United States
Healthcare

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Outlook Therapeutics, Inc.

Q2 about inline. PDUFA goal date of August 29, 2023. Raising P/T to $7.50.

COMPANY UPDATE

Rating: BUY

Ticker: OTLK

Price: $1.47 (intraday)

Target: $7.50 (from $7.25)

Q2 about inline: Outlook recently (on May 15) reported its Q2 FY23 (ending March) results. EPS of $(0.03) compared with our and consensus estimates of $(0.06). There was no Q2 guidance. Outlook is a clinical stage medical device development/commercialization company so it generates minimal revenue.

Operating expense: Operating expenses were $7 million, down $8 million from Q1 mainly due to a refund of the FDA BLA submission fee of $4 million. Management declined to provide FY23 guidance. However, we believe ~$13 million is a reasonable near term quarterly burn rate.

Adjusting estimates: We are adjusting our FY23 EPS estimate to $(0.23) from $(0.27).

PDUFA date of August 29, 2023: Outlook submitted its new BLA (Biologics License Application) to the FDA for ONS-5010 for treatment of wet AMD in Q4 FY22 (August 2022). In October, the FDA accepted its BLA and has set a Prescription Drug User Fee Act (PDUFA) goal (decision) date of August 29, 2023.

Positive clinical results: In August 2021, Outlook announced positive top-line results from its pivotal Phase 3 NORSE TWO safety and efficacy trial evaluating ONS-5010 for treatment of wet AMD. In March 2021, Outlook reported positive topline results from its NORSE THREE Open-Label Safety Study. In August 2020, Outlook reported topline results from its NORSE 1 study demonstrating safety and efficacy and positive proof-of-concept of ONS-5010 for the treatment of wet age-related macular degeneration (wet AMD).

ONS-5010 development on track: Outlook has one main therapeutic candidate, ONS-5010 (named LYTENAVA) which is a proprietary ophthalmic formulation of bevacizumab (Avastin) product for the treatment of wet AMD and other eye diseases. Avastin is FDA approved and used widely in oncology indications but is also used off-label for the treatment of several ophthalmic diseases. Outlook is developing LYTENAVA as a replacement for the use of off-label Avastin in the treatment of wet AMD.

FDA and EU approvals should be major positive catalysts: Potential FDA marketing approval is expected in August 2023 and for EU in early 2024.

Commercial launch in late 2023: Pending regulatory approvals, Outlook expects commercial launches shortly after FDA approval (likely to launch late 2023).

More studies planned: Outlook has received agreements from the FDA on three Special Protocol Assessments (SPAs) for three additional clinical trials. These SPAs cover ONS-5010 to treat branch retinal vein occlusion (BRVO), and for the treatment of diabetic macular edema (DME). These studies are planned to initiate in 2023 (after FDA approval for wet AMD).

Balance sheet: Outlook has $44 million in cash and $32 million in debt as of Q2 FY23. In Q1, it raised $25 million selling stock (28 million shares at $0.88) and $32 million in debt. We believe it has enough cash through Q1 FY24.

Valuation attractive: Maintaining our BUY rating, but raising our 12-month price target to $7.50 from $7.25. This is based on a NPV analysis, representing significant upside from the current share price. We believe this valuation appropriately balances out the company's high risks with the company's high growth prospects and large upside opportunities.

Company Description

Based in Iselin, NJ, Outlook Therapeutics is a clinical-stage biopharmaceutical company focused on developing ONS-5010, a proprietary ophthalmic bevacizumab (Avastin) product for the treatment of wet AMD.

Stock Data

Exchange:	NasdaqCM
52-week Range:	$0.68 – 1.67
Shares Outstanding (million):	257
Market cap ($million):	$378
EV ($million):	$366
Debt ($million):	$32
Cash ($million):	$44
Avg. Daily Trading Vol. ($million):	$1
Float (million shares):	125
Short Interest (million shares):	16
Dividend, annual (yield):	$0 (NA%)

Revenues (US$ million)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Dec	0A		0E	
Q2 Mar	0A	0E	1E	
Q3 Jun	0E		3E	
Q4 Sep	0E		4E	
Total	**0E**		**8E**	
EV/Revs	N/A		46x	

Earnings per Share (pro forma)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Dec	(0.08)A		(0.06)E	
Q2 Mar	(0.03)A	(0.06)E	(0.06)E	
Q3 Jun	(0.06)E		(0.06)E	
Q4 Sep	(0.06)E		(0.06)E	
Total	**(0.23)E**	**(0.27)E**	**(0.23)E**	
P/E	N/A		N/A	

Important Disclosures

Ascendiant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 14.

Exhibit 1: Outlook's Investment Highlights

Investment Highlights

FDA Market Approval of ONS-5010 (bevacizumab-vikg)[1], an Investigational Therapy for the Treatment of Wet AMD, Targeted for August 29, 2023 PDUFA Date

Targeting $13.1 Billion Global Ophthalmic Anti-VEGF Market[2]

Differentiated Drug Product

- Designed to meet robust standards required for FDA ophthalmic approval
- Potential to eliminate risks associated with off-label repackaged bevacizumab, including potential impurities and particulates from compounders re-packaging processes
- Delivery ultimately expected through a convenient pre-filled syringe

Potential for 1st FDA Approved Ophthalmic Bevacizumab

- U.S. FDA BLA accepted with target PDUFA action date of August 29, 2023
- Potential U.S. launch in Q4 2023
- Received validation of Marketing Authorization Application by European Medical Agency
- Provides an economically elegant anti-VEGF solution for patients, payers and doctors

Attractive Market Opportunity

- Strategic commercialization agreement with AmerisourceBergen
- Over 50% of the U.S. market estimated to be available for conversion to ONS-5010, representing up to billions in potential yearly sales
- 12-years US regulatory exclusivity expected upon approval
- Label expansion opportunity into DME and BRVO

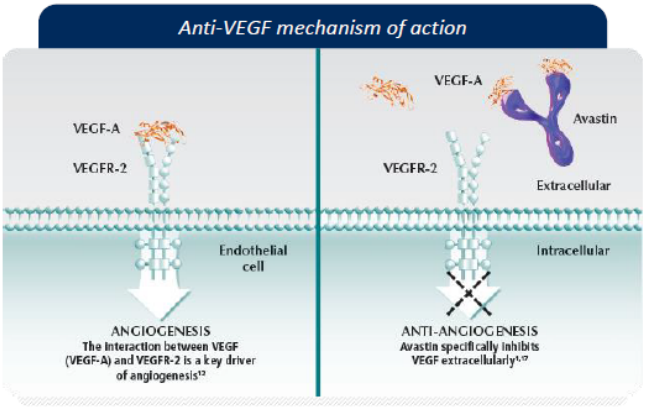
Source: Company reports.

Exhibit 2: Outlook's ONS-5010 (LYTENAVA)

Standard of Care in Wet AMD

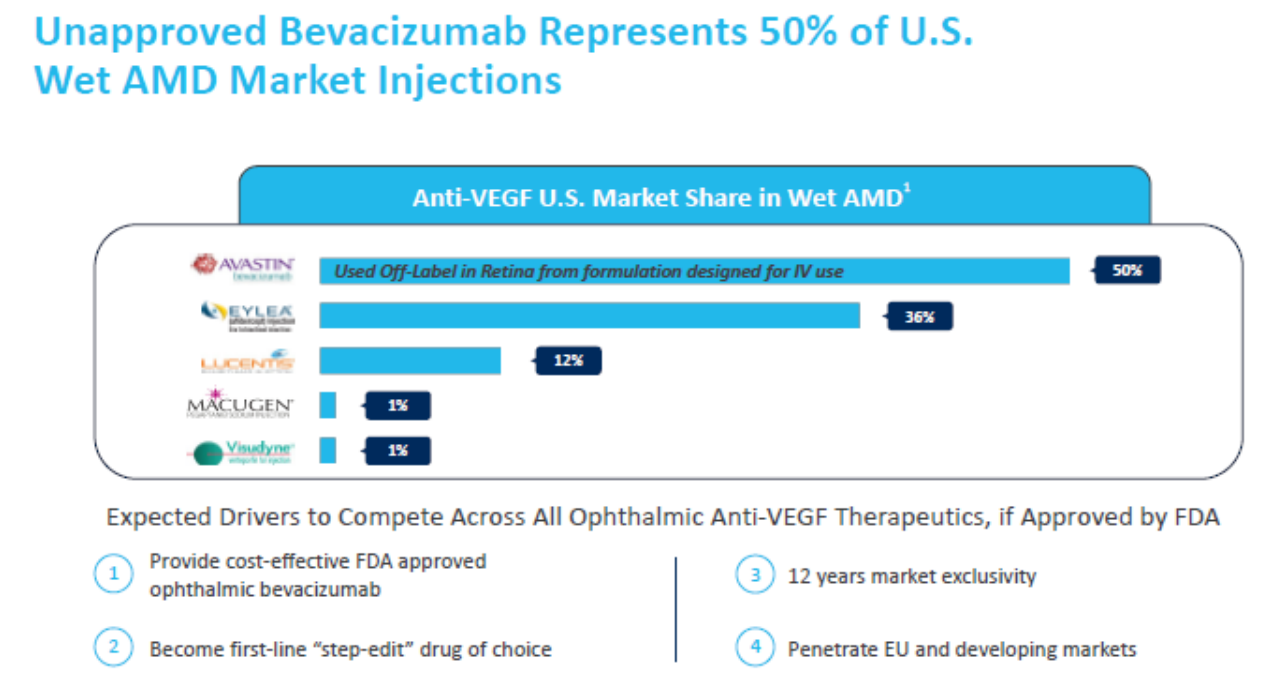
ONS-5010 / LYTENAVA™, if approved, will be the first on-label ophthalmic formulation of bevacizumab-vikg

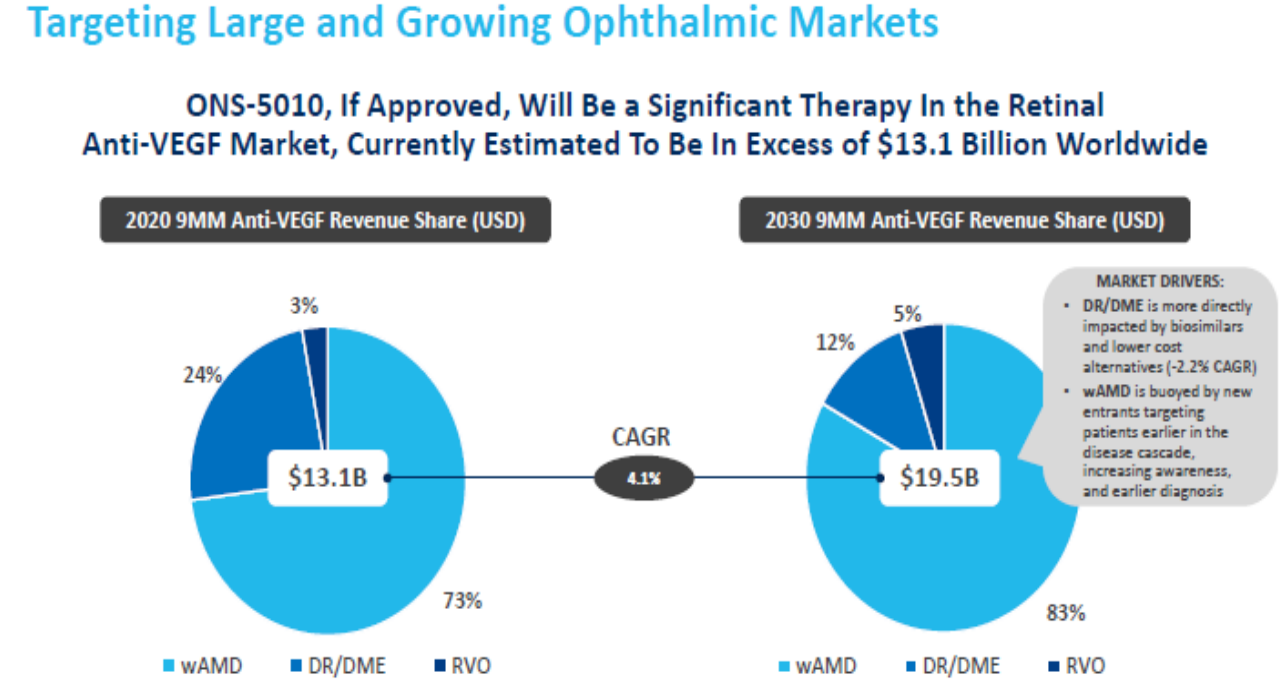
- Anti-VEGF drugs have been standard of care since 2006
  - Block growth of abnormal blood vessels and leakage of fluid from the vessels behind the retina
- Several new clinical-stage anti-VEGF drugs, including biosimilars, in development and/or recently approved
  - Require significant time and capital to achieve commercialization
  - New drugs expected to price at or near the high price points of current approved therapies



Source: Company reports.

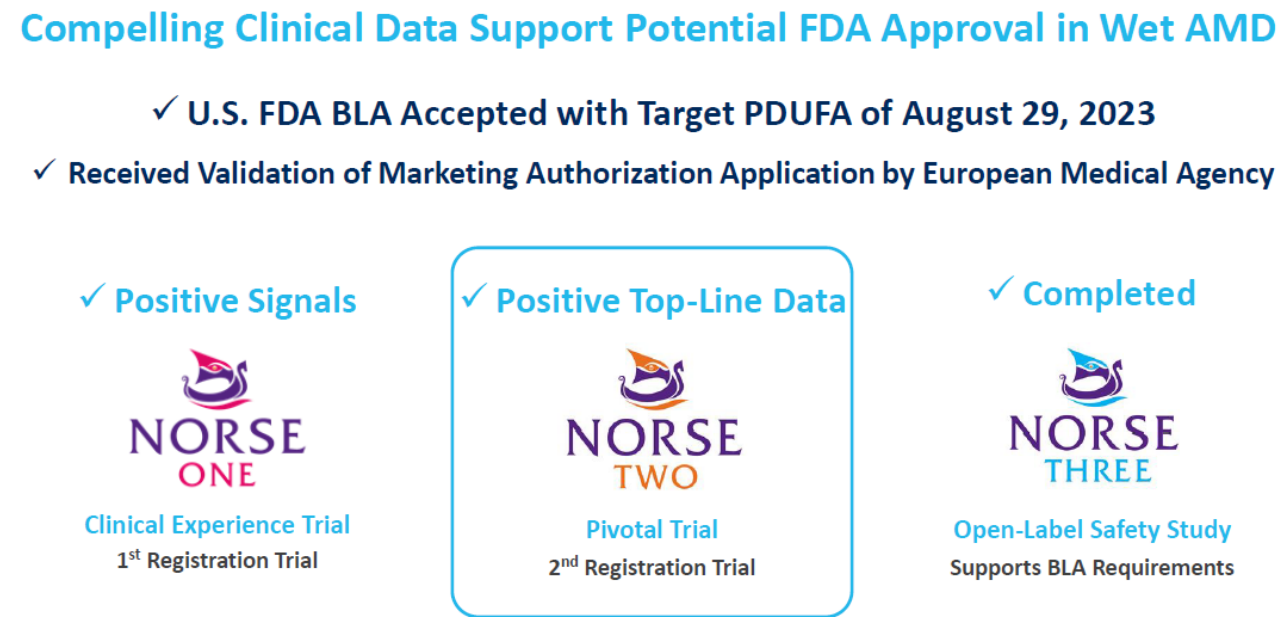
Exhibit 3: ONS-5010 (LYTENAVA) Market Opportunities





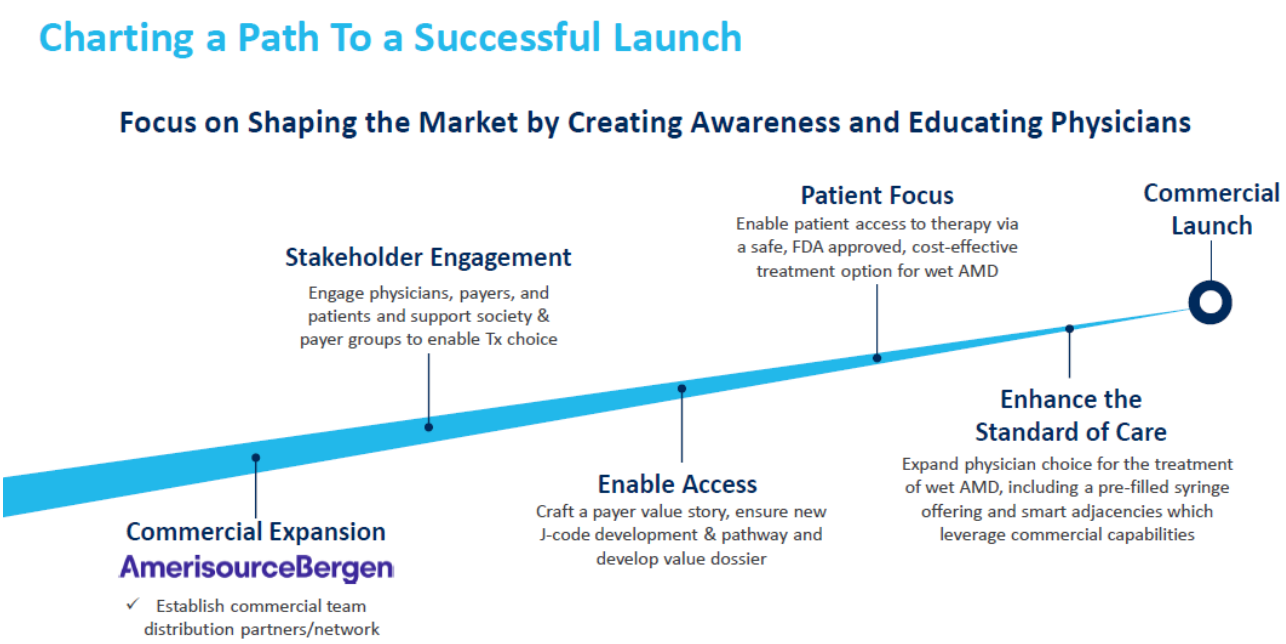
Source: Company reports.

Exhibit 4: ONS-5010 ((LYTENAVA) Planned Milestones



Source: Company reports.

Exhibit 5: ONS-5010 (LYTENAVA) Commercial Strategy



Source: Company reports.

Exhibit 6: Recent Highlights and Upcoming Milestones (as of Q2 FY23 – May 15, 2023)

Recent Corporate Highlights

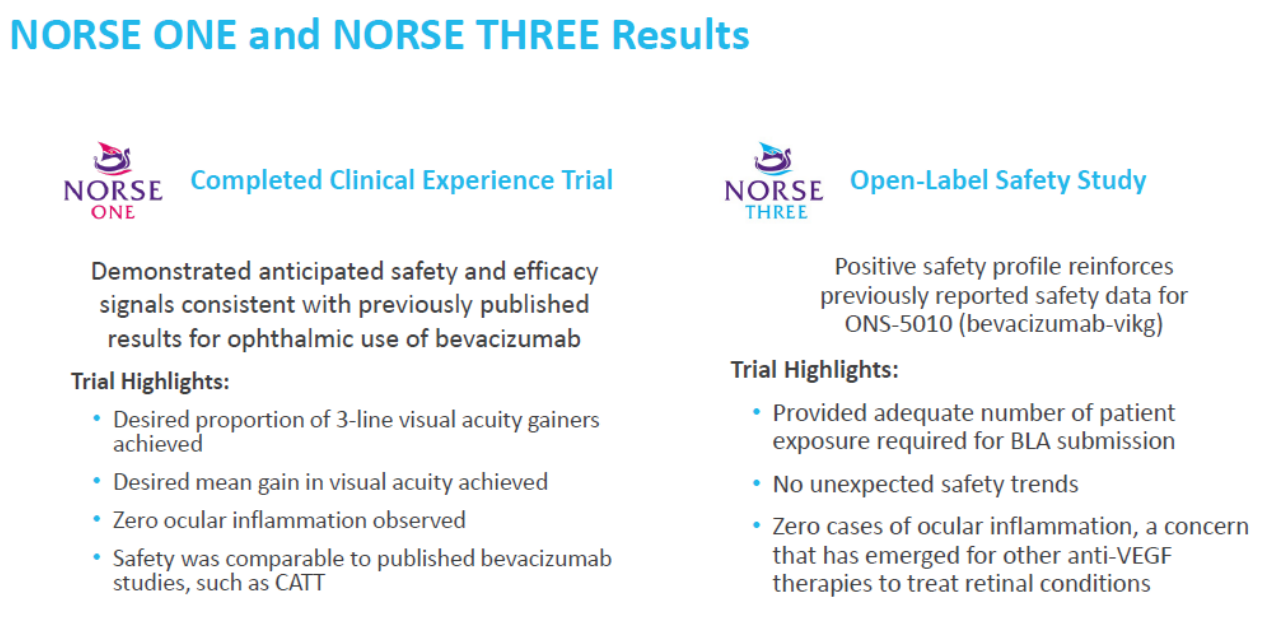
- Strengthened Medical Affairs and Commercial Expertise with Appointments of Surendra Sharma, MD, Senior Vice President of Medical Affairs, and Glen Olsheim, Executive Director of Commercial Excellence.
- Closed on approximately $54 million in net proceeds from two financings to support pre-launch commercial activities through anticipated FDA approval of ONS-5010 in third calendar quarter of 2023 and into the fourth calendar quarter of 2023.
    - Approximately $24 million registered direct equity offering priced at-the-market under Nasdaq rules.
    - Approximately $30 million net proceeds from issuance of an unsecured convertible promissory note with an initial conversion price of $2.00 per share.
- Received validation of Marketing Authorization Application (MAA) by the European Medicines Agency (EMA) for ONS-5010/ LYTENAVA™ (bevacizumab-vikg).
- Announced that the FDA accepted its Biologics License Application (BLA) for ONS-5010 / LYTENAVA ™ (bevacizumab-vikg) for the treatment of wet AMD and set a PDUFA goal date of August 29, 2023.

Upcoming Anticipated Milestones

- Continued progress with ongoing pre-launch commercial preparations in anticipation of potential approval for ONS-5010 in 2023;
- PDUFA goal date of August 29, 2023;
- Continued evaluation of ONS-5010 in a pre-filled syringe in the NORSE SEVEN clinical trial; and
- Estimated decision date from the EMA's CHMP on the Company's submitted MAA in the EU for ONS-5010 expected in early 2024.

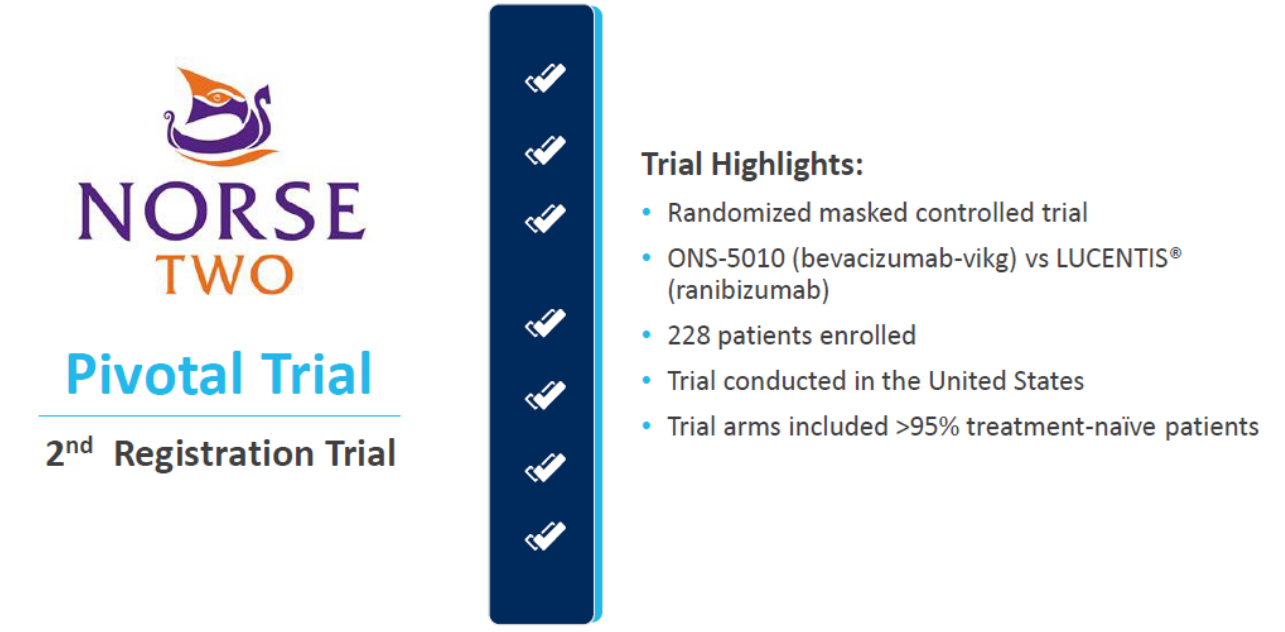
Source: Company reports.

Exhibit 7: NORSE ONE and THREE Studies Results



Source: Company reports.

Exhibit 8: NORSE TWO Pivotal Trial



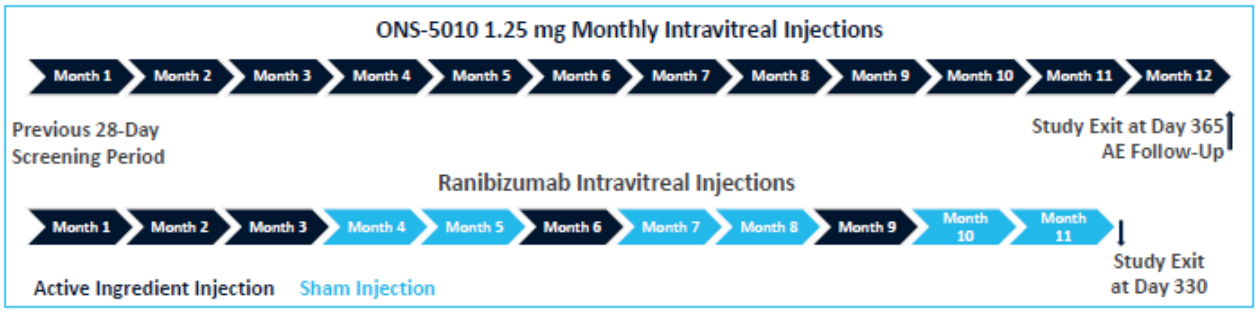
Source: Company reports.

Exhibit 9: NORSE TWO Study Conclusion

NORSE TWO

Superiority Phase 3 Pivotal Study Design

12-Month Study of Safety and Efficacy of ONS-5010 in Subjects with Wet AMD
Study Design and Statistical Analysis Plan Agreed to by U.S. FDA



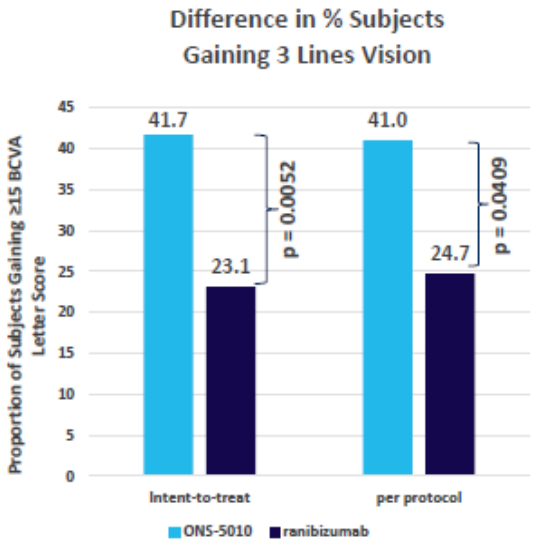
Study Eye Characteristics
- Active, primary CNV due to wet AMD
- Treatment-naïve
- BCVA: 20/50 – 20/320

Key Study Outcomes
- Proportion of subjects who gain ≥15 letters in BCVA
- Mean change in BCVA from baseline to Month 11
- Frequency and incidence of AEs

NORSE TWO

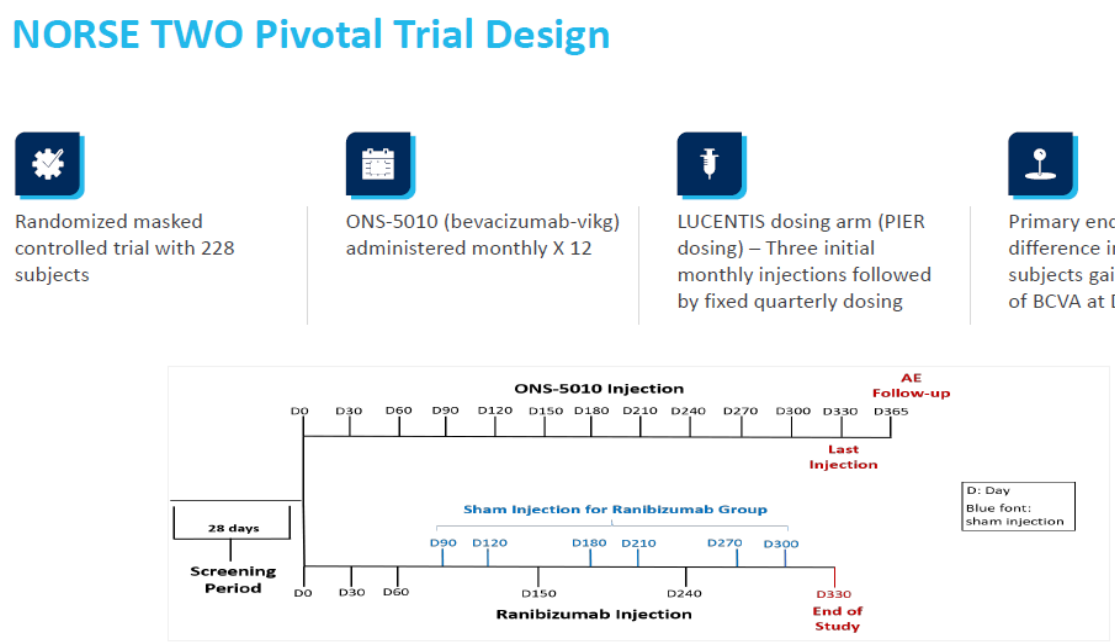
Primary Endpoint Met with Statistically Significant, Clinically Relevant Results[1]

Characteristic	Statistic	ONS-5010 (n=113)	Ranibizumab (n=115)
Intent-to-Treat Pop.			
Number of Subjects	n/N (%)	45/108 (41.7)	24/104 (23.1)
Risk Difference		0.1859	
95% CI		(0.0442,0.3086)	
p-value		0.0052	
Per Protocol Pop.			
Number of Subjects	n/N (%)	34/83 (41.0)	18/73 (24.7)
Risk Difference		0.1631	
95% CI		(0.0120, 0.3083)	
p-value		0.0409	



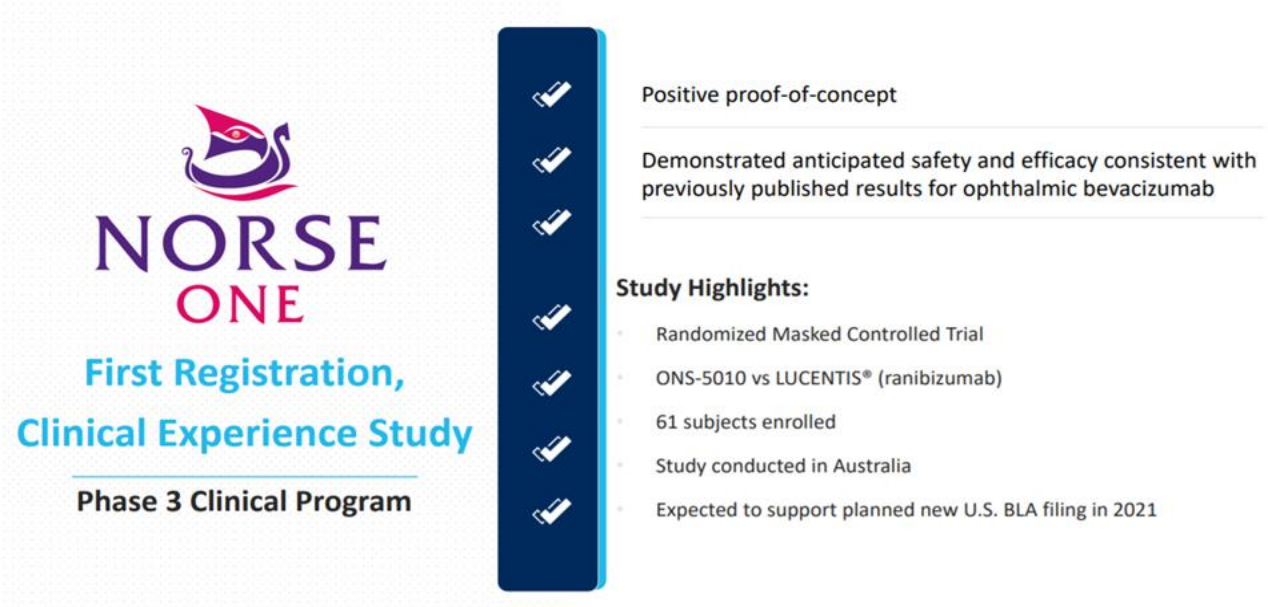
Source: Company reports.

Exhibit 10: NORSE TWO Study Design



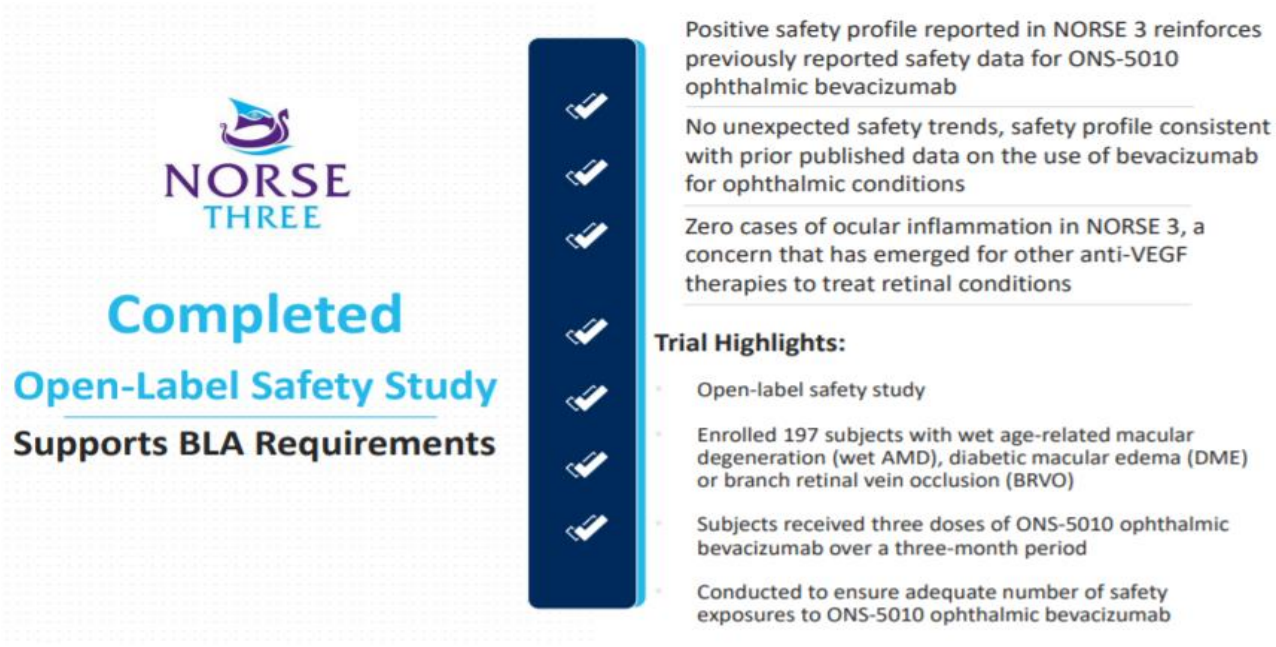
Source: Company reports.

Exhibit 11: NORSE ONE Study



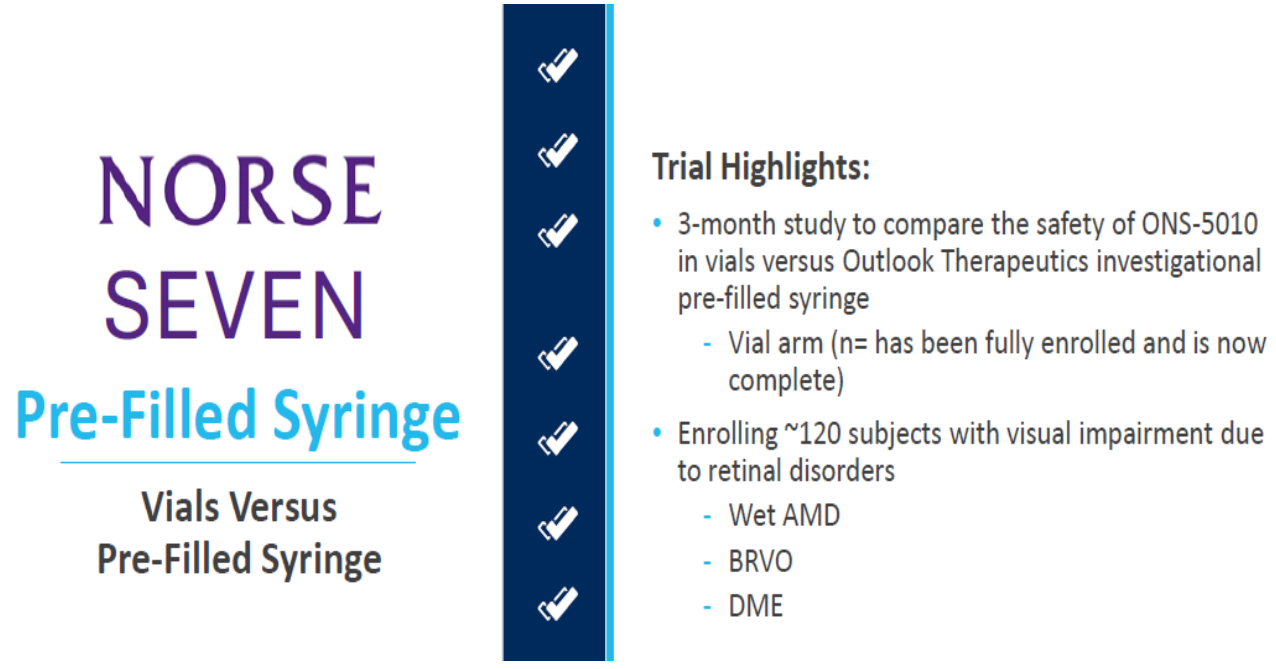
Source: Company reports.

Exhibit 12: NORSE THREE Safety Study



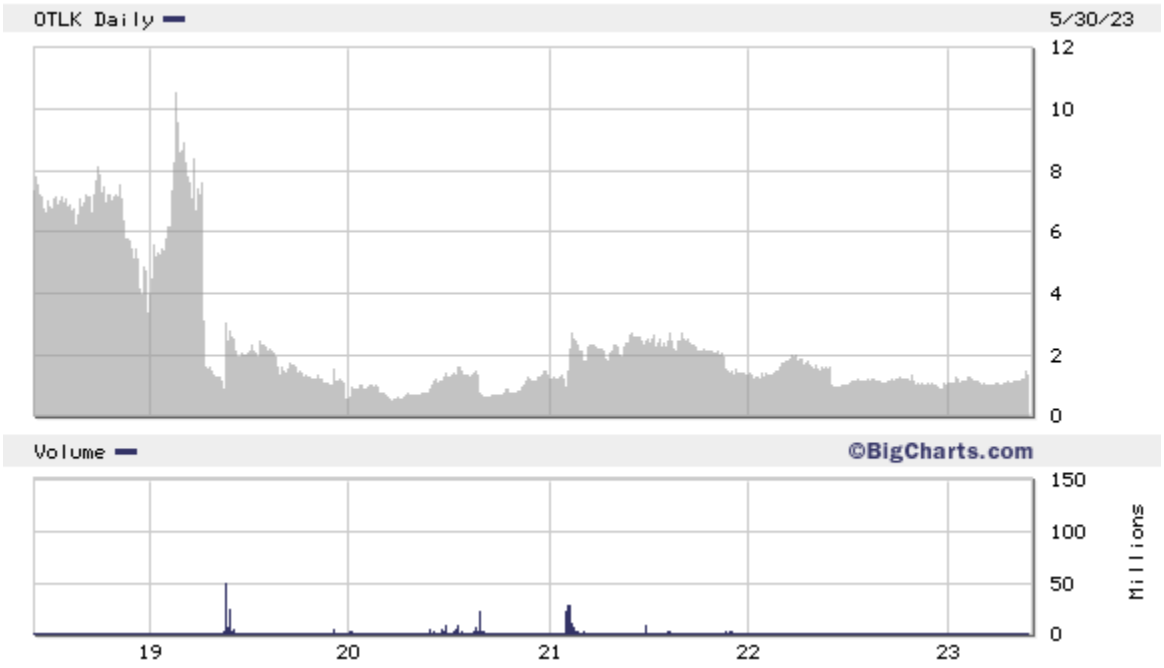
Source: Company reports.

Exhibit 13: NORSE SEVEN Study (ongoing currently)



Source: Company reports.

Exhibit 14: Outlook Therapeutics Stock Price (5-years)



Source: https://bigcharts.marketwatch.com/

Exhibit 15: Consensus Expectations (as of May 15, 2023)

	Revenue (mil)	
	2023E	2024E
Q1 Dec	$0A	
Q2 Mar	$0E	
Q3 Jun	$0E	
Q4 Sep		
Total	$4.1A	$69.8E

	EPS	
	2023E	2024E
Q1 Dec	$(0.08)A	
Q2 Mar	$(0.06)E	
Q3 Jun	$(0.07)E	
Q4 Sep		
Total	$(0.28)E	$(0.09)E

**Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.*

Source: Company report, Refinitiv, and Ascendiant Capital Markets estimates

FINANCIAL MODEL

Outlook Therapeutics, Inc.

Income Statement ($ mils)	Dec-20	Mar-21	Jun-21	Sep-21	2021	Dec-21	Mar-22	Jun-22	Sep-22	2022	Dec-22	Mar-23	Jun-23	Sep-23	2023	Dec-23	Mar-24	Jun-24	Sep-24	2024
Fiscal Year End: September 30	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**3.0**	**4.0**	**8.0**
Cost of Revenues					0.0					0.0					0.0					0.0
Gross Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	3.0	4.0	8.0
Research and development	11.9	8.5	8.5	9.9	39.0	9.9	12.2	11.2	9.0	42.3	9.9	0.5	7.0	6.0	23.4	5.0	5.0	5.0	5.0	20.0
General and administrative	2.2	4.1	2.9	3.5	12.8	3.3	6.7	5.8	5.0	20.7	5.8	6.3	7.0	7.0	26.1	8.0	9.0	10.0	11.0	38.0
Restructuring and other					0.0					0.0					0.0					0.0
Total operating expenses	14.2	12.6	11.5	13.4	51.7	13.1	18.9	17.0	14.0	63.1	15.7	6.8	14.0	13.0	49.5	13.0	14.0	15.0	16.0	58.0
Operating income (loss)	**(14.2)**	**(12.6)**	**(11.5)**	**(13.4)**	**(51.7)**	**(13.1)**	**(18.9)**	**(17.0)**	**(14.0)**	**(63.1)**	**(15.7)**	**(6.8)**	**(14.0)**	**(13.0)**	**(49.5)**	**(13.0)**	**(13.0)**	**(12.0)**	**(12.0)**	**(50.0)**
Interest income (expense)	(0.2)	(0.3)	(0.3)	(0.3)	(0.9)	(0.4)	(0.4)	(0.4)	(0.4)	(1.5)	(2.4)	0.2	(2.5)	(2.5)	(7.3)	(2.5)	(2.5)	(2.5)	(2.5)	(10.0)
Other income (expense)	(0.1)	(0.2)	(0.5)	0.3	(0.5)	(1.0)	(0.4)	(0.2)	0.0	(1.5)	(0.5)	(0.0)			(0.5)					0.0
Income before income taxes	(14.5)	(13.1)	(12.2)	(13.4)	(53.2)	(14.5)	(19.7)	(17.5)	(14.3)	(66.0)	(18.7)	(6.7)	(16.5)	(15.5)	(57.3)	(15.5)	(15.5)	(14.5)	(14.5)	(60.0)
Income taxes		0.0		0.2	0.2		0.0		0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(14.5)	(13.1)	(12.2)	(13.6)	(53.4)	(14.5)	(19.7)	(17.5)	(14.3)	(66.1)	(18.7)	(6.7)	(16.5)	(15.5)	(57.3)	(15.5)	(15.5)	(14.5)	(14.5)	(60.0)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	**(14.5)**	**(13.1)**	**(12.2)**	**(13.6)**	**(53.4)**	**(14.5)**	**(19.7)**	**(17.5)**	**(14.3)**	**(66.1)**	**(18.7)**	**(6.7)**	**(16.5)**	**(15.5)**	**(57.3)**	**(15.5)**	**(15.5)**	**(14.5)**	**(14.5)**	**(60.0)**
EBITDA																				
Shares, Basic	121.7	150.7	168.4	175.3	152.7	188.2	219.1	220.5	220.8	212.1	227.4	256.7	257.0	257.1	249.5	257.1	257.2	257.3	257.4	257.3
Shares, Diluted	121.7	150.7	168.4	175.3	152.7	188.2	219.1	220.5	220.8	212.1	227.4	256.7	257.0	257.1	249.5	257.1	257.2	257.3	257.4	257.3
EPS Basic (Pro forma)	**($0.12)**	**($0.09)**	**($0.07)**	**($0.08)**	**($0.35)**	**($0.08)**	**($0.09)**	**($0.08)**	**($0.06)**	**($0.31)**	**($0.08)**	**($0.03)**	**($0.06)**	**($0.06)**	**($0.23)**	**($0.06)**	**($0.06)**	**($0.06)**	**($0.06)**	**($0.23)**
EPS Diluted (Pro forma)	($0.12)	($0.09)	($0.07)	($0.08)	($0.35)	($0.08)	($0.09)	($0.08)	($0.06)	($0.31)	($0.08)	($0.03)	($0.06)	($0.06)	($0.23)	($0.06)	($0.06)	($0.06)	($0.06)	($0.23)
Margins																				
Gross margin	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	100%	100%	#DIV/0!	100%	100%	100%	100%	100%
Research and development	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	500%	167%	125%	250%
General and administrative	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	900%	333%	275%	475%
Operating margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-1300%	-400%	-300%	-625%
Tax rate, GAAP	0%	0%	0%	-1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-1550%	-483%	-363%	-750%
Y/Y % change																				
Total Revenue	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Gross margin	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Research and development	104%	95%	1%	30%	48%	-17%	43%	32%	-10%	9%	0%	-96%	-38%	-33%	-45%	-49%	818%	-29%	-17%	-15%
General and administrative	-4%	109%	-11%	47%	28%	46%	63%	97%	43%	62%	78%	-6%	21%	40%	26%	37%	43%	43%	57%	45%
Operating income (loss)	73%	87%	-3%	34%	40%	-7%	50%	48%	4%	22%	19%	-64%	-18%	-7%	-21%	-17%	90%	-14%	-8%	1%
Net income (loss)	-22%	-25%	305%	37%	9%	0%	50%	44%	5%	24%	29%	-66%	-6%	8%	-13%	-17%	133%	-12%	-6%	5%
EPS Diluted (Pro forma)	-57%	-35%	-34%	5%	-25%	-35%	3%	10%	-16%	-11%	7%	-71%	-19%	-7%	-26%	-27%	132%	-12%	-7%	2%

Source: Company reports and Ascendiant Capital Markets estimates.

Outlook Therapeutics, Inc.

Balance Sheet ($ mils)	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Fiscal Year End: September 30	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	5.6	37.2	19.7	14.5	70.2	58.4	26.0	17.4	52.3	43.6	28.5	14.6	0.5	(13.6)	(26.7)	(39.8)
Short term investments											0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	5.5	6.6	12.2	7.0	7.3	8.1	11.5	10.1	9.3	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Total current assets	11.0	43.8	31.9	21.5	77.5	66.5	37.5	27.5	61.7	53.1	37.9	24.0	9.9	(4.2)	(17.3)	(30.4)
Long term securities/investments				0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Property and equipment, net	0.3	0.2	0.2	0.2	0.1	0.1	0.0				(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Intangibles, net											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Other	1.2	1.1	0.8	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0
Total assets	**12.5**	**45.1**	**32.9**	**22.8**	**78.7**	**67.7**	**38.6**	**28.5**	**62.7**	**54.0**	**38.9**	**24.8**	**10.7**	**(3.4)**	**(16.6)**	**(29.7)**
Liabilities and stockholders' equity																
Accounts payable	3.3	6.3	2.7	2.2	2.5	4.2	2.5	3.5	4.2	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Accrued expenses	6.3	4.5	3.5	1.7	2.8	2.5	3.6	3.4	9.0	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Other	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term debt	0.5	11.2	11.5	0.9	12.7	22.8	10.5	10.9		31.8	31.8	31.8	31.8	31.8	31.8	31.8
Total current liabilities	**12.1**	**23.9**	**19.6**	**6.8**	**19.9**	**31.4**	**18.4**	**19.7**	**15.1**	**43.5**	**43.5**	**43.5**	**43.5**	**43.5**	**43.5**	**43.5**
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities	0.2	0.4	0.4	0.5	0.3	0.3	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Long term debt	10.7	0.1		10.9	9.6				31.8		0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	**10.9**	**0.6**	**0.5**	**11.5**	**9.9**	**0.3**	**0.1**	**0.1**	**31.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Preferred stock											0.0	0.0	0.0	0.0	0.0	0.0
Common stock	1.3	1.7	1.7	1.8	2.2	2.3	2.3	2.3	2.6	2.6	4.0	5.3	6.7	8.1	9.5	10.9
Additional paid-in capital	292.4	336.2	340.5	345.7	403.9	410.8	412.4	415.4	440.8	442.2	442.2	442.2	442.2	442.2	442.2	442.2
Retained earnings	(304.2)	(317.3)	(329.5)	(342.9)	(357.3)	(377.1)	(394.6)	(408.9)	(427.6)	(434.3)	(450.8)	(466.3)	(481.8)	(497.3)	(511.8)	(526.3)
Treasury stock											0.0	0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive income											0.0	0.0	0.0	0.0	0.0	0.0
Other											0.0	0.0	0.0	0.0	0.0	0.0
Total stockholders' equity	**(10.5)**	**20.7**	**12.7**	**4.6**	**48.8**	**36.0**	**20.1**	**8.7**	**15.8**	**10.5**	**(4.6)**	**(18.7)**	**(32.9)**	**(47.0)**	**(60.1)**	**(73.2)**
Total stockholders' equity and liabil	**12.5**	**45.1**	**32.9**	**22.8**	**78.7**	**67.7**	**38.6**	**28.5**	**62.7**	**54.0**	**38.9**	**24.8**	**10.7**	**(3.4)**	**(16.6)**	**(29.7)**

Balance Sheet Drivers

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book & Cash Value (per share)																
Book Value per Share (diluted)	-$0.09	$0.14	$0.08	$0.03	$0.26	$0.16	$0.09	$0.04	$0.07	$0.04	-$0.02	-$0.07	-$0.13	-$0.18	-$0.23	-$0.28
Cash per Share (diluted)	$0.05	$0.25	$0.12	$0.09	$0.38	$0.27	$0.12	$0.08	$0.23	$0.17	$0.11	$0.06	$0.00	-$0.05	-$0.10	-$0.15
Net cash per Share (diluted)	-$0.05	$0.17	$0.05	$0.02	$0.26	$0.17	$0.07	$0.03	$0.09	$0.05	-$0.01	-$0.06	-$0.12	-$0.17	-$0.22	-$0.28

Source: Company reports and Ascendiant Capital Markets estimates

Outlook Therapeutics, Inc.

Cash Flow Statement ($ mils)	Dec-20	Mar-21	Jun-21	Sep-21	2021	Dec-21	Mar-22	Jun-22	Sep-22	2022	Dec-22	Mar-23	Jun-23	Sep-23	2023	Dec-23	Mar-24	Jun-24	Sep-24	2024
Fiscal Year End: September 30	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																				
Net income	(14.5)	(13.1)	(12.2)	(13.4)	(53.2)	(14.5)	(19.7)	(17.5)	(14.3)	(66.1)	(18.7)	(6.7)	(16.5)	(15.5)	(57.3)	(15.5)	(15.5)	(14.5)	(14.5)	(60.0)
Depreciation	0.1	0.1	0.0	0.1	0.3	0.1	0.1	0.1	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization					0.0					0.0					0.0					0.0
Debt related amortization expen	0.1	0.2	0.2	0.3	0.9	0.3	0.4	0.4	0.5	1.7	1.4	0.0			1.4					0.0
Stock comp	1.2	1.1	1.2	1.4	4.9	1.2	3.8	1.4	1.4	7.7	1.4	1.4	1.4	1.4	5.5	1.4	1.4	1.4	1.4	5.5
Deferred income taxes					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provision for bad debts					0.0					0.0					0.0					0.0
Change in fair value of warrant l	0.1	0.2	0.0	0.1	0.5	(0.1)	0.4	0.1	(0.9)	(0.5)	(0.0)	(0.0)			(0.0)					0.0
Writedowns and impairments	(0.7)	0.2			(0.6)			1.0	(0.1)	0.9					0.0					0.0
Other gains/losses			0.4	(0.4)	0.0	1.0	0.0	(1.0)	1.0	1.1	0.6	0.0			0.6					0.0
Other	(0.0)	0.0			0.0					0.0					0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses & other curre	0.0	(1.4)	(5.6)	5.2	(1.7)	(0.3)	(0.8)	(3.4)	1.4	(3.1)	0.8	(0.1)	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.0
Income tax					0.0					0.0					0.0					0.0
Other assets	0.1		0.0	(0.0)	0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.9	2.7	(3.5)	(0.4)	(0.2)	0.2	1.8	(1.7)	1.0	1.3	0.7	(0.6)	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Accrued expenses	(0.7)	(1.9)	(1.0)	(1.8)	(5.3)	1.0	(0.2)	(0.5)	(0.2)	0.2	5.0	(2.2)	0.0	0.0	2.8	0.0	0.0	0.0	0.0	0.0
Deferred revenue					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities		(0.1)	0.1		0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	**(13.3)**	**(11.7)**	**(20.2)**	**(9.0)**	**(54.3)**	**(11.0)**	**(14.3)**	**(21.1)**	**(10.3)**	**(56.7)**	**(8.9)**	**(8.1)**	**(15.1)**	**(13.9)**	**(46.1)**	**(14.1)**	**(14.1)**	**(13.1)**	**(13.1)**	**(54.4)**
Cash flow from investing activities																				
Purchases of property and equipment					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchases of short-term investments					0.0					0.0					0.0					0.0
Acquisitions					0.0					0.0					0.0					0.0
Other					0.0					0.0					0.0					0.0
Net cash used in investing acti	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Cash flow from financing activities																				
Issuance of debt	10.0				10.0	10.0				10.0	30.0		0.0	0.0	30.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt	(3.6)	(0.0)	(0.0)	(0.0)	(3.7)	(1.0)	(0.3)	(11.6)	(0.0)	(12.9)	(10.8)	(0.3)			(11.0)					0.0
Issuance of stock		39.8	2.7	3.8	46.3	57.7	2.7	0.3	1.6	62.3	24.6	(0.3)	0.0	0.0	24.3	0.0	0.0	0.0	0.0	0.0
Repurchase of common stock				0.0	0.0					0.0					0.0					0.0
Proceeds from stock option exercises		3.6		0.0	3.6	0.0	0.2	0.0	0.0	0.2					0.0					0.0
Other					0.0					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	**6.4**	**43.3**	**2.7**	**3.8**	**56.2**	**66.7**	**2.6**	**(11.3)**	**1.6**	**59.6**	**43.8**	**(0.6)**	**0.0**	**0.0**	**43.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Effect of exchange rate on cash					0.0					0.0					0.0					0.0
Net increase (decrease) in cash	**(7.0)**	**31.6**	**(17.5)**	**(5.2)**	**1.9**	**55.7**	**(11.7)**	**(32.4)**	**(8.6)**	**2.9**	**34.9**	**(8.7)**	**(15.1)**	**(13.9)**	**(2.8)**	**(14.1)**	**(14.1)**	**(13.1)**	**(13.1)**	**(54.4)**
Beginning cash and equivalents	**12.5**	**5.6**	**37.2**	**19.7**	**12.5**	**14.5**	**70.2**	**58.4**	**26.0**	**14.5**	**17.4**	**52.3**	**43.6**	**28.5**	**17.4**	**14.6**	**0.5**	**(13.6)**	**(26.7)**	**14.6**
Ending cash and equivalents	**5.6**	**37.2**	**19.7**	**14.5**	**14.5**	**70.2**	**58.4**	**26.0**	**17.4**	**17.4**	**52.3**	**43.6**	**28.5**	**14.6**	**14.6**	**0.5**	**(13.6)**	**(26.7)**	**(39.8)**	**(39.8)**

Source: Company reports and Ascendiant Capital Markets estimates

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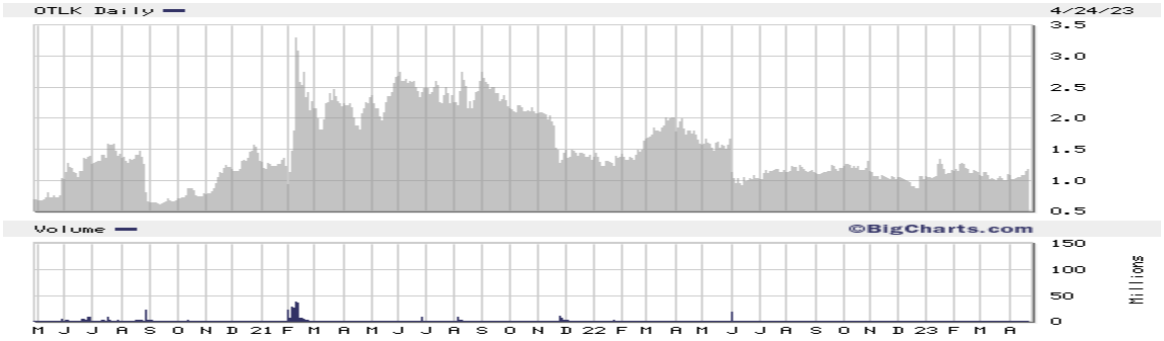
Outlook Therapeutics, Inc.



Source: https://bigcharts.marketwatch.com/

	Report Date		Price
Report	Date	Rating	Target
1	4/22/2019	B	4.00
2	5/16/2019	B	3.00
3	8/20/2019	B	4.00
4	12/22/2019	B	3.50
5	1/29/2020	B	3.75
6	2/20/2020	B	3.50
7	5/21/2020	B	3.25
8	8/21/2020	B	4.00
9	8/31/2020	B	3.25
10	1/6/2021	B	3.50
11	2/17/2021	B	5.00
12	5/22/2021	B	6.00
13	9/6/2021	B	7.00
14	12/23/2021	B	7.25
15	3/2/2022	B	7.50
16	5/27/2022	B	7.75
17	8/17/2022	B	7.00
18	3/29/2023	B	7.25

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HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

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			Investment Banking Services Past 12 months	
Rating	**Count**	**Percent**	**Count**	**Percent**
Buy	49	98%	18	37%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	50	100%	18	36%

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