



## FEATURED OPTIONS RADAR REPORT



### Unusual Call Buying in Potential Diabetes Game-Changer

Ticker/Price: ORMP (\$13.60)

#### Analysis:

**Oramed Pharma (ORMP)** started the week with calls unusually active as more than 3200 traded in a name averaging just 200/day and IV30 surged 45%. The November \$12.50 calls were most active with 1500 being bought \$2.90 to \$3.30. ORMP shares were also strong on the day closing higher by 10% and nearing new highs. ORMP is engaged in the research and development of innovative pharmaceutical solutions, including an oral insulin capsule to be used for the treatment of individuals with diabetes, and the use of orally ingestible capsules or pills for delivery of other polypeptides. Its proprietary flagship product, an orally ingestible insulin capsule, or ORMD-0801, allows insulin to travel from the gastrointestinal tract via the portal vein to the bloodstream, revolutionizing the manner in which insulin is delivered. It enables the passage in a more physiological manner than current delivery methods of insulin. ORMP is also developing a weight loss treatment in the form of an oral leptin capsule and has a COVID vaccine under development. ORMP's lead asset posted positive results in a pivotal Phase 2b study and Phase 3 studies in the US are underway, potential to become the first commercial oral insulin product addressing a massive diabetes market and potential in other indications. ORMP's unique Protein Oral Delivery (POD) technology enables small proteins such as insulin to travel through the gastrointestinal tract and into the bloodstream. This method is more natural and should eliminate many of the negative side-effects of injection delivery. ORMP is addressing \$70B in injection markets via its oral formulations. ORMP currently has a market cap of \$370M and trades 6.5X Cash with no real revenues. Analysts have an average target of \$23 with short interest just under 10% of the float. Alliance Global raised its target to \$25 in April noting ORMD-0801 could revolutionize the treatment paradigm for type 2 diabetes and the COVID vaccine which is in Phase 1 trials could be an opportunity as well. Canaccord started shares Buy in April with a \$27 target.

#### Hawk Vision:



**Hawk's Perspective:** ORMP is clearly speculative but also feels overlooked for the opportunity it has and in late stage trials, so this one could run up a long way into that data.

**Confidence Ranking:** \$\$