



## FEATURED OPTIONS RADAR REPORT



### Bullish BioCryst Positioning on Strong Orladeyo Launch

Ticker/Price: BCRX (\$17)

#### Analysis:

**BioCryst Pharma (BCRX)** traded over 15,000 contracts on 6/23 running 1.4X daily average but a few notable trades with 2230 August \$20 calls bought for \$1.50, 1025 August \$18 calls bought near \$2.25 and the January \$15 puts sold to open 1000X for \$3.14. BCRX previously has seen a lot of focus in the September expiration with the \$18 calls now with over 5000 in open interest from buyers and many spread versus the \$22 strike while the \$10, \$12 and \$15 strikes have also seen notable purchases. BCRX also has notable open interest in January 2022 calls. BCRX shares are back to 2015 highs and have gained 123% YTD and 300% over the past year and currently a bull flag looking to break out above \$17.50 for a measured move to \$22. BCRX is a commercial-stage biotechnology company that discovers novel, oral, small-molecule medicines with a focus on oral treatments for rare diseases in which significant unmet medical needs exist and an enzyme plays the key role in the biological pathway of the disease. Structure-guided drug design is a drug discovery approach that designs synthetic compounds from detailed structural knowledge of the active sites of enzyme targets associated with particular diseases. ORLADEYO is an oral, once-daily therapy discovered and developed by BioCryst for the prevention of HAE attacks. BCX9930 is a novel, oral, potent, and selective small molecule inhibitor of Factor D currently in early clinical development for the treatment of complement-mediated diseases. BCRX also has a program exploring activin receptor-like kinase-2 inhibitors for treatment of FOP, an ultra-rare disease that affects approximately 1 in 2 million people worldwide. ORLADEYO launched in Germany/Japan in Q2. It got off to a strong launch in the US in Q1. BCX9930 is moving into pivotal studies in PNH and proof of concept in other indications for rare nephritis diseases. BCRX has a market cap of \$3B and trades 17.5X 2022 sales and 12.7X Cash. BCRX revenues are seen rising 465% in 2021 and 73% in 2022 with models seeing \$550M in sales by 2025. Analysts have an average target of \$19 and short interest elevated at 12.5% of the float. Cowen raised its target to \$21 last week noting it is the best smidcap idea on Orladeyo outlook alone while the pipeline could add meaningful further value. Piper raised its target to \$18 in May noting shares can keep working higher if Orladeyo continues to show strong numbers. Barclays and Evercore each raising targets to \$20 after the Q1 report citing important trial design wins for BCX9930 Factor D program and accelerating momentum in 2021 by reimbursement and Japan/Germany launches.

#### Hawk Vision:



**Hawk's Perspective:** BCRX a nice commercial launch play with Orladeyo estimates for peak sales north of \$500M, if it hits on any other pipeline candidates, it can be a real gem moving forward.

**Confidence Ranking:** \$\$