

Abeona Therapeutics Inc.

(ABEO-NASDAQ)

ABEO: First Patient Treatment with Zevaskyn Expected in 3Q25...

Based on our probability adjusted DCF model that takes into account potential future revenues of pz-cel and selling a PRV, ABEO is valued at \$14.00/share. This model is highly dependent upon the continued clinical and commercial success of pz-cel and will be adjusted accordingly based on future results.

Current Price (08/18/25) **\$7.13**
Valuation **\$14.00**

OUTLOOK

On August 14, 2025, Abeona Therapeutics, Inc. (ABEO) announced financial results for the second quarter of 2025 and provided a business update. The company reported that the U.S. launch of Zevaskyn™ (prademagene zamikeracel), which was recently approved by the U.S. Food and Drug Administration (FDA) for the treatment of wounds in adult and pediatric patients with recessive dystrophic epidermolysis bullosa (RDEB), is on track and the first patient is scheduled to be treated in the third quarter of 2025. Abeona indicated that approximately 50 patients have been identified thus far that would likely be good candidates for Zevaskyn treatment, and the company is planning to have capacity to treat 10-14 patients before the end of 2025 and 10 patients/month by mid-2026. We have slightly increased the potential for Zevaskyn in the near term in our model, which has increased our valuation to \$14 per share.

SUMMARY DATA

52-Week High **\$7.23**
52-Week Low **\$4.18**
One-Year Return (%) **42.60**
Beta **1.55**
Average Daily Volume (sh) **659,554**

Shares Outstanding (mil) **51**
Market Capitalization (\$mil) **\$366**
Short Interest Ratio (days) **N/A**
Institutional Ownership (%) **81**
Insider Ownership (%) **5**

Annual Cash Dividend **\$0.00**
Dividend Yield (%) **0.00**

5-Yr. Historical Growth Rates
Sales (%) **N/A**
Earnings Per Share (%) **N/A**
Dividend (%) **N/A**

P/E using TTM EPS **N/A**
P/E using 2025 Estimate **4.4**
P/E using 2026 Estimate **52.2**

Risk Level
Type of Stock
Industry
Average Small-Growth
N/A

ZACKS ESTIMATES

Revenue (in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0.0 A				
2025	0.0 A	0.4 A	7.6 E	22.7 E	30.3 E
2026					118.0 E
2027					200.0 E

Earnings per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-\$1.16 A	\$0.19 A	-\$0.63 A	-\$0.19 A	-\$1.55 A
2025	-\$0.24 A	\$2.07 A	-\$0.17 E	\$0.10 E	\$2.08 E
2026					\$0.87 E
2027					\$2.15 E

WHAT'S NEW

Business Update

Commercial Launch of Zevaskyn® On-Track; First Patient to be Treated in 3Q25

Abeona Therapeutics, Inc. (ABEO) is continuing to advance the commercial launch of Zevaskyn® (prademagene zamikeracel) following its approval by the U.S. FDA in April 2025. Since the approval, the company has activated two Qualified Treatment Centers (QTCs): Ann & Robert H. Lurie Children's Hospital of Chicago and Lucile Packard Children's Hospital Stanford. We anticipate additional centers being activated before the end of 2025.

The first patient at Lurie Children's has already been biopsied and is anticipated to receive Zevaskyn before the end of the third quarter of 2025. The company has indicated strong interest from the patient community, as approximately 12 patients at the two activated QTC's have been identified as good candidates for Zevaskyn treatment. In addition, approximately 36 other 'high-priority' patients have been identified at various other treatment centers around the country. Thus, we view the initial demand for Zevaskyn to be very strong. Abeona is continuing to guide that 10-14 patients will be treated in 2025 and the company remains on track to have the manufacturing capacity to treat 10 patients/month by mid-2026.

Thus far, 100% of submitted prior authorization requests have been approved. United Healthcare, which is the largest insurance provider in the U.S., published a coverage policy for Zevaskyn that is consistent with the FDA label with no other restrictions. Abeona has entered into the National Drug Rebate Agreement (NDRA) with the U.S. Centers for Medicare and Medicaid Services (CMS) to get expedited coverage and reimbursement for Zevaskyn across all 51 state Medicaid programs and Puerto Rico. Overall, we view the insurance and reimbursement landscape to be very favorable thus far for the company.

Beacon Therapeutics Exercises Option for AAV204 Capsid

In July 2024, Abeona announced that Beacon Therapeutics has exercised its option to license Abeona's patented AAV204 capsid for use in potential gene therapies for retinal diseases that result in blindness. Under terms of the agreement, Abeona will receive an undisclosed upfront license payment with additional payments upon the achievement of certain development, regulatory, and sales milestones, along with tiered royalties on worldwide net sales for licensed products incorporating AAV204.

Financial Update

On August 14, 2025, Abeona announced financial results for the second quarter of 2025. The company's second quarter 2025 results include the reclassification of certain manufacturing and development costs from R&D to G&A. The company reported \$0.4 million of license revenue in the second quarter of 2025 compared to \$0 for the second quarter of 2024. As a reminder, Abeona will record revenue from the sale of Zevaskyn at the time the patient has surgery to receive the product. R&D expenses in the second quarter of 2025 were \$5.9 million compared to \$9.2 million for the second quarter of 2024. The decrease was primarily due to costs capitalized into inventory and select costs reclassified as G&A. G&A costs in the second quarter of 2025 were \$17.1 million compared to \$8.6 million for the second quarter of 2024. The increase was primarily due to increased headcount and professional costs associated with the commercial launch of Zevaskyn.

Abeona exited the second quarter of 2025 with approximately \$225.9 million, which included net proceeds from the sale of the PRV. We estimate that the company has sufficient capital to fund operations for the next two years, which does not take into account any revenues from the sale of Zevaskyn. As of August 8, 2025, the company had approximately 51.3 million shares outstanding and, when factoring in stock options and warrants, a fully diluted share count of approximately 67.0 million.

Conclusion

Everything appears to be going according to plan for the commercial launch of Zevaskyn and the company was very upbeat about the near-term prospects for the treatment. Abeona is continuing to guide for 10-14 patients to be treated in 2025, and with the announcement that there are upwards of 50 identified patients that would be good candidates for treatment it appears that the initial interest in the product is very strong. We look forward to updates as the first patients are treated and the company begins to recognize revenue from the sale of Zevaskyn. We have modestly increased our expectations for Zevaskyn in the early part of the commercial launch, which has increased our valuation to \$14 per share.

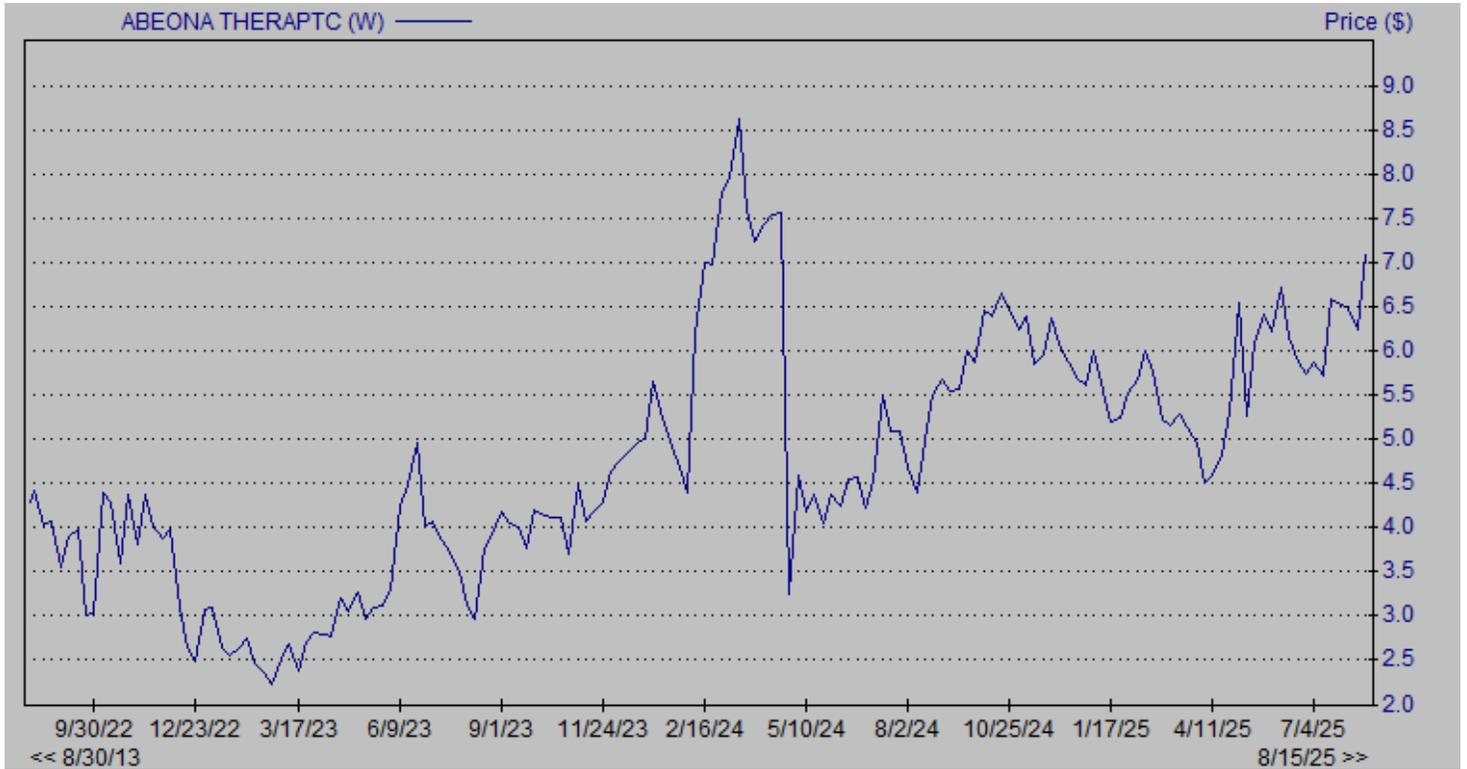
PROJECTED FINANCIALS

Abeona Therapeutics Inc.	2024 A	Q1 A	Q2 A	Q3 E	Q4 E	2025 E	2026 E	2027 E
ZEVASKYN™	\$0.0	\$0.0	\$0.0	\$7.6	\$22.7	\$30.3	\$118.0	\$200.0
License and other revenues	\$0.0	\$0.0	\$0.4	\$0.0	\$0.0	\$0.4	\$0.0	\$0.0
Total Revenues	\$0.0	\$0.0	\$0.4	\$7.6	\$22.7	\$30.7	\$118.0	\$200.0
Cost of revenues	\$0.0	\$0.0	\$0.0	\$0.9	\$2.7	\$3.6	\$14.1	\$24.0
<i>Gross Margin</i>	#DIV/0!	#DIV/0!	100%	88%	88%	88%	88%	88%
Royalties	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0
Research & development	\$34.4	\$9.9	\$5.9	\$8.7	\$8.9	\$33.5	\$35.0	\$36.0
General & administrative	\$29.9	\$9.8	\$17.1	\$8.0	\$8.2	\$43.1	\$33.0	\$36.0
Depreciation and Amortization	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Impairment of licensed technology	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Impairment of right-of-use lease asset	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Impairment of construction-in-progress	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating Income	(\$64.2)	(\$19.7)	(\$22.8)	(\$9.1)	\$5.6	(\$46.0)	\$50.0	\$128.0
<i>Operating Margin</i>	#DIV/0!	#DIV/0!	-5698.0%	-120.1%	24.7%	-150.0%	42.4%	64.0%
Non-Operating Expenses (Net)	\$0.5	\$7.7	\$147.1	\$0.0	\$0.0	\$154.8	\$0.0	\$0.0
Pre-Tax Income	(\$63.8)	(\$12.0)	\$124.3	(\$9.1)	\$5.6	\$108.8	\$50.0	\$128.0
Deemed Dividends Series A and B Preferred Stock	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Income Taxes	\$0.0	\$0.0	\$15.5	\$0.0	\$0.0	\$0.0	\$2.1	\$5.4
<i>Tax Rate</i>	0%	0%	0%	0%	0%	0%	4%	4%
Net Income	(\$63.8)	(\$12.0)	\$108.8	(\$9.1)	\$5.6	\$108.8	\$47.9	\$122.6
<i>Net Margin</i>	-	-	-	-120.1%	24.7%	354.4%	40.6%	61.3%
Reported EPS	(\$1.55)	(\$0.24)	\$2.07	(\$0.17)	\$0.10	\$2.08	\$0.87	\$2.15
Basic Shares Outstanding	41.0	49.8	52.5	53.0	54.0	52.3	55.0	57.0

Source: Zacks Investment Research, Inc.

David Bautz, PhD

HISTORICAL STOCK PRICE



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