



PAVmed Inc.

Reports Q4 with solid progress. Exact Sciences entry into Lucid's market validates huge value for Lucid. Lowering P/T to \$26.

Reports Q4: PAVmed recently (on March 26) reported its Q4 2023 (ending December) results. Revenue was \$1.0 million, compared with our and consensus estimates of \$0.9 – 1.1 million. Pro forma net loss was \$10.7 million or EPS of \$(1.33), compared with our and consensus estimate of \$(1.89) – (1.93). There was no Q4 guidance. PAVmed's Lucid business (which represents all of PAVmed's revenues) is still early in its commercialization and Veris is at an even earlier stage so the company generates low revenue currently, but is expected to grow significantly in 2024.

EsoGuard growth: Lucid processed 2,201 tests in Q4, down from 2,575 tests in Q3, 2,202 tests in Q2, 1,841 tests in Q1, 1,174 tests in Q4 2022. Because it is still early in the billing/collection process, the company has deferred revenue recognition until cash is collected so revenue is not recorded when the tests are performed (for now). We estimate that there are ~\$20 million in potential test revenue backlog from those performed, but not yet collected.

Operating expenses: Operating expenses were \$16 million, up from \$15 million in Q3 2023.

No guidance: Management did not provide forward guidance.

Adjusting estimates: We are adjusting our 2024 estimates for revenues to \$4.6 million, from \$9.4 million, and for EPS to \$(6.36) from \$(6.88).

Focused on Lucid and Veris commercialization: PAVmed is focused on commercialization of Lucid and Veris Health. Both are still very early in their commercialization, but are expected to grow significantly in 2024.

Lucid as catalyst: We believe Lucid's high growth and ramp up in commercialization will be a major catalyst for PAVmed's stock.

Veris Health software launched: Veris Health is a digital health company with tools to improve personalized cancer care through remote patient monitoring. In Q4 2022, Veris commercialization and software launch began with the Veris Cancer Care Platform. Veris will launch the next generation of its software along with developing a biopharma companion digital module to support new cancer therapeutics and to seek FDA clearance as a SaMD (software as a medical device) for actively diagnosing and treating patients. Veris continues to make progress toward regulatory 510(k) submission (in mid-2024) of its implantable monitor which is targeted for commercial launch in 2024/25.

Large market potential: Cancer is the 2nd leading cause of death in the U.S. (behind heart disease) with ~600,000 deaths a year. Digital health and medtech are high growth areas. The recent launch of its PMX incubator can unlock additional value.

Dividend: On February 15, 2024 (Q1 2024), PAVmed issued 3.3 million Lucid shares to PAVmed shareholders (.38 share each) as a special dividend. PAVmed still owns ~65% of Lucid.

Reverse stock split: In December 2023, the company effected a 1:15 reverse stock split.

Exact's validation: Exact Sciences, a leading provider of cancer screening and diagnostic tests, recently announced that it is working on a competing non-endoscopic Oncoguard Esophagus test (in early product development) similar to EsoGuard. Exact's entry into this market validates the huge market opportunity for EsoGuard. We believe that EsoGuard's huge first mover advantage and better test makes Lucid a very attractive potential acquisition candidate.

Positive risks versus rewards: PAVmed's devices still have long development and commercialization challenges ahead, but we believe the ~billion dollars market potential presents high rewards for the risks.

Current valuation attractive: We are maintaining our BUY rating, but lowering our 12-month price target to \$26 from \$30 based on a NPV analysis. This represents significant upside from the current share price and we believe this valuation appropriately balances out the company's high risks with large upside opportunities.

Company Description

Based in New York, NY, PAVmed is a clinical/early-stage commercialization multi-product medical device company focused on developing innovative medical technologies.

United States
Healthcare

April 14, 2024

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COMPANY UPDATE

Rating: **BUY**

Ticker: PAVM

Price: \$1.93

Target: \$26.00
(from \$30)

Stock Data

Exchange:	NasdaqGS
52-week Range:	\$1.60 – 9.36
Shares Outstanding (million):	9
Market cap (\$million):	\$17
EV (\$million):	\$41
Debt (\$million):	\$44
Cash (\$million):	\$20
Avg. Daily Trading Vol. (\$million):	\$0.2
Float (million shares):	8
Short Interest (million shares):	0.4
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2024E</u> (Cur.)	<u>2024E</u> (Old)	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)
Q1 Mar	1.0E	1.1E	1.4E	
Q2 Jun	1.1E	1.5E	1.5E	
Q3 Sep	1.2E	2.3E	2.3E	
Q4 Dec	<u>1.3E</u>	<u>4.5E</u>	<u>4.8E</u>	
Total	4.6E	9.4E	10.0E	
EV/Revs	9x		4x	

Earnings per Share (pro forma)

	<u>2024E</u> (Cur.)	<u>2024E</u> (Old)	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)
Q1 Mar	(1.59)A	(1.80)E	(1.53)E	
Q2 Jun	(1.62)A	(1.77)E	(1.52)E	
Q3 Sep	(1.59)A	(1.76)E	(1.50)E	
Q4 Dec	<u>(1.57)E</u>	<u>(1.55)E</u>	<u>(1.31)E</u>	
Total	(6.36)E	(6.88)E	(5.85)E	
P/E	N/A		N/A	

*Reflects a 1:15 reverse stock split in December 2023.

Important Disclosures

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

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 19.

Exhibit 1: PAVmed Company Overview



**Highly Differentiated
Multi-Product
Commercial-Stage
Medical Technology Company**



Founded 2014



Nasdaq IPO 2016



*Diversified
Product Portfolio*



*Groundbreaking
Technologies
Addressing Important
Unmet Clinical Needs*



*Business Model
Focused on
Speed to Market*



Innovation & Value Creation Engine

Internal Innovation >>>

License or Acquire >>>



Products ≡



Source: Company reports

Exhibit 2: PAVmed's Major Subsidiaries (as of 2022)



Major Subsidiaries

<u>Diagnostics</u>	<u>Digital Health</u>
 <p>Lucid diagnostics</p> <p>Early Detection of Esophageal Precancer & Cancer</p> <ul style="list-style-type: none"> Commercial-stage Founded May 2018 Licensed technologies from Case Western Reserve University Managed and financed by PAVmed PAVmed Stake = 75.5% IPO Oct 14, 2021 (Nasdaq: LUCD) 	 <p>VERIS HEALTH</p> <p>Digital Cancer Care Platform & Intelligent Vascular Port</p> <ul style="list-style-type: none"> Founded May 2021 with acquisition of Oncodisc, Inc. and its digital health technologies Managed and financed by PAVmed PAVmed stake = 80% Accepted into Microsoft for Startups PAVmed Stake = 80% Target commercialization H2-2022

Source: Company reports.

Exhibit 3: PAVmed Products Highlights (as of Q3 2023)

Recent Highlights



- Commercial restructuring and expansion efforts underway
- Active strategic discussions with large academic cancer centers
- Next generation Veris Cancer Care Platform complete, to launch Q4
- Active discussions with large pharma companies on VCCP biopharma module as digital companion for novel cancer therapeutics
- Implantable monitor progressing towards FDA submission and commercial launch in 2024



- Quarterly EsoGuard test volume growth +17%
- Quarterly revenue growth +392%
- Revenue cycle management upgrade demonstrates progress in first full quarter of reporting
- Clinical utility studies with near perfect results. Two accepted for peer review publication, one pending
- Direct contracting initiative nets first employer contract. New VP, Employer Markets to pursue offering EsoGuard as benefit
- EsoGuard 2.0 launched

Source: Company reports

Exhibit 4: PAVmed's January 2023 Restructuring



- Launched a **strategic restructuring initiative** designed to maximize cash runway and protect long-term shareholder interests in challenging market conditions
- Adjustments in near-term **strategic priorities** and associated **resource allocation**
- Shifted substantially all resources and efforts on accelerating commercialization of **Lucid and Veris** products
- Meaningful **reduction in workforce** and quarterly **cash burn**
- Initiative completed, durable positive impact on consolidated cash runway and strength of balance sheet
- Further enhanced by \$24.6 million Lucid financing

Source: Company reports.

Exhibit 5: Lucid Diagnostics Overview (as of October 2021)



Nasdaq: **LUCD**

Commercial-Stage Cancer Prevention Medical Diagnostics Company

- Founded May 2018 to license technologies underlying EsoGuard & EsoCheck from Case Western Reserve University
- ~\$25B total addressable market opportunity
- PAVmed paid ~\$50K cash, retained 82% equity
- Managed and financed by PAVmed
- ~\$30M invested over ~3.5 years
- Advanced EsoGuard & EsoCheck to commercialization
- Secured \$1,938 Medicare payment
- Nasdaq IPO October 14, 2021
- Raised \$70M in growth capital at \$467M IPO valuation
- PAVmed Stake pre-IPO 72.7%, post-IPO 75.5%

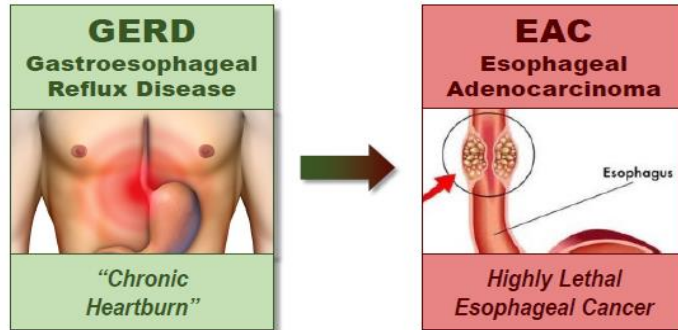


Source: Company reports.

Exhibit 6: Lucid Diagnostics



Commercial-Stage Diagnostic Technology Company Focused on Early Precancer Detection



MISSION: Prevent EAC Deaths in At-Risk GERD Patients

Lead Lucid Products

First and only commercially available test capable of serving as a widespread screening tool to prevent EAC deaths through early detection of esophageal precancer



EsoGuard
esophageal DNA test



EsoCheck
cell collection device



Both major gastroenterology societies now support EsoCheck as an acceptable alternative to endoscopy for early detection of esophageal precancer to prevent EAC deaths

Highlights



EsoGuard commercialized as LDT at dedicated CLIA/CAP Laboratory



Lucid Test Centers operating in 13 states



Effective CMS Payment



FDA Breakthrough Device Designation



Minimum 30 Million U.S. target population already recommended for screening



EsoGuard & EsoCheck supported by professional society guidelines



Near-Term Value Inflection Milestones



Multi-Billion U.S. TAM

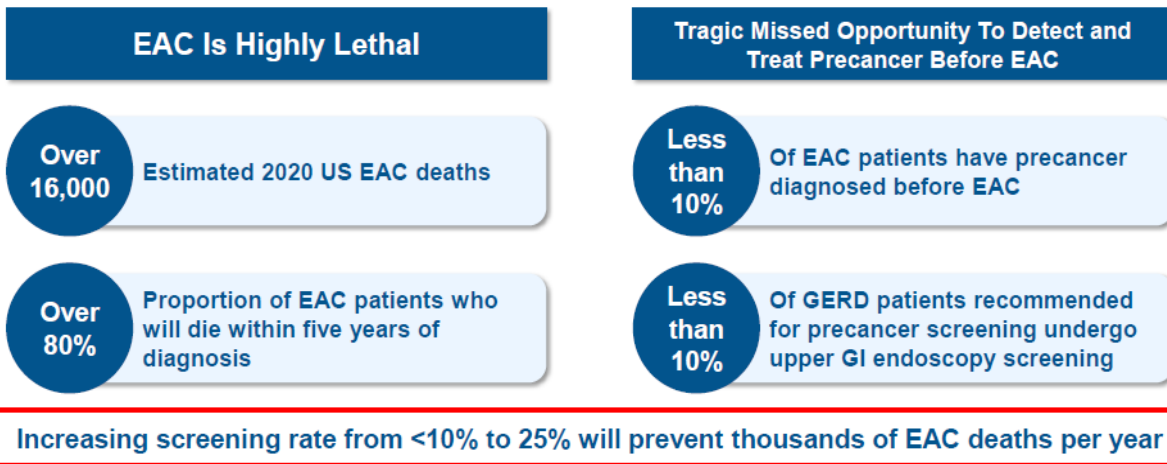
Exhibit 7: EsoCheck and EsoGuard Market Opportunity

EAC Precancer Screening to Prevent EAC

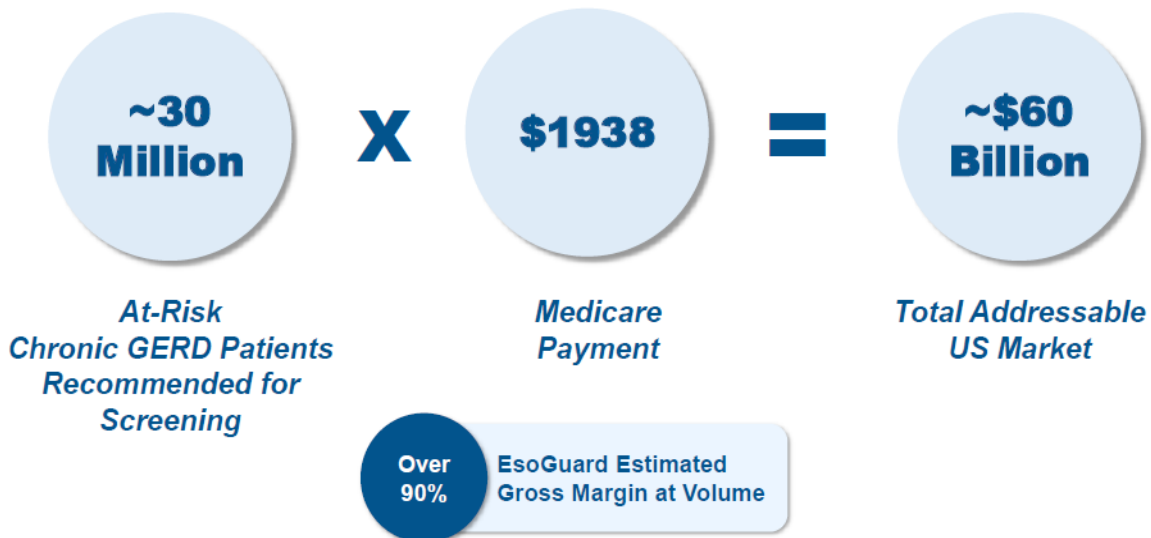
Major unmet clinical need

Necessary to prevent EAC deaths through early precancer detection

~13 million high-risk GERD patients already recommended for precancer screening by professional society guidelines



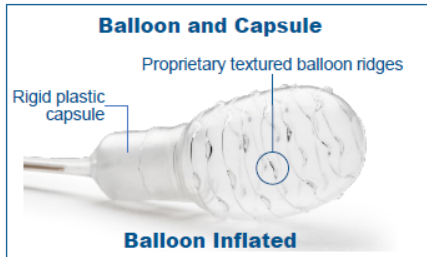
EsoGuard Commercial Opportunity



Source: Company reports.

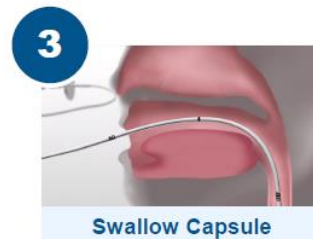
Exhibit 8: The EsoCheck Procedure

The EsoCheck Esophageal Cell Sampling Procedure



Less than 5-minute, non-invasive office-based alternative to endoscopy
 Anatomically targeted cell sampling from lower 5 cm of esophagus where BE-EAC occurs
 Protects sampled cells from dilution and contamination during device removal which is critical to accurately detect low-level precancer signal

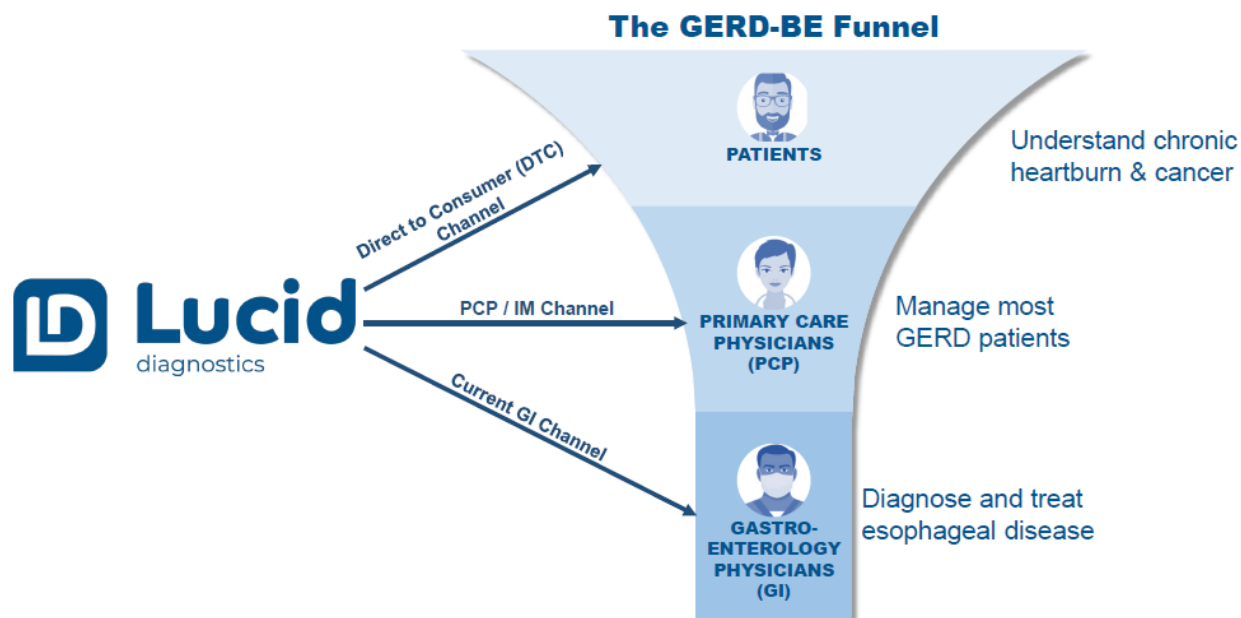
EsoCheck Procedure Steps



Source: Company reports.

Exhibit 9: Lucid Growth Strategy

Multichannel Commercial Strategy



EsoGuard Commercial Strategy

REFERRAL SOURCE	PCP	Specialty / Institution
Target	Primary Care Physician	Specialists (GI, Foregut, ENT) Institutions (large practices, hospitals)
GOAL	Order EsoGuard Test	Build EsoGuard Program

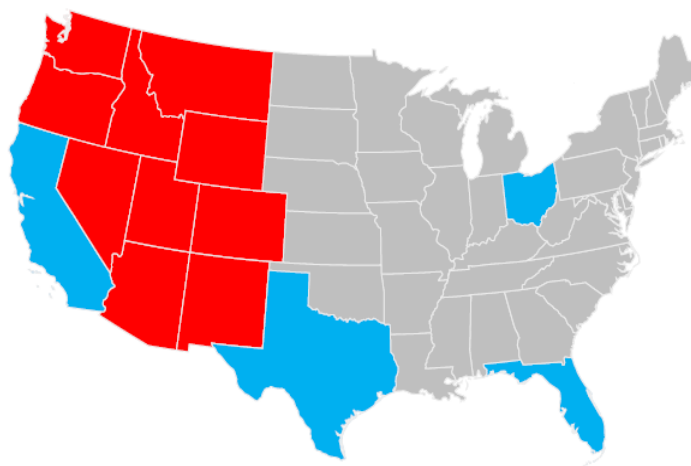
CELL COLLECTION SITE	Lucid Test Center (LTC)	Satellite Lucid Test Center (sLTC)	Physician Practice
EsoCheck Procedure Operator	Lucid NP	Lucid NP	Practice RN / NP / PA

Source: Company reports.

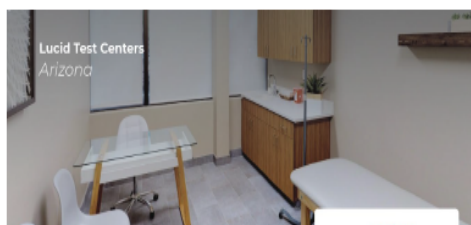
Exhibit 10: Lucid Test Centers (as of Q2 2022)

Lucid Test Centers

Stage 1	Stage 2	
Glendale, AZ	Lake Forest, CA	Launched
Tempe, AZ	Columbus, OH	Launched
Scottsdale, AZ	Las Colinas, TX	Launched
Lone Tree, CO	Delray Beach, FL	Launched
Henderson, NV	TBD	3Q22
Murray, UT	TBD	3Q22
Seattle, WA	TBD	4Q22
Portland, OR	TBD	4Q22
Boise, ID	TBD	4Q22



Lucid Test Centers



EsoGuard
esophageal DNA test

>90%
sensitivity & specificity
at detecting Barrett's esophagus,
with and without dysplasia, as well as
esophageal adenocarcinoma!



A new test for early detection of precursors of esophageal cancer

While reflux is common, your patients may not know that chronic GERD can lead to BE and EAC. The EsoGuard esophageal DNA test detects the cellular changes caused by reflux.

How it works: distal esophageal cells are sampled using a simple, non-endoscopic five-minute office-based procedure, shipped in the provided preservative and mailed, and analyzed at our lab. Binary results (positive or negative) are available within a few weeks.

Who should be considered for testing?

2016 American College of Gastroenterology Guidelines recommends screening in high-risk GERD patients:

Individuals >50 years old with chronic GERD (>5 years) and/or frequent (weekly or more) GERD symptoms

- plus two additional risk factors:
- Caucasian
 - Male
 - Central Obesity
 - Past or Present History of Smoking
 - Family History of BE or EAC

Patients may be referred to Lucid Test Centers:

9700 N 91st St, suite A-115
Scottsdale, AZ 85258

4484 W Peoria Ave Ste 115A
Glendale, AZ 85302

1845 E Broadway Rd Ste 116
Tempe, AZ 85282

For prescribing information call:
(623) 687-2386

Estimated Quarterly Operating Costs	Nurse Practitioner	\$30,000
	Medical Assistant	\$12,500
	Lease, Other	\$2,500
	Total	\$45,000

Procedure	Max tests per day	20
	Billed rate per test	\$2,000

Revenue Opportunity	Daily	\$40,000
	Weekly	\$200,000
	Quarterly	\$2,600,000
	Break even	1.7 tests / week

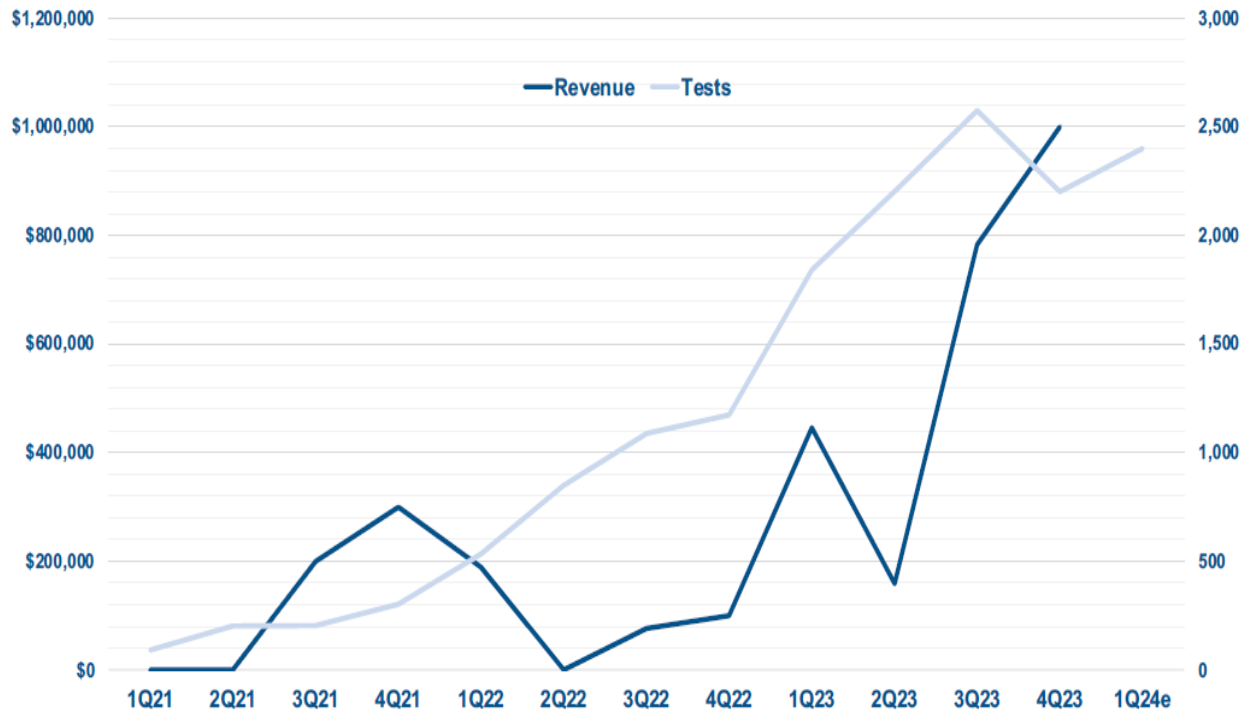
Over 90%

EsoGuard Estimated Gross Margin at Volume

Source: Company reports.

Exhibit 11: EsoGuard Testing Volume (as of Q4 2023)

EsoGuard Revenue & Test Volume



Source: Company reports.

Exhibit 12: Veris Health Overview


PAVmed Launches Veris, Acquires Oncodisc



- Very modest upfront consideration
 - PAVmed paid \$155K
 - PAVmed retained 80.5% Veris equity
- Groundbreaking technology
 - Good IP protection
- Large addressable market opportunity
 - Cancer Care
 - Clear unmet clinical need
 - Large patient population
 - Both physician and patient benefits
- Large expanded market opportunities
 - Renal failure, Heart failure
- Attractive timelines and hurdles
 - Development, Regulatory
- Modest capital and resource investment
- Attractive reimbursement model
 - Established codes
 - Existing CMS bonus/incentives
- Large additional value-creation opportunities
 - Data monetization
 - Pharma research support
- Excellent synergies with PAVmed infrastructure

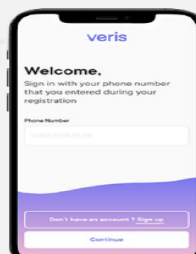
Solution: Veris Health Platform

DEVICE



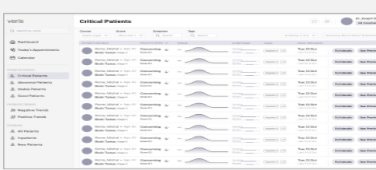
First intelligent implantable vascular access port

SOFTWARE



Patient mobile interface

DATA



Physician interface



Commercial-Stage Digital Health Company Focused on Enhanced Personalized Cancer Care

Cancer patients face high rates of complications which drive poor patient outcomes and healthcare costs

\$70,000

Average Cost of Hospitalizations per Patient

Up to 50%

Avoidable Hospitalizations

MISSION: Improve outcomes utilizing modern Remote Physiologic Monitoring (“RPM”) tools

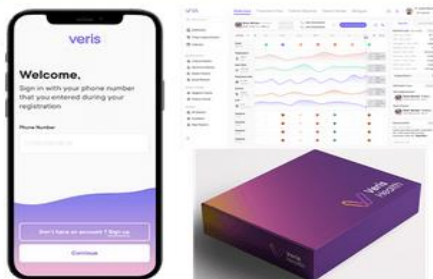
Source: Company reports.

Exhibit 13: Veris Health Products



Veris Health
Commercial-Stage Digital Health Company
Enhance Personalized Cancer Care

Veris Cancer Care Platform



Implantable Monitor



MISSION: Utilize modern RPM tools to improve care through early detection of complications, longitudinal trends and risk management

Source: Company reports.

Exhibit 14: Veris Health Business Model

Business Model

Veris Revenue Opportunity

- Software-as-a-Service, **recurring-revenue model**
- **Established RPM codes**
- Additional revenue opportunities
 - Enhanced technical support*
 - Clinical support (RN coverage)*
 - Implantable device*

Customer Value Proposition

- RPM Billing
 - CPT Codes 99453, -54, -57 and -58
 - ~\$200/month per patient revenue opportunity
 - ~\$100/month per patient net income
- Facilitates participation in CMS and other **value-based payment models**
- Decreased administrative workload

Total Addressable Market opportunity of ~\$2 billion

Source: Company reports.

Exhibit 15: Q4 2023 and Recent Business Highlights (as of March 26, 2024)

Highlights from the fourth quarter and recent weeks include:

- Yesterday, Lucid reported that 4Q23 EsoGuard revenue was \$1.04M, which represents a 33 percent increase sequentially from 3Q23 and an 829 percent annual increase from 4Q22.
- Lucid's high-volume #CYFT health fair testing events continue to gain traction with a robust roster of events scheduled through July.
- Payors now allowing approximately half of Lucid's out-of-network adjudicated EsoGuard claims, with an average allowable amount of approximately \$1,800.
- Lucid significantly expanded its clinical validity and clinical utility data evidence to support broad EsoGuard medical policy coverage, including Medicare.
- In order to facilitate an independent financing into Veris, consistent with PAVmed's revised strategy, Veris shifted its commercial strategy to target large academic and regional cancer centers, with first such engagement expected in the very near-term and a robust pipeline to follow.
- Veris held its final, successful FDA pre-submission meeting for its implantable cardiac and physiologic monitor, designed to be implanted in conjunction with a vascular access port. The implantable monitor now has a clear path to FDA submission and 510(k) clearance once Veris secures independent financing.
- Consistent with PAVmed's revised strategy, PAVmed launched a wholly-owned incubator, PMX, to complete development and commercialization of existing portfolio technologies, including PortIO, EsoCure, and CarpX. PMX and Hatch Medical, a medical device incubator and technology brokerage firm with decades of success, executed a joint venture agreement to advance these technologies. Beginning with PortIO, PAVmed will seek to independently finance a separate subsidiary of the PMX incubator to develop and commercialize each technology.

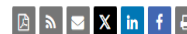
Financial Results:

- For the three months ended December 31, 2023, revenues were \$1.0 million, while for the year ended December 31, 2023, revenues were \$2.5 million. Fourth quarter and full year 2023 operating expenses were approximately \$17.4 million and \$71.2 million, respectively, which include stock-based compensation expenses of \$2.0 million and \$11.1 million, respectively. GAAP net loss attributable to common stockholders for the fourth quarter and full year 2023 were approximately \$15.9 million and \$66.3 million, or \$(1.98) and \$(9.16) per common share.
- As shown below and for the purpose of illustrating the effect of stock-based compensation and other non-cash income and expenses on the Company's financial results, the Company's non-GAAP adjusted loss for the fourth quarter and full year 2023, was approximately \$10.7 million and \$41.8 million or \$(1.33) and \$(5.78) per common share.
- PAVmed had cash and cash equivalents of \$19.6 million as of December 31, 2023, compared to \$39.7 million as of December 31, 2022.
- The audited financial results for the year ended December 31, 2023 were filed with the SEC on Form 10-K on March 25, 2024, and are available at www.pavmed.com or www.sec.gov.

Source: Company reports.

Exhibit 16: Launch of PMX Incubator (as of March 21, 2024)

PAVmed Launches Incubator to Advance Existing Pipeline Technologies including PortIO, EsoCure and CarpX



The incubator, PMX, and medical device firm Hatch Medical, execute joint venture agreement to complete their development and commercialization, starting with PortIO

NEW YORK, March 21, 2024 /PRNewswire/ -- PAVmed Inc. (Nasdaq: PAVM) ("PAVmed" or the "Company"), a diversified commercial-stage medical technology company, operating in the medical device, diagnostics, and digital health sectors, today announced that it has launched a wholly owned incubator, PMX, to complete development and commercialization of existing portfolio technologies, including the PortIO™ Implantable Intraosseous Vascular Access Device ("PortIO"), EsoCure™ Esophageal Ablation Device ("EsoCure"), and CarpX® Minimally Invasive Device for Carpal Tunnel Syndrome ("CarpX"). PMX and Hatch Medical, L.L.C. ("Hatch Medical"), a medical device incubator and technology brokerage firm with decades of experience successfully advancing medical technologies and brokering strategic transactions, have executed a joint venture agreement to advance the technologies.

Pursuant to the joint venture agreement, PAVmed will assign PortIO, EsoCure and CarpX to its wholly owned incubator, PMX. Starting with PortIO, the Company will seek to independently finance a separate subsidiary of the incubator to develop and commercialize each technology. Hatch Medical will provide strategic advisory and brokerage services to the subsidiary to advance the technology through key milestones and, subsequently, seek to engage a strategic partner to acquire, license or distribute the commercial product.

Although the incubator, PMX, may seek to expand its portfolio with internal or externally sourced technologies in the future, its initial assets, as noted, will include:

- **PortIO Implantable Intraosseous Vascular Access Device.** PortIO consists of an implantable intraosseous vascular access device and insertion kit. Instead of a catheter located in a vein, it has a short extension from the device, which a physician inserts into a bone, leaving the device to reside completely beneath the skin. This allows direct access to the bone marrow, which is a well-established route for the delivery of medications, fluids, and other substances. PortIO can be inserted and removed near-percutaneously without requiring a surgical pocket or significant dissection and does not require radiologic confirmation of proper deployment. PAVmed completed IRB-approved First-in-Human studies of PortIO in Colombia in 2022, with excellent device function and no complications across nine patients. Extensive engagement with the FDA has established a clear path to a U.S. Investigational Device Exemption (IDE) clinical study and regulatory clearance through its *de novo* pathway.
- **EsoCure Esophageal Ablation Device.** EsoCure is an ablation system designed to treat late esophageal precancer (dysplastic Barrett's Esophagus) which consists of single-use, disposable balloon catheters that are delivered through the working channel of a standard endoscope and a low-cost console to control the ablation process. Incorporated within the EsoCure system is the proprietary CalduS™ technology, a catheter design which allows for controlled direct thermal tissue ablation without the need for an intermediate energy source, such as radiofrequency. Prior to its development pause, extensive development work, including numerous animal studies, demonstrated that EsoCure created ablation lesions similar or superior to those of the main commercially available radiofrequency esophageal ablation device.
- **CarpX® Minimally Invasive Device for Carpal Tunnel Syndrome.** CarpX is a patented single-use disposable minimally invasive device designed to treat carpal tunnel syndrome while reducing recovery times, which has received U.S. Food and Drug Administration (FDA) 510(k) clearance and CE Mark. CarpX is designed to closely mimic the anatomic results of invasive carpal tunnel surgery, but much less invasively, using catheters, balloons, radiofrequency energy and other established tools that have contributed to percutaneous and minimally invasive revolutions in the treatment of other conditions. The first-generation device underwent a limited commercial release utilizing early adopter key opinion leaders to advance procedural and product improvements. Prior to its development pause, the Company was working on the second generation CarpX device that would incorporate imaging and a proprietary console.

Source: Company reports.

Exhibit 17: PAVmed Inc. Stock Price (5-years)



*Reflects a 1:15 reverse stock split in December 2023

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

Exhibit 18: Consensus Expectations (as of March 26, 2024)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$0.4A	\$1.0E	Q1 Mar	\$(1.44)A	\$(1.79)E
Q2 Jun	\$0.2A		Q2 Jun	\$(1.42)A	
Q3 Sep	\$0.8A		Q3 Sep	\$(1.31)A	
Q4 Dec	\$1.1E		Q4 Dec	\$(1.89)E	
Total	\$2.5E	\$8.0E	Total	\$(9.46)E	\$(6.80)E

*Reflects a 1:15 reverse stock split in December 2023

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

Source: Company report, LSEG, and Ascendant Capital Markets estimates

FINANCIAL MODEL

PAVmed Inc.

Income Statement (\$ mils)	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.2	0.0	0.1	0.1	0.4	0.4	0.2	0.8	1.0	2.5	1.0	1.1	1.2	1.3	4.6	1.4	1.5	2.3	4.8	10.0
Cost of Revenues	0.4	0.0	1.6	1.6	3.6	1.3	1.7	1.8	1.6	6.4	0.3	0.3	0.4	0.4	1.4	0.4	0.5	0.7	1.4	3.0
Gross Profit	(0.2)	0.0	(1.6)	(1.5)	(3.2)	(0.9)	(1.5)	(1.0)	(0.6)	(4.0)	0.7	0.8	0.8	0.9	3.2	1.0	1.1	1.6	3.4	7.0
Sales and marketing	3.9	4.9	4.7	5.8	19.3	4.5	4.3	4.0	4.7	17.6	4.5	4.5	4.5	4.5	18.0	4.5	4.5	4.5	4.5	18.0
General and administrative	9.4	11.8	10.3	9.5	41.0	10.0	6.7	6.9	7.4	30.9	7.0	7.0	7.0	7.0	28.0	7.0	7.0	7.5	7.5	29.0
Research and development	5.9	6.7	6.2	6.7	25.5	4.4	3.5	3.2	3.2	14.3	4.0	4.0	4.0	4.0	16.0	4.0	4.0	4.0	4.0	16.0
Restructuring and other			0.5	1.3	1.8	0.5	0.5	0.5	0.5	2.0					0.0					0.0
Total operating expenses	19.3	23.5	21.8	23.2	87.7	19.5	15.0	14.5	15.8	64.8	15.5	15.5	15.5	15.5	62.0	15.5	15.5	16.0	16.0	63.0
Operating income (loss)	(19.5)	(23.5)	(23.3)	(24.7)	(90.9)	(20.4)	(16.5)	(15.5)	(16.4)	(69)	(14.8)	(14.7)	(14.7)	(14.6)	(58.8)	(14.5)	(14.5)	(14.4)	(12.6)	(56.0)
Interest income (expense)	(0.1)	(0.5)	(0.5)	(0.2)	(1.3)	(0.1)	(0.1)	(0.0)	0.2	(0.1)	(0.9)	(1.2)	(1.2)	(1.2)	(4.6)	(1.2)	(1.2)	(1.2)	(1.2)	(5.0)
Other income (expense)	2.6	(1.6)	(2.4)	4.3	2.9	2.5	2.0	(2.2)	0.3	2.6	0.3	0.2	0.2	0.2	0.9	0.3	0.2	0.2	0.2	0.9
Income before income taxes	(16.9)	(25.6)	(26.2)	(20.5)	(89.3)	(18.0)	(14.6)	(17.7)	(15.9)	(66.3)	(15.4)	(15.8)	(15.7)	(15.6)	(62.5)	(15.5)	(15.5)	(15.4)	(13.7)	(60.1)
Income taxes					0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(16.9)	(25.6)	(26.2)	(20.5)	(89.3)	(18.0)	(14.6)	(17.7)	(15.9)	(66.3)	(15.4)	(15.8)	(15.7)	(15.6)	(62.5)	(15.5)	(15.5)	(15.4)	(13.7)	(60.1)
Nonrecurring/noncash adjustments	5.2	11.0	12.4	6.7	35.3	8.7	4.7	8.0	5.3	24.5	0.8	0.8	0.8	0.8	3.0	0.8	0.8	0.8	0.8	3.0
Net income (pro forma)	(11.7)	(14.6)	(13.8)	(13.8)	(53.9)	(9.3)	(9.9)	(9.7)	(10.7)	(41.8)	(14.6)	(15.0)	(15.0)	(14.9)	(59.5)	(14.7)	(14.7)	(14.7)	(12.9)	(57.1)
EBITDA	(16.7)	(24.7)	(24.9)	(18.8)	(85.1)	(17.1)	(13.7)	(17.1)	(13.5)	(61.5)	(11.5)	(11.4)	(11.3)	(11.3)	(45.5)	(11.2)	(11.1)	(11.1)	(9.3)	(42.7)
Shares, Basic	5.8	5.8	6.0	6.0	5.9	6.5	7.0	7.5	8.0	7.2	9.2	9.3	9.4	9.5	9.4	9.6	9.7	9.8	9.9	9.8
Shares, Diluted	5.8	5.8	6.0	6.0	5.9	6.5	7.0	7.5	8.0	7.2	9.2	9.3	9.4	9.5	9.4	9.6	9.7	9.8	9.9	9.8
EPS Basic (pro forma)	(\$2.04)	(\$2.51)	(\$2.31)	(\$2.30)	(\$9.08)	(\$1.44)	(\$1.42)	(\$1.31)	(\$1.33)	(\$5.78)	(\$1.59)	(\$1.62)	(\$1.59)	(\$1.57)	(\$6.36)	(\$1.53)	(\$1.52)	(\$1.50)	(\$1.31)	(\$5.85)
EPS Diluted (pro forma)	(\$2.04)	(\$2.51)	(\$2.31)	(\$2.30)	(\$9.08)	(\$1.44)	(\$1.42)	(\$1.31)	(\$1.33)	(\$5.78)	(\$1.59)	(\$1.62)	(\$1.59)	(\$1.57)	(\$6.36)	(\$1.53)	(\$1.52)	(\$1.50)	(\$1.31)	(\$5.85)
Margins																				
Gross margin	-95%	#DIV/0!	-2039%	-1346%	-859%	-202%	-915%	-125%	-53%	-162%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Sales and marketing	2077%	#DIV/0!	6232%	5142%	5124%	1018%	2614%	508%	447%	717%	450%	409%	375%	346%	391%	321%	300%	196%	94%	180%
General and administrative	4986%	#DIV/0!	13579%	8446%	10886%	2246%	4007%	867%	707%	1262%	700%	636%	583%	538%	609%	500%	467%	326%	156%	290%
Research and development	3139%	#DIV/0!	8161%	5958%	6776%	995%	2090%	400%	306%	582%	400%	364%	333%	308%	348%	286%	267%	174%	83%	160%
Operating margin	-10296%	NM	-30675%	-22033%	-24119%	-4574%	-9930%	-1963%	-1562%	-2806%	-1480%	-1339%	-1222%	-1122%	-1278%	-1037%	-963%	-626%	-263%	-560%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	-8963%	NM	-34470%	-18332%	-23677%	-4037%	-8802%	-2244%	-1516%	-2703%	-1538%	-1434%	-1309%	-1203%	-1359%	-1105%	-1033%	-671%	-285%	-601%
Y/Y % change																				
Total Revenue																				
Gross margin																				
Sales and marketing	183%	148%	95%	86%	117%	16%	-11%	-15%	-19%	-9%	-1%	4%	12%	-4%	2%	0%	0%	0%	0%	0%
General and administrative	179%	76%	72%	0%	61%	6%	-44%	-34%	-22%	-25%	-30%	5%	2%	-6%	-10%	0%	0%	7%	7%	4%
Research and development	79%	58%	17%	-4%	29%	-25%	-49%	-49%	-52%	-44%	-10%	15%	27%	25%	12%	0%	0%	0%	0%	0%
Operating income (loss)	141%	81%	71%	25%	67%	5%	-30%	-33%	-34%	-24%	-27%	-11%	-6%	-11%	-15%	-2%	-2%	-2%	-13%	-5%
Net income (loss)	78%	122%	113%	19%	76%	6%	-43%	-32%	-23%	-26%	-15%	8%	-12%	-2%	-6%	1%	-2%	-2%	-12%	-4%
EPS Diluted (pro forma)	69%	115%	55%	3%	40%	-29%	-44%	-43%	-42%	-36%	10%	14%	22%	18%	10%	-4%	-6%	-6%	-17%	-8%

Source: Company reports and Ascendant Capital Markets estimates.

Reflects a 1:15 reverse stock split in December 2023

PAVmed Inc.

Balance Sheet (\$ mils)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	64.7	65.2	56.8	39.7	49.3	37.2	26.4	19.6	25.4	12.7	0.1	(12.4)	(24.8)	(37.8)	(50.2)	(61.4)
Short term investments									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.1		0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Inventory								0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Deferred income taxes									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Prepaid expenses and other</u>	<u>6.2</u>	<u>5.7</u>	<u>5.2</u>	<u>4.2</u>	<u>4.5</u>	<u>5.9</u>	<u>6.0</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>
Total current assets	71.0	70.8	62.0	43.9	53.8	43.1	32.5	24.5	30.2	17.6	5.0	(7.6)	(20.0)	(33.0)	(45.3)	(56.6)
Property and equipment, net	2.1	2.3	2.4	2.5	2.3	2.0	1.8	1.8	1.2	0.8	0.2	(0.3)	(0.8)	(0.6)	(1.1)	(1.0)
Intangibles, net	7.6	4.5	4.0	3.4	2.9	2.4	1.9	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Deferred income tax									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	3.6	4.9	4.2	4.2	6.3	6.1	5.8	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
Total assets	84.3	82.5	72.5	54.0	65.3	53.7	42.0	33.1	38.3	25.1	12.0	(1.0)	(13.9)	(26.8)	(39.6)	(50.7)
Liabilities and stockholders' equity																
Accounts payable	8.2	4.5	2.5	2.7	1.3	1.2	2.2	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Accrued expenses	3.5	2.9	2.9	3.7	3.7	4.9	5.5	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6
Deferred income tax									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	5.8	1.9	1.0	1.1	1.3	1.7	1.9	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
<u>Short term debt</u>	<u>199.7</u>	<u>201.3</u>	<u>214.3</u>	<u>216.1</u>	<u>221.2</u>	<u>226.3</u>	<u>232.2</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>	<u>237.6</u>
Total current liabilities	17.5	38.9	41.9	41.2	50.5	50.8	54.5	54.2	54.2	54.2	54.2	54.2	54.2	54.2	54.2	54.2
Deferred income taxes									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	2.1	2.2	2.0	1.8	3.9	3.7	3.3	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<u>Long term debt</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>
Total other liabilities	2.1	2.2	2.0	1.8	3.9	3.7	3.3	3.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Preferred stock	2.5	2.6	2.6	2.7	2.8	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Common stock	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	2.6	5.2	7.8	10.4	13.0	15.6	18.2	20.8
Additional paid-in capital	199.7	201.3	214.3	216.1	221.2	226.3	232.2	237.6	237.6	237.6	237.6	237.6	237.6	237.6	237.6	237.6
Retained earnings	(155.8)	(181.4)	(207.6)	(228.2)	(246.2)	(260.8)	(278.5)	(294.4)	(309.8)	(325.6)	(341.3)	(356.9)	(372.4)	(387.9)	(403.3)	(417.0)
Treasury stock	(0.5)	(0.5)	(0.4)	(0.4)					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive income									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest	18.8	19.4	19.6	20.6	32.9	30.7	27.4	29.8	29.8	29.8	29.8	29.8	29.8	29.8	29.8	29.8
Total stockholders' equity	64.7	41.4	28.6	10.9	10.8	(0.8)	(15.8)	(24.0)	(36.8)	(50.0)	(63.1)	(76.1)	(89.0)	(101.9)	(114.8)	(125.8)
Total stockholders' equity and liabilities	84.3	82.5	72.5	54.0	65.3	53.7	42.0	33.1	38.3	25.1	12.0	(1.0)	(13.9)	(26.8)	(39.6)	(50.7)

Balance Sheet Drivers

	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book & Cash Value (per share)																
Book Value per Share (diluted)	11.25	7.14	4.77	1.83	1.67	(0.12)	(2.12)	(3.00)	(4.00)	(5.38)	(6.71)	(8.01)	(9.27)	(10.51)	(11.71)	(12.71)
Cash per Share (diluted)	11.25	11.24	9.49	6.64	7.61	5.34	3.54	2.45	2.76	1.36	0.01	(1.31)	(2.59)	(3.90)	(5.12)	(6.20)
Net cash per Share (diluted)	11.25	6.15	3.56	1.02	0.77	(0.84)	(2.49)	(3.06)	(4.00)	(5.32)	(6.60)	(7.86)	(9.06)	(10.31)	(11.47)	(12.49)

Source: Company reports and Ascendant Capital Markets estimates

PAVmed Inc.

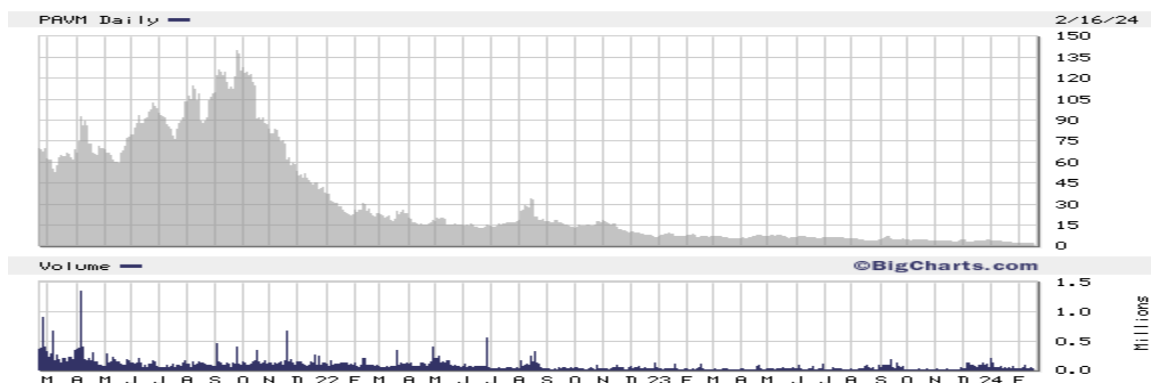
Cash Flow Statement (\$ mils)	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																				
Net income	(19.6)	(29.1)	(29.9)	(24.6)	(103.2)	(22.2)	(17.9)	(21.7)	(17.4)	(79.3)	(15.4)	(15.8)	(15.7)	(15.6)	(62.5)	(15.5)	(15.5)	(15.4)	(13.7)	(60.1)
Depreciation	0.1	0.9	0.7	0.7	2.5	0.7	0.7	0.7	0.7	2.9	0.7	0.7	0.7	0.7	2.9	0.7	0.7	0.7	0.7	2.9
Amortization	0.1	(0.1)	0.0		0.0					0.0					0.0					0.0
Debt related amortization expense					0.0		2.5	3.3	(5.8)	0.0					0.0					0.0
Stock comp	4.8	5.2	5.0	5.2	20.2	4.4	2.5	2.2	2.6	11.8	2.6	2.6	2.6	2.6	10.4	2.6	2.6	2.6	2.6	10.4
Deferred income taxes					0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in fair value of warrant liability		2.0	(0.3)	(0.5)	1.3	1.0	(0.8)	0.0	5.7	6.0					0.0					0.0
Writedowns and impairments		2.5	6.1	0.3	9.0	1.7	(0.4)	2.9	0.8	4.9					0.0					0.0
Other gains/losses					0.0	(1.0)	0.7	0.0	0.0	(0.3)					0.0					0.0
Other	0.2	(0.1)	0.0	0.0	0.1	0.8	0.0	0.1	(0.6)	0.3					0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable	0.1	0.1	(0.0)	0.0	0.2	(0.0)	(0.0)	0.0	(0.0)	(0.0)					0.0					0.0
Prepaid expenses & other curre	(0.1)	(1.5)	1.1	1.0	0.4	(0.3)	(1.3)	(0.2)	1.5	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other assets					0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	3.9	(2.9)	(2.0)	0.2	(0.7)	(1.4)	(0.1)	1.0	(0.4)	(0.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued expenses	(1.8)	0.4	(0.0)	0.8	(0.6)		1.2	0.5	1.0	2.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities					0.0	0.0	(0.0)			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	(12.3)	(22.6)	(19.3)	(16.8)	(71.0)	(16.3)	(12.8)	(11.1)	(11.9)	(52.0)	(12.1)	(12.5)	(12.4)	(12.3)	(49.2)	(12.1)	(12.2)	(12.1)	(10.4)	(46.8)
Cash flow from investing activities																				
Purchases of property and equi	(0.6)	(0.4)	(0.3)	(0.3)	(1.5)	(0.0)	(0.0)	(0.0)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)	(0.2)	(0.9)	(0.2)	(0.9)	(2.2)
Purchases of short-term investments					0.0					0.0					0.0					0.0
Acquisitions		(2.2)	(1.0)		(3.2)	1.0				1.0					0.0					0.0
Other					0.0					0.0					0.0					0.0
Net cash used in investing activ	(0.6)	(2.6)	(1.3)	(0.3)	(4.7)	1.0	(0.0)	(0.0)	(0.2)	0.8	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)	(0.2)	(0.9)	(0.2)	(0.9)	(2.2)
Cash flow from financing activities																				
Issuance of debt		25.0	10.2		35.2	9.9	0.1			10.0	18.0	0.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt					0.0				(0.1)	(0.1)					0.0					0.0
Issuance of stock			1.8	0.1	1.9	14.5	0.6	0.0	5.4	20.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exe	0.3	0.9	0.3	0.0	1.5	0.5	0.0	0.4	0.0	0.8					0.0					0.0
Other		(0.4)			(0.4)					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	0.3	25.5	12.3	0.1	38.2	24.8	0.7	0.4	5.3	31.2	18.0	0.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	0.0
Effect of exchange rate on cash					0.0					0.0					0.0					0.0
Net increase (decrease) in cash	(12.5)	0.4	(8.4)	(17.0)	(37.5)	9.5	(12.1)	(10.8)	(6.8)	(20.1)	5.8	(12.7)	(12.6)	(12.6)	(32.1)	(12.4)	(13.0)	(12.4)	(11.2)	(49.0)
Beginning cash and equivalents	77.3	64.7	65.2	56.8	77.3	39.7	49.3	37.2	26.4	39.7	19.6	25.4	12.7	0.1	19.6	(12.4)	(24.8)	(37.8)	(50.2)	(12.4)
Ending cash and equivalents	64.7	65.2	56.8	39.7	39.7	49.3	37.2	26.4	19.6	19.6	25.4	12.7	0.1	(12.4)	(12.4)	(24.8)	(37.8)	(50.2)	(61.4)	(61.4)

Source: Company reports and Ascendant Capital Markets estimates

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PAVmed Inc.



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

	Report Date		Price
Report	Date	Rating	Target
1	11/5/2020	Buy	75.00
2	11/21/2020	Buy	78.75
3	3/18/2021	Buy	135.00
4	6/4/2021	Buy	142.50
5	8/23/2021	Buy	150.00
6	12/1/2021	Buy	157.50
7	4/16/2022	Buy	142.50
8	6/6/2022	Buy	135.00
9	9/14/2022	Buy	131.25
10	11/22/2022	Buy	123.75
11	4/9/2023	Buy	116.25
12	5/26/2023	Buy	112.50
13	9/5/2023	Buy	105.00
14	12/8/2023	Buy	30.00

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BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

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

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

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of January 15, 2024)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	52	98%	20	38%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	53	100%	20	38%

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