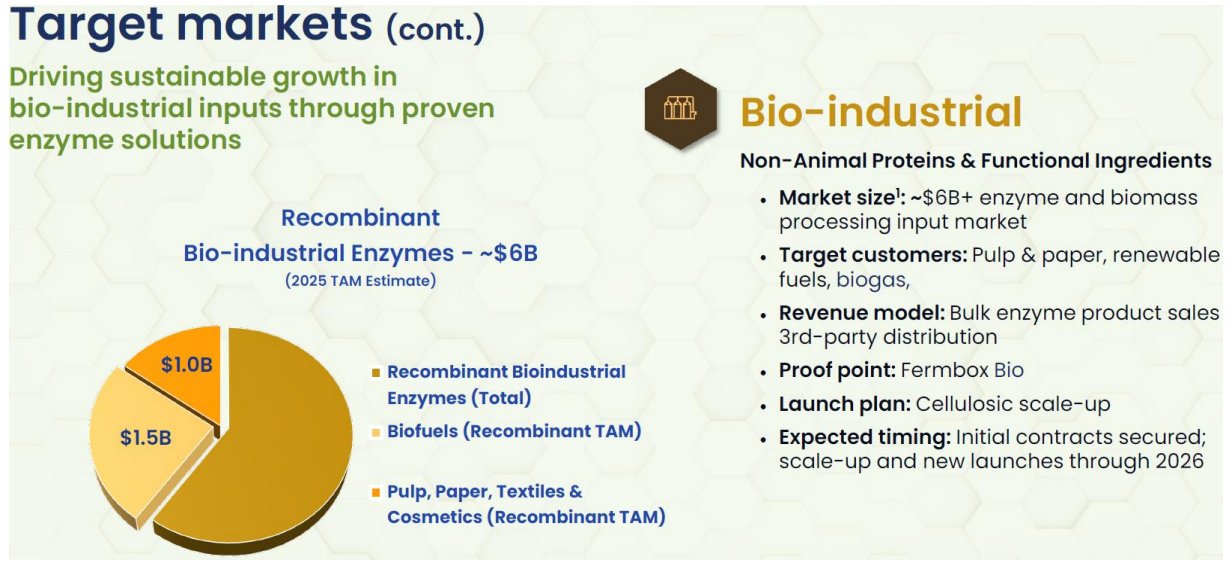
Source: Dyadic July 2025 Presentation

Exhibit II – Food and Nutrition



Source: Dyadic July 2025 Presentation

Exhibit III – Bio-Industrial



Source: Dyadic July 2025 Presentation

Exhibit IV – Growth Drivers

Platform Highlights	C1 Platform (1990's-Present)	Dapibus™ Platform (2021-Present)
Core Strength	High-yield, GMP-ready recombinant expression	GRAS, food-grade production at industrial scale
Applications	Biologics, intermediates, and ingredients for human & animal research, development & manufacturing	Proteins and enzymes for use food, beverage, nutrition, and industrial bioprocessing
Target Markets	Cell culture media, molecular biology reagents	Non-animal dairy; food/nutrition proteins; bio-industrial products
Expected Time to Market	Research-grade 2025, GMP in 2027	Research-grade active, food-grade 2026-27
Strategic Advantage	Higher yields and lower COGS vs. standard platforms - Higher productivity to address margin sensitivities	
Go-to-market strategy	Platform/strain licensing, strategic partnerships, and a hybrid sales model — combining direct-to-customer sales with 3rd-party distributors and OEM channels for scalability.	

Source: Dyadic July 2025 Presentation

Intralink Group Relationship

Dyadic has engaged Intralink Group to expand its commercial presence in Japan and South Korea. They will introduce Dyadic's DNase I (RNase free) and human transferrin to prospects in these two Asian countries. A campaign will identify, prioritize and engage partners, distributors and contract development and manufacturing organizations (CDMOs). Initial areas of interest include biologics, cell and gene therapy and animal free products.

Intralink is a specialist business development consultancy that helps companies in the medical technology, diagnostics, life sciences tools & services and digital health domains to expand internationally. They assist companies outside of Asia identify partners for distribution, licensing and sales inside the region. The firm also provides market intelligence and local regulatory insight.

CRISPR/Cas9 License Agreement with ERS Genomics

Dyadic announced a CRISPR/Cas9[1,2] license agreement with ERS Genomics. It will grant Dyadic access to ERS' CRISPR/Cas9 patent portfolio. ERS Genomics provides licenses to the CRISPR/Cas9 patent portfolio including numerous uses such as research tools, reagents/kits, cell lines, drug discovery, gene therapies, companion diagnostics among others. With this tool, Dyadic can accelerate strain engineering and pathway optimization to enhance productivity, product quality and innovation across its proprietary bioproduction platforms. The company expects that CRISPR/Cas9 will help accelerate and optimize strain development with its two expression platforms. This will support Dyadic's internal pipeline development and the production strains that it develops for partners.

CRISPR is a family of DNA sequences found in the genomes of prokaryotic organisms. It evolved as a means for bacteria to protect themselves from invading viruses and bacteriophages by inserting pieces of the invading viral DNA into the host genome as a way to remember them. This allowed the adaptive immune system to respond accordingly to a subsequent infection. If the same virus invades again, bacteria transcribe these stored sequences into short RNAs, which guide specialized CRISPR-associated (Cas) proteins to seek out and destroy the matching viral DNA, providing adaptive immunity.

In the laboratory, CRISPR enables scientists to selectively modify the DNA of living organisms with high precision. This has the potential to fix errors in the human genome and treat human disease. The technology can also be used to modify expression systems to refine glycosylation, control transgene expression and optimize protein yields. Dyadic expects that the technology will help accelerate product development.

[1] CRISPR: Clustered regularly interspaced palindromic repeats
[2] CAS9: CRISPR-associated protein 9

EN3ZYME

Dyadic announced that its partner Fermbox Bio, with whom it had announced a deal back in May 2023, will fill a purchase order for a Dapibus-produced product called EN3ZYME. It is a cellulase enzyme cocktail designed for the cost-efficient conversion of pre-treated lignocellulosic biomass into fermentable sugars. It allows for conversion of pre-treated biomass to generate fermentable sugars that can be used as an energy source such as ethanol and cellulosic sugars. Feedstock appropriate to EN3ZYME includes bagasse, cotton stalks, straw, corn husks, cane residue and certain kinds of woods. Initial enzyme deliveries have been completed as of November 2025.

Competitive Advantage of C1 Produced Proteins

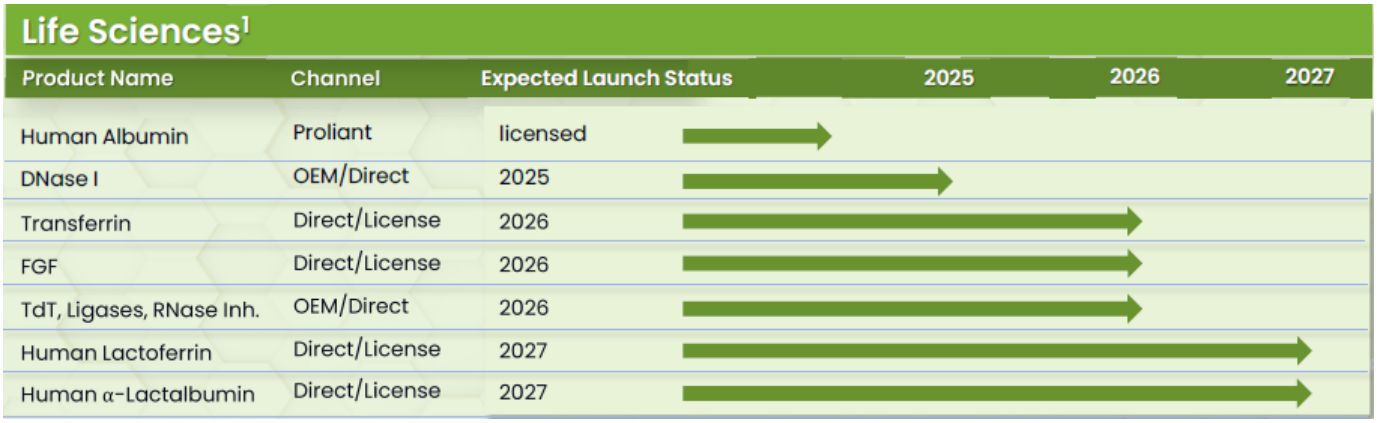
Consumers in the life sciences industry prefer recombinant proteins over animal derived product for their consistency, lack of impurities and sustainability. However, the barrier to wider use has been cost. With C1's efficient production ability, Dyadic asserts that recombinant bovine serum albumin can be manufactured at expense levels competitive with animal-based product. This has the potential of attracting market share from traditional sources as customers of these products recognize the value. There are additional C1-produced proteins[3] that have received Certificates of Analysis[4] and are exposed to attractive markets.

Deoxyribonuclease I (DNase I) is a critical and expensive input into manufacturing messenger RNA, producing proteins and enzymes, removing genomic DNA contamination and cell isolation procedures. In mRNA manufacturing, it helps ensure the purity and quality of the final mRNA product. Dyadic's C1 produced DNase I holds a certificate of analysis and the product is ready for non-GMP production and cGMP process development. Dyadic is seeking a partner to manufacture and commercialize DNase I. It is working with a contract development and manufacturing organization (CDMO) to produce it and sell into small markets. The announced relationship with Intralink is expected to advance DNase I in Asia. DNase I is estimated to be a $300 to $500 million total addressable market.

Transferrin is next in line after DNase I and recent work has shown reliable performance metrics for withstanding temperature extremes in applications. Dyadic is reviewing scale up options and is producing small amounts of the glycoprotein for the research market. Before sales start in earnest, the company must complete the commercial manufacturing process.

Other raw material inputs to the mRNA enzyme market include another $825 million in total addressable market such as TdT terminal transferase, T4 DNA ligase, RNase Inhibitor and T7 RNA polymerase. These markets are served by high-cost *e. coli* expression systems or natural sources, each of which has purity and cost limitations that are largely solved using the C1 expression system. Dyadic has enumerated many of the key products in human health where it can contribute significant benefits.

Exhibit V – Near Term C1 Product Pipeline

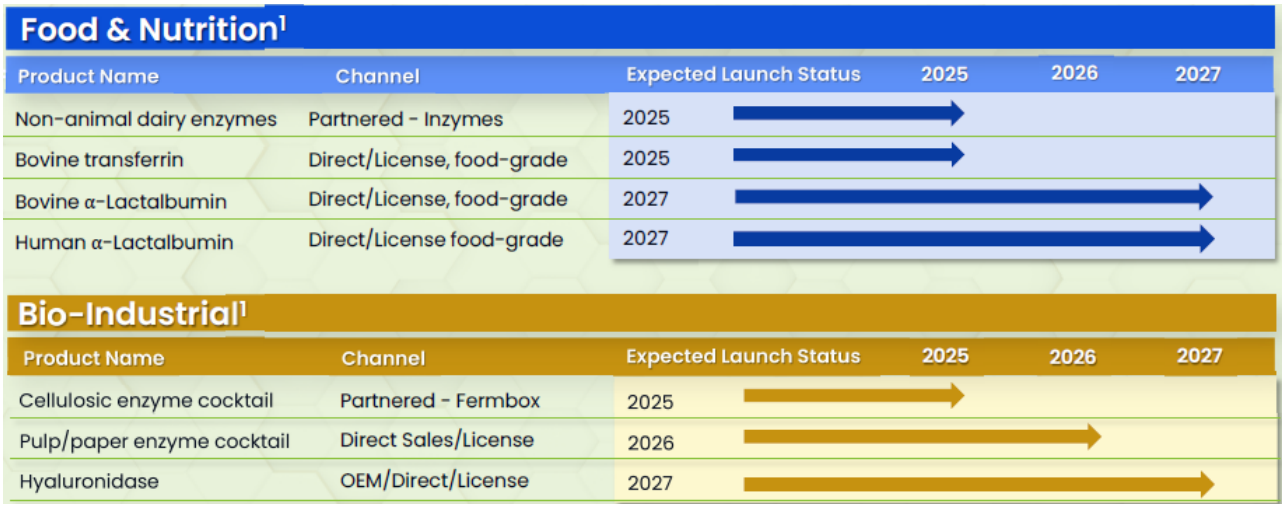


Source: Dyadic July 2025 Presentation

[3] As of the latest update, Dyadic has received a certificate of analysis for DNase I, bovine albumin, bovine transferrin and bovine alpha-lactalbumin

[4] A Certificate of Analysis is a document that verifies that a product meets specified quality and consistency standards. When ensuring that expressed proteins are equivalent to another product (such as a reference protein or biosimilar), the CoA typically includes analytical test results and key quality attributes.

Exhibit VI – Near-Term Dapibus Product Pipeline



Source: Dyadic July 2025 Presentation

Milestones

- Proliant customer outreach for bovine/human albumin – 4Q:24 & 1H:25
- Proliant conducting scale up activities – 1Q:25
- Proliant takes orders for C1 produced product – 1H:25
- Presentation at World Vaccine Congress – April 2025
- Fibroblast growth factors sampling – 2Q:25
- Corporate name change to Dyadic Applied BioSolutions – August 1st, 2025
- Presentations at HC Wainwright, BioProcess International & Sidoti Small Cap Event – September 2025
- Proliant $500,000 productivity milestone paid – September 2025
- VTT Research Contract extended to January 2026 – September 2025
- Proliant ships albumin orders – 2H:25
- Human lactoferrin research & pharmaceutical applications sampling – 2H:25
- Expanded enzymes (RNase inhibitors/T7 RNA polymerase) development & optimization results – late 2025
- Fermbox enzyme delivery – late 2025
- Launch of recombinant dairy enzyme (Inzymes) – late 2025

Summary

Dyadic reported third quarter results highlighting a vast array of submitted purchase orders for C1 and Dapibus derived product. Several more are expected in the coming months. Additionally, Dyadic has received milestone payments which recognize productivity achievements and lead to commercialization activities. The company has forged relationships with partners for the sale of albumin, DNase I and transferrin. Dyadic's bio-industrial partner, Fermbox, has made its first deliveries of its cellulosic enzyme. The company continues to collaborate in the biopharmaceutical and vaccine space with several entities bearing grant income. This helps Dyadic further refine and expand C1 and Dapibus' capabilities as well as support product development that can contribute to global human health. We are excited about first product revenues coming through the door, which are anticipated before year end. We maintain our valuation of $9 per share.

PROJECTED FINANCIALS

Dyadic Applied BioSolutions, Inc. - Income Statement

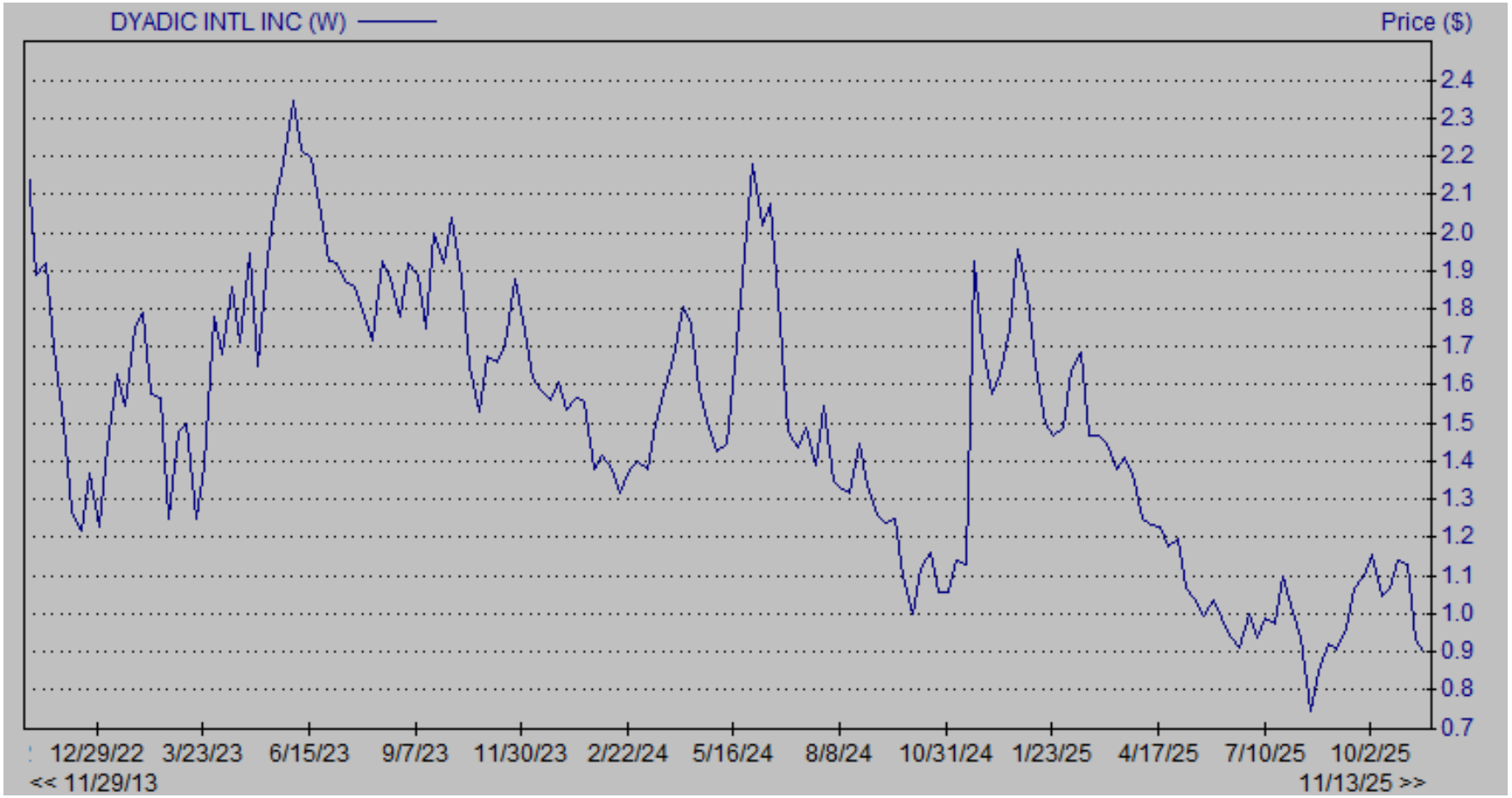
Dyadic International, Inc.	2024 A	Q1 A	Q2 A	Q3 A	Q4 E	2025 E	2026 E	2027 E
Total Revenues	**$3.5**	**$0.4**	**$1.0**	**$1.2**	**$1.5**	**$4.0**	**$5.5**	**$7.0**
YOY Growth	21%	18%	150%	-41%	84%	15%	37%	27%
Cost of Revenue	$1.2	$0.3	$0.6	$1.0	$0.6	$2.5	$2.8	$0.0
R&D	$2.0	$0.5	$0.6	$0.6	$0.6	$2.3	$2.5	$5.5
G&A	$6.1	$1.6	$1.4	$1.5	$1.4	$5.9	$4.8	$4.8
Foreign Currency Exchange	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Income from operations	($5.9)	($2.0)	($1.7)	($1.9)	($1.1)	($6.7)	($4.6)	($3.3)
Operating Margin	*-169%*	*-509%*	*-179%*	*-165%*	*-73%*	*-167%*	*-84%*	*-47%*
Interest Income	$0.5	$0.1	$0.0	$0.1	$0.1	$0.3	$0.5	$0.5
Other	($0.4)	($0.1)	($0.1)	($0.1)	$0.0	($0.3)	$0.0	$0.0
Pre-Tax Income	($5.8)	($2.0)	($1.8)	($2.0)	($1.0)	($6.8)	($4.1)	($2.8)
Provision for Income Tax	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Net Income	**($5.8)**	**($2.0)**	**($1.8)**	**($2.0)**	**($1.0)**	**($6.8)**	**($4.1)**	**($2.8)**
Net Margin	*-166%*	*-515%*	*-186%*	*-170%*	*-67%*	*-168%*	*-75%*	*-40%*
Reported EPS	**($0.20)**	**($0.07)**	**($0.06)**	**($0.06)**	**($0.03)**	**($0.21)**	**($0.11)**	**($0.07)**
Shares Outstanding	29.32	29.89	30.10	34.51	36.50	32.75	37.00	38.00

Source: Company Filing // Zacks Investment Research, Inc. Estimates

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HISTORICAL STOCK PRICE

Dyadic Applied BioSolutions, Inc. – Share Price Chart[5]



[5] Source: Courtesy of barchart.com

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