United States
Healthcare

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AIM ImmunoTech Inc.

Q2 about inline. Clinical data expected to be strong catalysts for stock over the next year. Lowering P/T to $7.25.

COMPANY UPDATE

Rating: BUY

Ticker: AIM

Price: $0.64

Target: $7.25
(from $7.50)

Q2 about inline: AIM recently (on August 15) reported its Q2 2022 (ending June) results. Net loss was $4.9 million or EPS of $(0.10), compared with our and consensus estimates of $(0.07) – (0.08). There was no guidance. AIM is an early/clinical stage drug development/commercialization company so it generates minimal revenue.

Q2 update: Operating expenses were $4.7 million, vs. $3.1 million in Q1 2022 as the company continues to ramp up its clinical trial and research activities.

No guidance: Management did not provide forward guidance but we believe ~$4 million is a reasonable near term quarterly cash burn rate.

Adjusting estimates: We are adjusting our 2022 EPS estimate to $(0.40) from $(0.33).

Positive data from 2 studies: In April, AIM announced positive data from a Phase 1 study at Roswell Park Comprehensive Cancer Center in patients with metastatic triple-negative breast cancer using chemokine modulation therapy, including AIM's drug candidate, Ampligen. AIM also announced positive data from a Phase 2a study (also at Roswell Park) evaluating Ampligen as a component of a chemokine modulatory (CKM) regimen for the treatment of colorectal cancer metastatic to the live.

Ramp up in clinical trials: A major Phase 2 study for Ampligen for pancreatic cancer has just started in Q3 2022 (in August). In August, the company announced that its clinical development collaborator, Roswell Park Comprehensive Cancer Center, in a clinical trial fully funded by the National Cancer Institute (NCI), has commenced patient enrollment in its Phase 2 study in subjects with primary PD-1/PD-L1 resistant melanoma. The Phase 2 study will evaluate type-1 polarized dendritic cell (αDC1) vaccine in combination with tumor-selective chemokine modulation ("CKM") comprised of Interferon alpha 2b, Ampligen (rintatolimod) and Celecoxib.

Multiple shots on goal: In collaboration with major cancer research centers in the U.S., clinical trials are underway to test that the combination of Ampligen with checkpoint blockade therapies will improve clinical tumor responses, time to progression, and survival rates. There are seven cancer clinical trials underway or planned at the University of Pittsburgh Medical Center and Roswell Park Comprehensive Cancer Center.

Clinical data can be catalyst: AIM anticipates receiving additional clinical data from its various trials over the next year. Initial and recent data has been positive and further strong positive data will likely be catalysts for the stock.

Proxy battle: AIM stockholder Full Value Committee plans to nominate its slate of directors at the upcoming 2022 annual meeting. It is too early to know how viable this proxy battle is or how it will impact the company.

Positive high risks versus rewards: We acknowledge that AIM's oncology drugs still have long development roads left (~3 years), but we believe the ~billion dollars market potentials presents a high reward for the risks.

Current valuation attractive: We are maintaining our BUY rating, but lowering our 12-month price target to $7.25 from $7.50, which is based on a NPV analysis. We believe this valuation appropriately balances out the company's high risks with its high growth prospects and large upside opportunities.

Company Description

Based in Ocala, FL, AIM ImmunoTech is a biotech company engaged in the clinical development of new drug therapies for the treatment of viral, immune, and immuno-oncology based diseases.

Stock Data

Exchange:	NYSE
52-week Range:	$0.55 – 2.08
Shares Outstanding (million):	48
Market cap ($million):	$31
EV ($million):	$(11)
Debt ($million):	$0
Cash ($million):	$42
Avg. Daily Trading Vol. ($million):	$0.2
Float (million shares):	47
Short Interest (million shares):	1
Dividend, annual (yield):	$0 (NA%)

Revenues (US$ million)

	2022E (Cur.)	2022E (Old)	2023E (Cur.)	2023E (Old)
Q1 Mar	0.0A		0.0E	0.1E
Q2 Jun	0.0A	0.0E	0.0E	
Q3 Sep	0.0E		0.0E	
Q4 Dec	0.1E		0.1E	
Total	**0.2E**		**0.2E**	
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	2022E (Cur.)	2022E (Old)	2023E (Cur.)	2023E (Old)
Q1 Mar	(0.08)A		(0.11)E	(0.09)E
Q2 Jun	(0.10)A	(0.08)E	(0.11)E	(0.09)E
Q3 Sep	(0.10)E	(0.08)E	(0.11)E	(0.09)E
Q4 Dec	(0.12)E	(0.08)E	(0.11)E	(0.09)E
Total	**(0.40)E**	**(0.33)E**	**(0.43)E**	**(0.35)E**
P/E	N/A		N/A	

Important Disclosures

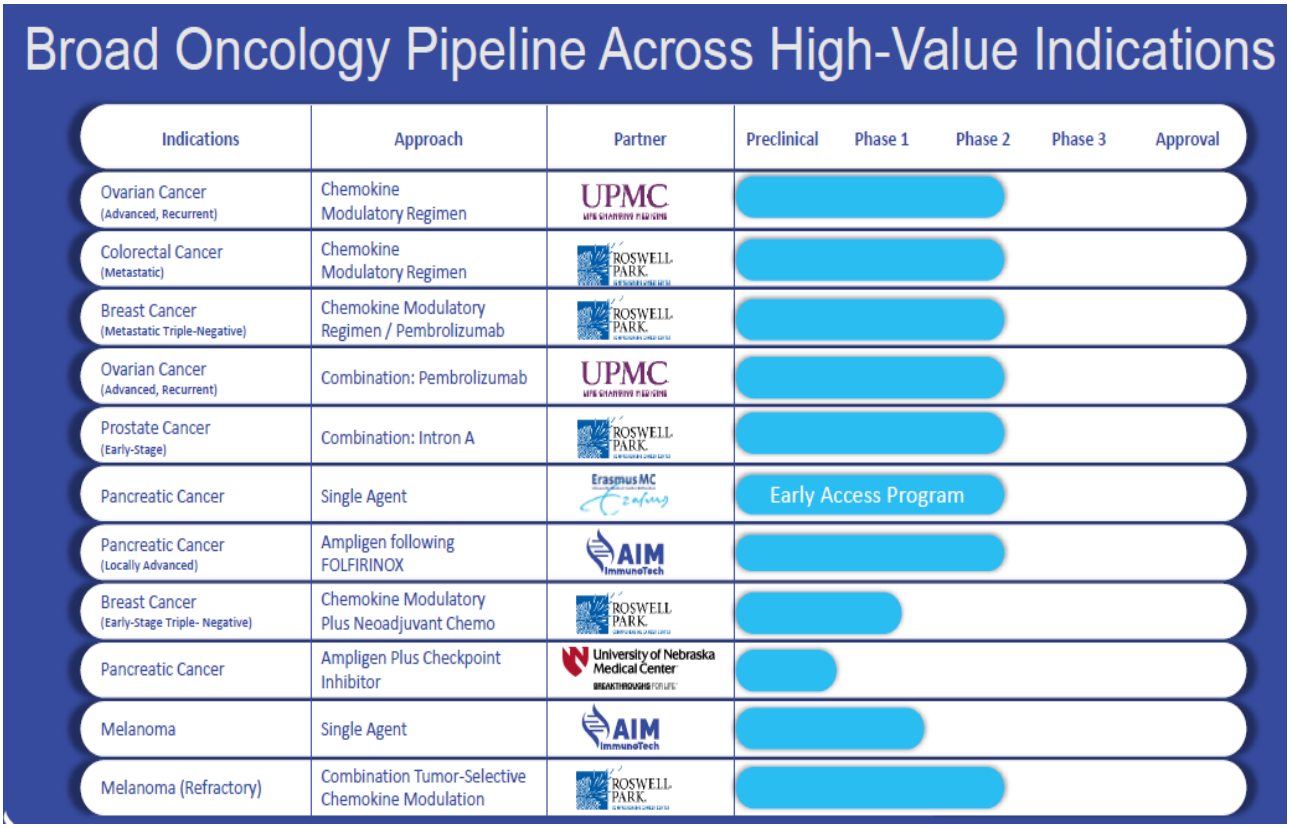
Ascendiant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making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

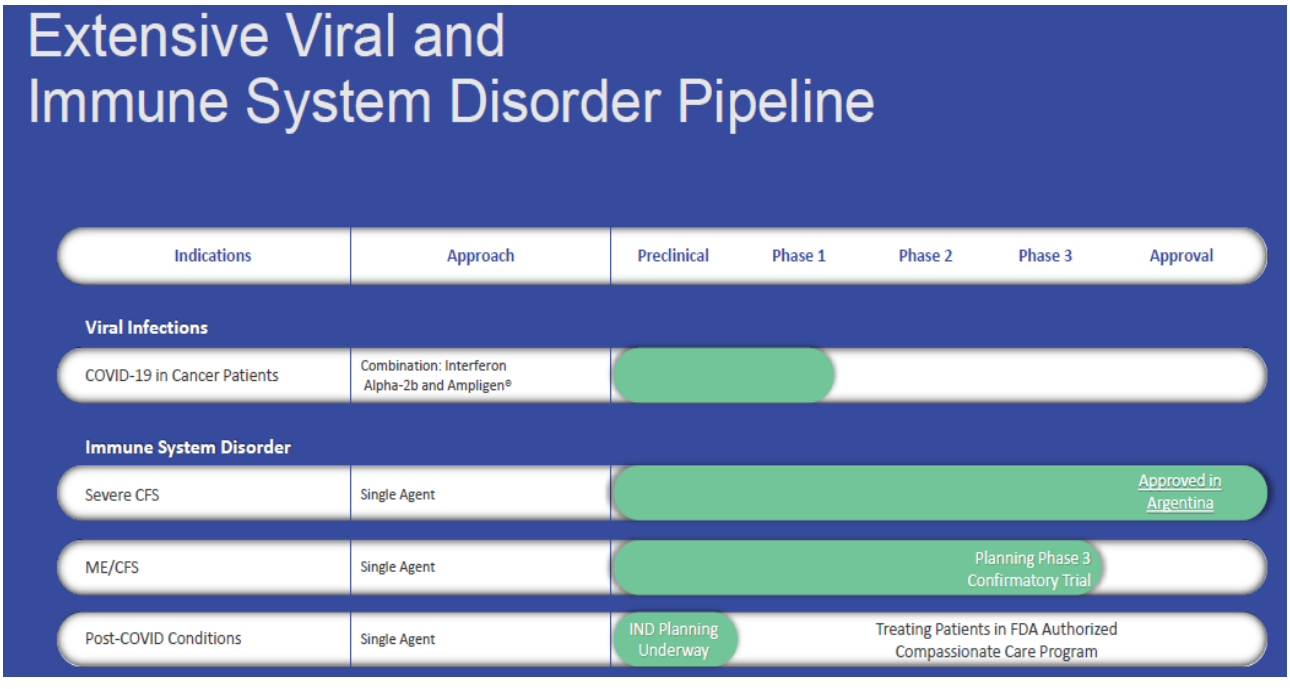
For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 13.

Exhibit 1: AIM ImmunoTech's Overview

Source: Company reports

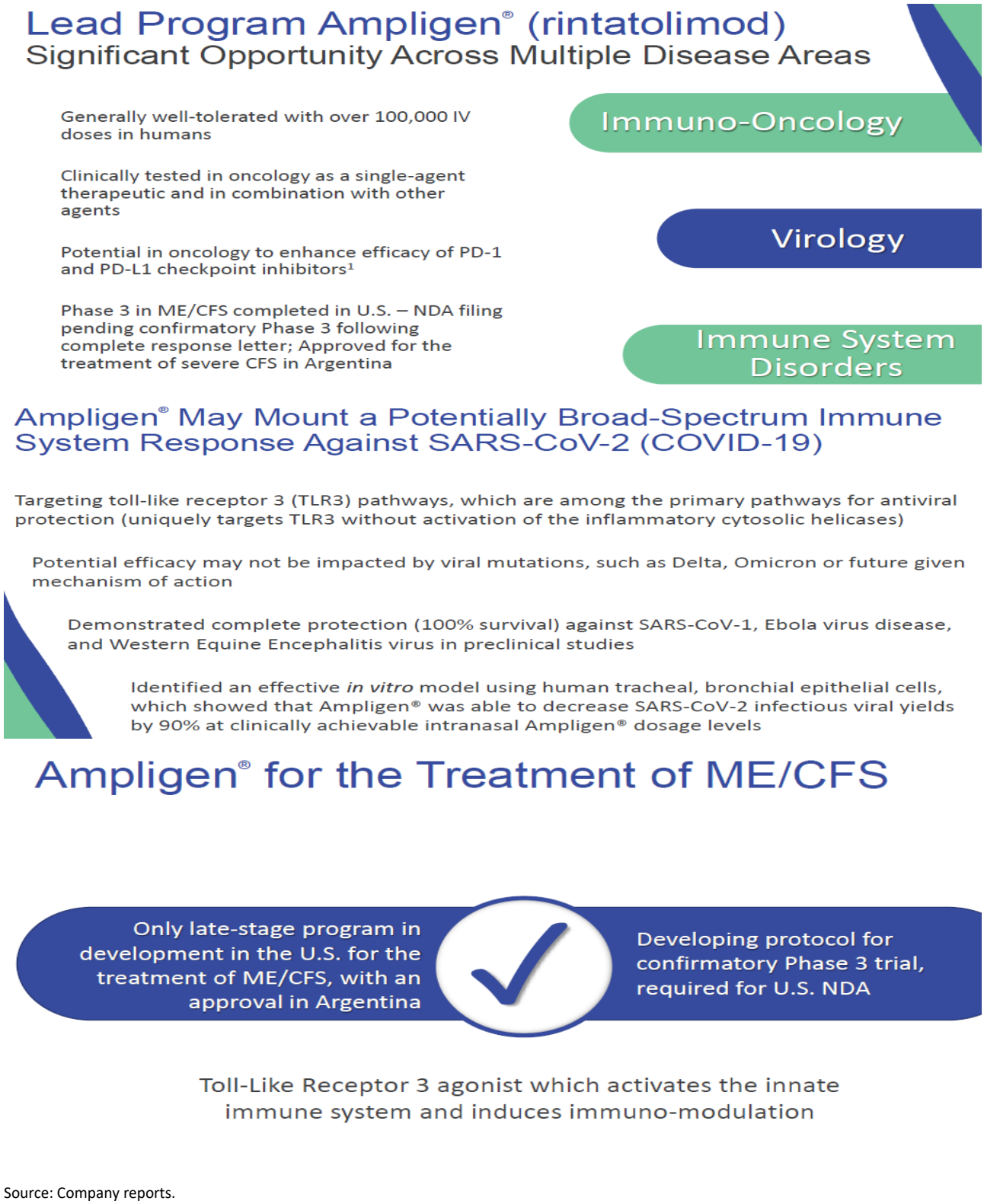
Exhibit 2: Company Development Pipeline





Source: Company reports.

Exhibit 3: Ampligen Market Opportunity



Source: Company reports.

Exhibit 4: Ongoing Ampligen Cancer Clinical Studies

Immuno-Therapy Targeting Multiple Cancers with High Unmet Need

- Locally Advanced Pancreatic Cancer ("LAPC") – The Company recently reported new, positive data following evaluation of the initial data reported from the single-center named patient program at Erasmus for both metastatic and LAPC patient populations, analyzing the subset of patients with LAPC. While the predominance of the data collected by Erasmus is in metastatic cancer and those data show high statistical significance, a small cohort of five (5) LAPC patients also exhibited marked improvement with the Ampligen maintenance therapy following FOLFIRINOX. The overall survival from the start of FOLFIRINOX therapy of two (2) of the patients was 34 and 43 months and one patient was still surviving at the last reported checkup in April 2022 at 54 months. The Company's Phase 2a study Investigational New Drug ("IND") application was cleared by the U.S. Food and Drug Administration ("FDA") and is on track to commence in Q3 2022. The study will compare the efficacy of Ampligen following FOLFIRINOX versus a control group that previously received FOLFIRINOX but no Ampligen for subjects with locally advanced pancreatic adenocarcinoma. Approximately 90 subjects expected to be enrolled across up to 30 centers in the U.S. and Europe.
- Advanced Recurrent Ovarian Cancer – Phase 1/2 study of intraperitoneal chemo-immunotherapy in advanced recurrent ovarian cancer. Phase 1 portion was completed. The Phase 2 portion of the study is planned to be conducted in the future. ClinicalTrials.gov: NCT02432378
- Advanced Recurrent Ovarian Cancer – A follow-up Phase 2 study of advanced recurrent ovarian cancer using cisplatin and pembrolizumab, plus Ampligen; up to 45 patients to be enrolled; numerous patients have commenced treatment. ClinicalTrials.gov: NCT03734692
- Stage 4 Colorectal Cancer Metastatic to the Liver – Phase 2a study of Ampligen as a component of a chemokine modulatory regimen on colorectal cancer metastatic to liver was completed and met primary endpoint, evidenced by increased CD8a expression post-treatment ($p=0.046$).; 15 patients were treated and 12 patients were evaluable for the primary endpoint. Data suggest that chemokine modulatory (CKM) regimen with Ampligen may be useful to enhance effectiveness of immunotherapies. The data from the Phase 2a study was presented in April 2022 at the American Association for Cancer Research (AACR) Annual Meeting 2022. ClinicalTrials.gov: NCT03403634
- Stage 4 Metastatic Triple Negative Breast Cancer – Phase 1 study of metastatic triple-negative breast cancer using CKM therapy, including Ampligen and pembrolizumab, successfully met primary endpoint. Positive data from this proof-of-concept study demonstrate that short-term systemic CKM followed by pembrolizumab is well-tolerated and selectively enhances local cytotoxic T-lymphocyte (CTL) infiltration in the tumor microenvironment (TME). The data from the Phase 1 study was presented at the American Association for Cancer Research (AACR) Annual Meeting 2022 in April 2022. ClinicalTrials.gov: NCT03599453
- Early-Stage Prostate Cancer – Phase 2 study investigating the effectiveness and safety of aspirin and Ampligen with or without interferon-alpha 2b (Intron A) compared to no drug treatments in a randomized three-arm study of patients with prostate cancer before undergoing radical prostatectomy. Patient enrollment has been initiated in this study designed for up to 45 patients. ClinicalTrials.gov: NCT03899987
- Early-Stage Triple Negative Breast Cancer – Phase 1 study of chemokine modulation plus neoadjuvant chemotherapy in patients with early-stage triple negative breast cancer has received FDA authorization. The objective of this study is to evaluate the safety and tolerability of a combination of Ampligen and celecoxib with or without Intron A, when given along with chemotherapy. The goal of this approach is to increase survival. Investigators are currently analyzing data. ClinicalTrials.gov: NCT04081389
- Refractory Melanoma – Phase 2 study that will evaluate polarized dendritic cell vaccine, interferon alpha-2, Ampligen and celecoxib for the treatment of HLA-A2+ refractory melanoma at Roswell Park. Up to 24 patients to be enrolled. ClinicalTrials.gov: NCT04093323
- Advanced Ovarian Cancer – AIM plans to develop a Phase 2 Cisplatin Resistant Advanced Recurrent Ovarian Cancer Clinical Study utilizing Ampligen at the University of Pittsburgh.

Source: Company reports.

Exhibit 5: Ampligen for COVID-19 and ME/CFS

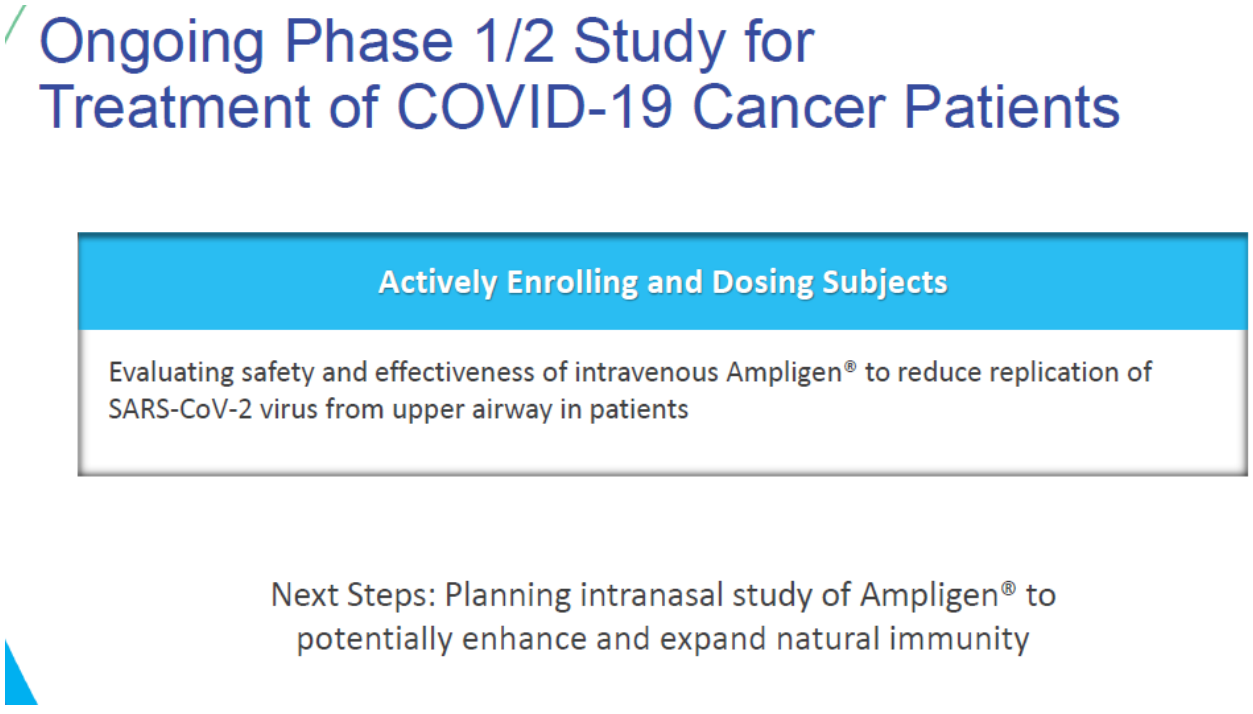
Broad-Spectrum Immune System Response Against SARS-CoV-2 (COVID-19)

Previous animal studies yielded positive results utilizing Ampligen in Western Equine Encephalitis Virus, Ebola, Vaccinia Virus (which is used in the manufacture of smallpox vaccine) and SARS-CoV-1. The Company has conducted experiments in SARS-CoV-2 showing Ampligen has a powerful impact on viral replication. The prior studies of Ampligen in SARS-CoV-1 animal experimentation may predict similar protective effects against SARS-CoV-2. AIM is currently evaluating the safety and effectiveness of intravenous Ampligen to reduce replication of SARS-CoV-2 virus from upper airway in patients in an ongoing Phase 1/2 study for the treatment of COVID-19 cancer patients. The Company plans to conduct an intranasal study of Ampligen to potentially enhance and expand natural immunity.

The FDA has authorized Ampligen in a clinical trial of patients with COVID-19 who have a pre-existing cancer. That Phase 1/2a study utilizing Ampligen is underway in the investigator-sponsored Phase 2 trial at the Roswell Park Comprehensive Cancer Center. ClinicalTrials.gov: NCT04379518

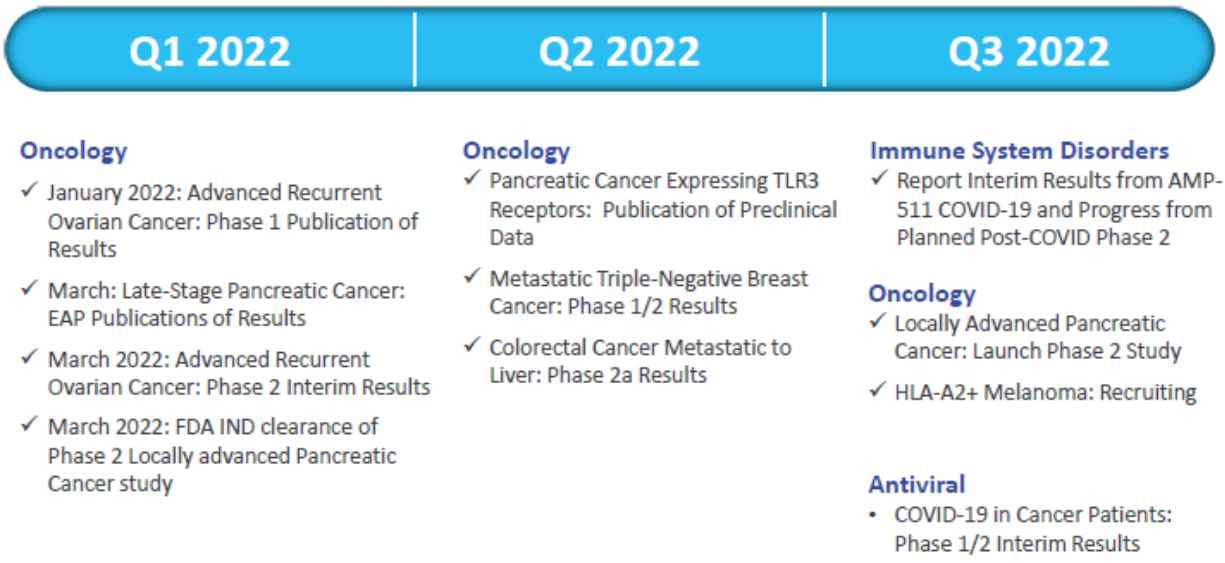
Immune System Disorders (ISD): Myalgic encephalomyelitis/chronic fatigue syndrome (ME/CFS) / COVID-19 Long Hauler

The Company is currently sponsoring an ongoing, FDA-authorized AMP-511 (See: ClinicalTrials.gov: NCT00215813) expanded access program (EAP) for ME/CFS patients in the United States. AIM has enrolled four post-COVID patients with new onset ME/CFS following acute COVID-19. Following at least 12 weeks of Ampligen treatment, each of these four patients indicated they had experienced a reduction in fatigue, as measured via Patient-Reported Outcomes questionnaires. A statistical analysis of these data indicated that the decrease in fatigue compared to baseline was statistically significant ($p<0.002$), despite the small number of patients. Based in part on these early positive data, AIM is working toward filing an IND application with the FDA for a Phase 2 study of Ampligen for the treatment of post-COVID conditions.



Source: Company reports.

Exhibit 6: AIM Upcoming Milestones (as of September 2022)



Source: Company reports.

Exhibit 7: Q2 2022 and Recent Highlights

– On track to commence Phase 2 study for lead program evaluating Ampligen® (rintatolimod) for the treatment of pancreatic cancer in Q3 2022

– Well-positioned to achieve multiple near-term clinical and regulatory value-driving milestones

– Capital position expected to fund company through end of 2023

Recent Highlights

- Reported positive follow-on patient data from a Single-Center Named Patient Program evaluating Ampligen as maintenance therapy for advanced pancreatic cancer indicating additional progression-free and overall survival over previously published data.
- Provided a summary of Ampligen data supporting synergistic potential with checkpoint blockade therapies. See: "Combined loco-regional and systemic, triple agent chemoimmunotherapy increases biomarkers of T cell chemotaxis in ovarian cancer."
- Provided an update on advancement of Ampligen clinical development program for the treatment of pancreatic cancer and announced the engagement of Amarex Clinical Research LLC, a world-renowned CRO, to conduct the upcoming Phase 2 study.
- Reported positive data from Phase 2a study evaluating Ampligen as a component of a chemokine modulatory (CKM) regimen for the treatment of colorectal cancer metastatic to the liver.
- Reported positive data from a Phase 1 study evaluating Ampligen for the treatment of stage 4 metastatic triple negative breast cancer.
- Reported positive preliminary pilot study data from its ongoing Expanded Access Program (AMP-511) evaluating Ampligen as a therapeutic for "Long COVID." The preliminary data from this uncontrolled clinical trial found that patients reported significant improvements in fatigue symptoms after treatment with Ampligen compared to baseline, which the investigators considered a clinically significant decrease in fatigue-related measures. Based on these early results, AIM is working to move forward with a Phase 2 controlled trial.
- Secured new state-of-the-art facility for product development and testing to advance research and development of Ampligen to treat multiple types of cancers, immune disorders, and viral diseases.
- Bolstered intellectual property portfolio for Ampligen with issuance of new Netherlands utility patent covering Ampligen and other AIM-developed dsRNA products for use in COVID-19 treatment or prevention.

Source: Company reports.

Exhibit 8: AIM ImmunoTech Stock Price (Five Years)

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

Exhibit 9: Consensus Expectations (as of August 15, 2022)

	Revenue (mil)	
	2022E	2023E
Q1 Mar	$0.0A	
Q2 Jun	$0.1E	
Q3 Sep	$0.2E	
Q4 Dec		
Total	$0.5E	$1.0E

	EPS	
	2022E	2023E
Q1 Mar	$(0.08)A	
Q2 Jun	$(0.07)E	
Q3 Sep	$(0.07)E	
Q4 Dec		
Total	$(0.32)E	$(0.35)E

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

Source: Company report, Refinitiv, and Ascendiant Capital Markets estimates

FINANCIAL MODEL

AIM ImmunoTech Inc.

Income Statement ($ mils)	Mar-20	Jun-20	Sep-20	Dec-20	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	**0.0**	**0.0**	**0.0**	**0.0**	**0.2**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**0.0**	**0.0**	**0.0**	**0.1**	**0.2**	**0.0**	**0.0**	**0.0**	**0.1**	**0.2**
Cost of Revenues	0.2	0.2	0.2	0.2	0.8	0.2	0.3	0.2	0.2	0.9	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3
Gross Profit	(0.2)	(0.2)	(0.2)	(0.2)	(0.6)	(0.2)	(0.3)	(0.1)	(0.1)	(0.7)	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)
Research and development	0.9	1.5	1.1	2.3	5.7	1.4	1.3	2.0	2.9	7.7	1.0	2.5	3.0	3.5	10.0	3.0	3.0	3.0	3.0	12.0
General and administrative	2.3	1.7	2.1	2.6	8.7	2.1	2.1	1.8	2.6	8.7	2.1	2.2	2.0	2.0	8.3	2.2	2.2	2.2	2.2	8.8
Restructuring and other				0.1	0.1				1.8	1.8					0.0					0.0
Total operating expenses	3.2	3.2	3.2	5.0	14.5	3.5	3.5	3.8	7.3	18.1	3.1	4.7	5.0	5.5	18.3	5.2	5.2	5.2	5.2	20.8
Operating income (loss)	**(3.3)**	**(3.3)**	**(3.4)**	**(5.1)**	**(15.2)**	**(3.7)**	**(3.7)**	**(3.9)**	**(7.4)**	**(18.8)**	**(3.2)**	**(4.7)**	**(5.0)**	**(5.6)**	**(18.4)**	**(5.2)**	**(5.2)**	**(5.2)**	**(5.3)**	**(21.0)**
Interest income (expense)	(0.3)	(0.2)	0.0	0.0	(0.5)	0.0	0.0	(0.0)	(0.1)	(0.1)	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Other income (expense)	(0.2)	0.2	0.0	1.2	1.2	0.1	(2.2)	0.1	1.7	(0.2)	(0.7)	(0.2)			(0.9)					0.0
Income before income taxes	(3.8)	(3.4)	(3.3)	(3.9)	(14.4)	(3.6)	(5.9)	(3.8)	(5.8)	(19.1)	(3.8)	(4.9)	(5.0)	(5.6)	(19.3)	(5.2)	(5.2)	(5.2)	(5.3)	(21.0)
Income taxes					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(3.8)	(3.4)	(3.3)	(3.9)	(14.4)	(3.6)	(5.9)	(3.8)	(5.8)	(19.1)	(3.8)	(4.9)	(5.0)	(5.6)	(19.3)	(5.2)	(5.2)	(5.2)	(5.3)	(21.0)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	**(3.8)**	**(3.4)**	**(3.3)**	**(3.9)**	**(14.4)**	**(3.6)**	**(5.9)**	**(3.8)**	**(5.8)**	**(19.1)**	**(3.8)**	**(4.9)**	**(5.0)**	**(5.6)**	**(19.3)**	**(5.2)**	**(5.2)**	**(5.2)**	**(5.3)**	**(21.0)**
EBITDA																				
Shares, Basic	17.5	30.0	38.9	41.0	31.8	45.7	47.8	47.8	47.8	47.3	48.0	48.0	48.1	48.2	48.1	48.3	48.4	48.5	48.6	48.5
Shares, Diluted	17.5	30.0	38.9	41.0	31.8	45.7	47.8	47.8	47.8	47.3	48.0	48.0	48.1	48.2	48.1	48.3	48.4	48.5	48.6	48.5
EPS Basic (Pro forma)	**($0.22)**	**($0.11)**	**($0.08)**	**($0.10)**	**($0.45)**	**($0.08)**	**($0.12)**	**($0.08)**	**($0.12)**	**($0.40)**	**($0.08)**	**($0.10)**	**($0.10)**	**($0.12)**	**($0.40)**	**($0.11)**	**($0.11)**	**($0.11)**	**($0.11)**	**($0.43)**
EPS Diluted (Pro forma)	($0.22)	($0.11)	($0.08)	($0.10)	($0.45)	($0.08)	($0.12)	($0.08)	($0.12)	($0.40)	($0.08)	($0.10)	($0.10)	($0.12)	($0.40)	($0.11)	($0.11)	($0.11)	($0.11)	($0.43)
Margins																				
Gross margin	-353%	-400%	-467%	-371%	-394%	-746%	-1113%	-376%	-247%	-530%	-133%	-130%	-100%	-100%	-113%	-100%	-100%	-100%	-100%	-100%
Research and development	1996%	3658%	3061%	5374%	3509%	5086%	5726%	6079%	5735%	5683%	3139%	8250%	8264%	6239%	6442%	9091%	10000%	8264%	5348%	7722%
General and administrative	5040%	4293%	5792%	6152%	5309%	7543%	9326%	5452%	5129%	6424%	6279%	7270%	5510%	3565%	5311%	6667%	7333%	6061%	3922%	5663%
Operating margin	-7389%	-8350%	-9319%	#######	-9296%	-13375%	-16165%	-11906%	#######	-13954%	-9552%	-15650%	#######	-9904%	#######	#######	#######	#######	-9369%	#######
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	-8462%	-8425%	-9183%	-9324%	-8834%	-12782%	-25548%	-11594%	#######	-14168%	-11576%	-16170%	#######	-9904%	#######	#######	#######	#######	-9369%	#######
Y/Y % change																				
Total Revenue	#DIV/0!	38%	-41%	-16%	16%	-38%	-43%	-8%	21%	-17%	18%	30%	10%	10%	15%	0%	0%	0%	0%	0%
Gross margin	-31%	-14%	-1%	-7%	-15%	31%	60%	-26%	-19%	11%	-79%	-85%	-71%	-55%	-75%	-25%	-23%	0%	0%	-11%
Research and development	-3%	33%	-7%	57%	23%	59%	-10%	82%	30%	34%	-27%	88%	50%	20%	30%	190%	21%	0%	-14%	20%
General and administrative	28%	-12%	13%	74%	23%	-7%	25%	-14%	1%	0%	-2%	2%	11%	-24%	-5%	6%	1%	10%	10%	7%
Operating income (loss)	14%	4%	5%	66%	22%	13%	11%	17%	45%	24%	-16%	26%	28%	-25%	-2%	66%	11%	4%	-5%	14%
Net income (loss)	13%	66%	12%	230%	51%	-6%	74%	16%	49%	33%	7%	-17%	32%	-5%	1%	37%	8%	4%	-5%	9%
EPS Diluted (Pro forma)	-93%	-89%	-92%	-28%	-83%	-64%	9%	-6%	28%	-11%	2%	-18%	31%	-6%	-1%	36%	7%	3%	-6%	8%

Source: Company reports and Ascendiant Capital Markets estimates.

AIM ImmunoTech Inc.

Balance Sheet ($ mils) Fiscal Year End: December 31	Mar-20 Q1A	Jun-20 Q2A	Sep-20 Q3A	Dec-20 Q4A	Mar-21 Q1A	Jun-21 Q2A	Sep-21 Q3A	Dec-21 Q4A	Mar-22 Q1A	Jun-22 Q2A	Sep-22 Q3E	Dec-22 Q4E	Mar-23 Q1E	Jun-23 Q2E	Sep-23 Q3E	Dec-23 Q4E
Assets																
Cash and cash equivalents	27.6	33.9	38.5	38.5	48.8	41.1	37.3	32.1	29.0	34.5	34.2	31.3	27.3	22.2	17.3	12.1
Short term investments	0.5	1.1	1.1	0.5	1.2		0.5	16.2	15.6	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Accounts receivable, net	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
Inventory											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	1.6	0.1	0.1	1.3	1.2	0.2	0.2	1.9	5.8	4.3	0.2	0.3	0.2	0.2	0.2	0.3
Total current assets	29.7	35.2	39.8	40.3	51.2	41.3	38.0	50.2	50.4	46.0	41.7	39.0	34.8	29.7	24.9	19.8
Long term securities/investments	3.0	5.3	14.8	15.4	13.7	16.1	15.8				0.0	0.0	0.0	0.0	0.0	0.0
Property and equipment, net	7.0	6.8	6.6	6.5	6.3	6.1	6.0	4.0	0.1	0.1	(0.1)	(0.1)	(0.3)	(0.3)	(0.5)	(0.7)
Intangibles, net	1.2	1.4	1.4	1.5	1.8	1.8	1.8	2.0	3.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Other	1.5	1.5	1.5	0.9	1.1	1.3	1.4	1.5	0.1	2.7	2.7	0.0	0.0	0.0	0.0	0.0
Total assets	**42.4**	**50.1**	**64.2**	**64.6**	**74.1**	**66.7**	**63.1**	**57.7**	**54.2**	**50.9**	**46.4**	**40.9**	**36.5**	**31.4**	**26.4**	**21.0**
Liabilities and stockholders' equity																
Accounts payable	0.2	0.3	0.2	0.4	0.2	0.5	0.4	0.2	0.4	0.7	0.7	0.6	0.7	0.6	0.7	0.6
Accrued expenses	0.3	0.3	0.3	0.4	0.5	0.4	0.4	0.4	0.3	0.5	0.7	0.6	1.0	0.9	0.7	0.6
Accrued interest											0.0	0.0	0.0	0.0	0.0	0.0
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Short term debt	0.2	0.2	0.2	0.2	0.2						0.0	0.0	0.0	0.0	0.0	0.0
Total current liabilities	**0.7**	**0.8**	**0.8**	**1.1**	**1.0**	**0.9**	**0.8**	**0.7**	**0.8**	**1.4**	**1.6**	**1.4**	**2.0**	**1.8**	**1.8**	**1.4**
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Long term debt	6.2	2.0	1.9	1.9	1.8						0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	**6.6**	**2.3**	**2.3**	**2.2**	**2.2**	**0.3**	**0.3**	**0.1**	**0.1**	**0.7**	**0.7**	**0.7**	**0.7**	**0.7**	**0.7**	**0.7**
Preferred stock	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.6	0.9	1.1	1.4	1.7
Additional paid-in capital	366.2	381.4	398.9	402.5	416.0	416.4	416.8	417.2	417.5	417.8	417.8	417.8	417.8	417.8	417.8	417.8
Retained earnings	(331.9)	(335.3)	(338.6)	(342.0)	(345.6)	(351.4)	(355.3)	(361.1)	(364.9)	(369.8)	(374.8)	(380.4)	(385.6)	(390.8)	(396.1)	(401.3)
Treasury stock											0.0	0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive in	(0.0)	0.1	(0.0)	(0.0)	(0.2)	(0.2)	(0.3)				0.0	0.0	0.0	0.0	0.0	0.0
Other											0.0	0.0	0.0	0.0	0.0	0.0
Total stockholders' equity	**35.1**	**47.0**	**61.1**	**61.3**	**71.0**	**65.5**	**62.0**	**56.9**	**53.3**	**48.8**	**44.0**	**38.7**	**33.8**	**28.8**	**23.9**	**18.9**
Total stockholders' equity and liabil	**42.4**	**50.1**	**64.2**	**64.6**	**74.1**	**66.7**	**63.1**	**57.7**	**54.2**	**50.9**	**46.4**	**40.9**	**36.5**	**31.4**	**26.4**	**21.0**

Balance Sheet Drivers

	Mar-20 Q1A	Jun-20 Q2A	Sep-20 Q3A	Dec-20 Q4A	Mar-21 Q1A	Jun-21 Q2A	Sep-21 Q3A	Dec-21 Q4A	Mar-22 Q1A	Jun-22 Q2A	Sep-22 Q3E	Dec-22 Q4E	Mar-23 Q1E	Jun-23 Q2E	Sep-23 Q3E	Dec-23 Q4E
Prepaid as % of total rev	3500%	295%	253%	3033%	4457%	674%	488%	3814%	17688%	14243%	500%	500%	500%	500%	500%	500%
Accounts payable as % of total rev	367%	638%	569%	912%	675%	1961%	1118%	388%	1145%	2373%	2000%	1000%	2000%	2000%	2000%	1000%
Inventories as % of cost of rev	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Accrued expenses as % of total rev	636%	813%	894%	1052%	1779%	1622%	1097%	859%	994%	1673%	2000%	1000%	3000%	3000%	2000%	1000%
Activity Ratios																
A/R Days Sales Outstanding	92	104	65	73	109	110	76	0	0	0	70	70	70	70	70	70
Inventory Turnover	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
A/P Days Payable	73	115	90	174	72	145	212	101	442	929	900	450	900	900	900	450
Book & Cash Value (per share)																
Book Value per Share (diluted)	$2.01	$1.57	$1.57	$1.49	$1.55	$1.37	$1.30	$1.19	$1.11	$1.02	$0.91	$0.80	$0.70	$0.60	$0.49	$0.39
Cash per Share (diluted)	$1.78	$1.34	$1.40	$1.33	$1.39	$1.20	$1.12	$1.01	$0.93	$0.87	$0.86	$0.80	$0.72	$0.61	$0.51	$0.40
Net cash per Share (diluted)	$1.41	$1.27	$1.34	$1.27	$1.35	$1.20	$1.12	$1.01	$0.93	$0.87	$0.86	$0.80	$0.72	$0.61	$0.51	$0.40

Source: Company reports and Ascendiant Capital Markets estimates

AIM ImmunoTech Inc.

Cash Flow Statement ($ mils) Fiscal Year End: December 31	Mar-20 Q1A	Jun-20 Q2A	Sep-20 Q3A	Dec-20 Q4A	2020 FY-A	Mar-21 Q1A	Jun-21 Q2A	Sep-21 Q3A	Dec-21 Q4A	2021 FY-A	Mar-22 Q1A	Jun-22 Q2A	Sep-22 Q3E	Dec-22 Q4E	2022 FY-E	Mar-23 Q1E	Jun-23 Q2E	Sep-23 Q3E	Dec-23 Q4E	2023 FY-E
Cash flow from operating activities																				
Net income	(3.8)	(3.4)	(3.3)	(3.9)	(14.4)	(3.6)	(5.9)	(3.8)	(5.8)	(19.1)	(3.8)	(4.9)	(5.0)	(5.6)	(19.3)	(5.2)	(5.2)	(5.2)	(5.3)	(21.0)
Depreciation	0.2	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.2	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.2	(0.1)	(0.0)	0.0	0.1	0.1	0.0	0.0	0.0	0.1	0.0	0.0			0.0					0.0
Debt related amortization expen	0.2	(0.1)	0.0	0.0	0.1	0.0	0.0			0.0					0.0					0.0
Stock comp	0.2	0.1	0.3	0.4	1.0	0.5	0.5	0.3	0.2	1.6	0.2	0.3	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.1
Deferred income taxes					0.0	(0.2)	0.2	(0.5)	0.5	0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provision for bad debts				(0.0)	(0.0)					0.0					0.0					0.0
Reserves					0.0					0.0					0.0					0.0
Change in fair value of warrant l	0.2	(0.0)	(0.0)	(0.0)	0.1	0.0	(0.0)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)			(0.0)					0.0
Writedowns and impairments				1.4	1.4				1.8	1.8					0.0					0.0
Other gains/losses	(0.0)	0.2	(0.1)	(0.1)	0.0		2.0	0.6	(2.4)	0.2	0.7	(0.5)			0.2					0.0
Other		0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	(0.0)			0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable	(0.0)	0.8	0.0	(0.8)	0.0		0.0		0.0	0.0			(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)	0.0
Inventory					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses & other curre	0.0	0.7	0.1	(0.1)	0.7	0.0	0.0	(0.0)	1.6	1.6	0.0	1.6	4.1	(0.1)	5.6	0.1	0.0	(0.0)	(0.1)	0.0
Income tax				(0.3)	(0.3)		1.1		(1.1)	0.0					0.0					0.0
Other assets	(0.0)	(0.0)	(0.2)	0.3	0.0	(0.0)	(0.0)	(0.0)	(0.5)	(0.6)	(0.0)	0.7	0.0	2.7	3.4	0.0	0.0	0.0	0.0	0.0
Accounts payable	(0.3)	0.1	0.4	(0.3)	(0.1)	(0.2)	0.3	(0.1)	(0.2)	(0.2)	0.2	0.3	0.0	(0.2)	0.4	0.1	(0.1)	0.1	(0.2)	0.0
Accrued expenses	(0.1)	0.0	(0.2)	0.4	0.0	0.1	(0.1)	(0.0)	0.1	(0.0)	(0.1)	0.2	0.2	(0.2)	0.1	0.4	(0.1)	(0.2)	(0.2)	0.0
Accrued interest	0.1	0.1		0.0	0.2					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred revenue					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	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	**(3.1)**	**(1.5)**	**(3.0)**	**(2.9)**	**(10.4)**	**(3.0)**	**(1.7)**	**(3.5)**	**(5.7)**	**(14.0)**	**(2.8)**	**(2.3)**	**(0.5)**	**(2.9)**	**(8.4)**	**(4.3)**	**(5.1)**	**(5.0)**	**(5.4)**	**(19.8)**
Cash flow from investing activities																				
Purchases of property and equi	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		0.2	(0.0)	(0.0)	0.2			0.2	0.0	0.2	0.2	0.0	0.2	0.2	0.6
Purchases of short-term investm	3.8	(2.9)	(9.6)	0.1	(8.6)	0.9	(1.4)	(0.3)	0.5	(0.2)	(0.3)	7.8			7.5					0.0
Acquisitions	(0.3)			(0.3)	(0.6)	(0.4)		(0.1)	(0.1)	(0.6)	(0.0)	(0.0)			(0.1)					0.0
Other					0.0					0.0					0.0					0.0
Net cash used in investing activ	**3.5**	**(2.9)**	**(9.6)**	**(0.2)**	**(9.2)**	**0.5**	**(1.2)**	**(0.4)**	**0.4**	**(0.6)**	**(0.3)**	**7.7**	**0.2**	**0.0**	**7.6**	**0.2**	**0.0**	**0.2**	**0.2**	**0.6**
Cash flow from financing activities																				
Issuance of debt				(0.4)	(0.4)					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt	(0.1)	(4.4)	(0.1)	0.2	(4.3)	(0.1)	(4.8)	(0.0)	0.0	(4.9)					0.0					0.0
Issuance of stock	25.8	15.0	17.2	3.2	61.2	12.9		0.0	0.1	13.0		0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Repurchase of common stock					0.0					0.0					0.0					0.0
Proceeds from stock option exercises					0.0					0.0					0.0					0.0
Other					0.0					0.0					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	**25.7**	**10.7**	**17.2**	**3.0**	**56.6**	**12.8**	**(4.8)**	**0.0**	**0.1**	**8.2**	**0.0**	**0.1**	**0.0**	**0.0**	**0.1**	**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	**26.1**	**6.3**	**4.6**	**0.0**	**37.0**	**10.3**	**(7.6)**	**(3.8)**	**(5.3)**	**(6.4)**	**(3.1)**	**5.5**	**(0.2)**	**(2.9)**	**(0.8)**	**(4.1)**	**(5.1)**	**(4.8)**	**(5.2)**	**(19.2)**
Beginning cash and equivalents	**1.5**	**27.6**	**33.9**	**38.5**	**1.5**	**38.5**	**48.8**	**41.1**	**37.3**	**38.5**	**32.1**	**29.0**	**34.5**	**34.2**	**32.1**	**31.3**	**27.3**	**22.2**	**17.3**	**31.3**
Ending cash and equivalents	**27.6**	**33.9**	**38.5**	**38.5**	**38.5**	**48.8**	**41.1**	**37.3**	**32.1**	**32.1**	**29.0**	**34.5**	**34.2**	**31.3**	**31.3**	**27.3**	**22.2**	**17.3**	**12.1**	**12.1**

Source: Company reports and Ascendiant Capital Markets estimates

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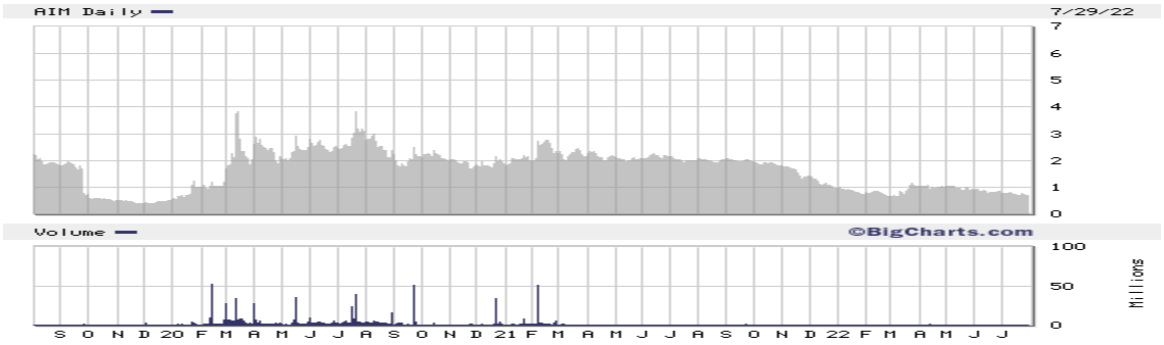
AIM ImmunoTech Inc.



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

Report	Report Date	Rating	Price Target
1	10/29/2018	Buy	33.00
2	11/21/2018	Buy	30.80
3	4/2/2019	Buy	28.60
4	5/16/2019	Buy	26.40
5	8/21/2019	Buy	6.00
6	11/17/2019	Buy	2.50
7	1/26/2020	Buy	3.00
8	4/4/2020	Buy	6.00
9	5/24/2020	Buy	7.00
10	8/21/2020	Buy	7.25
11	11/28/2020	Buy	7.50
12	4/6/2021	Buy	7.75
13	5/21/2021	Buy	8.00
14	9/7/2021	Buy	8.50
15	11/28/2021	Buy	8.75
16	4/12/2022	Buy	8.00
17	6/4/2022	Buy	7.50

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Risks to attainment of our share price target include balance sheet/liquidity risks, failure of product candidates to demonstrate safety and efficacy in clinical trials, failure to gain regulatory approvals, ability to commercialize product, failure to obtain suitable reimbursement, competition, changing macroeconomic factors, investor sentiment for investing in biotech stocks, and changes in consumer or government priorities for healthcare.

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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.

Ascendiant Capital Markets, LLC Rating System

Prior to January 31, 2014, ASCM used the following rating system:

Strong Buy: We expect the stock to provide a total return of 30% or more within a 12-month period.

Buy: We expect the stock to provide a total return of between 10% and 30% within a 12-month period.

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Sell: We expect the stock to provide a total return of minus 10% or worse within a 12-month period.

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Total return is defined as price appreciation plus dividend yield.

Ascendiant Capital Markets, LLC Distribution of Investment Ratings (as of July 14, 2022)

			Investment Banking Services Past 12 months	
Rating	**Count**	**Percent**	**Count**	**Percent**
Buy	41	98%	15	37%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	42	100%	15	36%

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Our analysts use various valuation methodologies including discounted cash flow, price/earnings (P/E), enterprise value/EBITDAS, and P/E to growth rate, among others. Risks to our price targets include failure to achieve financial results, product risk, regulatory risk, general market conditions, and the risk of a change in economic conditions.

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