
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File No. 001-37759

OUTLOOK THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

38-3982704
(I.R.S. Employer
Identification No.)

111 S. Wood Avenue, Unit #100
Iselin, New Jersey
(Address of principal executive offices)

08830
(Zip Code)

(609) 619-3990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock	OTLK	Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's common stock, \$0.01 par value per share, outstanding as of August 12, 2024 was 23,655,636.

Outlook Therapeutics, Inc.
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In this report, unless otherwise stated or as the context otherwise requires, references to "Outlook Therapeutics," "Outlook," "the Company," "we," "us," "our" and similar references refer to Outlook Therapeutics, Inc. and its consolidated subsidiaries. The Outlook logo, LYTENAVA and other trademarks or service marks of Outlook Therapeutics, Inc. appearing in this report are the property of Outlook Therapeutics, Inc. This report also contains registered marks, trademarks and trade names of other companies. All other trademarks, registered marks and trade names appearing in this report are the property of their respective holders. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this report, including statements regarding our future financial condition, business strategy and plans, and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potentially,” “seek,” “should,” “will,” “would,” or the negative of these terms or similar expressions in this report.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled “Risk Factors” contained in our Annual Report on Form 10-K for the year ended September 30, 2023, filed with the Securities and Exchange Commission (“SEC”) on December 22, 2023, including, among other things, risks associated with:

- the initiation, timing, progress and results of our clinical trials of our lead product candidate, ONS-5010;
- our reliance on our contract manufacturing organizations and other vendors;
- whether the results of our clinical trials will be sufficient to support domestic or global regulatory approvals;
- our ability to obtain and maintain regulatory approval for ONS-5010 in the United States and other markets;
- our expectations regarding the potential market size and the size of the patient populations for our product candidates, if approved, for commercial use;
- our ability to fund our working capital requirements, and our expectations regarding our current cash resources;
- the rate and degree of market acceptance of our current and future product candidates, including our commercialization strategy and manufacturing capabilities for ONS-5010;
- the implementation of our business model and strategic plans for our business and product candidates;
- developments or disputes concerning our intellectual property or other proprietary rights;
- our ability to maintain and establish collaborations or obtain additional funding;
- our expectations regarding government and third-party payor coverage and reimbursement;
- our ability to compete in the markets we serve;
- the factors that may impact our financial results; and
- our estimates regarding the sufficiency of our cash resources and our need for additional funding.

These risks are not exhaustive. Additional factors could harm our business and financial performance, such as risks associated with the current macroeconomic environment, including as a result of the impacts of inflation, high interest rates, current or potential future bank failures or ongoing overseas conflict. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Unless required by law, we undertake no obligation to update or revise any forward-looking statements to reflect new information or future events or developments. Thus, you should not assume that our silence over time means that actual events are bearing out as expressed or implied in such forward-looking statements. We qualify all of the forward-looking statements in this report by these cautionary statements.

PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****Outlook Therapeutics, Inc.
Consolidated Balance Sheets
(unaudited)**

	June 30, 2024	September 30, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 32,024,387	\$ 23,391,982
Prepaid expenses and other current assets	13,593,261	7,587,216
Total current assets	45,617,648	30,979,198
Operating lease right-of-use assets, net	286,462	26,172
Equity method investment	708,388	793,932
Other assets	479,229	501,299
Total assets	<u>\$ 47,091,727</u>	<u>\$ 32,300,601</u>
Liabilities, convertible preferred stock and stockholders' deficit		
Current liabilities:		
Unsecured convertible promissory note	\$ 32,432,000	\$ 35,551,000
Finance lease liabilities	—	4,267
Current portion of operating lease liabilities	31,801	—
Accounts payable	5,552,484	6,574,523
Accrued expenses	2,680,914	2,745,740
Income taxes payable	1,856,629	1,856,629
Total current liabilities	42,553,828	46,732,159
Operating lease liabilities	260,395	—
Warrant liability	87,950,992	6,219
Total liabilities	<u>130,765,215</u>	<u>46,738,378</u>
Commitments and contingencies (Note 8)		
Stockholders' deficit:		
Preferred stock, par value \$0.01 per share: 10,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, par value \$0.01 per share; 60,000,000 shares authorized; 23,405,637 and 13,012,833 shares issued and outstanding at June 30, 2024 and September 30, 2023, respectively	234,057	130,128
Additional paid-in capital	465,068,636	453,350,281
Accumulated deficit	(548,976,181)	(467,918,186)
Total stockholders' deficit	<u>(83,673,488)</u>	<u>(14,437,777)</u>
Total liabilities, convertible preferred stock and stockholders' deficit	<u>\$ 47,091,727</u>	<u>\$ 32,300,601</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Outlook Therapeutics, Inc.
Consolidated Statements of Operations
(unaudited)

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	2024	2023
Operating expenses:				
Research and development	\$ 11,201,754	\$ 11,101,504	\$ 29,240,046	\$ 21,508,876
General and administrative	8,360,933	7,039,901	19,585,738	19,158,487
	<u>19,562,687</u>	<u>18,141,405</u>	<u>48,825,784</u>	<u>40,667,363</u>
Loss from operations	(19,562,687)	(18,141,405)	(48,825,784)	(40,667,363)
Loss on equity method investment	57,497	7,188	85,544	2,648
Interest income	(404,593)	(395,537)	(666,199)	(665,459)
Interest expense	—	303	3,156,964	2,531,022
Loss on extinguishment of debt	—	—	—	577,659
Change in fair value of promissory notes	(7,563,000)	2,910,000	1,949,153	2,913,000
Warrant related expenses (Note 9)	3,392,444	—	37,490,012	—
Change in fair value of warrant liability	(59,454,222)	11,749	(9,786,063)	(37,126)
Income (loss) before income taxes	44,409,187	(20,675,108)	(81,055,195)	(45,989,107)
Income tax expense	—	—	2,800	2,800
Net income (loss)	<u>\$ 44,409,187</u>	<u>\$ (20,675,108)</u>	<u>\$ (81,057,995)</u>	<u>\$ (45,991,907)</u>
Per share information:				
Net income (loss) per share of common stock, basic	\$ 1.91	\$ (1.61)	\$ (4.82)	\$ (3.73)
Net loss per share of common stock, diluted	\$ (0.89)	\$ (1.61)	\$ (4.82)	\$ (3.73)
Weighted average shares outstanding, basic	<u>23,227,069</u>	<u>12,844,079</u>	<u>16,822,774</u>	<u>12,343,951</u>
Weighted average shares outstanding, diluted	<u>25,476,438</u>	<u>12,844,079</u>	<u>16,822,774</u>	<u>12,343,951</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Outlook Therapeutics, Inc.
Consolidated Statements of Stockholders' (Deficit) Equity
(unaudited)

	Stockholders' Deficit				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders Deficit
	Shares	Amount			
Balance at October 1, 2023	13,012,833	\$130,128	\$ 453,350,281	\$(467,918,186)	\$ (14,437,777)
Stock-based compensation expense	—	—	1,272,611	—	1,272,611
Net loss	—	—	—	(11,178,239)	(11,178,239)
Balance at December 31, 2023	13,012,833	130,128	454,622,892	(479,096,425)	(24,343,405)
Sale of common stock, net of issuance costs	8,571,423	85,714	—	—	85,714
Issuance of common stock in connection with conversion of convertible promissory note	428,571	4,286	2,995,714	—	3,000,000
Stock-based compensation expense	—	—	1,310,507	—	1,310,507
Net loss	—	—	—	(114,288,943)	(114,288,943)
Balance at March 31, 2024	22,012,827	220,128	458,929,113	(593,385,368)	(134,236,127)
Sale of common stock, net of issuance costs	714,286	7,143	—	—	7,143
Issuance of common stock in connection with conversion of convertible promissory note	678,524	6,786	4,743,214	—	4,750,000
Stock-based compensation expense	—	—	1,396,309	—	1,396,309
Net income	—	—	—	44,409,187	44,409,187
Balance at June 30, 2024	<u>23,405,637</u>	<u>\$234,057</u>	<u>\$ 465,068,636</u>	<u>\$(548,976,181)</u>	<u>\$ (83,673,488)</u>

	Stockholders' Equity				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount			
Balance at October 1, 2022	11,365,528	\$ 113,655	\$ 417,558,434	\$ (408,935,518)	\$ 8,736,571
Sale of common stock, net of issuance costs	1,467,802	14,678	24,277,482	—	24,292,160
Stock-based compensation expense	—	—	1,392,393	—	1,392,393
Net loss	—	—	—	(18,662,513)	(18,662,513)
Balance at December 31, 2022	12,833,330	128,333	443,228,309	(427,598,031)	15,758,611
Stock-based compensation expense	—	—	1,383,405	—	1,383,405
Net loss	—	—	—	(6,654,286)	(6,654,286)
Balance at March 31, 2023	12,833,330	128,333	444,611,714	(434,252,317)	10,487,730
Sale of common stock, net of issuance costs	101,859	1,019	3,301,715	—	3,302,734
Stock-based compensation expense	—	—	1,381,805	—	1,381,805
Net loss	—	—	—	(20,675,108)	(20,675,108)
Balance at June 30, 2023	<u>12,935,189</u>	<u>\$ 129,352</u>	<u>\$ 449,295,234</u>	<u>\$(454,927,425)</u>	<u>\$ (5,502,839)</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Outlook Therapeutics, Inc.
Consolidated Statements of Cash Flows
(unaudited)

	Nine months ended June 30,	
	2024	2023
OPERATING ACTIVITIES		
Net loss	\$ (81,057,995)	\$ (45,991,907)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	85,062	32,971
Loss on extinguishment of debt	—	577,659
Non-cash interest expense	2,681,847	2,529,830
Stock-based compensation	3,979,427	4,157,603
Change in fair value of promissory notes	1,949,153	2,913,000
Warrant related expenses (Note 9)	37,490,012	—
Change in fair value of warrant liability	(9,786,063)	(37,126)
Loss on equity method investment	85,544	2,648
Interest paid on debt	—	(1,158,609)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(6,006,045)	827,163
Other assets	(28,866)	(232,220)
Operating lease liabilities	(2,220)	(26,995)
Accounts payable	(1,136,993)	1,324,184
Accrued expenses	(64,826)	4,849,715
Net cash used in operating activities	<u>(51,811,963)</u>	<u>(30,232,084)</u>
FINANCING ACTIVITIES		
Proceeds from the sale of common stock and warrants to purchase common stock, net of issuance costs	60,448,635	27,596,910
Proceeds from debt	—	30,000,000
Payments of finance lease obligations	(4,267)	(8,669)
Repayment of debt	—	(10,220,000)
Payment of financing costs	—	(823,894)
Net cash provided by financing activities	<u>60,444,368</u>	<u>46,544,347</u>
Net increase in cash and cash equivalents	8,632,405	16,312,263
Cash and cash equivalents at beginning of period	23,391,982	17,396,812
Cash and cash equivalents at end of period	<u>\$ 32,024,387</u>	<u>\$ 33,709,075</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 475,000</u>	<u>\$ 1,159,008</u>
Supplemental schedule of non-cash financing activities:		
Convertible promissory note converted into common stock	<u>\$ 7,750,000</u>	<u>\$ —</u>
Recognition of warrant liability	<u>\$ 97,730,836</u>	<u>\$ —</u>
Common stock issuance costs in accounts payable and accrued expenses	<u>\$ 114,954</u>	<u>\$ 223,760</u>
Deferred offering costs amortization	<u>\$ —</u>	<u>\$ 131,944</u>
Right-of-use asset and lease liability recognized for new operating lease liabilities	<u>\$ 294,416</u>	<u>\$ —</u>

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Outlook Therapeutics, Inc.
Notes to Unaudited Interim Consolidated Financial Statements

1. Organization and Description of Business

Outlook Therapeutics, Inc. (“Outlook” or the “Company”) was incorporated in New Jersey on January 5, 2010, started operations in July 2011, reincorporated in Delaware by merging with and into a Delaware corporation in October 2015 and changed its name to “Outlook Therapeutics, Inc.” in November 2018. The Company is a biopharmaceutical company focused on developing and commercializing ONS-5010, an ophthalmic formulation of bevacizumab for use in retinal indications. The Company is based in Iselin, New Jersey.

In May 2024 the Company received Marketing Authorization from the European Commission for LYTENAVA™ (bevacizumab gamma), an ophthalmic formulation of bevacizumab for the treatment of wet age-related macular degeneration (“AMD”) in the European Union (“EU”). Additionally, in July 2024 the Company also received marketing authorization for LYTENAVA™ (bevacizumab gamma) in the United Kingdom (“UK”) from the UK Medicines and Healthcare products Regulatory Agency (MHRA). LYTENAVA™ (bevacizumab gamma) is the first and only authorized ophthalmic formulation of bevacizumab for use in treating wet AMD in the EU and UK.

In the fourth quarter of calendar 2023, the Company agreed to conduct an additional adequate and well-controlled clinical trial following discussions with the U.S. Food and Drug Administration (“FDA”) in support of the Company’s Biologics License Application (“BLA”) for ONS-5010. In December 2023, the Company submitted a Special Protocol Assessment (“SPA”) to the FDA for this study (NORSE EIGHT) seeking confirmation that, if successful, it will address the FDA’s requirement for a second adequate and well-controlled clinical trial to support its planned resubmission of the ONS-5010 BLA. In January 2024, the Company received confirmation that the FDA has reviewed and agreed upon the NORSE EIGHT trial protocol pursuant to the SPA and that, if the NORSE EIGHT trial is successful, it would satisfy the FDA’s requirement for a second adequate and well-controlled clinical trial to address fully the clinical deficiency identified in the Complete Response Letter (“CRL”). The first subject was enrolled in NORSE EIGHT in January 2024. In addition, through a Type A meeting and additional interactions, the Company has identified the approaches needed to resolve the chemistry, manufacturing and controls (“CMC”) comments in the CRL.

2. Liquidity

The Company has incurred recurring losses and negative cash flows from operations since its inception and has an accumulated deficit of \$548,976,181 as of June 30, 2024, which raises substantial doubt about the Company’s ability to continue as a going concern. The accompanying unaudited interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The unaudited interim consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

Management does not believe that the existing cash and cash equivalents as of June 30, 2024 are sufficient to fund the Company’s operations through one year from the date of this Quarterly Report on Form 10-Q. As a result, there is substantial doubt about the Company’s ability to continue as a going concern and additional financing will be needed by the Company to fund its operations in the future and to commercially develop ONS-5010 and to develop any other product candidates. Management is currently evaluating different strategies to obtain the required funding for future operations, including but not limited to, the exercise of outstanding warrants to purchase shares of the Company’s common stock (subject to meeting the requirements for calling such warrants), proceeds from potential licensing and/or marketing arrangements or collaborations with pharmaceutical or other companies, sale of the development and commercial rights to the Company’s drug product candidates in regions outside of the U.S., the issuance of additional debt, the issuance of equity securities, including accessing capital through at-the-market offering agreements (refer to Note 9 for further details), and revenues from potential future product sales, if any. There can be no assurance that these future funding efforts will be successful.

Outlook Therapeutics, Inc.
Notes to Unaudited Interim Consolidated Financial Statements

However, management does believe that the existing cash and cash equivalents as of June 30, 2024, when combined with the expected proceeds from the full exercise of warrants to purchase shares of common stock (subject to meeting the requirements for calling such warrants), would be sufficient to support the Company's operations through 2025. For further details on the warrants to purchase shares of common stock, refer to Note 9. The Company's consolidated financial statements do not include any adjustments that might be necessary if it is unable to continue as a going concern.

The Company's future operations are highly dependent on a combination of factors, including: (i) the timely and successful completion of additional financing discussed above; (ii) the Company's ability to successfully begin marketing of its product candidates or complete revenue-generating partnerships with other companies; (iii) the success of its research and development; (iv) the development of competitive therapies by other biotechnology and pharmaceutical companies; and, ultimately, (v) regulatory approval and market acceptance of the Company's proposed future products.

3. Basis of Presentation and Summary of Significant Accounting Policies

Basis of presentation

The accompanying unaudited interim consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

In the opinion of management, the accompanying unaudited interim consolidated financial statements include all normal and recurring adjustments (which consist primarily of accruals, estimates and assumptions that impact the financial statements) considered necessary to present fairly the Company's financial position as of June 30, 2024 and its results of operations for the three and nine months ended June 30, 2024 and 2023, cash flows for the nine months ended June 30, 2024 and 2023, and stockholders' equity for the three and nine months ended June 30, 2024 and 2023. Operating results for the nine months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the full year ending September 30, 2024. The unaudited interim consolidated financial statements presented herein do not contain all of the required disclosures under GAAP for annual consolidated financial statements. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements and related notes as of and for the year ended September 30, 2023 included in the Company's Annual Report on Form 10-K filed with the SEC on December 22, 2023.

Reverse stock split

Effective on March 14, 2024, the Company amended its amended and restated certificate of incorporation to implement a one-for-twenty reverse stock split of its common stock. As a result of the reverse stock split, the Company made corresponding adjustments to the share amounts under its employee incentive plans, outstanding options, and common stock warrant agreements with third parties. The disclosure of common shares and per common share data in the accompanying consolidated financial statements and related notes reflect the reverse stock split for all periods presented.

Use of estimates

The preparation of the unaudited interim consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Due to the uncertainty of factors surrounding the estimates or judgments used in the preparation of the unaudited interim consolidated financial statements, such as the current macroeconomic environment, including as a result of inflation, high interest rates or ongoing overseas conflict, actual results may materially vary from these estimates. Estimates and assumptions are periodically reviewed, and the

Outlook Therapeutics, Inc.
Notes to Unaudited Interim Consolidated Financial Statements

effects of revisions are reflected in the unaudited interim consolidated financial statements in the period they are determined to be necessary.

Net income (loss) per share

Basic net income (loss) per share of common stock is computed by dividing net income (loss) common stockholders by the weighted-average number of shares of common stock outstanding during each period. Diluted net income (loss) per share of common stock includes the effect, if any, from the potential exercise or conversion of securities, such as convertible debt, warrants, performance-based stock options and units, and stock options using the treasury stock method, which would result in the issuance of incremental shares of common stock. For purposes of calculating diluted loss per common share, the denominator includes both the weighted average common shares outstanding and the number of common stock equivalents if the inclusion of such common stock equivalents would be dilutive.

The following table sets forth the computation of basic loss per share and diluted loss per share:

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Numerator:				
Net income (loss) attributable to common stockholders	\$ 44,409,187	\$ (20,675,108)	\$ (81,057,995)	\$ (45,991,907)
Effect of dilutive securities:				
Change in fair value of warrant liability	(59,393,374)	—	—	—
Change in fair value of promissory notes	(7,563,000)	—	—	—
Adjusted net loss attributable to common stockholders	<u>\$ (22,547,187)</u>	<u>\$ (20,675,108)</u>	<u>\$ (81,057,995)</u>	<u>\$ (45,991,907)</u>
Denominator:				
Weighted average shares outstanding, basic	23,227,069	12,844,079	16,822,774	12,343,951
Effect of dilutive securities:				
Common stock warrants	562,685	—	—	—
Convertible promissory notes	1,686,684	—	—	—
Dilutive effect of stock options	—	—	—	—
Weighted average shares outstanding, diluted	<u>25,476,438</u>	<u>12,844,079</u>	<u>16,822,774</u>	<u>12,343,951</u>
Basic net income (loss) per share	<u>\$ 1.91</u>	<u>\$ (1.61)</u>	<u>\$ (4.82)</u>	<u>\$ (3.73)</u>
Diluted net loss per share	<u>\$ (0.89)</u>	<u>\$ (1.61)</u>	<u>\$ (4.82)</u>	<u>\$ (3.73)</u>

The following potentially dilutive securities (in common stock equivalents) have been excluded from the computation of diluted weighted-average shares outstanding as of June 30, 2024 and 2023, as they would be antidilutive:

	<u>As of June 30,</u>	
	<u>2024</u>	<u>2023</u>
Performance-based stock units	—	123
Performance-based stock options	532,367	95,000
Stock options	1,928,646	1,181,563
Common stock warrants	279,060	366,427
Convertible debt	—	835,074 (i)

- (i) The potentially dilutive securities related to convertible debt are calculated based on a fixed conversion price of \$40.00 per share, which is subject to change as described in Note 7.

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Recently issued accounting pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07, which is applicable to entities with a single reportable segment and will primarily require enhanced disclosures about significant segment expenses and enhanced disclosures in interim periods. The guidance in ASU 2023-07 will be applied retrospectively and is effective for annual reporting periods in fiscal years beginning after December 15, 2023 and interim reporting periods in fiscal years beginning after December 31, 2024, with early adoption permitted. The Company is currently evaluating the impact that the adoption of ASU 2023-07 will have on its consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 which is intended to improve income tax disclosure requirements by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) the disaggregation of income taxes paid by jurisdiction. The guidance makes several other changes to the income tax disclosure requirements. The guidance in ASU 2023-09 will be effective for annual reporting periods in fiscal years beginning after December 15, 2024. The Company is currently evaluating the impact that the adoption of ASU 2023-09 will have on its consolidated financial statements and disclosures.

4. Fair Value Measurements

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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The following table presents the Company's liabilities that are measured at fair value on a recurring basis:

	June 30, 2024		
	(Level 1)	(Level 2)	(Level 3)
Liabilities			
Unsecured convertible promissory note	\$ —	\$ —	\$ 32,432,000
Warrant liability	—	—	87,950,992
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 120,382,992</u>
	September 30, 2023		
	(Level 1)	(Level 2)	(Level 3)
Liabilities			
Unsecured convertible promissory note	\$ —	\$ —	\$ 35,551,000
Warrant liability	—	—	6,219
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 35,557,219</u>

The table presented below is a summary of changes in the fair value of the Company's Level 3 valuation for the warrant liability and unsecured convertible promissory note for the nine months ended June 30, 2024:

	Unsecured Convertible Promissory Note	Warrants
Balance at October 1, 2023	\$ 35,551,000	\$ 6,219
Issued in connection with sale of common stock	—	97,730,836
Promissory note maturity extension fee added to outstanding balance	2,681,847	—
Principal and accrued interest converted to common stock	(7,750,000)	—
Change in fair value	1,949,153	(9,786,063)
Balance at June 30, 2024	<u>\$ 32,432,000</u>	<u>\$ 87,950,992</u>

As further described in Note 7, the Company elected the fair value option to account for an unsecured convertible promissory note issued in December 2022 (the "December 2022 Note"). The fair value of the December 2022 Note is estimated using a binomial lattice model, which evaluates the payouts under hold, convert or call decisions. Significant estimates in the binomial lattice model include the Company's stock price, volatility, risk-free rate of return, and credit-adjusted discount rate.

The fair value of the December 2022 Note was estimated using a binomial lattice model with the following assumptions:

	June 30, 2024	September 30, 2023
Term (years)	1.0	0.3
Stock price	\$ 7.38	\$ 4.40
Volatility	163.0 %	71.0 %
Risk-free rate	5.1 %	5.5 %
Dividend yield	— %	— %
Credit-adjusted discount rate	22.7 %	22.8 %

The warrants issued in connection with the convertible senior secured notes originally issued pursuant to that certain Note and Warrant Purchase Agreement dated December 22, 2017 and warrants issued in connection with private placements that closed on March 18, 2024 and April 15, 2024, are classified as liabilities on the accompanying unaudited interim consolidated balance sheets. The warrants related to the Note and Warrant Purchase Agreement dated December 22, 2017 are classified as liabilities as the warrants include cash settlement features at the option of the holders under certain

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circumstances. The warrants issued in connection with private placements that closed on March 18, 2024 and April 15, 2024 are classified as liabilities as the Company assessed that they are not indexed to the Company's own stock and must be classified as liabilities. For further details on the evaluation refer to Note 9.

The above warrant liabilities are revalued each reporting period with the change in fair values recorded in the accompanying consolidated statements of operations until the warrants are exercised or expire. The fair values of the warrant liabilities are estimated using the Black-Scholes option pricing model using the following weighted average assumptions:

	<u>June 30, 2024</u>	<u>September 30, 2023</u>
Risk-free interest rate	4.36 %	5.30 %
Remaining contractual term of warrants (years)	4.7	1.4
Expected volatility	130.2 %	158.3 %
Annual dividend yield	— %	— %
Fair value of common stock (per share)	\$ 7.38	\$ 4.40

5. Equity Method Investment

In connection with the execution of a stock purchase agreement with Syntone Ventures LLC ("Syntone"), the United States-based affiliate of Syntone Technologies Group Co. Ltd. ("Syntone PRC") on May 22, 2020, the Company and Syntone PRC entered into a joint venture agreement pursuant to which they agreed to form a People's Republic of China ("PRC") joint venture, Beijing Syntone Biopharma Ltd ("Syntone JV"), that is 80% owned by Syntone PRC and 20% owned by the Company. As the Company can exert significant influence over, but does not control, Syntone JV's operations through voting rights or representation on Syntone JV's board of directors, the Company accounts for this investment using the equity method of accounting. Upon formation of Syntone JV in April 2021, the Company entered into a royalty-free license with Syntone JV for the development, commercialization and manufacture of ONS-5010 in the greater China market, which includes Hong Kong, Taiwan and Macau.

The Company made the initial investment of \$900,000 in June 2020 and is committed to making capital contributions to Syntone JV of approximately \$2,100,000, based upon the development plan contemplated in the license agreement. The maximum exposure to a loss as a result of the Company's involvement in Syntone JV is limited to the initial investment and the future capital contributions totaling approximately \$2,100,000.

6. Accrued Expenses

Accrued expenses consists of:

	<u>June 30, 2024</u>	<u>September 30, 2023</u>
Compensation	\$ 895,177	\$ 919,970
Professional fees	1,107,166	165,192
Research and development	399,853	1,234,192
Other accrued expenses	278,718	426,386
	<u>\$ 2,680,914</u>	<u>\$ 2,745,740</u>

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7. Debt

Debt consists of:

	June 30, 2024	September 30, 2023
Unsecured convertible promissory note (measured at fair value)	\$ 32,432,000	\$ 35,551,000
Less: current portion	(32,432,000)	(35,551,000)
Long-term debt	<u>\$ —</u>	<u>\$ —</u>

December 2022 Note

On December 22, 2022, the Company entered into a Securities Purchase Agreement and issued the December 2022 Note with a face amount of \$31,820,000 to Streeterville Capital, LLC (the “Lender”), the holder of the Company’s unsecured promissory note issued in November 2021 (the “November 2021 Note”). The December 2022 Note has an original issue discount of \$1,820,000. The Company received net proceeds of \$18,052,461 upon the closing on December 28, 2022 after deducting the Lender’s transaction costs in connection with the issuance and a full payment of the remaining outstanding principal and accrued interest on the November 2021 Note. The November 2021 Note was cancelled upon repayment. See below for additional disclosures relating to November 2021 Note.

In December 2023, the Company extended the maturity of the December 2022 Note from January 1, 2024 to April 1, 2024. The Company incurred a \$475,000 extension fee, which was expensed and included in interest expense in the unaudited interim consolidated statement of operations.

The December 2022 Note bore interest at 9.5% per annum through April 1, 2024. The December 2022 Note contains customary covenants, including a restriction on the Company’s ability to pledge certain of the Company’s assets, subject to certain exceptions, without the Lender’s consent. Beginning on April 1, 2023, the Lender had the right to convert the December 2022 Note at the Conversion Price (as defined below). The principal amount and conversion price of the December 2022 Note were subject to adjustment upon certain triggering events. In addition, the Company had the right to convert all or any portion of the outstanding balance under the December 2022 Note into shares of common stock at the Conversion Price if certain conditions have been met at the time of conversion, including if at any time after the six-month anniversary of the closing date, the daily volume-weighted average price of the common stock on Nasdaq equals or exceeds \$50.00 per share (subject to adjustments for stock splits and stock combinations) for a period of 30 consecutive trading days. Payments may be made by the Company (i) in cash, (ii) in shares of common stock, with the number of shares being equal to the portion of the applicable payment amount divided by the Conversion Price (as defined below), or (iii) a combination of cash and shares of common stock. Any payments made by the Company in cash, including prepayments or repayment at maturity, will be subject to an additional fee of 7.5%. Upon the occurrence of certain events described in the December 2022 Note, including, among others, the Company’s failure to pay amounts due and payable under the December 2022 Note, events of insolvency or bankruptcy, failure to observe covenants contained in the Securities Purchase Agreement and the December 2022 Note, breaches of representations and warranties in the Securities Purchase Agreement, and the occurrence of certain transactions without the Lender’s consent (each such event, a “Trigger Event”), the Lender shall have the right, subject to certain exceptions, to increase the balance of the December 2022 Note by 10% for a Major Trigger Event (as defined in the December 2022 Note) and 5% for a Minor Trigger Event (as defined in the December 2022 Note). If a Trigger Event is not cured within ten (10) trading days of written notice thereof from the Lender, it will result in an event of default (such event, an “Event of Default”). Following an Event of Default, the Lender may accelerate the December 2022 Note such that all amounts thereunder become immediately due and payable, and interest shall accrue at a rate of 22% annually until paid. Prior to April 1, 2024, under the December 2022 Note, “Conversion Price” meant, prior to a Major Trigger Event, \$40.00 per share (subject to adjustment for stock splits and stock combinations), and following a Major Trigger Event, the lesser of (i) \$40.00 per share (subject to adjustment for stock splits and stock combinations), and (ii) 90% multiplied by the lowest closing bid price of the Company’s common stock in the three trading days prior to the date on which the conversion notice is delivered. If the Conversion Price is below \$3.51 per share, the Company will be required to satisfy a conversion notice from the Lender in cash. Subject to

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certain exceptions, while the December 2022 Note is outstanding, the Lender will have a consent right on any future variable rate transactions or any debt and a 10% participation right in any future debt or equity financings.

On January 22, 2024, the Company entered into an amendment to the December 2022 Note (the "Note Amendment") with the Lender, which became effective on April 1, 2024 after satisfaction of certain conditions, including various required stockholder approvals and the closing of the private placement on March 18, 2024. The maturity of the December 2022 Note was extended to July 1, 2025. An extension fee of \$2,681,847 (calculated as 7.5% of the outstanding balance of the December 2022 Note) was added to the outstanding balance on March 18, 2024. The extension fee was expensed in the quarter ended March 31, 2024 and included in interest expense in the unaudited interim consolidated statement of operations.

Under the Note Amendment, the initial conversion price with respect to \$15,000,000 in aggregate principal amount of the December 2022 Note was changed to \$7.00, the price per share in the private placement that closed on March 18, 2024. Effective April 1, 2024, the December 2022 Note bears interest at the prime rate (as published in the Wall Street Journal) plus 3% (subject to a floor of 9.5%) and the Company has an obligation to repay at least \$3,000,000 of the outstanding balance of the December 2022 Note for each calendar quarter beginning with the second calendar quarter of 2024 (subject to adjustment for conversions by the Lender and to payment of an exit fee as set forth in the Note Amendment) and continuing until the December 2022 Note is repaid in full. As of June 30, 2024, the December 2022 Note was classified as current on the unaudited interim consolidated balance sheets as the Lender has the right to convert the December 2022 Note into equity until the entire outstanding balance has been paid off.

During the three and nine months ended June 30, 2024, an aggregate of principal and accrued interest totaling \$4,750,000 and \$7,750,000, respectively, of the December 2022 Note was converted into 678,524 and 1,107,095 shares of the Company's common stock, respectively.

The Company elected to account for the December 2022 Note at fair value (Note 4) and was not required to bifurcate the conversion option as a derivative and as a result the original issue discount of \$1,820,000 and debt issuance costs were written off upon election to fair value and accounted for as interest. During the nine months ended June 30, 2023, the Company recognized \$2,074,964 of interest expense related to the December 2022 Note, consisting of the original issue discount of \$1,820,000 and other third-party debt issuance costs of \$254,964 as the Company elected the fair value option.

During the nine months ended June 30, 2024, the Company recorded \$3,156,964 of interest expense. This interest expense was associated with the fees incurred for extending the debt. During the three months ended June 30, 2024, no interest expense was recognized.

November 2021 Note

On November 16, 2021, the Company received \$10,000,000 in net proceeds from the issuance of the November 2021 Note with a face amount of \$10,220,000. Debt issuance costs totaling \$820,000 were recorded as debt discount and were deducted from the principal. The debt discount was amortized as a component of interest expense over the term of the underlying debt using the effective interest method. The November 2021 Note bore interest at a rate of 9.5% per annum compounding daily and was set to mature on January 1, 2023. The Company could prepay all or a portion of the November 2021 Note at any time by paying 105% of the outstanding balance elected for pre-payment.

As discussed above, the November 2021 Note was cancelled using proceeds from the December 2022 Note issued to the same lender. The total repayment was \$11,947,539, which represented 105% of the outstanding balance and included \$1,158,609 of interest expense. The transaction has been accounted for as an extinguishment of the November 2021 Note. As a result, the Company recorded a loss on debt extinguishment of \$577,659, which included \$8,729 of unamortized debt discount, and prepayment fees of \$568,930.

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During the nine months ended June 30, 2023, the Company recognized \$454,866 of interest expense related to the November 2021 Note of which \$190,775 was related to the amortization of debt discount. During the three months ended June 30, 2023, no interest expense was recognized.

8. Commitments and Contingencies

Litigation

On November 3, 2023, a securities class action lawsuit was filed against the Company and certain of its officers in the United States District Court for the District of New Jersey. The class action complaint alleges violations of the Securities Exchange Act of 1934, as amended, or the Exchange Act, in connection with allegedly false and misleading statements made by the Company related to the Company's BLA during the period from August 3, 2021 through August 29, 2023. The complaint alleges, among other things, that the Company violated Sections 10(b) and 20(a) of the Exchange Act and SEC Rule 10b-5 by failing to disclose that there was an alleged lack of evidence supporting ONS-5010 as a treatment for wet AMD and that the Company and/or their manufacturing partner had deficient CMC controls for ONS-5010, which remained unresolved at the time the Company's BLA was re-submitted to the FDA and, as a result, the FDA was unlikely to approve the Company's BLA, and that the Company's stock price dropped when such information was disclosed. The plaintiffs in the class action complaint seek damages and interest, and an award of reasonable costs, including attorneys' fees. The parties are in the process of briefing a motion to dismiss.

The pending lawsuit and any other related lawsuits are subject to inherent uncertainties, and the actual defense and disposition costs will depend upon many unknown factors. The outcome of the pending lawsuit and any other related lawsuits is necessarily uncertain. The Company could be forced to expend significant resources in the defense of the pending lawsuit and any additional lawsuits, and the Company may not prevail. In addition, the Company may incur substantial legal fees and costs in connection with such lawsuits. The Company currently is not able to estimate the possible cost to it from these matters, as the pending lawsuit is currently at an early stage, and the Company cannot be certain how long it may take to resolve the pending lawsuit or the possible amount of any damages that the Company may be required to pay. Such amounts could be material to the Company's financial statements if it does not prevail in the defense of the pending lawsuit and any other related lawsuits, or even if it does prevail. The Company has not established any reserve for any potential liability relating to the pending lawsuit and any other related lawsuits. It is possible that the Company could, in the future, incur judgments or enter into settlements of claims for monetary damages.

Leases

Corporate office

In March 2021, the Company entered into a three-year term corporate office lease for its former corporate headquarters in Iselin, New Jersey that ended on April 30, 2024.

In March 2024, the Company entered into a five-year term corporate office lease for its new corporate headquarters in Iselin, New Jersey that commenced on May 1, 2024.

Equipment leases

As of June 30, 2024, all equipment leases had expired. The Company had equipment leases, with terms between 12 and 36 months, recorded as finance leases. The equipment leases bore interest between 4.0% and 13.0% per annum. Certain lease agreements contained provisions for future rent increases. Payments due under the lease contracts included minimum payments that the Company was obligated to make under the non-cancelable initial terms of the leases as the renewal terms are at the Company's option. Lease expense was recorded as research and development or general and administrative based on the use of the leased asset.

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The components of lease cost for the three and nine months ended June 30, 2024 and 2023 are as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	2024	2023
Lease cost:				
Amortization of right-of-use assets	\$ —	\$ —	\$ —	\$ —
Interest on lease liabilities	—	304	116	1,193
Total finance lease cost	—	304	116	1,193
Operating lease cost	16,459	11,217	38,892	33,650
Total lease cost	<u>\$ 16,459</u>	<u>\$ 11,521</u>	<u>\$ 39,008</u>	<u>\$ 34,843</u>

Amounts reported in the unaudited interim consolidated balance sheets for leases where the Company is the lessee are as follows:

	June 30, 2024	September 30, 2023
Operating leases:		
Right-of-use asset	\$ 286,462	\$ 26,172
Operating lease liabilities	292,196	—
Finance leases:		
Right-of-use asset	\$ —	\$ —
Financing lease liabilities	—	4,267
Weighted-average remaining lease term (years):		
Operating leases	4.8	0.6
Finance leases	—	0.3
Weighted-average discount rate:		
Operating leases	9.9%	7.5%
Finance leases	—	13.0%

Other information related to leases for the nine months ended June 30, 2024 and 2023 are as follows:

	Nine months ended June 30,	
	2024	2023
Cash paid for amounts included in the measurement of lease obligations:		
Operating cash flows from finance leases	\$ 116	\$ 1,193
Operating cash flows from operating leases	11,799	27,675
Financing cash flows from finance leases	4,267	8,669
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 294,416	\$ —

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Future minimum lease payments under non-cancelable leases at June 30, 2024 are as follows for years ending September 30:

	Operating leases
2024 (remaining three months)	\$ 1,630
2025	78,091
2026	79,954
2027	81,817
2028	83,680
Thereafter	49,447
Total undiscounted lease payments	374,619
Less: Imputed interest	82,423
Total lease obligations	\$ 292,196

9. Common Stock and Stockholders' Equity

Preferred Stock

On May 13, 2024, the Company filed a Certificate of Elimination to its Certificate of Incorporation, as then amended, with the Secretary of State of the State of Delaware to eliminate from the Certificate of Incorporation all matters set forth in the Certificates of Designation filed with the Secretary of State of the State of Delaware on September 8, 2017 (with respect to its Series A Convertible Preferred Stock and the Series B Convertible Preferred Stock) and July 18, 2018, as amended on March 19, 2020 (with respect to its Series A-1 Convertible Preferred Stock) and returning each of the Series A Convertible Preferred Stock, Series B Convertible Preferred Stock and Series A-1 Convertible Preferred Stock to the status of authorized but unissued shares of preferred stock of the Company, without designation as to series. There were no outstanding shares of Series A Convertible Preferred Stock, Series B Convertible Preferred Stock or Series A-1 Convertible Preferred Stock as of May 13, 2024. Immediately following the filing of the Certificate of Elimination, the Company filed a Restated Certificate of Incorporation of the Company with the Secretary of State of the State of Delaware, which restates and integrates but does not further amend the Company's Certificate of Incorporation, as then amended. The number of authorized shares of preferred stock under the Company's Certificate of Incorporation is 10,000,000 shares.

Common stock

On March 7, 2024, following receipt of stockholder approval at the Company's 2024 annual meeting of stockholders, the number of authorized shares of common stock under the Company's Certificate of Incorporation was increased from 21,250,000 shares to 60,000,000 shares.

On March 18, 2024, in a private placement (the "Private Placement") pursuant to a securities purchase agreement entered in January 2024 with certain institutional and accredited investors, including GMS Ventures and Investments ("GMS Ventures"), the Company's largest stockholder, the Company issued an aggregate of 8,571,423 shares of common stock and warrants to purchase an aggregate of 12,857,133 shares of common stock at a purchase price per share of \$7.00 per share and accompanying warrant to purchase one and one-half shares of common stock for \$55,498,311 in net proceeds after payment of placement agent fees and other offering costs. GMS Ventures purchased an aggregate of 2,305,714 shares of common stock and warrants to purchase an aggregate of 3,458,571 shares of common stock in the Private Placement. The Warrants have an exercise price of \$7.70 per share of common stock and will expire on March 18, 2029.

On April 15, 2024, in a private placement with Syntone pursuant to a securities purchase agreement entered into on January 22, 2024 (the "Syntone Private Placement"), the Company issued 714,286 shares of common stock and accompanying warrants to purchase 1,071,429 shares of common stock for \$4,835,371 in net proceeds on substantially the same terms as

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those in the Private Placement. The warrants have an exercise price of \$7.70 per share of common stock and will expire on April 15, 2029.

The Company evaluated the equity classification for the common stock warrants and considered the conditions as prescribed within ASC 815-40, *Derivatives and Hedging, Contracts in an Entity's own Equity* ("ASC 815-40"). The Company determined that the warrants did not meet the "fixed for fixed" settlement provision set forth in Step 2 of the indexation guidance and as a result they are not indexed to the Company's own stock and must be classified as liabilities. The warrants were measured at fair value at issuance and recorded as a liability and will be remeasured to fair value at each subsequent reporting date, with changes in fair value recorded in current earnings. The net proceeds from the Private Placement were allocated first to the warrants at fair value, with the residual amount recorded as common stock at par value. The Company will continue to classify such warrants as liabilities until they are exercised, expire, or are no longer required to be classified as liabilities.

As the fair value of the warrants upon issuance was more than the proceeds of the Private Placement and Syntone Private Placement, there are no proceeds allocated to additional paid in capital. The excess fair value of the Private Placement and Syntone Private Placement warrants over the net proceeds was \$34,097,568 and \$3,392,444, respectively, in the aggregate and was recorded as warrant related expenses in the unaudited interim consolidated statement of operations.

In December 2022, in a registered direct equity offering to certain institutional and accredited investors, including GMS Ventures, the Company issued 1,423,041 shares of common stock at a purchase price per share of \$17.568 for \$23,208,679 in net proceeds after payment of placement agent fees and other offering costs. GMS Ventures purchased an aggregate of 711,520 shares of common stock in the registered direct equity offering. In connection with the registered direct equity offering, the Company issued to M.S. Howells & Co., the placement agent, warrants to purchase up to an aggregate of 25,787 shares of common stock at an exercise price of \$21.00 per share, which warrants have a three-year term.

H.C. Wainwright & Co. At-the-Market Offering Agreement

On March 26, 2021, the Company entered into an At-the-Market Offering Agreement with H.C. Wainwright & Co., as sales agent ("Wainwright") (the "Wainwright ATM Agreement" or the "Wainwright ATM Offering"), under which the Company could issue and sell shares of its common stock having an aggregate offering price of up to \$40,000,000 from time to time through Wainwright. The Company incurred financing costs of \$197,654, which were capitalized and reclassified to additional paid in capital on a pro rata basis when the Company sold common stock under the Wainwright ATM Offering.

Under the Wainwright ATM Agreement, the Company paid Wainwright a commission equal to 3.0% of the aggregate gross proceeds of any sales of common stock under the Wainwright ATM Agreement. The Company terminated the Wainwright ATM Agreement effective May 15, 2023. As a result, the Company wrote off unamortized deferred costs under the Wainwright ATM Agreement effective as of the termination date.

No shares of common stock were sold under the Wainwright ATM Offering during the three months ended June 30, 2023. During the nine months ended June 30, 2023, the Company sold 44,769 shares of common stock under the Wainwright ATM Offering and generated \$1,089,105 in net proceeds. During the nine months ended June 30, 2023, the Company paid fees to Wainwright and other issuance costs of \$38,799.

BTIG, LLC At-the-Market Offering Agreement

On May 16, 2023, the Company entered into an At-the-Market Sales Agreement with BTIG, LLC ("BTIG") as sales agent (as amended, the "BTIG ATM Agreement" or the "BTIG ATM Offering"), under which the Company may issue and sell shares of its common stock having an aggregate offering price of up to \$100,000,000 from time to time through BTIG. The Company incurred financing costs of \$353,688, which were capitalized and are being reclassified to additional paid in capital on a pro rata basis when the Company sells common stock under the BTIG ATM Offering. As of June 30, 2024, \$331,512 of such deferred costs are included in other assets on the unaudited interim consolidated balance sheets.

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Under the BTIG ATM Agreement, the Company pays BTIG a commission equal to 3.0% of the aggregate gross proceeds of any sales of common stock under the BTIG ATM Agreement. The offering of common stock pursuant to the BTIG ATM Agreement will terminate upon the earlier of (i) the sale of all common stock subject to the BTIG ATM Agreement or (ii) termination of the BTIG ATM Agreement in accordance with its terms.

No shares of common stock were sold under the BTIG ATM Offering during the three and nine months ended June 30, 2024. During the three and nine months ended June 30, 2023, the Company sold 101,863 shares of common stock under the BTIG ATM Offering and generated \$3,429,104 in net proceeds. During the three and nine months ended June 30, 2023, the Company paid fees to BTIG and other issuance costs of \$106,055.

Common stock warrants

As of June 30, 2024, shares of common stock issuable upon the exercise of outstanding warrants were as follows:

<u>Expiration Date</u>		<u>Shares of common stock issuable upon exercise of warrants</u>	<u>Exercise Price Per Share</u>
December 22, 2024	(i)	13,850	\$ 240.00
February 24, 2025		8,642	\$ 25.40
April 13, 2025	(i)	7,284	\$ 240.00
May 31, 2025	(i)	3,121	\$ 240.00
June 22, 2025		9,563	\$ 30.38
December 28, 2025		25,787	\$ 21.00
January 28, 2026		12,576	\$ 25.00
February 2, 2026		93,238	\$ 25.00
November 23, 2026		104,999	\$ 31.25
March 18, 2029	(ii)	12,857,133	\$ 7.70
April 15, 2029	(ii)	1,071,429	\$ 7.70
		<u>14,207,622</u>	

- (i) The warrants were issued in connection with the convertible senior secured notes originally issued pursuant to the certain Note and Warrant Purchase Agreement dated December 22, 2017 and are classified as liabilities on the accompanying unaudited interim consolidated balance sheets, as the warrants include cash settlement features at the option of the holders under certain circumstances. Refer to Note 4 for fair value measurements disclosures.
- (ii) The warrants were issued in connection with private placements that closed on March 18, 2024 and April 15, 2024 are exercisable only for cash, except in limited circumstances, at any time after the date of issuance. The Company evaluated the warrants under ASC 815, *Derivatives and Hedging*, guidance and determined that the warrants did not meet Step 2 of the indexation, as a result they are not indexed to the Company's own stock and must be classified as liabilities. Refer to the disclosure above under the header "—Common stock" for further details.

A holder of warrants may not exercise the warrant if the holder, together with its affiliates, would beneficially own more than a specified percentage of the outstanding common stock (4.99%, 9.99% or 19.99%, as applicable), immediately after giving effect to such exercise, which may be increased or decreased at the holders' option (not to exceed 19.99%), effective 61 days after written notice to the Company. In addition, the Company may require the holders to cash exercise the warrants under certain circumstances as follows: (i) if the VWAP of the common stock equals or exceeds \$20.00 per share (subject to adjustment in the event of stock splits, combinations or similar events, such as the reverse stock split implemented prior to Closing

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as discussed below) for 30 consecutive days (the “Stock Price Condition”) at any time after the Company publicly announces topline data from its NORSE EIGHT clinical trial evidencing satisfaction of the trial’s primary endpoints (the “NORSE EIGHT Announcement”), upon the consent of a majority of the members of the Company’s board of directors, the Company may require the holders to exercise up to 20% of the aggregate number of warrants issued to such holder on the issue date; and (ii) the Company may require up to the remainder of the warrants be exercised (A) if the Stock Price Condition is satisfied at any time after the Company publicly announces approval from the FDA of its BLA for ONS-5010, upon the consent of a majority of the members of the board of directors or (B) if the Stock Price Condition is satisfied at any time after the NORSE EIGHT Announcement, upon the unanimous consent of the members of the Company’s Board of Directors present at duly called meeting.

10. Stock-Based Compensation

2011 Equity Incentive Plan

The Company’s 2011 Equity Compensation Plan (the “2011 Plan”) provided for the Company to sell or issue restricted common stock, RSUs, performance-based awards (“PSUs”), cash-based awards or to grant stock options for the purchase of common stock to officers, employees, consultants and directors of the Company. The 2011 Plan was administered by the board of directors or, at the discretion of the board of directors, by a committee of the board. As of June 30, 2024, there were no PSUs outstanding under the 2011 Plan. Effective with the December 2015 adoption of the 2015 Equity Incentive Plan (the “2015 Plan”), no future awards under the 2011 Plan will be granted.

2015 Equity Incentive Plan

In December 2015, the Company adopted the 2015 Plan. The 2015 Plan provides for the grant of stock options, stock appreciation rights, restricted stock awards, RSU awards, performance stock awards and other forms of equity compensation to Company employees, directors and consultants. The aggregate number of shares of common stock authorized for issuance pursuant to the Company’s 2015 Plan is 2,503,677. As of June 30, 2024, there were no shares available for grant under the 2015 Plan.

Stock options and RSUs are granted under the Company’s 2015 Plan and generally vest over a period of one to four years from the date of grant and, in the case of stock options, have a term of 10 years. The Company recognizes the grant date fair value of each option and RSU over its vesting period.

The Company recorded stock-based compensation expense in the following expense categories of its unaudited interim consolidated statements of operations for the three and nine months ended June 30, 2024 and 2023:

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Research and development	\$ 147,359	\$ 280,489	\$ 615,735	\$ 893,413
General and administrative	1,248,950	1,101,316	3,363,692	3,264,190
	<u>\$ 1,396,309</u>	<u>\$ 1,381,805</u>	<u>\$ 3,979,427</u>	<u>\$ 4,157,603</u>

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Stock options

As of June 30, 2024, options to purchase common stock of the Company outstanding under the 2015 Plan were as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Balance at October 1, 2023	1,197,774	\$ 28.72		
Granted	799,729	6.70		
Forfeited	(59,212)	26.27		
Expired	(9,645)	34.50		
Balance at June 30, 2024	<u>1,928,646</u>	\$ 19.63	7.9	\$ 636,830
Exercisable at June 30, 2024	<u>945,096</u>	\$ 27.10	6.7	\$ 193,438
Vested and expected to vest at June 30, 2024	<u>1,928,646</u>	\$ 19.63	7.9	\$ 636,830

The aggregate intrinsic value represents the total amount by which the fair value of the common stock subject to options exceeds the exercise price of the related options.

The weighted average grant date fair value of the options awarded to employees for the nine months ended June 30, 2024 and 2023 was \$6.01 and \$18.80 per option, respectively. The fair value of the options was estimated on the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	Nine months ended June 30,	
	2024	2023
Risk-free interest rate	4.3 %	3.7 %
Expected term (years)	6.0	5.9
Expected volatility	131.3 %	111.7 %
Expected dividend yield	—	—

As of June 30, 2024, there was \$8,818,798 of unrecognized compensation expense that is expected to be recognized over a weighted-average period of 1.5 years.

Performance-based stock options

The Company granted certain officers of the Company option awards whose vesting is contingent upon meeting company-wide performance goals. The performance stock options were granted “at-the-money” and have a term of 10 years.

The fair value of each option grant under the performance share option plan was estimated on the date of grant using the same option valuation model used for non-statutory options above. Compensation expense for performance-based stock options is only recognized when management determines it is probable that the awards will vest.

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A summary of the activity under the performance share option plan as of June 30, 2024 and changes during the nine months then ended are presented below.

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Balance at October 1, 2023	35,000	\$ 28.80		
Granted	499,336	6.78		
Forfeited	(1,969)	6.78		\$ 4,351
Balance at June 30, 2024	<u>532,367</u>	\$ 7.93	9.6	\$ 298,420
Exercisable at June 30, 2024	<u>35,000</u>	\$ 28.80	6.6	\$ —
Vested and expected to vest at June 30, 2024	<u>532,367</u>	\$ 7.93	9.6	\$ 298,420

The vesting of the performance-based stock options is conditional upon FDA approval of ONS-5010. The expense for the performance-based stock options is not recognized until the performance conditions are deemed probable of achievement. The Company did not record any expense related to the performance-based stock options during the three and nine months ended June 30, 2024 as the performance conditions were not deemed probable of being met. The weighted average grant date fair value of the performance stock options awarded during the nine months ended June 30, 2024, was \$6.52 per option. As of June 30, 2024, the Company assessed that the performance conditions related to the performance options granted were not probable of achievement. The assessment was based on the relevant facts and circumstances and therefore no compensation costs were recognized. The fair value of the options was estimated on the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	Nine months ended June 30,	
	2024	2023
Risk-free interest rate	4.3 %	3.8 %
Expected term (years)	10.0	10.0
Expected volatility	125.6 %	91.3 %
Expected dividend yield	—	—

Performance-based stock units

The Company has issued PSUs, which generally have a ten-year term from the date of grant. Upon exercise, the PSU holder receives common stock or cash at the Company's discretion.

The following table summarizes the activity related to PSUs during the nine months ended June 30, 2024:

	Number of PSUs	Exercise Price Per PSU	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Balance at October 1, 2023	123	\$ 999.40		
Forfeitures	—	—		
Expired	(123)	999.40		
Balance at June 30, 2024	<u>—</u>	\$ —	—	\$ —
Exercisable at June 30, 2024	<u>—</u>	\$ —	—	\$ —
Vested and expected to vest at June 30, 2024	<u>—</u>	\$ —	—	\$ —

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11. Related-Party Transactions

MTTR – strategic partnership agreement (ONS-5010)

In February 2018, the Company entered into a strategic partnership agreement with MTTR to advise on regulatory, clinical and commercial strategy and assist in obtaining approval of ONS-5010.

In November 2018, the board of directors of the Company appointed Mr. Terry Dagnon as Chief Operations Officer and Mr. Jeff Evanson as Chief Commercial Officer. Both Mr. Dagnon and Mr. Evanson initially provided services to the Company pursuant to the February 2018 strategic partnership agreement with MTTR, as amended. Mr. Dagnon and Mr. Evanson were both principals in MTTR. Both Mr. Dagnon and Mr. Evanson were compensated directly by MTTR for services provided to the Company as the Company's Chief Operations Officer and Chief Commercial Officer, respectively, pursuant to the strategic partnership agreement until such agreement, as amended, was terminated effective March 19, 2020. The Company began compensating Mr. Dagnon and Mr. Evanson directly as consultants effective March 19, 2020 pursuant to their respective consulting agreements with the Company, which became effective March 19, 2020 following stockholder approval of the share issuances contemplated therein.

On December 21, 2021, the Company entered into employment agreements with each of Mr. Dagnon and Mr. Evanson, which superseded and replaced their prior consulting agreements. Pursuant to their new employment agreements, each of Mr. Dagnon and Mr. Evanson will receive a base salary of \$450,000 and a discretionary annual cash bonus with a target amount equal to 50% of his respective base salary. In connection with their entry into the employment agreements, each of Mr. Dagnon and Mr. Evanson received a grant of 800,000 options to purchase common stock, one quarter of which will vest on the first anniversary of the grant and the remainder of which will vest in monthly installments over the succeeding three years, subject to their continued service through each vesting date. In addition, each of Mr. Dagnon and Mr. Evanson received a performance grant of 200,000 options to purchase common stock, which will vest upon the Company's achievement of certain milestones. An aggregate of 200,000 performance-based stock options vested as a result of achieving the performance condition related to the Company's BLA submission.

Mr. Dagnon transitioned from Chief Operations Officer to Senior Advisor on December 6, 2023, as part of the Company's strategic organizational realignment program.

During the three months ended June 30, 2024 and 2023, MTTR and its four principals under the strategic partnership agreement and the subsequent individual consulting agreements earned an aggregate of \$60,000 during each period, and \$180,000 and \$125,552 during the nine months ended June 30, 2024 and 2023, respectively, which includes monthly consulting fees and expense reimbursement. There were no amounts payable to the former MTTR principals at June 30, 2024 and September 30, 2023.

12. Subsequent Events

Unsecured convertible promissory note conversions

In July 2024, an aggregate of principal and accrued interest totaling \$1,750,000 of the December 2022 Note was converted into 249,999 shares of the Company's common stock. For further details on the December 2022 Note, refer to Note 7.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read this section in conjunction with our unaudited interim consolidated financial statements and related notes included in Part I, Item 1 of this report and our audited consolidated financial statements and related notes thereto and management's discussion and analysis of financial condition and results of operations for the years ended September 30, 2023 and 2022 included in our Annual Report on Form 10-K for the year ended September 30, 2023, filed with the Securities and Exchange Commission, or SEC, on December 22, 2023.

Forward-Looking Statements

This discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements are identified by words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potentially," "seek," "should," "will," "would," or the negative of these terms or similar expressions in this report. You should read these statements carefully because they discuss future expectations, contain projections of future results of operations or financial condition, or state other forward-looking information. These statements relate to our future plans, objectives, expectations, intentions and financial performance and the assumptions that underlie these statements. These forward-looking statements are subject to certain risks and uncertainties that could cause a material difference including, but not limited to, those discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended September 30, 2023, filed with the SEC on December 22, 2023, and elsewhere in this report. See "Special Note Regarding Forward-Looking Statements." Forward-looking statements are based on our management's current beliefs and assumptions and based on information currently available to our management. These statements, like all statements in this report, speak only as of their date, and we undertake no obligation to update or revise these statements in light of future developments.

Overview

We are a biopharmaceutical company working to launch the first ophthalmic formulation of bevacizumab approved by the European Commission in the European Union (EU), the Medicines and Healthcare products Regulatory Agency (MHRA) in the United Kingdom (UK) and the U.S. Food and Drug Administration (FDA), for use in retinal indications. Our initial goal is to launch directly in the EU, UK and United States as the first and only approved ophthalmic bevacizumab for the treatment of retina conditions, including wet age-related macular degeneration, or wet AMD. Our plans also include seeking approval and launching the product in Japan and other markets. As further described below, in May 2024, the European Commission granted the Marketing Authorization for LYTENAVA (bevacizumab gamma) for the treatment of wet AMD in the EU and in July 2024, the MHRA granted marketing authorization for LYTENAVA (bevacizumab gamma) for the treatment of wet AMD in the UK. The EU Marketing Authorization grants us an initial ten years of market exclusivity in the EU for LYTENAVA™ (bevacizumab gamma). Outside of the United States, we are currently assessing options to commercialize either directly or through a strategic partner. If approved, we expect to receive 12 years of regulatory exclusivity in the United States.

Bevacizumab is a full-length, humanized anti-VEGF (Vascular Endothelial Growth Factor) recombinant monoclonal antibody, or mAb, that inhibits VEGF and associated angiogenic activity. In October 2022 we submitted a Marketing Authorization Application, or MAA, for ONS-5010 with the European Medicines Agency (EMA). The MAA was submitted as a 'full-mixed marketing authorization application' based on Article 8.3 of Directive 2001/83/EC. On March 22, 2024, the EMA's Committee for Medicinal Products for Human Use, or CHMP issued a positive opinion concerning the authorization of ONS-5010/LYTENAVA™ (bevacizumab gamma), an investigational ophthalmic formulation of bevacizumab for the treatment of wet age-related macular degeneration (wet AMD) in the EU. In May 2024, the European Commission granted the Marketing Authorization for LYTENAVA™ (bevacizumab gamma) for the treatment of wet AMD in the EU. The decision applied automatically in all 27 EU Member States, and, within 30 days, also to Iceland, Norway and Liechtenstein. Additionally, in April 2024, we submitted a MAA to the MHRA in the UK seeking approval of ONS-5010/LYTENAVA™ (bevacizumab gamma) for the treatment of wet AMD. The submission was completed under the new International Recognition Procedure (IRP), which allows the MHRA to rely on an authorization received for the same product from one of MHRA's specified Reference Regulators (RRs) when considering an application for marketing authorization in the UK. These RRs include a positive opinion by the EMA's CHMP concerning an application for grant of marketing authorization for the same product in the EU. In July 2024, the MHRA granted marketing authorization for

LYTENAVA™ (bevacizumab gamma) for the treatment of wet AMD in the UK. LYTENAVA™ (bevacizumab gamma) is the first and only authorized ophthalmic formulation of bevacizumab for use in treating wet AMD in the EU and UK.

Separately, in March 2022, we submitted a BLA with the FDA for ONS-5010/LYTENAVA™ (bevacizumab-vikg), an investigational ophthalmic formulation of bevacizumab, which we have developed to be administered as an intravitreal injection for the treatment of wet AMD and other retinal diseases. In May 2022, we voluntarily withdrew our BLA to provide additional information requested by the FDA. We re-submitted the BLA to the FDA for ONS-5010 on August 30, 2022, and in October 2022, we received confirmation from the FDA that our BLA had been accepted for filing with a goal date of August 29, 2023 for a review decision by the FDA. On August 29, 2023, we received a Complete Response Letter, or CRL, in which the FDA concluded it could not approve the BLA during this review cycle due to several chemical, manufacturing and control, or CMC, issues, open observations from pre-approval manufacturing inspections, and a lack of substantial evidence. At subsequent Type A meetings with the FDA, we learned that the FDA requires the successful completion of an additional adequate and well-controlled clinical trial evaluating ONS-5010, as well as additional requested CMC data indicated in the CRL to approve ONS-5010 for use in wet AMD.

We agreed to conduct an additional adequate, and well-controlled clinical trial following discussions with the FDA in support of our BLA for ONS-5010. In December 2023, we submitted a Special Protocol Assessment, or SPA, to the FDA for this study (NORSE EIGHT) seeking confirmation that, if successful, it will address the FDA's requirement for a second adequate and well-controlled clinical trial to support our planned resubmission of the ONS-5010 BLA. In January 2024, we received confirmation that the FDA has reviewed and agreed upon the NORSE EIGHT trial protocol pursuant to the SPA. If the NORSE EIGHT trial is successful, it would satisfy the FDA's requirement for a second adequate and well-controlled clinical trial to address fully the clinical deficiency identified in the CRL. In addition, through a Type A meeting and additional interactions, we have identified the approaches needed to resolve the CMC comments in the CRL. We are working to address the open CMC items and have concluded a series of Type C and Type D meetings with the FDA to help to resolve these comments prior to reporting top line results from NORSE EIGHT in the fourth quarter of calendar 2024.

Our BLA and MAA submissions for ONS-5010 in wet AMD involved three clinical trials, which we refer to as NORSE ONE, NORSE TWO and NORSE THREE. The study design for our clinical program to evaluate ONS-5010 as an ophthalmic formulation of bevacizumab was reviewed at an end of Phase 2 meeting with the FDA in April 2018, and we filed our investigational new drug application, or IND, with the FDA in the first quarter of calendar 2019. In August 2020, we reported achieving the anticipated safety and efficacy proof-of-concept results from NORSE ONE, a clinical experience study. NORSE TWO was our pivotal Phase 3 clinical trial comparing ONS-5010 (bevacizumab-vikg) to ranibizumab (LUCENTIS). The topline results reported from NORSE TWO in August 2021 showed that ONS-5010 met the primary and key secondary endpoints for efficacy with clinically impactful change observed for treated patients. The NORSE TWO primary endpoint difference in proportion of subjects gaining at least 15 letters in Best Corrected Visual Acuity, or BCVA, score was met and was both highly statistically significant and clinically relevant. In the intent to treat, or ITT, primary dataset, the percentage of patients who gained at least 15 letters who were treated with ONS-5010, was 41.7%, and the percentage of patients who gained at least 15 letters who were treated with ranibizumab was 23.1% ($p = 0.0052$). The primary endpoint was also statistically significant and clinically relevant in the secondary per protocol, or PP, dataset ($p = 0.04$) where the percentages were almost identical, at 41.0% with ONS-5010, and 24.7% with ranibizumab. The key secondary endpoint BCVA score change from baseline to month 11 in the primary ITT dataset was also highly statistically significant and clinically relevant ($p = 0.0035$). A mean change of 11.2 letters in BCVA score was observed with ONS-5010, and with ranibizumab the mean change was 5.8 letters. The results were also statistically significant in the secondary PP dataset ($p = 0.01$) with a mean change with ONS-5010 of 11.1 letters versus 7.0 letters with ranibizumab. Additionally, the majority of ONS-5010 subjects maintained or gained BCVA during the study (defined as change from baseline in BCVA ≥ 0), with at least 80% of ONS-5010 subjects maintaining BCVA each month. Results were also positive for the remaining NORSE TWO secondary endpoints with 56.5% ($p = 0.0016$) of ONS-5010 subjects gaining ≥ 10 letters of vision and 68.5% ($p = 0.0116$) of ONS-5010 subjects gaining ≥ 5 letters of vision. NORSE THREE is an open-label safety study we conducted to ensure the adequate number of safety exposures to ONS-5010 were available for the initial ONS-5010 BLA submission with the FDA. In March 2021, we reported that the results from NORSE THREE showed a positive safety profile for ONS-5010.

As agreed to with the FDA in the SPA, NORSE EIGHT is a randomized, controlled, parallel-group, masked, non-inferiority study of approximately 400 newly diagnosed, wet AMD subjects randomized in a 1:1 ratio to receive 1.25 mg

ONS-5010 or 0.5 mg ranibizumab intravitreal injections. Subjects will receive injections at Day 0 (randomization), Week 4, and Week 8 visits. The primary endpoint will be mean change in BCVA from baseline to week 8. The first subject was enrolled in NORSE EIGHT in January 2024 and 359 subjects have been enrolled as of August 13, 2024. We expect NORSE EIGHT topline results by the end of calendar year 2024 and potential resubmission of the ONS-5010 BLA in the first quarter of calendar 2025.

Additionally, in November 2021, we began enrolling patients in our NORSE SEVEN clinical trial. The study compares the safety of ophthalmic bevacizumab in vials versus pre-filled syringes in subjects diagnosed with a retinal condition that would benefit from treatment with intravitreal injection of bevacizumab, including exudative age-related macular degeneration, DME, or BRVO. Subjects will be treated for three months, and the enrollment of subjects in the arm of the study receiving ONS-5010 in vials has been completed.

We have also received agreement from the FDA on three Special Protocol Assessments, or SPAs, for three additional registration clinical trials for our ongoing Phase 3 program for ONS-5010. The agreements reached with the FDA on these SPAs cover the protocols for NORSE FOUR, a registration clinical trial evaluating ONS-5010 to treat BRVO, and NORSE FIVE and NORSE SIX, two registration clinical trials evaluating ONS-5010 to treat DME. The timing for initiating these studies has not been determined pending initial FDA approval for wet AMD.

Because there are no approved bevacizumab products for the treatment of retinal diseases in the United States and other major markets, we submitted a standard BLA, and are not using the biosimilar drug development pathway that would be required if Avastin were an approved drug for the targeted diseases. If approved, we believe ONS-5010 has potential to mitigate risks associated with off-label use of unapproved bevacizumab. In the United States, 66.3% of retina physicians state off-label repackaged bevacizumab is their most commonly used first-line anti-VEGF (ASRS 2022 Membership Survey Presented at ASRS NY 2022).

Going Concern

Through June 30, 2024 we have funded substantially all of our operations with \$531.0 million in net proceeds from the sale and issuance of our equity and debt securities. We have also received \$29.0 million pursuant to our collaboration and licensing agreements through such date. Our net loss for the nine months ended June 30, 2024 was \$81.1 million. We also had a net loss of \$46.0 million for the nine months ended June 30, 2023. We have not generated any revenue from product sales. We anticipate incurring additional losses until such time, if ever, that we can generate significant sales of ONS-5010 or any other product candidate we may develop.

We evaluated whether there are conditions or events considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern. We do not believe that the existing cash and cash equivalents as of June 30, 2024 are sufficient to fund our operations through one year from the date of this Quarterly Report on Form 10-Q. As a result, there is substantial doubt about the our ability to continue as a going concern. However, we believe that the existing cash and cash equivalents as of June 30, 2024, when combined with the expected proceeds from the full exercise of warrants to purchase shares of common stock (subject to meeting the requirements for calling such warrants), would be sufficient to support the Company's operations through 2025. For further details on the warrants to purchase shares of common stock, refer to Note 9 of the unaudited consolidated interim financial statements included elsewhere in this Quarterly Report on Form 10-Q. The Company's consolidated financial statements do not include any adjustments that might be necessary if it is unable to continue as a going concern.

Recent Developments

In July 2024, an aggregate of principal and accrued interest totaling \$1.8 million of the unsecured convertible promissory note was converted into 249,999 shares of the Company's common stock. For further details on the unsecured convertible promissory note, refer to Note 7 to the unaudited consolidated interim financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Collaboration, License and Strategic Partnership Agreements

From time to time, we enter into collaboration and license agreements for the research and development, manufacture and/or commercialization of our products and/or product candidates. These agreements generally provide for non-

refundable upfront license fees, development and commercial performance milestone payments, cost sharing, royalty payments and/or profit sharing. We have also licensed rights to our inactive biosimilar program product candidates (ONS-3010, ONS-1045 and ONS-1050) in other markets.

Syntone – PRC Joint Venture

In May 2020, we entered into a stock purchase agreement with Syntone Ventures LLC, or Syntone Ventures, the United States-based affiliate of Syntone Technologies Group Co. Ltd., or Syntone PRC, pursuant to which we sold and issued in June 2020, in a private placement, 16,000,000 shares of our common stock at a purchase price of \$1.00 per share, for aggregate gross proceeds of \$16.0 million. In connection with the entry into the stock purchase agreement, we entered into a joint venture agreement with Syntone PRC pursuant to which we agreed to form a People's Republic of China, or PRC joint venture, Beijing Syntone Biopharma Ltd, or Syntone JV, that is 80% owned by Syntone PRC and 20% owned by us. Upon formation of Syntone JV in April 2021, we entered into a royalty-free license with Syntone JV for the development, commercialization and manufacture of ONS-5010 in the greater China market, which includes Hong Kong, Taiwan and Macau.

We used approximately \$0.9 million of the proceeds from the May 2020 private placement to Syntone Ventures to fund our initial capital contribution to Syntone JV and are committed to making capital contributions to Syntone JV of approximately \$2.1 million, based upon the development plan contemplated in the license agreement. The maximum exposure to a loss as a result of our involvement in Syntone JV is limited to the initial investment and the future capital contributions totaling approximately \$2.1 million.

Selexis SA

In October 2011, we entered into a research license agreement with Selexis whereby we acquired a non-exclusive license to conduct research internally or in collaboration with third parties to develop recombinant proteins from cell lines created in mammalian cells using the Selexis expression technology, or the Selexis Technology. The research license expired on October 9, 2018 and accordingly, we are no longer using the Selexis Technology in our research.

Selexis also granted us a non-transferrable option to obtain a perpetual, non-exclusive, worldwide commercial license under the Selexis Technology to manufacture, or have manufactured, a recombinant protein produced by a cell line developed using the Selexis Technology for clinical testing and commercial sale. We exercised this option in April 2013 and entered into three commercial license agreements with Selexis for our ONS-3010, ONS-1045 (which covers ONS-5010) and ONS-1050 product candidates. We paid an upfront licensing fee to Selexis for each commercial license and also agreed to pay a fixed milestone payment for each licensed product. In addition, we are required to pay a single-digit royalty on a final product-by-final product and country-by-country basis, based on worldwide net sales of such final products by us or any of our affiliates or sub-licensees during the royalty term. At any time during the term, we have the right to terminate our royalty payment obligation by providing written notice to Selexis and paying Selexis a royalty termination fee. The initiation of our Phase 3 clinical program for ONS-5010 triggered a CHF 65,000 (approximately \$0.1 million) milestone payment under the commercial license agreement, which we paid in November 2019.

Components of our Results of Operations

Research and Development Expenses

Research and development expense consists of expenses incurred in connection with the discovery and development of our product candidates. We expense research and development costs as incurred. These expenses include:

- expenses incurred under agreements with contract research organizations, or CROs, as well as investigative sites and consultants that conduct our preclinical studies and clinical trials;
- expenses incurred by us directly, as well as under agreements with contract manufacturing organizations, or CMOs, for manufacturing scale-up expenses and the cost of acquiring and manufacturing preclinical and clinical trial materials and commercial materials, including manufacturing validation batches;
- outsourced professional scientific development services;
- employee-related expenses, which include salaries, benefits and stock-based compensation;

- payments made under a third-party assignment agreement, under which we acquired intellectual property;
- expenses relating to regulatory activities, including filing fees paid to regulatory agencies;
- laboratory materials and supplies used to support our research activities; and
- allocated expenses, utilities and other facility-related costs.

The successful development of our product candidates is highly uncertain. At this time, we cannot reasonably estimate or know the nature, timing and costs of the efforts that will be necessary to complete the remainder of the development of, or when, if ever, material net cash inflows may commence from any of our other product candidates. This uncertainty is due to the numerous risks and uncertainties associated with the duration and cost of clinical trials, which vary significantly over the life of a project as a result of many factors, including:

- the number of clinical sites included in the trials;
- the length of time required to enroll suitable patients;
- the number of patients that ultimately participate in the trials;
- the number of doses patients receive;
- the duration of patient follow-up;
- the results of our clinical trials;
- the establishment of commercial manufacturing capabilities;
- the receipt of marketing approvals; and
- the commercialization of product candidates.

Our expenditures are subject to additional uncertainties, including the terms and timing of regulatory approvals. We may never succeed in achieving regulatory approval for any of our biosimilar product candidates. We may obtain unexpected results from our clinical trials. We may elect to discontinue, delay or modify clinical trials of some product candidates or focus on others. A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or other regulatory authorities were to require us to conduct clinical trials beyond those that we currently anticipate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time on the completion of clinical development. Full product commercialization will take several years and millions of dollars in additional costs.

Research and development activities are central to our business model. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size, complexity and duration of later-stage clinical trials.

General and Administrative Expenses

General and administrative expenses consist principally of salaries and related costs for personnel in executive, administrative, finance and legal functions, including stock-based compensation, travel expenses and recruiting expenses. Other general and administrative expenses include facility related costs, patent filing and prosecution costs and professional fees for business development, legal, auditing and tax services and insurance costs.

We anticipate that our general and administrative expenses will increase if and when we believe a regulatory approval of a product candidate appears likely, and we anticipate an increase in payroll and expense as a result of our preparation for commercial operations, particularly as it relates to the sales and marketing of our product.

Loss (income) on Equity Method Investment

Loss (income) on equity method investment represents our proportionate share for the period of the net loss (income) of our investee to which the equity method of accounting is applied. We account for equity investments where we own a non-controlling interest, but have the ability to exercise significant influence, under the equity method of accounting.

Interest income

Interest income is earned from short term investments primarily money market investments.

Interest Expense

Interest expense consists of cash paid and non-cash interest expense related to our senior secured notes, equipment loans, lease liabilities and other finance obligations.

Loss on Extinguishment of Debt

Loss on extinguishment of debt is related to the prepayment and cancellation or amendment of promissory notes during the period that was accounted for as an extinguishment.

Change in Fair Value of Promissory Notes

The change in fair value relates to convertible promissory notes that we elected to account for at fair value. As permitted under ASC 825, we elected the fair value option to account for our convertible promissory notes. We recorded the convertible promissory note at fair value with changes in fair value recorded in the consolidated statements of operations.

Warrant Related Expenses

The warrant related expense relates to the excess of the fair value of the warrants upon issuance over the proceeds of the private placements that closed on March 18, 2024 and April 15, 2024. The excess fair value of the warrants over the net proceeds was recorded in the unaudited interim consolidated statement of operations.

Change in Fair Value of Warrant Liability

We issued warrants to purchase our common stock in conjunction with convertible senior secured notes issued pursuant to a certain Note and Warrant Purchase Agreement dated December 22, 2017. Additionally, we issued warrants in connection with a private placement that closed on March 18, 2024. These warrants are categorized as liabilities and recorded at fair value. The warrants are subject to re-measurement at each balance sheet date, and we recognize any change in fair value in our statements of operations.

Income Taxes

During the years ended September 30, 2023 and 2022, we had no accruals for foreign withholding taxes in connection with our collaboration and licensing agreements. We did not sell any NOLs or unused research and development tax credits during the years ended September 30, 2023 and 2022.

Since inception, we have not recorded any U.S. federal or state income tax benefits (excluding the sale of New Jersey state NOLs and research and development, or R&D, tax credits) for the net losses we have incurred in each year or on our earned R&D tax credits, due to our uncertainty of realizing a benefit from those items. As of September 30, 2023, we had federal and state NOL carryforwards of \$371.7 million and \$207.5 million, respectively, that will begin to expire in 2030 and 2039, respectively. As of September 30, 2023, we had federal foreign tax credit carryforwards of \$1.6 million available to reduce future tax liabilities, which began to expire in 2023. As of September 30, 2023, we also had federal and state R&D tax credit carryforwards of \$11.2 million and \$0.8 million, respectively, that will begin to expire in 2032 and 2033, respectively.

In general, under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an “ownership change” is subject to limitations on its ability to utilize its NOLs to offset future taxable income. We have not completed a study to assess whether an ownership change has occurred in the past. Our existing NOLs may be subject to limitations arising from previous ownership changes, and if we undergo an ownership change in connection with or after our initial public offering, our ability to utilize NOLs could be further limited by Section 382 of the Code. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change under Section 382 of the Code. Our NOLs are also subject to international regulations, which could restrict our ability to utilize our NOLs. Furthermore, our ability to utilize NOLs of companies that we may acquire in the future may be subject to limitations. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities.

On August 16, 2022, President Biden signed the Inflation Reduction Act, or the IRA. The IRA contains a number of tax related provisions including a 15% minimum corporate income tax on certain large corporations as well as an excise tax on stock repurchases, both provisions are effective for tax years beginning after December 31, 2022. We are in the process of evaluating the IRA, but do not expect it to have a material impact on our consolidated financial statements.

Furthermore, our ability to utilize NOLs of companies that we may acquire in the future may be subject to limitations. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities.

Results of Operations

Comparison of Three Months Ended June 30, 2024 and 2023

	Three months ended June 30,		Change
	2024	2023	
Operating expenses:			
Research and development	\$ 11,201,754	\$ 11,101,504	\$ 100,250
General and administrative	8,360,933	7,039,901	1,321,032
Loss from operations	(19,562,687)	(18,141,405)	(1,421,282)
Loss on equity method investment	57,497	7,188	50,309
Interest income	(404,593)	(395,537)	(9,056)
Interest expense	—	303	(303)
Change in fair value of promissory notes	(7,563,000)	2,910,000	(10,473,000)
Warrant related expenses	3,392,444	—	3,392,444
Change in fair value of warrant liability	(59,454,222)	11,749	(59,465,971)
Net income (loss)	\$ 44,409,187	\$ (20,675,108)	\$ 65,084,295

Research and development expenses

The following table summarizes our research and development expenses by functional area for the three months ended June 30, 2024 and 2023:

	Three months ended June 30,	
	2024	2023
ONS-5010 development	\$ 10,074,668	\$ 9,713,086
Compensation and related benefits	613,382	899,330
Stock-based compensation	147,359	280,489
Other research and development	366,345	208,599
Total research and development expenses	\$ 11,201,754	\$ 11,101,504

Research and development expenses for the three months ended June 30, 2024 increased by \$0.1 million compared to the three months ended June 30, 2023. The increase was due to an increase in ONS-5010 development expenses and other research development expenses amounting to \$0.5 million, which was primarily related to conducting the NORSE EIGHT clinical trial, partially offset by a combined decrease of \$0.4 million in compensation and related benefits, and stock-based compensation.

General and administrative expenses

The following table summarizes our general and administrative expenses by type for the three months ended June 30, 2024 and 2023:

	Three months ended June 30,	
	2024	2023
Professional fees	\$ 2,710,432	\$ 3,253,927
Compensation and related benefits	1,432,343	1,954,995
Stock-based compensation	1,248,950	1,101,316
Europe prelaunch expenses	1,528,955	—
Facilities, fees and other related costs	1,440,253	729,663
Total general and administrative expenses	<u>\$ 8,360,933</u>	<u>\$ 7,039,901</u>

General and administrative expenses for the three months ended June 30, 2024 increased by \$1.3 million when compared to the three months ended June 30, 2023. The increase was primarily driven by Europe prelaunch expenses of \$1.5 million incurred during the period.

Interest income

Interest income for the three months ended June 30, 2024 and 2023 was earned from short term investments primarily money market investments.

Change in fair value of promissory notes

The change in fair value relates to the promissory notes that we elected to account for at fair value. As permitted under ASC 825, we elected the fair value option to account for our promissory notes. We record the promissory notes at fair value with changes in fair value recorded in the unaudited interim consolidated statements of operations.

Warrant related expenses

During the quarter ended on June 30, 2024, we recognized charges associated with warrants issued during the quarter, which were categorized as liabilities. These expenses amounted to the difference between the fair value of the warrants and the net proceeds received from a private placement that closed on April 15, 2024. For further details on warrants to purchase shares of common stock, refer to Note 9 of the unaudited consolidated interim financial statements included herein.

Change in fair value of warrant liability

We issued warrants to purchase our common stock in conjunction with convertible senior secured notes issued pursuant to a certain Note and Warrant Purchase Agreement dated December 22, 2017. Additionally, we issued warrants in connection with private placements that closed on March 18, 2024 and April 15, 2024. These warrants are categorized as liabilities and recorded at fair value. The warrants are subject to re-measurement at each balance sheet date, and we recognize any change in fair value in our statements of operations. The gain recorded during the quarter ended June 30, 2024 was primarily due to the reduction in the price per share of common stock from March 31, 2024 to June 30, 2024.

Comparison of Nine Months Ended June 30, 2024 and 2023

	Nine months ended June 30,		Change
	2024	2023	
Operating expenses:			
Research and development	\$ 29,240,046	\$ 21,508,876	\$ 7,731,170
General and administrative	19,585,738	19,158,487	427,251
Loss from operations	(48,825,784)	(40,667,363)	(8,158,421)
Loss (income) on equity method investment	85,544	2,648	82,896
Interest income	(666,199)	(665,459)	(740)
Interest expense	3,156,964	2,531,022	625,942
Loss on extinguishment of debt	—	577,659	(577,659)
Change in fair value of promissory notes	1,949,153	2,913,000	(963,847)
Warrant related expenses	37,490,012	—	37,490,012
Change in fair value of warrant liability	(9,786,063)	(37,126)	(9,748,937)
Loss before income taxes	(81,055,195)	(45,989,107)	(35,066,088)
Income tax expense	2,800	2,800	—
Net loss	\$ (81,057,995)	\$ (45,991,907)	\$ (35,066,088)

Research and development expenses

The following table summarizes our research and development expenses by functional area for the nine months ended June 30, 2024 and 2023:

	Nine months ended June 30,	
	2024	2023
ONS-5010 development	\$ 25,859,092	\$ 24,398,845
Compensation and related benefits	1,942,010	1,777,757
Stock-based compensation	615,735	893,413
Other research and development	823,209	(5,561,139)
Total research and development expenses	\$ 29,240,046	\$ 21,508,876

Research and development expenses for the nine months ended June 30, 2024 increased by \$7.7 million compared to the nine months ended June 30, 2023. The increase was primarily due to cash refunds of waived FDA BLA submission fees of \$6.2 million received during the period combined with the BLA submission fees and an increase of \$1.6 million in ONS-5010 development costs and other research and development costs related to clinical trial costs for NORSE EIGHT. These increases were partially offset by a combined net decrease of \$0.1 million in stock-based compensation, and compensation and related benefits expenses.

General and administrative expenses

The following table summarizes our general and administrative expenses by type for the nine months ended June 30, 2024 and 2023:

	Nine months ended June 30,	
	2024	2023
Professional fees	\$ 6,164,989	\$ 9,675,516
Compensation and related benefits	4,833,221	3,861,398
Stock-based compensation	3,363,692	3,264,190
Europe prelaunch expenses	2,006,402	—
Facilities, fees and other related costs	3,217,434	2,357,383
Total general and administrative expenses	\$ 19,585,738	\$ 19,158,487

General and administrative expenses for the nine months ended June 30, 2024 increased by \$0.4 million compared to the nine months ended June 30, 2023. We incurred prelaunch expenses in Europe amounting to \$2.0 million and \$1.1 million of increased stock-based compensation and benefits, primarily due to increased headcount during the nine months ended June 30, 2024. These increases were mostly offset by a decrease in professional fees of \$3.5 million, primarily resulting from the discontinuation of U.S. commercial launch activities immediately following the receipt of the CRL in August 2023.

Interest income

Interest income for the six months ended June 30, 2024 and 2023 was earned from short term investments primarily money market investments.

Interest expense

Interest expense for the nine months ended June 30, 2024 increased by \$0.6 million compared to June 30, 2023. The increase was primarily due to convertible promissory note maturity extension fees of \$3.1 million incurred during the period compared to \$2.5 million incurred in comparative period relating to the recognition of the original issue discount on the December 2022 Note during the nine months ended June 30, 2023 after we elected the fair value option to account for the December 2022 Note.

Loss on extinguishment of debt

Loss on extinguishment of debt of \$0.6 million was recorded related to the prepayment and cancellation of a promissory note during the nine months ended June 30, 2023 that was accounted for as an extinguishment.

Change in fair value of promissory notes

The change in fair value relates to the promissory notes that we elected to account for at fair value. As permitted under ASC 825, we elected the fair value option to account for our promissory notes. We record the promissory notes at fair value with changes in fair value recorded in the unaudited interim consolidated statements of operations.

Warrant related expenses

During the nine months ended June 30, 2024, we recognized charges associated with warrants issued during the period, which were categorized as liabilities. These expenses amounted to the difference between the fair value of the warrants and the net proceeds received from private placements that closed on March 18, 2024 and April 15, 2024. For further details on warrants to purchase shares of common stock, refer to Note 9 of the unaudited consolidated interim financial statements included herein.

Change in fair value of warrant liability

We issued warrants to purchase our common stock in conjunction with convertible senior secured notes issued pursuant to a certain Note and Warrant Purchase Agreement dated December 22, 2017. Additionally, we issued warrants in connection with private placements that closed on March 18, 2024 and April 15, 2024. These warrants are categorized as liabilities and recorded at fair value. The warrants are subject to re-measurement at each balance sheet date, and we recognize any change in fair value in our statements of operations. The gain recorded during the period was primarily due to the reduction in the price per share of common stock from March 31, 2024 to June 30, 2024.

Liquidity and Capital Resources

We have not generated any revenue from product sales. Since inception, we have incurred net losses and negative cash flows from our operations. Through June 30, 2024, we have funded substantially all of our operations with \$531.0 million in net proceeds from the sale and issuance of our equity securities, debt securities and borrowings under debt facilities. We have also received an aggregate of \$29.0 million pursuant to emerging markets collaboration and licensing agreements for our inactive biosimilar development programs.

We anticipate incurring additional losses until such time, if ever, that we can generate significant sales of ONS-5010 or any other product candidate we may develop. We will need additional financing to fund our operations and to commercially develop ONS-5010 or any other product candidate we may develop and to continue as a going concern. Management is currently evaluating various strategic opportunities to obtain the required funding for future operations. These strategies may include but are not limited to potential licensing and/or marketing arrangements or collaborations with pharmaceutical or other companies, the issuance of equity securities, including through an at-the-market offering program, the issuance of additional debt, and revenues from potential future product sales, if any. Alternatively, we may be required to, among other things, modify our clinical trial plans for ONS-5010 in additional indications, make reductions in our workforce, scale back our plans and place certain activities on hold, discontinue our development programs, liquidate all or a portion of our assets, and/or seek protection under the provisions of the U.S. Bankruptcy Code.

On November 16, 2021, we received \$10.0 million in net proceeds from the issuance of the November 2021 Note, with a face amount of \$10.2 million. The November 2021 Note bore interest at a rate of 9.5% per annum, was due to mature January 1, 2023 and included an original issue discount of \$0.2 million. We could prepay all or a portion of the note at any time by paying 105% of the outstanding balance elected for pre-payment. On December 28, 2022, we prepaid the November 2021 Note in full by paying 105% of the outstanding balance. The total payment was \$11.9 million, which included interest of \$1.2 million and a prepayment fee of \$0.6 million.

On March 26, 2021, the Company entered into an At-the-Market Offering Agreement with H.C. Wainwright & Co., as sales agent (“Wainwright”) (the “Wainwright ATM Agreement” or the “Wainwright ATM Offering”), under which the Company could issue and sell shares of its common stock having an aggregate offering price of up to \$40.0 million from time to time through Wainwright. The Company terminated the Wainwright ATM Agreement effective May 15, 2023. As a result, the Company wrote off unamortized deferred costs under the Wainwright ATM Agreement effective as of the termination date.

No shares of common stock were sold under the Wainwright ATM Offering during the three months ended June 30, 2023. During the nine months ended June 30, 2023, the Company sold 44,769 shares of common stock under the Wainwright ATM Offering and generated \$1.1 million in net proceeds, and the issuance costs were immaterial.

On May 16, 2023, the Company entered into an At-the-Market Sales Agreement with BTIG, LLC (“BTIG”) as sales agent (as amended, the “BTIG ATM Agreement” or the “BTIG ATM Offering”), under which the Company may issue and sell shares of its common stock having an aggregate offering price of up to \$100.0 million from time to time through BTIG. Under the BTIG ATM Agreement, the Company pays BTIG a commission equal to 3.0% of the aggregate gross proceeds of any sales of common stock under the BTIG ATM Agreement. The offering of common stock pursuant to the BTIG ATM Agreement will terminate upon the earlier of (i) the sale of all common stock subject to the BTIG ATM Agreement or (ii) termination of the BTIG ATM Agreement in accordance with its terms.

No shares of common stock were sold under the BTIG ATM Offering during the nine months ended June 30, 2024.

In December 2022, in a registered direct equity offering to certain institutional and accredited investors, including GMS Ventures, our largest stockholder, we issued 1,423,041 shares of common stock at a purchase price per share of \$17.568 for \$23.2 million in net proceeds after payment of placement agent fees and other offering costs. GMS Ventures purchased an aggregate of 711,520 shares of common stock in the registered direct equity offering. In connection with the registered direct equity offering, we issued to M.S. Howells & Co., as placement agent for certain accredited investors in the offering, warrants to purchase up to an aggregate of 25,787 shares of common stock, which will be exercisable commencing on the one-year anniversary of the closing of the offering at an exercise price of \$21.00 per share, which warrants have a three-year term.

On December 22, 2022, we entered into a Securities Purchase Agreement and issued an unsecured convertible promissory note with a face amount of \$31.8 million, or the December 2022 Note, to Streeterville Capital, LLC, or the Lender, the holder of our November 2021 Note. The December 2022 Note has an original issue discount of \$1.8 million. A portion of the proceeds from the December 2022 Note were used to repay in full the remaining outstanding principal and accrued interest on the November 2021 Note, which was cancelled upon repayment. We received net proceeds of \$18.1 million upon the closing on December 28, 2022, after deducting the Lender’s transaction costs in connection with the issuance and November 2021 Note repayment. In December 2023, the Company extended the maturity of the December 2022 Note

from January 1, 2024 to April 1, 2024. The Company incurred a \$475 thousand extension fee. The December 2022 Note bore interest at 9.5% per annum through April 1, 2024. On January 22, 2024, the Company entered into an amendment to the December 2022 Note (the "Note Amendment") with the Lender, which became effective on April 1, 2024 after satisfaction of certain closing conditions, including various required stockholder approvals and the closing of the private placement that closed on March 18, 2024. The maturity of the December 2022 Note was extended to July 1, 2025. An extension fee of \$2.7 million (calculated as 7.5% of the outstanding balance of the December 2022 Note) was added to the outstanding balance on March 18, 2024. Under the Note Amendment, the initial conversion price with respect to \$15.0 million in aggregate principal amount of the December 2022 Note was changed to \$7.00, the price per share in the private placement that closed on March 18, 2024 and the remaining aggregate principal amount is converted at a price of \$40.00 per share. Effective April 1 2024, the December 2022 Note bears interest at the prime rate (as published in the Wall Street Journal) plus 3% (subject to a floor of 9.5%) and the Company has an obligation to repay at least \$3.0 million of the outstanding balance of the December 2022 Note for each calendar quarter beginning with the second calendar quarter of 2024 (subject to adjustment for conversions by the Lender and to payment of an exit fee as set forth in the December 2022 Note) and continuing until the December 2022 Note is repaid in full. The December 2022 Note contains customary covenants, including a restriction on the Company's ability to pledge certain of the Company's assets, subject to certain exceptions, without the Lender's consent. See "Description of Indebtedness" below for additional detail.

During the nine months ended June 30, 2024, an aggregate of principal and accrued interest totaling \$7.8 million of the December 2022 Note was converted into 1,107,095 shares of our common stock. In July 2024, an aggregate of principal and accrued interest totaling \$1.8 million of the December 2022 Note was converted into 249,999 shares of our common stock.

In March 2024, in a private placement pursuant to a securities purchase agreement entered in January 2024 with certain institutional and accredited investors, including GMS Ventures, our largest stockholder, we issued an aggregate of 8,571,423 shares of common stock and warrants to purchase an aggregate of 12,857,133 shares of common stock at a purchase price per share of \$7.00 per share and accompanying warrant to purchase one and one-half shares of common stock for \$55.5 million in net proceeds after payment of placement agent fees and other offering costs. GMS Ventures purchased an aggregate of 2,305,714 shares of common stock and warrants to purchase an aggregate of 3,458,571 shares of common stock in the Private Placement. The warrants have an exercise price of \$7.70 per share of common stock and will expire on March 18, 2029.

On April 15, 2024, in a private placement with Syntone Ventures, LLC pursuant to a securities purchase agreement entered into on January 22, 2024, we issued 714,286 shares of common stock and accompanying warrants to purchase 1,071,429 shares of common stock for \$4.8 million in gross proceeds on substantially the same terms as those in the private placement closed in March 2024. The warrants have an exercise price of \$7.70 per share of common stock and will expire on April 15, 2029.

We evaluated whether there are conditions or events considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern. We do not believe that the existing cash and cash equivalents as of June 30, 2024, are sufficient to fund the Company's operations through one year from the date of this Quarterly Report on Form 10-Q. As a result, there is substantial doubt about the Company's ability to continue as a going concern. However, management does believe that the existing cash and cash equivalents as of June 30, 2024, when combined with the expected proceeds from the full exercise of warrants to purchase shares of common stock (subject to meeting the requirements for calling such warrants), would be sufficient to support our operations through 2025. For further details on the warrants to purchase shares of common stock, refer to Note 9 of the unaudited consolidated interim financial statements included elsewhere in this Quarterly Report on Form 10-Q. Our consolidated financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

Our future operations are highly dependent on a combination of factors, including: (i) the timely and successful completion of additional financing discussed above; (ii) our ability to successfully begin marketing of our product candidates or complete revenue-generating partnerships with other companies; (iii) the success of our research and development; (iv) the development of competitive therapies by other biotechnology and pharmaceutical companies; and, ultimately; (v) regulatory approval and market acceptance of our proposed future products. Additionally, the global financial markets have experienced significant disruptions due to various macroeconomic factors, including, among other things, the impacts of ongoing overseas conflict, resulting in a general global economic slowdown. Furthermore, inflation rates, particularly

in the United States and the United Kingdom, have increased recently to levels not seen in decades. In addition, the U.S. Federal Reserve has raised, and is expected to further raise, interest rates in response to concerns about inflation. Increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets, may further increase economic uncertainty and heighten these risks. Moreover, the recent closures of Silicon Valley Bank, Signature Bank and First Republic Bank have resulted in broader financial institution liquidity risk and concerns. If other banks and financial institutions fail or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our cash, cash equivalents and investments may be threatened and our ability to raise additional capital could be substantially impaired. If the disruptions and slowdown deepen or persist, we may not be able to access additional capital on favorable terms, or at all, which could in the future negatively affect our ability to pursue our business strategy.

Funding Requirements

We plan to focus in the near term on supporting the review of our BLA submission for ONS-5010 with the FDA and to prepare for the potential launch of LYTENAVATM, if approved, to support the generation of commercial revenues. We anticipate we will incur net losses and negative cash flow from operations for the foreseeable future. We may not be able to successfully commercialize ONS-5010 if, among other things, the FDA does not approve our BLA when we expect, or at all, or if we are not able to secure sufficient funding of our expected post-launch commercial costs.

Our primary uses of capital are, and we expect will continue to be, compensation and related expenses, manufacturing and facility costs, external research and development services, legal and other regulatory expenses and administrative and overhead costs. Our future funding requirements will be heavily determined by the resources needed to support the development of our lead product candidate and any other product candidates we may choose to pursue.

We do not believe that the existing cash and cash equivalents as of June 30, 2024 are sufficient to fund our operations through one year from the date of this Quarterly Report on Form 10-Q. However, management does believe that the existing cash and cash equivalents as of June 30, 2024, when combined with the expected proceeds from the full exercise of warrants to purchase shares of common stock (subject to meeting the requirements for calling such warrants), would be sufficient to support our operations through 2025. For further details on the warrants to purchase shares of common stock, refer to Note 9 of the unaudited consolidated interim financial statements included herein. Our consolidated financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern.

We plan to finance our future operations with a combination of the exercise of outstanding warrants to purchase shares of our common stock (subject to meeting requirements for calling such warrants), proceeds from potential licensing and/or marketing arrangements or collaborations with pharmaceutical or other companies, sale of the development and commercial rights to our drug product candidates in regions outside of the U.S., the issuance of additional debt, the issuance of equity securities, including accessing capital through at-the-market offering agreements, and revenues from potential future product sales, if any. If we raise additional capital through the sale of equity or convertible debt securities, your ownership will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a holder of our common stock. Further, due to current market volatility, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. There are no assurances that we will be successful in obtaining an adequate level of financing for the commercialization of ONS-5010 or the development of any other current or future product candidates. Alternatively, we will be required to, among other things, modify our clinical trial plans for ONS-5010 in additional indications, make reductions in our workforce, scale back our plans and place certain activities on hold, discontinue our development programs, liquidate all or a portion of our assets, and/or seek protection under the provisions of the U.S. Bankruptcy Code.

Cash Flows

The following table summarizes our cash flows for each of the periods presented:

	Nine months ended June 30,	
	2024	2023
Net cash used in operating activities	\$ (51,811,963)	\$ (30,232,084)
Net cash provided by financing activities	60,444,368	46,544,347
Net increase in cash and cash equivalents	\$ 8,632,405	\$ 16,312,263

Operating Activities

During the nine months ended June 30, 2024, we used \$51.8 million of cash in operating activities resulting primarily from our net loss of \$81.1 million. This use of cash was partially offset by \$36.5 million of non-cash items such as stock-based compensation, non-cash interest expense, change in fair value of promissory notes, warrant related expense, change in fair value of warrant liability, loss on equity method investment and depreciation and amortization expense. The net cash outflow of \$7.2 million from changes in our operating assets and liabilities was primarily due to a decrease in accounts payable and accrued expenses of \$1.2 million, and an increase in prepaid expenses of \$6.0 million for timing of payments associated with ONS-5010 development costs relating to clinical trial and drug development costs.

During the nine months ended June 30, 2023, we used \$30.2 million of cash in operating activities resulting primarily from our net loss of \$46.0 million. This use of cash was partially offset by \$10.2 million of non-cash items such as stock-based compensation, non-cash interest expense, change in fair value of warrant liability, loss on extinguishment of debt, income on equity method investment and depreciation and amortization expense. We also paid interest on debt of \$1.2 million during the period. The net cash inflow of \$6.7 million from changes in our operating assets and liabilities was primarily due to an increase in accounts payable and accrued expenses of \$6.2 million and a decrease in prepaid expenses of \$0.8 million for timing of payments associated with ONS-5010 development costs, partially offset by an increase in other assets of \$0.2 million.

Financing Activities

During the nine months ended June 30, 2024, net cash provided by financing activities was \$60.4 million, primarily attributable to \$60.4 million in net proceeds from private placements in March 2024 and April 2024 of an aggregate 9,285,715 common stock shares and warrants to purchase an aggregate of 13,928,560 shares of common stock.

During the nine months ended June 30, 2023, net cash provided by financing activities was \$46.5 million, primarily attributable to \$23.2 million in net proceeds from a registered direct equity offering in December 2022 of an aggregate of 28,460,831 shares of our common stock, \$4.4 million in net proceeds from the sale of common stock under our Wainwright ATM Offering and BTIG ATM Offering and \$30.0 million in net proceeds from the issuance of an unsecured convertible promissory note with a face amount of \$31.8 million in December 2022. We also made \$10.2 million in debt and finance lease obligation payments and a \$0.8 million payment of financing costs.

Description of Indebtedness

On December 22, 2022, we entered into the Securities Purchase Agreement and issued the December 2022 Note to the Lender. The December 2022 Note, which was amended in December 2023, has a face value of \$31.8 million and an original issue discount of \$1.8 million. In December 2023, the Company extended the maturity of the December 2022 Note from January 1, 2024 to April 1, 2024. On January 22, 2024, the Company entered into an amendment to the December 2022 Note with the Lender, which became effective on April 1, 2024 after satisfaction of certain closing conditions, including various required stockholder approvals and the closing of the private placement that closed on March 18, 2024. Effective April 1, 2024, the initial conversion price with respect to \$15,000,000 in aggregate principal amount of the December 2022 Note was changed to \$7.00, the price per share in the private placement that closed on March 18, 2024 and bears interest at the prime rate (as published in the Wall Street Journal) plus 3% (subject to a floor of 9.5%) and the Company has an obligation to repay at least \$3,000,000 of the outstanding balance of the December 2022 Note for each calendar quarter beginning with the second calendar quarter of 2024 (subject to adjustment for conversions by the

Lender and to payment of an exit fee as set forth in the December 2022 Note) and continuing until the December 2022 Note is repaid in full.

The December 2022 Note contains customary covenants, including a restriction on the Company's ability to pledge certain of the Company's assets, subject to certain exceptions, without the Lender's consent. Beginning on April 1, 2023, the Lender had the right to convert the December 2022 Note at the Conversion Price (as defined below). The principal amount and conversion price of the December 2022 Note were subject to adjustment upon certain triggering events. In addition, the Company had the right to convert all or any portion of the outstanding balance under the December 2022 Note into shares of common stock at the Conversion Price if certain conditions have been met at the time of conversion, including if at any time after the six-month anniversary of the closing date, the daily volume-weighted average price of the common stock on Nasdaq equals or exceeds \$50.00 per share (subject to adjustments for stock splits and stock combinations) for a period of 30 consecutive trading days. Payments may be made by the Company (i) in cash, (ii) in shares of common stock, with the number of shares being equal to the portion of the applicable payment amount divided by the Conversion Price (as defined below), or (iii) a combination of cash and shares of common stock. Any payments made by the Company in cash, including prepayments or repayment at maturity, will be subject to an additional fee of 7.5%. Upon the occurrence of certain events described in the December 2022 Note, including, among others, the Company's failure to pay amounts due and payable under the December 2022 Note, events of insolvency or bankruptcy, failure to observe covenants contained in the Securities Purchase Agreement and the December 2022 Note, breaches of representations and warranties in the Securities Purchase Agreement, and the occurrence of certain transactions without the Lender's consent (each such event, a "Trigger Event"), the Lender shall have the right, subject to certain exceptions, to increase the balance of the December 2022 Note by 10% for a Major Trigger Event (as defined in the December 2022 Note) and 5% for a Minor Trigger Event (as defined in the December 2022 Note). If a Trigger Event is not cured within ten (10) trading days of written notice thereof from the Lender, it will result in an event of default (such event, an "Event of Default"). Following an Event of Default, the Lender may accelerate the December 2022 Note such that all amounts thereunder become immediately due and payable, and interest shall accrue at a rate of 22% annually until paid. Prior to April 1, 2024, under the December 2022 Note, "Conversion Price" meant, prior to a Major Trigger Event, \$40.00 per share (subject to adjustment for stock splits and stock combinations), and following a Major Trigger Event, the lesser of (i) \$40.00 per share (subject to adjustment for stock splits and stock combinations), and (ii) 90% multiplied by the lowest closing bid price of the Company's common stock in the three trading days prior to the date on which the conversion notice is delivered. If the Conversion Price is below \$3.51 per share, the Company will be required to satisfy a conversion notice from the Lender in cash. Subject to certain exceptions, while the December 2022 Note is outstanding, the Lender will have a consent right on any future variable rate transactions or any debt and a 10% participation right in any future debt or equity financings.

Critical Accounting Policies and Significant Judgments and Estimates

The Critical Accounting Policies and Significant Judgments and Estimates included in our Form 10-K for the fiscal year ended September 30, 2023, filed with the SEC on December 22, 2023, have not materially changed.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

As a "Smaller Reporting Company," this Item and the related disclosure are not required.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, refers to controls and procedures that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Because there are inherent limitations in all control systems, a control system, no matter how well conceived and operated, can provide only reasonable, as opposed to absolute, assurance that the objectives of

the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, at the reasonable assurance level, as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(d) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during our third fiscal quarter ended June 30, 2024.

Part II. Other Information

Item 1. Legal Proceedings

On November 3, 2023, a securities class action lawsuit was filed against us and certain of our officers in the United States District Court for the District of New Jersey. The class action complaint alleges violations of the Exchange Act in connection with allegedly false and misleading statements made by us related to our BLA during the period from August 3, 2021 through August 29, 2023. The complaint alleges, among other things, that we violated Sections 10(b) and 20(a) of the Exchange Act and SEC Rule 10b-5 by failing to disclose that there was an alleged lack of evidence supporting ONS-5010 as a treatment for wet AMD and that we and/or our manufacturing partner had deficient CMC controls for ONS-5010, which remained unresolved at the time our BLA was re-submitted to the FDA and, as a result, the FDA was unlikely to approve our BLA, and that our stock price dropped when such information was disclosed. The plaintiffs in the class action complaint seek damages and interest, and an award of reasonable costs, including attorneys' fees. The parties are in the process of briefing a motion to dismiss the complaint.

The pending lawsuit and any other related lawsuits are subject to inherent uncertainties, and the actual defense and disposition costs will depend upon many unknown factors. The outcome of the pending lawsuit and any other related lawsuits is necessarily uncertain. We could be forced to expend significant resources in the defense of the pending lawsuit and any additional lawsuits, and we may not prevail. In addition, we may incur substantial legal fees and costs in connection with such lawsuits. We currently are not able to estimate the possible cost to us from these matters, as the pending lawsuit is currently at an early stage, and we cannot be certain how long it may take to resolve the pending lawsuit or the possible amount of any damages that we may be required to pay. Such amounts could be material to our financial statements if we do not prevail in the defense of the pending lawsuit and any other related lawsuits, or even if we do prevail. We have not established any reserve for any potential liability relating to the pending lawsuit and any other related lawsuits. It is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages.

From time to time, we may also become involved in litigation relating to claims arising from the ordinary course of business. Our management believes that there are currently no additional claims or actions pending against us, the ultimate disposition of which would have a material adverse effect on our results of operations, financial condition or cash flows.

Item 1A. Risk Factors

As of June 30, 2024, there have been no material changes to the risk factors that were previously disclosed in Item 1A in the Company's Form 10-K for the year ended September 30, 2023 filed with the SEC on December 22, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2024, none of the Company's directors or Section 16 officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangement" as such term is defined in Item 408(a) of Regulation S-K.

August 2024 Special Meeting

On June 13, 2024, the Company's board of directors approved, subject to stockholder approval, the amendment and restatement of the Outlook Therapeutics, Inc. 2015 Equity Incentive Plan, or the 2015 Plan, to, among other things, update the name of the 2015 Plan to the Outlook Therapeutics, Inc. 2024 Equity Incentive Plan, or the 2024 Plan, and increase the number of shares of the Company's common stock reserved for issuance under the 2024 Plan by 4,800,000 shares. As further described below, on August 12, 2024, our stockholders approved the 2024 Plan at a special meeting of stockholders, or the Special Meeting.

The terms of the 2024 Plan provide for the grant of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance stock awards, and other stock awards.

A more detailed summary of the material features of the 2024 Plan is set forth in the Company's definitive proxy statement on Schedule 14A for the Special Meeting, or the Proxy Statement, which was filed with the SEC on June 26, 2024. That summary and the foregoing description are qualified in their entirety by reference to the full text of the 2024 Plan, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

At the Special Meeting, the Company's stockholders voted on one proposal, which is described in more detail in the Proxy Statement. Of the 23,405,637 shares of the Company's common stock outstanding as of the record date for the Special Meeting, 12,975,327 shares, or approximately 55.4%, were present or represented by proxy at the Special Meeting.

The following is a brief description of the matter voted upon and the certified results, including the number of votes cast for and against such matter, as well as the number of abstentions and broker non-votes with respect to such matter.

Proposal 1. Stockholders approved the 2024 Plan. The voting results were as follows:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
12,386,251	540,473	48,603	—

Item 6. Exhibits

Exhibit Number	Description
3.1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024).
3.2	Second Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's current report on Form 8-K filed with the SEC on March 26, 2021).
10.1#	2024 Equity Incentive Plan.
10.2#	Form of Stock Option Grant Notice and Stock Option Agreement under the 2024 Equity Incentive Plan.
31.1	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
31.2	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS**	Inline XBRL Instance Document.
101.SCH***	Inline XBRL Taxonomy Extension Schema Document.
101.CAL***	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF***	Inline XBRL Definition Linkbase Document.
101.LAB***	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE***	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104**	Cover Page Interactive Data File.

Indicates management contract or compensatory plan.

* Furnished herewith and not deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

** The XBRL Instance Document and Cover Page Interactive Data File do not appear in the Interactive Data File because their XBRL tags are embedded within the Inline XBRL document.

*** Submitted electronically with the report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OUTLOOK THERAPEUTICS, INC.

Date: August 14, 2024

By: /s/ Lawrence A. Kenyon
Lawrence A. Kenyon
Chief Financial Officer
(Principal Financial and Accounting Officer)

OUTLOOK THERAPEUTICS, INC. 2024 EQUITY INCENTIVE PLAN

1. GENERAL.

(a) **Eligible Award Recipients.** Subject to Section 4, Employees, Directors and Consultants are eligible to receive Awards.

(b) **Available Awards.** The Plan provides for the grant of the following types of Awards: (i) Incentive Stock Options; (ii) Nonstatutory Stock Options; (iii) Stock Appreciation Rights; (iv) Restricted Stock Awards; (v) Restricted Stock Unit Awards; (vi) Performance Stock Awards; and (vii) Other Stock Awards.

(c) **Plan Purpose.** The Company, by means of the Plan, seeks to secure and retain the services of Employees, Directors and Consultants, to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and to provide a means by which such persons may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Awards.

2. ADMINISTRATION.

(a) **Administration by Board.** The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) **Powers of Board.** The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time: (A) who will be granted Awards; (B) when and how each Award will be granted; (C) what type of Award will be granted; (D) the provisions of each Award (which need not be identical), including when a Participant will be permitted to exercise or otherwise receive cash or Common Stock under the Award; (E) the number of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Market Value applicable to an Award.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may be exercised or vest (or at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan (including Section 2(b) (viii)) or an Award Agreement, suspension or termination of the Plan will not materially impair a Participant's rights under an outstanding Award without his or her written consent.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to make the Plan or Awards granted under the Plan compliant with the requirements for Incentive Stock Options or exempt from or

compliant with the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. However, if required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, or (E) materially expands the types of Awards available for issuance under the Plan. Except as otherwise provided in the Plan (including Section 2(b)(viii)) or an Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Award without his or her written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of (A) Section 422 of the Code regarding incentive stock options or (B) Rule 16b-3.

(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more outstanding Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided, however*, that except as otherwise provided in the Plan (including this Section 2(b)(viii)) or an Award Agreement, no amendment of an outstanding Award will materially impair a Participant's rights under such Award without his or her written consent.

Notwithstanding the foregoing or anything in the Plan to the contrary, unless prohibited by applicable law, the Board may amend the terms of any outstanding Award or the Plan, or may suspend or terminate the Plan, without the affected Participant's consent, (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code, (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code, (C) to clarify the manner of exemption from, or to bring the Award or the Plan into compliance with, Section 409A of the Code, or (D) to comply with other applicable laws or listing requirements.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative

powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Committee may, at any time, abolish the subcommittee and/or revest in the Committee any powers delegated to the subcommittee. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Rule 16b-3 Compliance. The Committee may consist solely of two or more Non-Employee Directors in accordance with Rule 16b-3.

(iii) Delegation to Other Person or Body. The Board or any Committee may delegate to one (1) or more persons or bodies the authority to do one or more of the following to the extent permitted by applicable law: (1) designate recipients, other than Officers, of Awards, provided that no person or body may be delegated authority to grant an Award to itself; (2) determine the number of shares of Common Stock subject to such Awards; and (3) determine the terms of such Awards; *provided, however*, that the Board or Committee action regarding such delegation will fix the terms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General Corporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Award granted pursuant to this section will be granted on the applicable form of Award Agreement most recently approved for use by the Board or the Committee, with any modifications necessary to incorporate or reflect the terms of such Award. Notwithstanding anything to the contrary in this Section 2(c), neither the Board nor any Committee may delegate to any person or body (who is not a Director or that is not comprised solely of Directors, respectively) the authority to determine the Fair Market Value of the Common Stock pursuant to Section 13(v)(ii) below.

(d) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

(e) Cancellation and Re-Grant of Awards. Neither the Board nor any Committee will have the authority to (i) reduce the exercise or strike price of any outstanding Option or SAR or (ii) cancel any outstanding Option or SAR that has an exercise or strike price (per share) greater than the then-current Fair Market Value of the Common Stock in exchange for cash or other Awards under the Plan, unless the stockholders of the Company have approved such an action within 12 months prior to such an event.

(f) Minimum Vesting Requirements. No Award granted on or after August 12, 2024 may vest (or, if applicable, be exercisable) until at least 12 months following the date of grant of the Award (excluding, for this purpose, (i) any Award granted as an Acquisition Award (as defined in Section 3(a)(ii)), and (ii) any Award granted to a Non-Employee Director that vests (or, if applicable, becomes exercisable) on the earlier of the first anniversary of the date of grant or the Company's next annual meeting of stockholders); *provided, however*, that shares of Common Stock up to 5% of the Share Reserve (as defined in Section 3(a)(i)) may be issued pursuant to Awards granted on or after August 12, 2024 that do not meet such vesting (and, if applicable, exercisability) requirements.

(g) Dividends and Dividend Equivalents. Dividends or dividend equivalents may be paid or credited, as applicable, with respect to any shares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agreement; *provided, however*, that (i) no dividends or dividend equivalents may be paid with respect to any such shares subject to Options or Stock Appreciation Rights, (ii) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested under the terms of such Award Agreement, (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be subject to all of the terms and conditions applicable to such shares under the terms of such Award Agreement (including, but not limited to, any

vesting conditions), and (iv) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the Company on the date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under the terms of such Award Agreement.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 3(a)(iii) and Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Awards from and after the Effective Date (the “*Share Reserve*”) will not exceed the sum of (A) 4,800,000 shares and (B) the number of Returning Shares, if any, as such shares become available for issuance under this Plan from time to time.

(ii) For clarity, the Share Reserve is a limit on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Awards except as provided in Section 7(a). Shares may be issued in connection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company Manual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule (any such Award, an “*Acquisition Award*”), and such issuance will not reduce the number of shares available for issuance under the Plan.

(b) Operation of Share Reserve.

(i) **No Reduction to Share Reserve.** The Share Reserve will not be reduced by any of the following shares of Common Stock and such shares will remain available for issuance under the Plan: (A) any shares subject to an Award that are not issued because such Award or any portion thereof expires or otherwise terminates without all of the shares covered by such Award having been issued; and (B) any shares subject to an Award that are not issued because such Award or any portion thereof is settled in cash.

(ii) **Shares Available for Subsequent Issuance.** Any shares of Common Stock issued pursuant to an Award that are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required for the vesting of such shares (the “*Returning Shares*”) will revert to the Share Reserve and become available again for issuance under the Plan.

(iii) **Shares Not Available for Subsequent Issuance.** The following shares of Common Stock will not revert to the Share Reserve or become available again for issuance under the Plan: (A) any shares that are reacquired or withheld (or not issued) by the Company to satisfy the exercise, strike or purchase price of an Award (including any shares subject to such award that are not delivered because such award is exercised through a reduction of shares subject to such award (i.e., “net exercised”)); (B) any shares that are reacquired or withheld (or not issued) by the Company to satisfy a tax withholding obligation in connection with an Award; (C) any shares repurchased by the Company on the open market with the proceeds of the exercise, strike or purchase price of an Award; and (D) in the event that a Stock Appreciation Right granted under the Plan is settled in shares of Common Stock, the gross number of shares of Common Stock subject to such award.

(c) **Incentive Stock Option Limit.** Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be 14,400,000 shares.

(d) **Non-Employee Director Compensation Limit.** The aggregate value of all compensation paid or granted, as applicable, by the Company to any individual for service as a Non-Employee Director with respect to any fiscal year of the Company, including Awards granted and cash fees paid by the Company to such Non-Employee Director, will not exceed \$1,000,000 in total value, or in the event such Non-Employee Director is first appointed or elected to the Board during such fiscal year, \$1,500,000 in total value, in each case calculating the value of any equity-based awards based on the grant date fair value of such awards for financial reporting purposes.

(e) **Source of Shares.** The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) **Eligibility for Specific Awards.** Incentive Stock Options may be granted only to employees of the Company or a “parent corporation” or “subsidiary corporation” thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any “parent” of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Awards is treated as “service recipient stock” under Section 409A of the Code (for example, because the Awards are granted pursuant to a corporate transaction such as a spin off transaction) or (ii) the Company, in consultation with its legal counsel, has determined that such Awards are otherwise exempt from or alternatively comply with Section 409A of the Code.

(b) **Ten Percent Stockholders.** A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price (per share) of such Option is at least 110% of the Fair Market Value of the Common Stock on the date of grant of such Option and the Option is not exercisable after the expiration of five years from the date of grant.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The terms and conditions of separate Option or SAR Agreements need not be identical; *provided, however*, that each Award Agreement will conform to (through incorporation of the provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(a) **Term.** Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of 10 years from the date of its grant or such shorter period specified in the Award Agreement.

(b) **Exercise or Strike Price.** Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price (per share) of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price (per share) less than 100% of

the Fair Market Value of the Common Stock on the date the Award is granted if such Award is granted pursuant to an assumption of, or substitution for, another option or stock appreciation right pursuant to a Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Payment of Exercise Price for Options. The exercise price of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by one or more of the methods of payment set forth below that are specified in the Option Agreement. The Board has the authority to grant Options that do not permit all of the following methods of payment (or that otherwise restrict the ability to utilize certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment.

(i) By cash (including electronic funds transfers), check, bank draft or money order payable to the Company;

(ii) Pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the Common Stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) By delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) If an Option is a Nonstatutory Stock Option, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however*, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the “net exercise,” (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations; or

(v) In any other form of legal consideration that may be acceptable to the Board and specified in the applicable Option Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Award Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the applicable SAR Agreement.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the restrictions set forth in this Section 5(e) on the transferability of Options and SARs will apply. Notwithstanding the foregoing or anything in the Plan or

an Award Agreement to the contrary, no Option or SAR may be transferred to any financial institution without prior stockholder approval.

(i) Restrictions on Transfer. An Option or SAR will not be transferable, except by will or by the laws of descent and distribution (and pursuant to Sections 5(e)(ii) and 5(e)(iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. Subject to the foregoing paragraph, the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting. The total number of shares of Common Stock subject to an Option or SAR may vest and become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to Section 2(f) and any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date that is three months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after such termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time period, the Option or SAR (as applicable) will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if the exercise of an Option or SAR following the termination of a Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that

need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of a Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date that is 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after such termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time period, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) a Participant dies within the period (if any) specified in the Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Participant's Option or SAR may be exercised (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance, or by a person designated to exercise the Option or SAR upon the Participant's death, but only within such period of time ending on the earlier of (i) the date that is 18 months following the date of death (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after the Participant's death, the Option or SAR (as applicable) is not exercised within the applicable time period, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in the applicable Award Agreement or other individual written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service is terminated for Cause, the Participant's Option or SAR will terminate immediately upon such termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt employee dies or suffers a Disability, (ii) upon a Transaction, or (iii) upon the Participant's retirement (as such term may be defined in the Participant's Award Agreement, in another written agreement between the Participant and the Company or

an Affiliate, or, if no such definition, in accordance with the Company's or Affiliate's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Awards and are hereby incorporated by reference into such Award Agreements.

6. PROVISIONS OF AWARDS OTHER THAN OPTIONS AND SARs.

(a) **Restricted Stock Awards.** Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock underlying a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse, or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of separate Restricted Stock Award Agreements need not be identical; *provided, however*, that each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(i) **Consideration.** A Restricted Stock Award may be awarded in consideration for (A) cash (including electronic funds transfers), check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate or (C) any other form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) **Vesting.** Subject to Section 2(f), shares of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to or repurchase by the Company in accordance with a vesting schedule to be determined by the Board.

(iii) **Termination of Continuous Service.** If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant that have not vested as of the date of such termination under the terms of the Participant's Restricted Stock Award Agreement.

(iv) **Transferability.** Rights to acquire shares of Common Stock under a Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement. Notwithstanding the foregoing or anything in the Plan or a Restricted Stock Award Agreement to the contrary, no Restricted Stock Award may be transferred to any financial institution without prior stockholder approval.

(b) **Restricted Stock Unit Awards.** Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. The terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical; *provided, however*, that each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(i) **Consideration.** At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) **Vesting.** Subject to Section 2(f), at the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) **Payment.** A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) **Additional Restrictions.** At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to the Restricted Stock Unit Award to a time after the vesting of the Restricted Stock Unit Award.

(v) **Termination of Continuous Service.** Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates, any portion of the Participant's Restricted Stock Unit Award that has not vested as of the date of such termination will be forfeited upon such termination.

(c) **Performance Stock Awards.**

(i) **General.** A Performance Stock Award is an Award that is payable (including that may be granted, vest or be exercised) contingent upon the attainment during a Performance Period of specified Performance Goals. A Performance Stock Award may, but need not, require the Participant's completion of a specified period of Continuous Service. Subject to Section 2(f), the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Board, in its sole discretion. In addition, to the extent permitted by applicable law and the applicable Award Agreement, the Board may determine that cash may be used in payment of Performance Stock Awards.

(ii) **Board Discretion.** With respect to any Performance Stock Award, the Board retains the discretion to (A) reduce or eliminate the compensation or economic benefit due upon the attainment of any Performance Goals on the basis of any considerations as the Board, in its sole discretion, may determine and (B) define the manner of calculating the Performance Criteria it selects to use for a Performance Period.

(d) **Other Stock Awards.** Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof may be granted either alone or in addition to Awards granted under Section 5 and Section 6. Subject to the provisions of the Plan (including, but not limited to, Sections 2(f) and 2(g)), the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards, and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) **Availability of Shares.** The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Awards.

(b) **Securities Law Compliance.** The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan the authority required to grant Awards and to issue and sell shares of Common Stock upon exercise of the Awards; *provided, however*, that this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities law.

(c) **No Obligation to Notify or Minimize Taxes.** The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising an Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award.

8. MISCELLANEOUS.

(a) **Use of Proceeds from Sales of Common Stock.** Proceeds from the sale of shares of Common Stock issued pursuant to Awards will constitute general funds of the Company.

(b) **Corporate Action Constituting Grant of Awards.** Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(c) **Stockholder Rights.** No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to such Award has been entered into the books and records of the Company.

(d) **No Employment or Other Service Rights.** Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a

Director pursuant to the bylaws of the Company or an Affiliate, or (iii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) **Change in Time Commitment.** In the event a Participant's regular level of time commitment in the performance of his or her services for the Company or any Affiliate is reduced (for example, and without limitation, if the Participant is an Employee and has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(f) **Incentive Stock Option \$100,000 Limitation.** To the extent that the aggregate Fair Market Value (determined at the time of grant) of the shares of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) **Investment Assurances.** The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) **Withholding Obligations.** Unless prohibited by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any federal, state, local or foreign tax withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Award Agreement.

(i) **Electronic Delivery.** Any reference herein to a “written” agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company’s intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) **Deferrals.** To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant’s termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) **Section 409A.** Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance with Section 409A of the Code, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes “deferred compensation” under Section 409A of the Code is a “specified employee” for purposes of Section 409A of the Code, no distribution or payment of any amount under such Award that is due because of a “separation from service” (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months and one day following the date of such Participant’s “separation from service” or, if earlier, the date of the Participant’s death, unless such distribution or payment may be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six-month period elapses, with the balance paid thereafter on the original schedule.

(l) **Clawback/Recovery.** All Awards granted under the Plan will be subject to recoupment in accordance with the following, as applicable: (i) the Outlook Therapeutics, Inc. Incentive Compensation Recoupment Policy; (ii) any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company’s securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law; and (iii) any other clawback policy that the Company adopts and maintains from time to time. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including, but not limited to, a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of Cause. No clawback, recovery or recoupment of compensation pursuant to any such policy or Award Agreement will be deemed an event giving rise to a right to resign for “good reason” or “constructive termination” (or similar term) under any agreement with the Company or an Affiliate.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) **Capitalization Adjustments.** In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Awards. The Board will make such adjustments and its determination will be final, binding and conclusive.

(b) **Dissolution or Liquidation.** Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, in the event of a dissolution or liquidation of the Company (except for a liquidation into a parent corporation), all outstanding Awards (other than Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to a forfeiture condition or the Company's right of repurchase may be reacquired or repurchased by the Company notwithstanding the fact that the holder of such Award is providing Continuous Service.

(c) **Transactions.** The provisions of this Section 9(c) will apply to each outstanding Award in the event of a Transaction unless otherwise provided in the instrument evidencing the Award, in any other written agreement between a Participant and the Company or an Affiliate, or in any director compensation policy of the Company.

(i) **Awards May Be Assumed.** In the event of a Transaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue any or all outstanding Awards or may substitute similar stock awards for any or all outstanding Awards (including, but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Transaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to any outstanding Awards may be assigned by the Company to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company). For clarity, in the event of a Transaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may choose to assume or continue only a portion of an outstanding Award, to substitute a similar stock award for only a portion of an outstanding Award, or to assume or continue, or substitute similar stock awards for, the outstanding Awards held by some, but not all, Participants. The terms of any such assumption, continuation or substitution will be set by the Board.

(ii) **Awards Held by Current Participants.** In the event of a Transaction in which the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) does not assume or continue outstanding Awards, or substitute similar stock awards for outstanding Awards, then with respect to any such Awards that have not been assumed, continued or substituted and that are held by Participants whose Continuous Service has not terminated prior to the effective time of the Transaction (referred to as the "**Current Participants**"), the vesting (and exercisability, if applicable) of such Awards will be accelerated in full (and with respect to any such Awards that are subject to performance-based vesting conditions or requirements, vesting will be deemed to be satisfied at the greater of (x) the target level of performance or (y) the actual level of performance measured in accordance with the applicable performance goals as of the date of the Transaction) to a date prior to the effective time of the Transaction (contingent upon the closing or completion of the Transaction) as the Board will determine (or, if the Board does not determine such a date, to the date that is five days prior to the effective time of the Transaction), and such Awards will terminate if not exercised (if applicable) prior to the effective time of the Transaction in accordance with the exercise procedures determined by the Board,

and any reacquisition or repurchase rights held by the Company with respect to such Awards will lapse (contingent upon the closing or completion of the Transaction).

(iii) Awards Held by Participants other than Current Participants. In the event of a Transaction in which the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) does not assume or continue outstanding Awards, or substitute similar stock awards for outstanding Awards, then with respect to any such Awards that have not been assumed, continued or substituted and that are held by Participants other than Current Participants, such Awards will terminate if not exercised (if applicable) prior to the effective time of the Transaction in accordance with the exercise procedures determined by the Board; *provided, however*, that any reacquisition or repurchase rights held by the Company with respect to such Awards will not terminate and may continue to be exercised notwithstanding the Transaction.

(iv) Payment for Awards in Lieu of Exercise. Notwithstanding the foregoing, in the event any outstanding Award held by a Participant will terminate if not exercised prior to the effective time of a Transaction, the Board may provide that the Participant may not exercise such Award but instead will receive a payment, in such form as may be determined by the Board, equal in value to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of such Award immediately prior to the effective time of the Transaction, over (B) any exercise price payable by the Participant in connection with such exercise. For clarity, such payment may be zero if the value of such property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Common Stock in connection with the Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

(d) Change in Control. Unless otherwise provided in the instrument evidencing the Award, in any other written agreement between a Participant and the Company or an Affiliate, or in any director compensation policy of the Company, an Award will not be subject to additional acceleration of vesting and exercisability upon or after a Change in Control.

(e) Parachute Payments. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if any payment or benefit the Participant would receive pursuant to a Change in Control from the Company or otherwise ("**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment will be equal to the Reduced Amount. The "**Reduced Amount**" will be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in the Participant's receipt, on an after-tax basis, of the greater amount of the Payment notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting "parachute payments" is necessary so that the Payment equals the Reduced Amount, the reduction will be accomplished in accordance with Section 409A of the Code and the following: first by reducing, on a pro rata basis, cash Payments that are exempt from Section 409A of the Code; second by reducing, on a pro rata basis, other cash Payments; and third by forfeiting any equity-based awards that vest and become payable, starting with the most recent equity-based awards that vest, to the extent necessary to accomplish such reduction. The accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the Change in Control will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such

accounting firm required to be made hereunder. The accounting firm engaged to make the determinations hereunder will provide its calculations, together with detailed supporting documentation, to the Participant and the Company within 15 calendar days after the date on which the Participant's right to a Payment is triggered (if requested at that time by the Participant or the Company) or such other time as reasonably requested by the Participant or the Company. Any good faith determinations of the accounting firm made hereunder will be final, binding and conclusive upon the Participant and the Company.

10. TERMINATION OR SUSPENSION OF THE PLAN.

(a) **Termination or Suspension.** The Board may suspend or terminate the Plan at any time. No Incentive Stock Option may be granted after the tenth anniversary of the earlier of (i) the date the Plan, as amended and restated hereby, was first approved by the Board or Committee, or (ii) the Effective Date. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) **No Impairment of Rights.** Suspension or termination of the Plan will not materially impair rights and obligations under any Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan (including Section 2(b)(viii)) or an Award Agreement.

11. EFFECTIVE DATE OF PLAN.

This Plan was originally effective as of December 4, 2015 and was amended as of September 21, 2018, September 12, 2019, and September 17, 2020. The Plan, as amended and restated hereby, will be effective as of August 12, 2024, which is the date of the Special Meeting of Stockholders of the Company held in August 2024, provided that this Plan is approved by the Company's stockholders at such meeting (the "**Effective Date**").

12. CHOICE OF LAW.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "**Affiliate**" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(b) "**Award**" means an Incentive Stock Option, a Nonstatutory Stock Option, a Stock Appreciation Right, a Restricted Stock Award, a Restricted Stock Unit Award, a Performance Stock Award or any Other Stock Award.

(c) "**Award Agreement**" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

(d) "**Board**" means the Board of Directors of the Company.

(e) "**Capitalization Adjustment**" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Award after the Effective Date

without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(f) “Cause” will have the meaning ascribed to such term in any written agreement between a Participant and the Company or an Affiliate defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant’s commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant’s attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant’s intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant’s unauthorized use or disclosure of the Company’s confidential information or trade secrets; (v) such Participant’s violation of a Company policy; or (vi) such Participant’s gross misconduct. The determination that a termination of the Participant’s Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(g) “Change in Control” means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company’s securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (C) solely because the level of Ownership held by any Exchange Act Person (the “Subject Person”) exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same

proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(iv) individuals who, on the Effective Date, are members of the Board (the “*Incumbent Directors*”) cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the Incumbent Directors then still in office, such new member will, for purposes of this Plan, be considered as an Incumbent Director; provided, however, that, for this purpose, no individual initially elected or nominated as a member of the Board as a result of an actual or threatened election contest with respect to Board membership or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be deemed to be an Incumbent Director.

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between a Participant and the Company or an Affiliate will supersede the foregoing definition with respect to Awards subject to such agreement; *provided, however*, that (1) if no definition of Change in Control (or any analogous term) is set forth in such an individual written agreement, the foregoing definition will apply; and (2) no Change in Control (or any analogous term) will be deemed to occur with respect to Awards subject to such an individual written agreement without a requirement that the Change in Control (or any analogous term) actually occur.

If required for compliance with Section 409A of the Code, in no event will an event be deemed a Change in Control if such event is not also a “change in the ownership of” the Company, a “change in the effective control of” the Company or a “change in the ownership of a substantial portion of the assets of” the Company, each as determined under Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Board may, in its sole discretion and without a Participant’s consent, amend the definition of “Change in Control” to conform to the definition of a “change in control event” under Section 409A of the Code and the regulations thereunder.

(h) “*Code*” means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(i) “*Committee*” means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(j) “*Common Stock*” means the common stock of the Company.

(k) “*Company*” means Outlook Therapeutics, Inc., a Delaware corporation.

(l) “*Consultant*” means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving

as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a “Consultant” for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company’s securities to such person.

(m) “*Continuous Service*” means that the Participant’s service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant, or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant’s service with the Company or an Affiliate, will not terminate a Participant’s Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant’s Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party’s sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company’s or Affiliate’s leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(n) “*Corporate Transaction*” means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 50% of the outstanding securities of the Company;

(iii) the consummation of a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) the consummation of a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

If required for compliance with Section 409A of the Code, in no event will an event be deemed a Corporate Transaction if such event is not also a “change in the ownership of” the Company, a “change in the effective control of” the Company or a “change in the ownership of a substantial portion of the assets of” the Company, each as determined under Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Board may, in its sole discretion and without a Participant’s consent, amend the definition of “*Corporate Transaction*” to conform to the definition of a “change in control event” under Section 409A of the Code and the regulations thereunder.

(o) “**Director**” means a member of the Board.

(p) “**Disability**” means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(q) “**Effective Date**” has the meaning set forth in Section 11 of the Plan.

(r) “**Employee**” means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an “**Employee**” for purposes of the Plan.

(s) “**Entity**” means a corporation, partnership, limited liability company or other entity.

(t) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(u) “**Exchange Act Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company, or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities.

(v) “**Fair Market Value**” means, as of any date, the value of the Common Stock determined as follows:

(i) Unless otherwise provided by the Board, if the Common Stock is listed on any established stock exchange or traded on any established market, then the Fair Market Value of a share of Common Stock will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value of a share of Common Stock will be the closing sales price for such stock on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value of a share of Common Stock will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(w) “**Incentive Stock Option**” means an option granted pursuant to Section 5 that is intended to be, and that qualifies as, an “incentive stock option” within the meaning of Section 422 of the Code.

(x) “**Non-Employee Director**” means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act (“**Regulation S-K**”)), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K, or (ii) is otherwise considered a “non-employee director” for purposes of Rule 16b-3.

(y) “**Nonstatutory Stock Option**” means an option granted pursuant to Section 5 that does not qualify as an Incentive Stock Option.

(z) “**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(aa) “**Option**” means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(bb) “**Option Agreement**” means a written agreement between the Company and a holder of an Option evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(cc) “**Other Stock Award**” means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(d).

(dd) “**Other Stock Award Agreement**” means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ee) “**Own**,” “**Owned**,” “**Owner**,” “**Ownership**” A person or Entity will be deemed to “Own,” to have “Owned,” to be the “Owner” of, or to have acquired “Ownership” of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(ff) “**Participant**” means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(gg) “**Performance Criteria**” means the one or more criteria that the Board will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following, as determined by the Board: (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes and depreciation; (iii) earnings before interest, taxes, depreciation and amortization; (iv) earnings before interest, taxes, depreciation, amortization and legal settlements; (v) earnings before interest, taxes, depreciation, amortization, legal settlements and other income (expense); (vi) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense) and stock-based compensation; (vii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation and changes in deferred revenue; (viii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation, other non-cash expenses and changes in deferred revenue; (ix) total stockholder return; (x) return on equity or average stockholder’s equity; (xi) return on assets, investment, or capital

employed; (xii) stock price; (xiii) margin (including gross margin); (xiv) income (before or after taxes); (xv) operating income; (xvi) operating income after taxes; (xvii) pre-tax profit; (xviii) operating cash flow; (xix) sales or revenue targets; (xx) increases in revenue or product revenue; (xxi) expenses and cost reduction goals; (xxii) improvement in or attainment of working capital levels; (xxiii) economic value added (or an equivalent metric); (xxiv) market share; (xxv) cash flow; (xxvi) cash flow per share; (xxvii) cash balance; (xxviii) cash burn; (xxix) cash collections; (xxx) share price performance; (xxxi) debt reduction; (xxxii) implementation or completion of projects or processes (including, without limitation, clinical trial initiation, clinical trial enrollment and dates, clinical trial results, regulatory filing submissions, regulatory filing acceptances, regulatory or advisory committee interactions, regulatory approvals, new and supplemental indications for existing products, and product supply); (xxxiii) stockholders' equity; (xxxiv) capital expenditures; (xxxv) debt levels; (xxxvi) operating profit or net operating profit; (xxxvii) workforce diversity; (xxxviii) growth of net income or operating income; (xxxix) billings; (xl) bookings; (xli) employee retention; (xlii) initiation of phases of clinical trials and/or studies by specific dates; (xliii) acquisition of new customers, including institutional accounts; (xliv) customer retention and/or repeat order rate; (xlv) number of institutional customer accounts (xlvi) budget management; (xlvii) improvements in sample and test processing times; (xlviii) regulatory milestones; (xlix) progress of internal research or clinical programs; (l) progress of partnered programs; (li) partner satisfaction; (lii) milestones related to samples received and/or tests run; (liii) expansion of sales in additional geographies or markets; (liv) research progress, including the development of programs; (lv) submission to, or approval by, a regulatory body (including, but not limited to the U.S. Food and Drug Administration) of an applicable filing or a product; (lvi) timely completion of clinical trials; (lvii) milestones related to samples received and/or tests or panels run; (lviii) expansion of sales in additional geographies or markets; (lix) research progress, including the development of programs; (lx) patient samples processed and billed; (lxi) sample processing operating metrics (including, without limitation, failure rate maximums and reduction of repeat rates); (lxii) strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property; and (lxiii) other measures of performance selected by the Board. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the applicable Award Agreement.

(hh) *“Performance Goals”* means, for a Performance Period, the one or more goals established by the Board for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. The Board is authorized to make appropriate adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (i) to exclude restructuring and/or other nonrecurring charges; (ii) to exclude exchange rate effects, as applicable, for non-U.S. dollar denominated Performance Goals; (iii) to exclude the effects of changes to generally accepted accounting principles; (iv) to exclude the effects of items that are “unusual” in nature or occur “infrequently” as determined under generally accepted accounting principles; (v) to exclude the effects of any statutory adjustments to corporate tax rates; and (vi) to make other appropriate adjustments determined by the Board.

(ii) *“Performance Period”* means the period of time selected by the Board over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant’s right to and the payment of a Performance Stock Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board.

(jj) *“Performance Stock Award”* means an Award granted under the terms and conditions of Section 6(c).

(kk) *“Plan”* means this Outlook Therapeutics, Inc. 2024 Equity Incentive Plan.

(ll) “*Restricted Stock Award*” means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(mm) “*Restricted Stock Award Agreement*” means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(nn) “*Restricted Stock Unit Award*” means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(oo) “*Restricted Stock Unit Award Agreement*” means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(pp) “*Rule 16b-3*” means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(qq) “*Rule 405*” means Rule 405 promulgated under the Securities Act.

(rr) “*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(ss) “*Stock Appreciation Right*” or “*SAR*” means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(tt) “*Stock Appreciation Right Agreement*” or “*SAR Agreement*” means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(uu) “*Subsidiary*” means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(vv) “*Ten Percent Stockholder*” means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(ww) “*Transaction*” means a Corporate Transaction or a Change in Control.

OUTLOOK THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN

STOCK OPTION GRANT NOTICE

Outlook Therapeutics, Inc. (the “*Company*”), pursuant to its 2024 Equity Incentive Plan (as amended from time to time, the “*Plan*”), hereby grants to Optionholder an option to purchase the number of shares of the Company’s Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this notice and the Plan, the terms of the Plan will control.

Optionholder:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares Subject to Option:	
Exercise Price (Per Share):	\$
Total Exercise Price:	\$
Expiration Date:	

Type of Grant: Incentive Stock Option Nonstatutory Stock Option

Exercise Schedule: Same as Vesting Schedule

Vesting Schedule: [_____]

Accelerated Vesting Schedule: Vesting may be accelerated in the event of a Change in Control as defined in the Plan.

Payment: By one or a combination of the following items (described in the Option Agreement):

- By cash, check, bank draft or money order payable to the Company
- Pursuant to a Regulation T Program (broker-assisted exercise, same day sale, or sell to cover)
- By delivery of already-owned shares if the shares are publicly traded
- If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company’s consent at the time of exercise, by a “net exercise” arrangement

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of, if applicable, (i) equity awards previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is

adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement, offer letter or other written agreement entered into between the Company and Optionholder specifying the terms that should govern this specific option.

By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

OUTLOOK THERAPEUTICS, INC.

OPTIONHOLDER:

By: _____
Signature

Title: President and Chief Executive Officer

Date: _____

Signature

Date: _____

ATTACHMENTS: Option Agreement, 2024 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I
OPTION AGREEMENT

OUTLOOK THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice (“*Grant Notice*”) and this Option Agreement, Outlook Therapeutics, Inc. (the “*Company*”) has granted you an option under its 2024 Equity Incentive Plan (as amended from time to time, the “*Plan*”) to purchase the number of shares of the Company’s Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the “*Date of Grant*”). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Subject to the provisions contained herein, your option will vest as provided in your Grant Notice. Except as otherwise may be provided in the Grant Notice, vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a “*Non-Exempt Employee*”), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your “retirement” (as defined in the Company’s benefit plans).

4. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner permitted by your Grant Notice, which may include one or more of the following:

(a) Pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a “broker-assisted exercise”, “same day sale”, or “sell to cover”.

(b) By delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. “Delivery” for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company’s stock.

(c) If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the “net exercise” in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the “net exercise,” (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

6. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

7. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option’s term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the date on which the event giving rise to your termination of Continuous Service for Cause occurs (or, if required by law, the date of termination of Continuous Service for Cause);

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 7(d) below); *provided, however*, that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to “Securities Law Compliance,” your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further*, if during any part of such three (3) month period, the sale of any Common Stock received upon exercise of your option would violate the Company’s insider trading policy, then your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service during which the sale of the Common Stock received upon exercise of your option would not be in violation of the Company’s insider trading policy. Notwithstanding the foregoing, if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your

termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 7(d)) below;

(d) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) in certain circumstances upon the effective date of a Corporate Transaction as set forth in the Plan;

(f) the Expiration Date indicated in your Grant Notice; or

(g) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

8. EXERCISE.

(a) You may exercise the vested portion of your option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

9. TRANSFERABILITY. Except as otherwise provided in this Section 9, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) **Certain Trusts.** Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) **Domestic Relations Orders.** Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b) (2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) **Beneficiary Designation.** Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

10. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

11. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the maximum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with

respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

12. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the “fair market value” per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

13. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

15. OTHER DOCUMENTS. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus, and you acknowledge receipt of the Company’s policy permitting certain individuals to sell shares only during certain “window” periods and the Company’s insider trading policy, in effect from time to time.

16. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company’s or any Affiliate’s employee benefit plans.

17. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

18. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

19. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Grant Notice to which it is attached.

ATTACHMENT II

2024 EQUITY INCENTIVE PLAN



ATTACHMENT III
NOTICE OF EXERCISE

NOTICE OF EXERCISE

Outlook Therapeutics, Inc.
 Attention: Stock Plan Administrator
 111 S. Wood Avenue, Unit #100
 Iselin, NJ 08830

Date of Exercise: _____

This constitutes notice to Outlook Therapeutics, Inc. (the “*Company*”) under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the “*Shares*”) for the price set forth below.

Type of option (check one):	Incentive <input type="checkbox"/>	Nonstatutory <input type="checkbox"/>
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	\$ _____	\$ _____
Cash payment delivered herewith:	\$ _____	\$ _____
Value of _____ Shares delivered herewith: ¹	\$ _____	\$ _____
Regulation T Program (cashless exercise): ²	\$ _____	\$ _____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Outlook Therapeutics, Inc. 2024 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an Incentive Stock Option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

Very truly yours,

 Signature

¹ Shares must meet the public trading requirements set forth in the option agreement. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

² Shares must meet the public trading requirements set forth in the option agreement.



Print Name

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

Outlook Therapeutics, Inc.
 Attention: Stock Plan Administrator
 111 S. Wood Avenue, Unit #100
 Iselin, NJ 08830

Date of Exercise: _____

This constitutes notice to Outlook Therapeutics, Inc. (the “*Company*”) under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the “*Shares*”) for the price set forth below.

Type of option (check one):	Incentive <input type="checkbox"/>	Nonstatutory <input type="checkbox"/>
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	\$ _____	\$ _____
Cash payment delivered herewith:	\$ _____	\$ _____
Value of _____ Shares delivered herewith: ³	\$ _____	\$ _____
Regulation T Program (cashless exercise): ⁴	\$ _____	\$ _____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Outlook Therapeutics, Inc. 2024 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an Incentive Stock Option, to notify you in writing within

³ Shares must meet the public trading requirements set forth in the option agreement. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

⁴ Shares must meet the public trading requirements set forth in the option agreement.



fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

Very truly yours,

Signature

Print Name

CERTIFICATIONS

I, C. Russell Trenary III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Outlook Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2024

By: /s/ C. Russell Trenary III
C. Russell Trenary III
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Lawrence A. Kenyon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Outlook Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2024

By: /s/ Lawrence A. Kenyon
Lawrence A. Kenyon
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Outlook Therapeutics, Inc. (the "Company") for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2024

By /s/ C. Russell Trenary III
C. Russell Trenary III
Chief Executive Officer

Date: August 14, 2024

By /s/ Lawrence A. Kenyon
Lawrence A. Kenyon
Chief Financial Officer

"This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Outlook Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing."
