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Rating	Buy
Price (01/28/2026)	$2.19
Price Target	$13.00

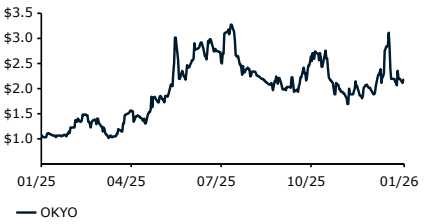
Market Data

% to Target	493.6%
52-Week High	$3.35
52-Week Low	$0.90
Market Cap (mil)	$81.0
Cash & Equivalents	$6.0
Total Debt	$0.0
Enterprise Value	$75.0
Cash per Share	$0.16
Shares Outstanding (mil)	37.0
3-Month ADTV	174,826
Short Interest (% of Float)	0.7%
Short interest (mil)	0.2
Float	22.2
Fiscal Year-End	Dec

Estimates

FY	**2024A**	**2025A**	**2026E**
EPS Diluted	(0.57)	(0.13)	(0.18)
Revenue ($M)	0.0	0.0	0.0

Performance Chart



OKYO Pharma Ltd (OKYO)

Successful Type C Meeting with the FDA

OKYO Pharma (OKYO; Buy) reported a successful Type C meeting with the FDA to discuss its planned Phase 2b/3 clinical trial of urcosimod for neuropathic corneal pain (NCP).

We reiterate our Buy rating with a 12-month Price Target of $13/share.

Urcosimod for NCP

NCP is a chronic and potentially debilitating disorder marked by significant ocular pain and light sensitivity, and in some cases discomfort extending to the face or head. It is generally believed to arise from injury or dysfunction of corneal sensory nerves, often alongside an inflammatory component, and can occur across a variety of underlying eye conditions. There are currently no FDA-approved treatments specifically indicated for NCP, and patients are typically managed with off-label topical or systemic therapies that often provide limited benefit.

Urcosimod is a lipid-conjugated chemerin peptide agonist targeting the ChemR23 G-protein–coupled receptor, which is expressed on immune cells in the eye that contribute to inflammation, as well as on neurons and glial cells within the dorsal root ganglion. In preclinical studies, urcosimod has demonstrated anti-inflammatory activity in a dry eye disease mouse model and analgesic effects in a neuropathic corneal pain mouse model.

More recently, OKYO reported positive Phase 2 results in NCP, with statistically significant pain reduction in a randomized, placebo-controlled, double-masked study of 18 patients. The compound has also shown statistically significant improvements across multiple endpoints in a prior 240-patient, multicenter, double-masked, placebo-controlled Phase 2 trial in dry eye disease.

Key Takeaways from Type C Meeting

The FDA agreed that the proposed primary endpoint, change in Visual Analogue Scale (VAS) pain score at Week 12, is clinically meaningful, and specifically noted that a ≥2-point improvement on the VAS represents a meaningful treatment benefit.

The agency provided statistical input to strengthen trial robustness, indicating that if the statistical analysis plan is finalized prior to unblinding and results are compelling, the data could potentially serve as substantial evidence of efficacy at a future End-of-Phase 2b/3 meeting.

The FDA supported the proposed study design, sample size, and powering assumptions, and agreed that the Ocular Pain Assessment Survey (OPAS) is suitable as a supportive quality-of-life measure. The FDA also aligned with the company's CMC strategy and key clinical elements, raising no major concerns—helping reduce execution risk for the pivotal trial and supporting a potential registration path contingent on strong results.

Previously Urcosimod received the first IND clearance for the treatment of NCP and was also granted Fast Track designation by the FDA. The company plans to begin a 120-patient, multiple-dose Phase 2b/3 trial in NCP in the first half of this year.

Risks for: OKYO Pharma Ltd (OKYO)

OKYO Pharma is a development-stage company, and investment is subject to risk.

Clinical Trial Risk

The company has completed multiple clinical studies for urcosimod. Urcosimod was found to be safe and effective, without any serious adverse events. However, in the upcoming pivotal clinical trial, urcosimod may not be deemed safe and effective.

Regulatory Risk

The FDA and European regulators may require additional clinical trials beyond the ones OKYO currently anticipates.

Competition Risk

Urcosimod is facing albeit limited competition from other drugs devices under clinical development for NCP.

Financing Risk

As of July 31, 2025, the company has ~$6M in pro forma cash, cash equivalents. Cash burn for operation is expected to be in the range of ~ $7.8M for the next 12 months. The company may need to raise additional equity capital to support its clinical development beyond mid-2026. Financing may not be available under favorable terms, or at all.

Valuation for: OKYO Pharma Ltd (OKYO)

We arrive at our 12-month price target of $13 per share by assessing the after-tax, risk-adjusted NPV of potential future cash flows from the company's urcosimod program in NCP. The probability-adjusted, fully taxed (21%) NPV at a 15% discount rate of potential cash flows until 2039 is approximately $700M, equivalent to $13 per share, corresponding to our 12-month price target. Potential factors that could prevent shares from reaching our price target include the failure of urcosimod to demonstrate significant efficacy benefits or being deemed unsafe, leading to the discontinuation of clinical programs and commercial launch. In addition, the company may not be able to raise additional funds to complete development.

Company Description for: OKYO Pharma Ltd (OKYO)

OKYO Pharma Limited is a clinical stage biopharmaceutical company developing innovative therapies for the treatment of neuropathic corneal pain and dry eye disease, with ordinary shares listed for trading on the NASDAQ Capital Market. OKYO is focused on the discovery and development of novel molecules to treat neuropathic corneal pain and dry eye disease. A Phase 2 trial of urcosimod to treat neuropathic corneal pain patients was just completed by OKYO.

Appendix

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Rating distribution (as of) January 28, 2026	Investment Banking Relationships
Buy: 80.7%	Buy: 84.8%
Neutral: 19.3%	Neutral: 15.2%
Sell: 0.0%	Sell: 0.0%
Not Rated: 0.0%	Not Rated: 0.0%

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OKYO Pharma Ltd Rating History as of 01/28/2026