

Outlook Therapeutics

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Outlook Therapeutics stock triples in three days after Oppenheimer offers \$12 price target

Outlook Therapeutics (NASDAQ:OTLK) continued to rocket higher Monday morning after Oppenheimer initiated coverage Thursday with an Outperform rating and a \$12 per share price target.

Shares of the clinical-stage biopharmaceutical company jumped another 36% to \$2.87, more than triple its Wednesday close.

Analysts at Oppenheimer saw immense potential in the development of the Cranbury, New Jersey company's ONS-5010 treatment, a monoclonal antibody, or mAb, for various eye diseases.

READ: Outlook Therapeutics initiated with an Outperform rating, \$12 price target at Oppenheimer

ONS-5010 is a proprietary formulation of bevacizumab, a drug sold under the brand name Avastin, injected into the eye for the treatment of wet age-related macular degeneration (AMD), and other retina diseases. AMD manifests itself through the appearance of abnormal blood vessels under the retina growing toward the macula, obstructing vision.

"Assuming a late 2021-22 FDA approval in wet AMD that we view as low-risk, ONS-5010 stands to take Avastin's approximately 50% unit share in this multibillion-dollar indication as physicians and payors adopt it," wrote Oppenheimer analysts Leland Gershell and Aryeh Gold in a note to clients.

Avastin is sold by Genetech Inc as a cancer drug, but is used off-label to treat certain eye diseases. However, it's not without risk. Off-label use of Avastin is currently estimated to account for approximately 50% of all wet age-related macular degeneration prescriptions in the US.

That's where ONS-5010 comes in. If it were to earn FDA approval, the use of compounded Avastin would become illegal, the analysts wrote.

In an expeditious registration program informed by FDA input, ONS-5010 is being evaluated in two Phase 3 non-inferiority trials versus Lucentis, another wet AMD drug, on visual acuity, from which topline data will be reported in the first quarter of 2020 and third quarter of 2020.

"Outlook will maximize ONS-5010's opportunity to subsume Avastin's place in the wet AMD treatment paradigm, including intelligent pricing, payor collaboration, and an eventual pre-filled syringe," wrote the analysts.

-This story was updated to attribute statements regarding ONS-5010's potential FDA approval to the Oppenheimer analysts-

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Price: US\$2.63

Market Cap: US\$58.12M

1 Year Share Price Graph



Share Information

Code: OTLK

Listing: NASDAQ

52 week High Low
\$10.88 \$0.85

Sector: Pharma & Biotech

Website: outlooktherapeutics.com

Company Synopsis:

Outlook Therapeutics is a late clinical-stage biopharmaceutical company focused on developing and commercializing ONS-5010, a complex, technically challenging and commercially attractive monoclonal antibody, or mAb, for various ophthalmic indications.

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