



Lucid Diagnostics Inc.

Q2 about inline as tests continues large ramp up. Expected high growth in 2023/24 should drive stock much higher. Lowering P/T to \$9.00.

Q2 about inline: Lucid recently (on August 14) reported its Q2 2023 (ending June) results. Revenue was \$0.2 million, compared with our and consensus estimates of \$0.5 - 0.6 million. Pro forma net loss was \$9.6 million or EPS of \$(0.23), compared with our and consensus estimates of \$(0.29) - (0.32). Lucid is still early in its commercialization so it generates minimal revenue currently, but revenue is expected to grow significantly in 2023/2024.

EsoGuard growth: The company processed 2,202 tests in Q2, up from 1,841 tests in Q1, 1,174 tests in Q4 2022, 1,088 tests in Q3 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 ~\$10 million in potential test revenue backlog from those performed, but not yet collected.

Operating expenses: Operating expenses were \$10 million, down from \$13 million in Q1 2023 as Q1 cost cuts are being realized.

No guidance: Management has not provided forward guidance.

Adjusting 2023 estimates: We are adjusting our 2023 estimates for revenues to \$1.4 million, from \$7.0 million, and for EPS to \$(0.89) from \$(1.06).

EsoGuard: EsoGuard is a molecular diagnostic esophageal DNA test shown in a published human study to be highly accurate at detecting Barrett's Esophagus (BE), as well as EAC. The estimated addressable domestic market opportunity for EsoGuard is ~\$2 billion based on tens of millions of U.S. patients with gastroesophageal reflux disease (GERD), more commonly called acid reflux or chronic heartburn, who are BE screening candidates.

EsoCheck: EsoCheck is a non-invasive cell collection device designed to sample cells from a targeted region of the esophagus in a five-minute office-based procedure, without the need for endoscopy. EsoCheck is meant to be used for testing with its EsoGuard tests. Two of the leading gastroenterology (GI) specialty associations now support Lucid's EsoCheck Cell Collection Device and EsoGuard Esophageal DNA Test as an acceptable alternative to endoscopy.

Ramp in commercialization can be catalyst: Lucid plans to advance commercialization of its 2 main products (EsoGuard and EsoCheck) as well as gain additional regulatory approvals (expand usage and insurance and government coverage in the U.S. and to expand into international markets). We believe achieving key milestones and ramp in revenues will likely be catalysts for the stock.

Wide rollouts: Lucid is targeting multiple sales and marketing channels and building Lucid's own network of EsoCheck Test Centers to assure sufficient testing capacity and geographic coverage. The Test Center program has quickly expanded to 13 locations in 11 states. Lucid is also broadly expanding its high volume #CheckYourFoodTube Precancer Detection Events.

Medicare news: In March, Lucid received a Future Effective Local Coverage Determination (LCD) for testing for esophageal precancer in Medicare beneficiaries that will likely pave the way for Medicare reimbursement around mid-2023.

Large market potential: Cancer is the 2nd leading cause of death in the U.S. (behind heart disease) with ~600,000 deaths a year. The incidence of EAC, the most common cancer of the esophagus, has quadrupled over the past 30 years.

Balance sheet: In Q2, Lucid has \$33 million in cash and \$12 million in debt. We believe it has enough cash into mid-2024.

Positive risks versus rewards: Lucid's devices still have long 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 \$9.00 from \$9.50 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, Lucid Diagnostics is a commercial-stage medical diagnostics company focused on patients at risk of developing esophageal cancer.

United States
Healthcare

September 5, 2023

Edward Woo, CFA
(561) 327-9435
ewoo@ascendant.com

COMPANY UPDATE

Rating: BUY

Ticker: LUCD

Price: \$1.53

Target: \$9.00
(from \$9.50)

Stock Data

Exchange:	NasdaqGM
52-week Range:	\$1.11 – 2.38
Shares Outstanding (million):	44
Market cap (\$million):	\$67
EV (\$million):	\$46
Debt (\$million):	\$12
Cash (\$million):	\$33
Avg. Daily Trading Vol. (\$million):	\$0.3
Float (million shares):	9
Short Interest (million shares):	0.1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Mar	0.4A		1.0E	2.5E
Q2 Jun	0.2A	0.5E	1.5E	3.5E
Q3 Sep	0.3E	1.3E	2.0E	5.0E
Q4 Dec	0.5E	4.8E	3.5E	6.0E
Total	1.4E	7.0E	8.0E	17.0E
EV/Revs	33x		6x	

Earnings per Share (pro forma)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Mar	(0.24)A		(0.20)E	(0.24)E
Q2 Jun	(0.23)A	(0.29)E	(0.19)E	(0.22)E
Q3 Sep	(0.22)E	(0.28)E	(0.19)E	
Q4 Dec	(0.21)E	(0.26)E	(0.16)E	(0.20)E
Total	(0.89)E	(1.06)E	(0.73)E	(0.85)E
P/E	N/A		N/A	

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 16.

Exhibit 1: PAVmed Company Overview



Lucid is a Major Subsidiary of PAVmed Inc.



Nasdaq: PAVM

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



Founded 2014



Nasdaq IPO 2016



Diversified Product Portfolio



Groundbreaking Technologies Addressing Important Unmet Clinical Needs



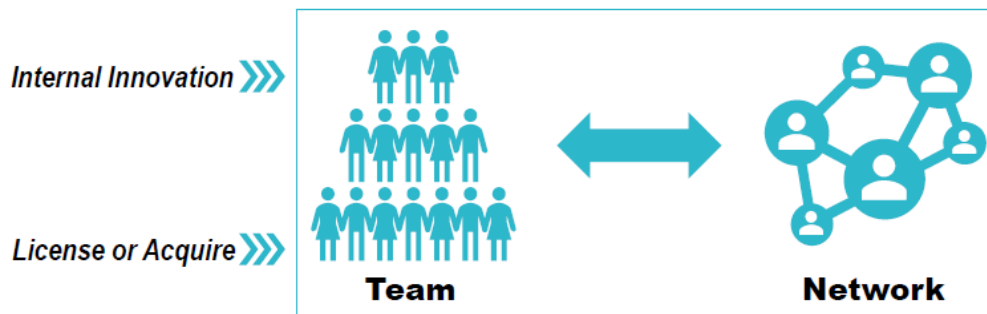
Business Model Focused on Speed to Market

8



Nasdaq: PAVM

Innovation & Value Creation Engine



Source: Company reports

Exhibit 2: PAVmed’s Major Subsidiaries



Major Subsidiaries

Diagnostics

Lucid
diagnostics
**Early Detection of Esophageal
Precancer & Cancer**

- 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)

Digital Health

VERIS
HEALTH
**Digital Cancer Care Platform &
Intelligent Vascular Port**

- 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: Lucid Diagnostics Overview (as of October 2021)



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%

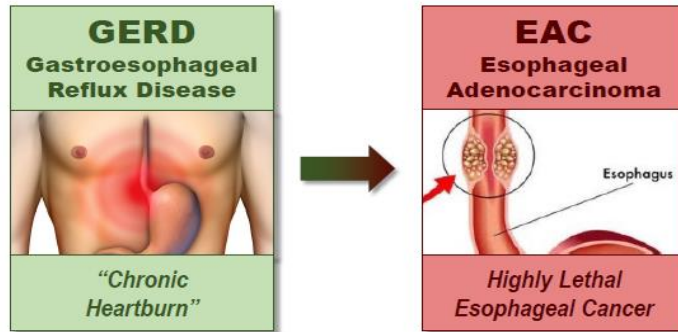


Source: Company reports.

Exhibit 4: 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



\$1938
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

Source: Company reports.

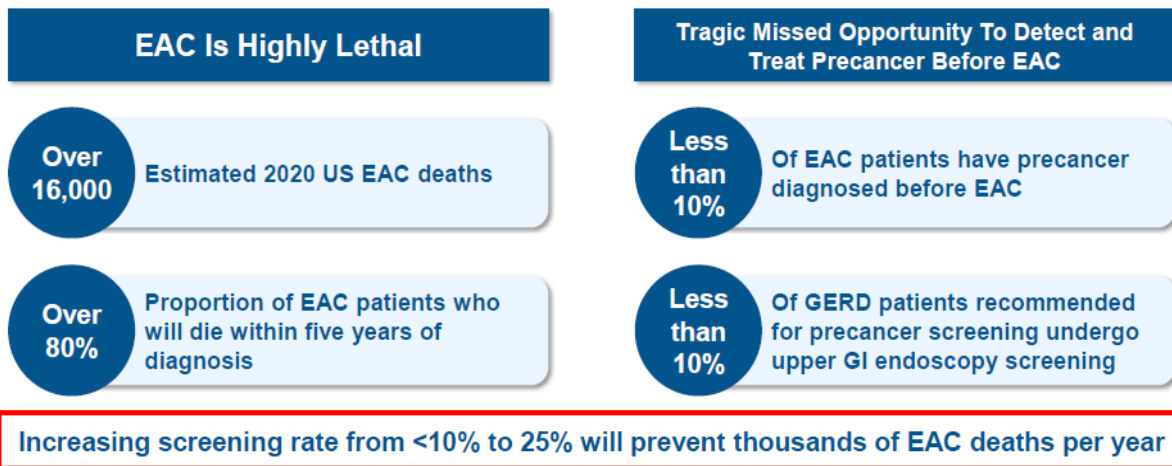
Exhibit 5: EsoCheck and EsoGuard Market Opportunity

EAC Precancer Screening to Prevent EAC

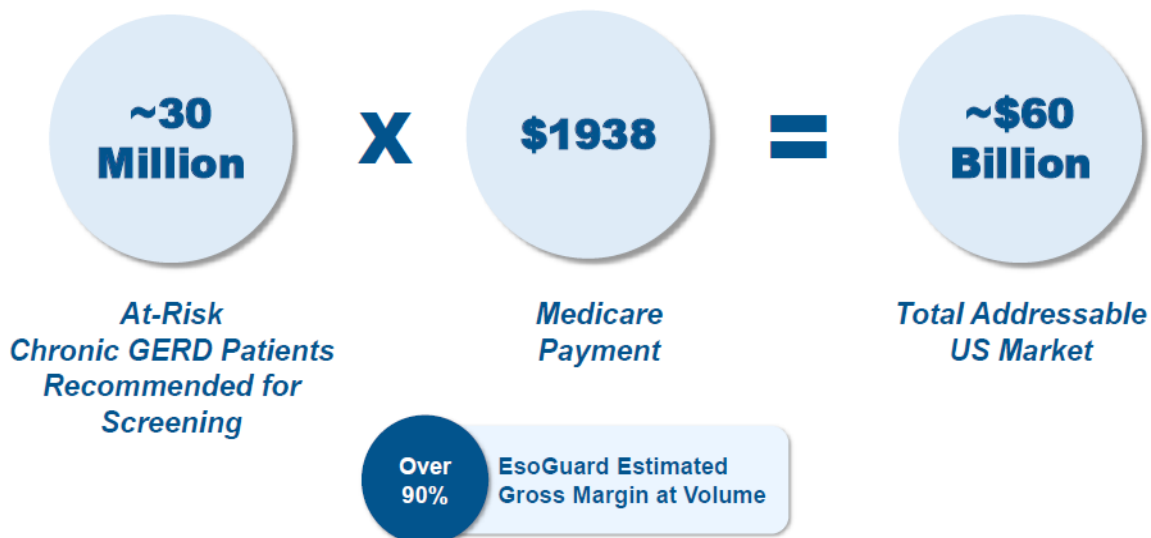
Major unmet clinical need

Necessary to prevent EAC deaths through early precancer detection

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



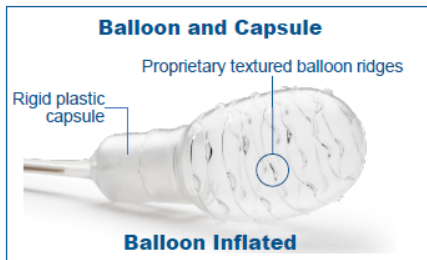
EsoGuard Commercial Opportunity



Source: Company reports.

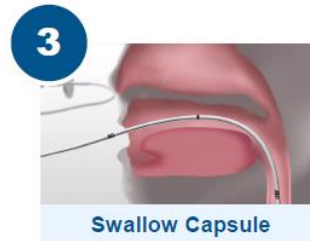
Exhibit 6: The EsoCheck Procedure

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

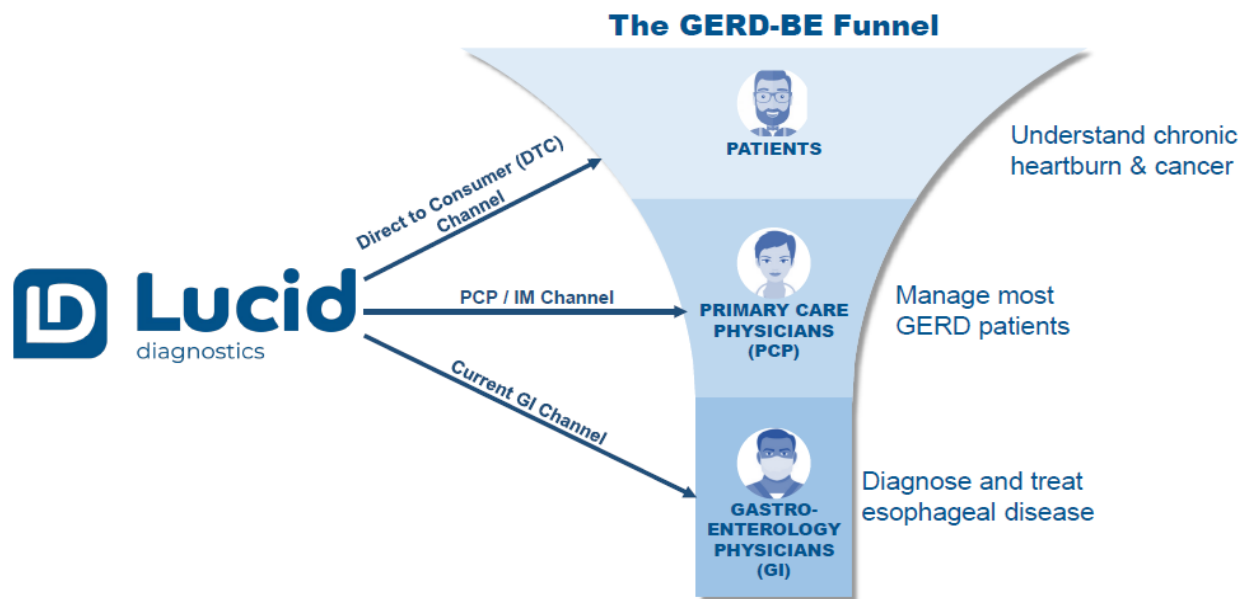
EsoCheck Procedure Steps



Source: Company reports.

Exhibit 7: 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

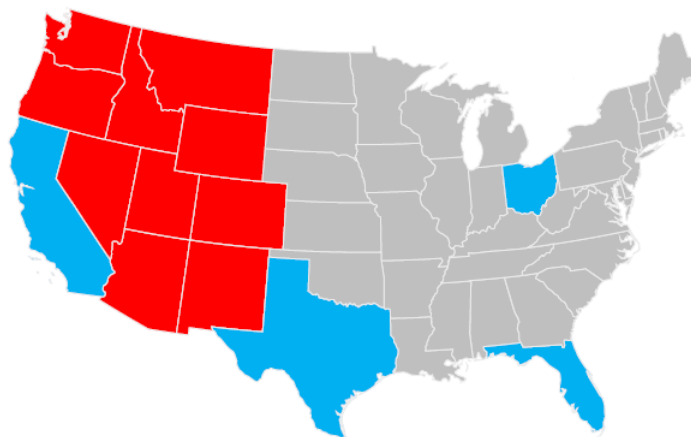
CELL COLLECTION SITE	Lucid Test Center (LTC)	Satellite Lucid Test Center (sLTC)	Physician Practice
EsoCheck Procedure Operator	Lucid NP	Lucid NP	Practice RN / NP / PA

Source: Company reports.

Exhibit 8: 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



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 mailer, 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

4494 W Peoria Ave Ste 115A
Glendale, AZ 85302

1845 E Broadway Rd Ste 116
Tempe, AZ 85282

For prescribing information call:
(623) 687-2386

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

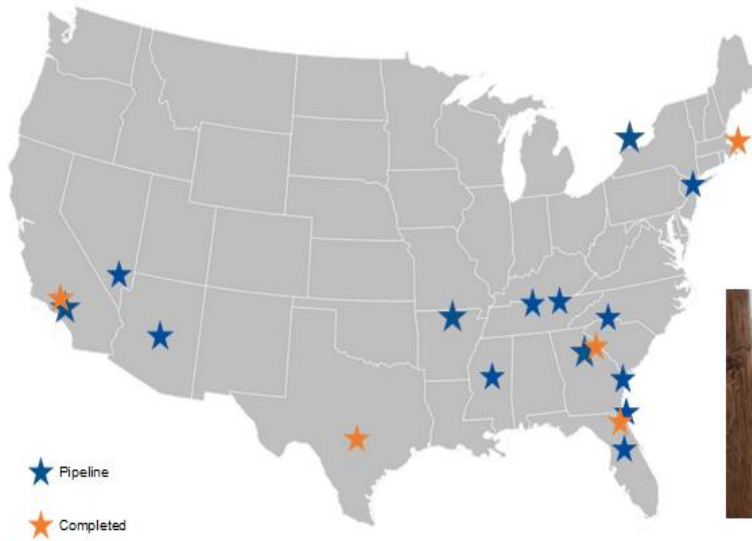
Estimated Quarterly Operating Costs	Nurse Practitioner	\$30,000
	Medical Assistant	\$12,500
	Lease, Other	\$2,500
	Total	\$45,000
Procedure	Max tests per day	20
	Billed rate per test	\$2,000
Revenue Opportunity	Daily	\$40,000
	Weekly	\$200,000
	Quarterly	\$2,600,000
	Break even	1.7 tests / week

Over 90% EsoGuard Estimated Gross Margin at Volume

Source: Company reports.

Exhibit 9: #CheckYourFoodTube Precancer Detection Event (as of Q1 2023)

#CYFT Precancer Detection Events



Source: Company reports.

Exhibit 10: Q2 2023 and Recent Business Highlights (as of August 14, 2023)

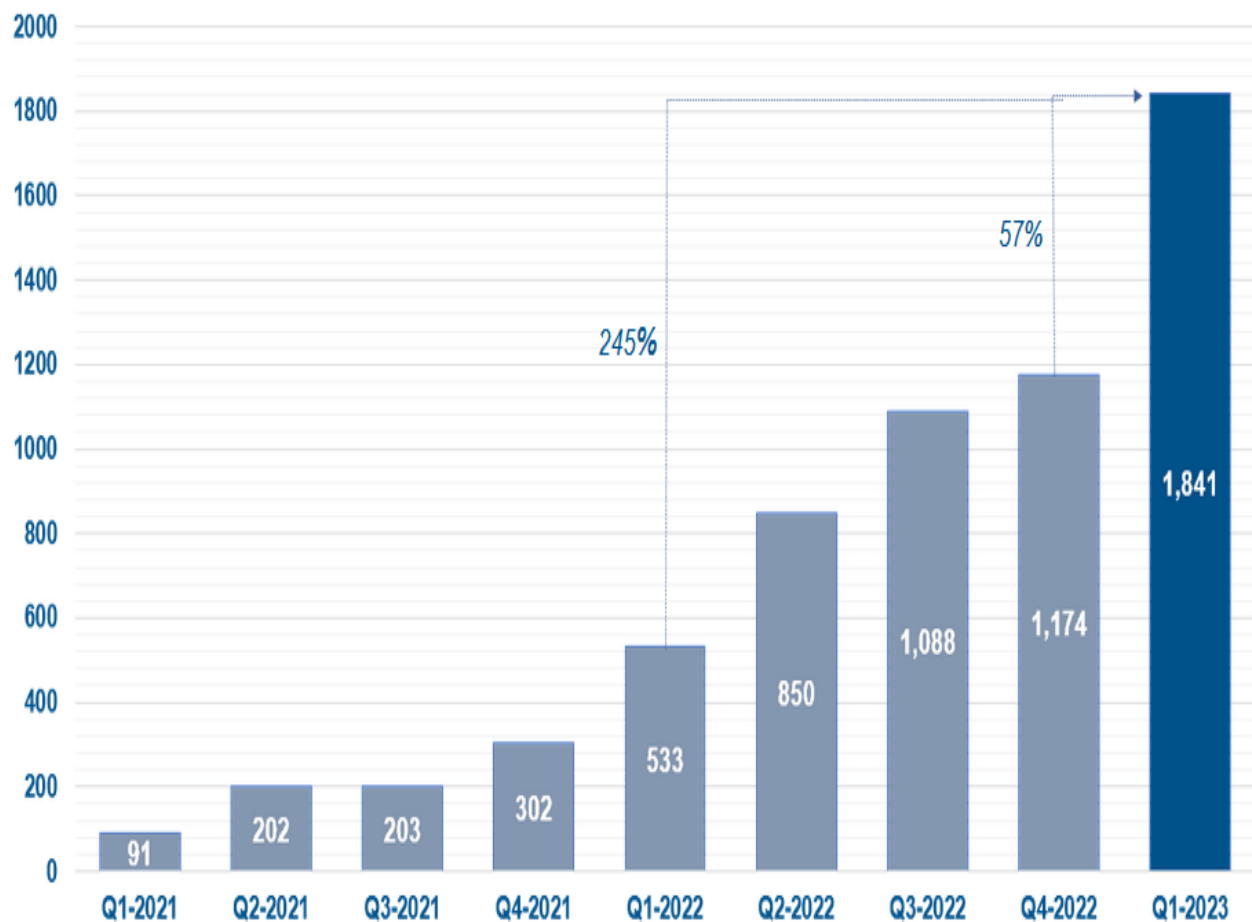
Highlights from the second quarter and recent weeks:

- Lucid's CLIA-certified clinical laboratory performed 2,202 commercial EsoGuard® Esophageal DNA Tests in 2Q23, which represents a 20 percent increase sequentially from 1Q23 and a 159 percent annual increase from 2Q22. Satellite Lucid Test Center activity, including #CYFT high-volume testing events, increased 51 percent and now represents over half of all testing activity.
- Lucid upgraded its revenue cycle management provider to the market leader, completing the transition to an upgraded claims submission, adjudication, and payment collection process in late June. Claims submission and adjudication was paused during the transition starting in early May. An immediate positive impact on claims processing, allowances and collections was noted for the month of July.
- Lucid achieved its target end-of-quarter enrollment in its two prospective clinical utility studies. The Lucid Registry and multi-center CLUE studies have enrolled over 500 patients. Data on these cohorts is being analyzed and results will be posted on a preprint server later this month in advance of peer review. Clinical utility data, along with claims history, remains the key gating item in engaging payors on EsoGuard coverage.
- Lucid executed its first employer contract under its direct contracting strategic initiative. A Texas-based automotive group will now offer EsoGuard testing by Lucid as an employee benefit across twelve locations. Further details will be forthcoming.
- The NCI-funded BETRNet consortium, consisting of the leading academic medical centers in the field, released unprecedented cancer and precancer detection results of its highly anticipated case-control study of 242 patients comparing EsoGuard to upper endoscopy. EsoGuard detected 100 percent of esophageal cancers and over 80 percent of precancers, with an estimated negative predictive value of 99 percent—unprecedented results for such a molecular diagnostic test. Further details and analysis of these results will be forthcoming.

Source: Company reports.

Exhibit 11: EsoGuard Testing Volume (as of Q1 2023)

EsoGuard Testing Volume by Quarter



Source: Company reports.

Exhibit 12: Lucid Diagnostics Inc. Stock Price (since IPO in October 2021)



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

Exhibit 13: Consensus Expectations (as of August 14, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$0.4A		Q1 Mar	\$(0.24)A	
Q2 Jun	\$0.6E		Q2 Jun	\$(0.32)E	
Q3 Sep	\$1.1E		Q3 Sep	\$(0.31)E	
Q4 Dec			Q4 Dec		
Total	\$4.3E	\$19.5E	Total	\$(1.32)E	\$(1.02)E

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

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

FINANCIAL MODEL

Lucid Diagnostics Inc.

Income Statement (\$ mils) Fiscal Year End: December 31	Mar-22	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	Mar-24	Jun-24	Sep-24	Dec-24	2024
	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	0.2	0.3	0.5	0.2	0.0	0.1	0.1	0.4	0.4	0.2	0.3	0.5	1.4	1.0	1.5	2.0	3.5	8.0
Cost of Revenues	0.0	0.0	0.1	0.4	0.6	0.4	0.0	1.6	1.6	3.6	1.3	1.5	0.9	0.8	4.5	0.3	0.5	0.6	1.1	2.4
Gross Profit	0.0	0.0	0.1	(0.1)	(0.1)	(0.2)	0.0	(1.6)	(1.5)	(3.2)	(0.9)	(1.4)	(0.6)	(0.3)	(3.1)	0.7	1.1	1.4	2.5	5.6
Sales and marketing	0.7	1.0	1.0	3.3	5.9	3.3	3.9	3.9	5.0	16.1	4.1	4.0	4.0	4.0	16.2	4.0	4.0	4.0	4.0	16.0
General and administrative	1.2	3.1	3.4	6.3	14.0	5.7	7.3	5.7	5.0	23.7	6.5	3.8	5.0	5.0	20.3	5.5	5.5	6.0	6.0	23.0
Research and development	1.8	1.9	2.2	5.2	11.0	2.9	3.4	2.7	2.4	11.5	2.3	1.8	2.0	2.0	8.1	2.0	2.0	2.0	2.0	8.0
Restructuring and other					0.0			0.5	1.1	1.6	0.5	0.5			1.0					0.0
Total operating expenses	3.7	6.0	6.6	14.8	31.0	11.9	14.6	12.8	13.6	52.9	13.4	10.2	11.0	11.0	45.6	11.5	11.5	12.0	12.0	47.0
Operating income (loss)	(3.7)	(6.0)	(6.5)	(14.9)	(31.1)	(12.1)	(14.6)	(14.3)	(15.1)	(56.2)	(14.3)	(11.6)	(11.6)	(11.3)	(48.8)	(10.8)	(10.5)	(10.6)	(9.6)	(41.4)
Interest income (expense)		(0.1)	(0.4)	(0.1)	(0.7)					0.0	0.0	(0.1)	(0.2)	(0.2)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)
Other income (expense)					0.0	(0.2)				(0.2)	(2.0)	0.3	0.0	0.0	(1.7)	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(3.7)	(6.2)	(7.0)	(15.0)	(31.7)	(12.3)	(14.6)	(14.3)	(15.1)	(56.3)	(16.2)	(11.4)	(11.8)	(11.5)	(50.9)	(11.0)	(10.7)	(10.8)	(9.8)	(42.3)
Income taxes					0.0					0.0					0.0					0.0
Net income (loss)	(3.7)	(6.2)	(7.0)	(15.0)	(31.7)	(12.3)	(14.6)	(14.3)	(15.1)	(56.3)	(16.2)	(11.4)	(11.8)	(11.5)	(50.9)	(11.0)	(10.7)	(10.8)	(9.8)	(42.3)
Nonrecurring/noncash adjustme	0.8	2.7	3.2	3.5	10.3	4.0	4.5	4.2	4.5	17.3	6.5	1.8	2.3	2.3	12.8	2.3	2.3	2.3	2.3	9.0
Net income (pro forma)	(2.8)	(3.4)	(3.7)	(11.4)	(21.4)	(8.2)	(10.1)	(10.2)	(10.6)	(39.1)	(9.8)	(9.6)	(9.6)	(9.2)	(38.2)	(8.8)	(8.4)	(8.6)	(7.5)	(33.3)
EBITDA	(3.6)	(6.0)	(6.5)	(11.2)	(27.4)	(12.2)	(13.9)	(13.8)	(14.3)	(54.2)	(15.7)	(10.7)	(9.5)	(9.2)	(45.1)	(8.7)	(8.4)	(8.5)	(7.5)	(33.2)
Shares, Basic	14.1	14.1	14.1	34.9	18.6	35.1	35.8	36.4	31.9	36.2	41.0	41.8	43.7	44.2	42.7	44.7	45.2	45.7	46.2	45.5
Shares, Diluted	14.1	14.1	14.1	34.9	18.6	35.1	35.8	36.4	31.9	36.2	41.0	41.8	43.7	44.2	42.7	44.7	45.2	45.7	46.2	45.5
EPS Basic (pro forma)	(\$0.20)	(\$0.24)	(\$0.26)	(\$0.33)	(\$1.15)	(\$0.23)	(\$0.28)	(\$0.28)	(\$0.33)	(\$1.08)	(\$0.24)	(\$0.23)	(\$0.22)	(\$0.21)	(\$0.89)	(\$0.20)	(\$0.19)	(\$0.19)	(\$0.16)	(\$0.73)
EPS Diluted (pro forma)	(\$0.20)	(\$0.24)	(\$0.26)	(\$0.33)	(\$1.15)	(\$0.23)	(\$0.28)	(\$0.28)	(\$0.33)	(\$1.08)	(\$0.24)	(\$0.23)	(\$0.22)	(\$0.21)	(\$0.89)	(\$0.20)	(\$0.19)	(\$0.19)	(\$0.16)	(\$0.73)
Margins																				
Gross margin			28%	-47%	-17%	-95%	#DIV/0!	-2039%	-1346%	-859%	-200%	-874%	-200%	-50%	-223%	70%	70%	70%	70%	70%
Sales and marketing			489%	1087%	1190%	1756%	#DIV/0!	5171%	4476%	4280%	925%	2536%	1333%	800%	1150%	400%	267%	200%	114%	200%
General and administrative			1699%	2086%	2798%	3025%	#DIV/0!	7447%	4461%	6282%	1460%	2409%	1667%	1000%	1448%	550%	367%	300%	171%	288%
Research and development			1095%	1744%	2210%	1524%	#DIV/0!	3558%	2179%	3041%	512%	1149%	667%	400%	577%	200%	133%	100%	57%	100%
Operating margin		NM	-3255%	-4964%	-6214%	-6401%	NM	-18880%	-13483%	-14899%	-3210%	-7286%	-3867%	-2250%	-3470%	-1080%	-697%	-530%	-273%	-518%
Tax rate, GAAP		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin		NM	-3478%	-4986%	-6346%	-6492%	NM	-18880%	-13483%	-14945%	-3643%	-7158%	-3944%	-2296%	-3626%	-1103%	-712%	-542%	-279%	-529%
Y/Y % change																				
Total Revenue								-62%	-63%	-25%	136%	#DIV/0!	295%	346%	273%	124%	843%	567%	600%	469%
Gross margin								-2881%	971%	3708%	396%	#DIV/0!	-61%	-83%	-3%	-178%	-176%	-333%	#####	-279%
Sales and marketing		203%	192%	#DIV/0!	356%	381%	279%	302%	54%	171%	24%	4%	2%	-20%	0%	-3%	-1%	0%	0%	-1%
General and administrative		295%	622%	#DIV/0!	813%	372%	134%	67%	-20%	69%	14%	-48%	-12%	0%	-14%	-16%	44%	20%	20%	13%
Research and development		-22%	80%	#DIV/0!	103%	64%	84%	23%	-53%	4%	-21%	-47%	-26%	-18%	-29%	-12%	9%	0%	0%	-1%
Operating income (loss)		71%	222%	#DIV/0!	275%	231%	143%	120%	1%	81%	18%	-21%	-19%	-26%	-13%	-25%	-10%	-9%	-15%	-15%
Net income (loss)		75%	244%	#DIV/0!	283%	236%	137%	106%	1%	78%	32%	-22%	-18%	-24%	-10%	-32%	-6%	-8%	-15%	-17%
EPS Diluted (pro forma)		-2%	86%	#DIV/0!	96%	16%	16%	6%	1%	-6%	2%	-19%	-22%	-37%	-17%	-18%	-18%	-14%	-22%	-18%

Source: Company reports and Ascendant Capital Markets estimates.

Lucid Diagnostics Inc.

Balance Sheet (\$ mils)	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Fiscal Year End: December 31	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets															
Cash and cash equivalents	2.2	0.0	53.7	47.9	32.7	26.9	22.5	39.5	32.6	21.9	12.4	5.8	(2.8)	(12.5)	(21.2)
Short term investments										0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable		0.2	0.2	0.1		0.0	0.0	0.0	0.0	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	1.8	2.3	3.4	4.3	3.2	2.9	1.9	2.2	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Total current assets	4.1	2.5	57.3	52.3	35.9	29.8	24.4	41.7	35.7	25.1	15.6	9.0	0.4	(9.4)	(18.0)
Property and equipment, net			1.0	1.1	1.3	1.5	1.6	1.5	1.4	1.7	1.0	1.3	0.7	1.0	1.3
Intangibles, net				5.7	4.5	4.0	3.4	2.9	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Deferred income tax										0.0	0.0	0.0	0.0	0.0	0.0
Other	0.8	0.8	0.7	2.9	3.8	3.1	3.1	3.0	2.9	2.9	2.9	0.0	0.0	0.0	0.0
Total assets	4.8	3.3	59.0	62.1	45.4	38.4	32.5	49.1	42.5	32.1	22.0	12.8	3.5	(5.9)	(14.3)
Liabilities and stockholders' equity															
Accounts payable	1.5	2.8	1.5	4.5	2.4	1.1	1.1	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Accrued expenses	0.4	0.3	1.1	2.2	1.2	1.1	1.4	2.2	2.6	2.6	2.6	3.0	3.0	3.0	3.0
Deferred income tax										0.0	0.0	0.0	0.0	0.0	0.0
Other				5.7	1.8	0.9	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Due to PAVmed Inc.	22.9	24.3	1.7	1.8	2.4	6.6	5.0	7.6	10.7	10.7	10.7	10.7	10.7	10.7	10.7
Short term debt								11.9	11.6	11.6	11.6	11.6	11.6	11.6	11.6
Total current liabilities	24.8	27.4	4.3	14.1	7.9	9.7	8.4	23.4	26.7	26.7	26.7	27.0	27.0	27.0	27.0
Deferred income taxes										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
Other long term liabilities				1.5	1.3	1.1	1.0	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Long term debt										0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	0.0	0.0	0.0	1.5	1.3	1.1	1.0	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Preferred stock								13.6	13.6	13.6	13.6	13.6	13.6	13.6	13.6
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	2.9	4.3	5.7	7.2	8.6
Additional paid-in capital	3.7	6.5	96.6	100.6	105.0	110.6	121.1	125.6	127.1	127.1	127.1	127.1	127.1	127.1	127.1
Retained earnings	(23.6)	(30.6)	(41.9)	(54.2)	(68.8)	(83.1)	(98.1)	(114.3)	(125.7)	(137.5)	(149.0)	(160.0)	(170.7)	(181.6)	(191.3)
Accumulated other comprehensive income										0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest										0.0	0.0	0.0	0.0	0.0	0.0
Total stockholders' equity	(19.9)	(24.1)	54.7	46.5	36.2	27.5	23.0	24.9	15.1	4.7	(5.4)	(15.0)	(24.3)	(33.7)	(42.0)
Total stockholders' equity and liabilities	4.8	3.3	59.0	62.1	45.4	38.4	32.5	49.1	42.5	32.1	22.0	12.8	3.5	(5.9)	(14.3)

Balance Sheet Drivers

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Book & Cash Value (per share)	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book Value per Share (diluted)	(1.41)	(1.71)	1.57	1.32	1.01	0.76	0.72	0.61	0.36	0.11	(0.12)	(0.34)	(0.54)	(0.74)	(0.91)
Cash per Share (diluted)	0.16	0.00	1.54	1.36	0.91	0.74	0.70	0.96	0.78	0.50	0.28	0.13	(0.06)	(0.27)	(0.46)
Net cash per Share (diluted)	0.16	0.00	1.54	1.36	0.91	0.74	0.70	0.67	0.50	0.24	0.02	(0.13)	(0.32)	(0.53)	(0.71)

Source: Company reports and Ascendant Capital Markets estimates

Lucid Diagnostics Inc.

Cash Flow Statement (\$ mils)	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	Mar-24	Jun-24	Sep-24	Dec-24	2024
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
Cash flow from operating activities																			
Net income	(9.8)	(7.0)	(11.3)	(28.1)	(12.3)	(14.6)	(14.3)	(14.9)	(56.2)	(16.2)	(11.4)	(11.8)	(11.5)	(50.9)	(11.0)	(10.7)	(10.8)	(9.8)	(42.3)
Depreciation	0.0	0.0	0.0	0.0	0.0	0.7	0.6	0.6	1.9	0.6	0.6	0.6	0.6	2.5	0.6	0.6	0.6	0.6	2.5
Amortization				0.0					0.0					0.0					0.0
Debt related amortization expense				0.0					0.0	1.2	(1.2)			0.0					0.0
Stock comp	3.4	2.8	3.4	9.6	3.8	4.1	3.8	3.3	15.0	3.2	1.4	1.4	1.4	7.5	1.4	1.4	1.4	1.4	5.7
Deferred income taxes				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				0.0	0.2	(0.2)		0.7	0.7	0.8	(0.3)			0.5					0.0
Writedowns and impairments				0.0					0.0					0.0					0.0
Other gains/losses				0.0					0.0		1.1			1.1					0.0
Other				0.0					0.0	0.7				0.7					0.0
Changes in operating assets and liabilities:																			
Accounts receivable		(0.2)		(0.2)	0.1	0.1	(0.0)	0.0	0.2	(0.0)	(0.0)			(0.0)					0.0
Prepaid expenses & other current as	(0.5)	(0.4)	(1.1)	(2.1)	0.2	(0.9)	0.9	1.0	1.2	(0.3)	(0.8)			(1.1)					0.0
Other assets				0.0					0.0					0.0	2.9	0.0	0.0	0.0	2.9
Accounts payable	(0.5)	1.3	(1.4)	(0.7)	2.0	(1.0)	(1.3)	(0.1)	(0.4)	(0.4)	0.0	0.0	0.0	(0.4)	0.0	0.0	0.0	0.0	0.0
Accrued expenses	(0.0)	0.2	0.6	0.7	0.1	0.0	(0.1)	0.3	0.3	0.7	0.5	0.0	0.0	1.2	0.4	0.0	0.0	0.0	0.4
Due to PAVmed	1.7	1.0	0.4	3.1	0.1	(1.4)	4.2	4.8	7.7	2.7	3.1			5.7					0.0
Other liabilities	0.1	0.2	(0.4)	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 oper	(5.6)	(2.2)	(9.9)	(17.7)	(5.8)	(13.3)	(6.3)	(4.3)	(29.7)	(7.0)	(7.0)	(9.8)	(9.4)	(33.3)	(5.7)	(8.6)	(8.8)	(7.7)	(30.8)
Cash flow from investing activities																			
Purchases of property and equipmer	(0.0)	(0.0)	(0.8)	(0.9)	(0.1)	(0.2)	(0.3)	(0.2)	(0.9)	(0.0)	(0.0)	(0.9)	(0.0)	(1.0)	(0.9)	(0.0)	(1.0)	(0.9)	(2.8)
Purchases of short-term investments				0.0					0.0					0.0					0.0
Acquisitions				0.0		(2.2)	(1.0)		(3.2)					0.0					0.0
Other				0.0					0.0					0.0					0.0
Net cash used in investing activities	(0.0)	(0.0)	(0.8)	(0.9)	(0.1)	(2.4)	(1.3)	(0.2)	(4.1)	(0.0)	(0.0)	(0.9)	(0.0)	(1.0)	(0.9)	(0.0)	(1.0)	(0.9)	(2.8)
Cash flow from financing activities																			
Issuance of debt				0.0					0.0	9.9	0.1	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt				0.0					0.0					0.0					0.0
Issuance of stock				64.3			1.8		1.8	13.9	(0.0)	0.0	0.0	13.9	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exercises				0.0	0.2	0.5	0.1	0.0	0.8	0.3				0.3					0.0
Other	7.7		(0.0)	7.7					0.0					0.0					0.0
Dividends and distributions				0.0					0.0					0.0					0.0
Cash provided by (used in) financin	7.7	0.0	64.3	72.1	0.2	0.5	1.9	0.0	2.6	24.1	0.1	0.0	0.0	24.2	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 and	2.1	(2.2)	53.6	53.5	(5.7)	(15.2)	(5.7)	(4.5)	(31.2)	17.0	(7.0)	(10.7)	(9.4)	(10.0)	(6.6)	(8.6)	(9.7)	(8.6)	(33.6)
Beginning cash and equivalents	0.1	2.2	0.0	0.1	53.7	47.9	32.7	26.9	53.7	22.5	39.5	32.6	21.9	22.5	12.4	5.8	(2.8)	(12.5)	12.4
Ending cash and equivalents	2.2	0.0	53.7	53.7	47.9	32.7	26.9	22.5	22.5	39.5	32.6	21.9	12.4	12.4	5.8	(2.8)	(12.5)	(21.2)	(21.2)

Source: Company reports and Ascendant Capital Markets estimates

ANALYST CERTIFICATION

Each analyst hereby certifies that the views expressed in this report reflect the analyst's personal views about the subject securities or issuers. Each analyst also certifies that no part of the analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. The analyst who prepared this report is compensated based upon the overall profitability of Ascendant Capital Markets, LLC, which may, from time to time, include the provision of investment banking, financial advisory and consulting services. Compensation for research is based on effectiveness in generating new ideas for clients, performance of recommendations, accuracy of earnings estimates, and service to clients.

Lucid Diagnostics Inc.



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

	Report Date		Price
Report	Date	Rating	Target
1	12/26/2021	Buy	16.00
2	4/16/2022	Buy	15.00
3	6/6/2022	Buy	13.00
4	9/14/2022	Buy	12.00
5	11/22/2022	Buy	11.00
6	4/8/2023	Buy	10.00
7	5/26/2023	Buy	9.50

- Ascendant Capital Markets, LLC has not received compensation for advisory or investment banking services from the company in the past 12 months.

IMPORTANT DISCLOSURES

This report has been distributed by Ascendant Capital Markets, LLC and is for the sole use of our clients. This report is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. This report contains information from various sources, including United States government publications, The Wall Street Journal and other periodicals, Yahoo! Finance and other sources, and is for informational purposes only and is not a recommendation to trade in the securities of the companies mentioned within the report. We seek to update our research and recommendations as appropriate, but the large majority of reports are published at irregular intervals as we consider appropriate and, in some cases, as constrained by industry regulations.

We may have a business relationship with companies covered in this report. Ascendant Capital Markets, LLC may make a market in the securities of the subject company. We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this report. This report is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account

the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any information in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of the investments referred to in this report may fluctuate.

Following are some general risks that can adversely impact future operational and financial performance and share price valuation: (1) industry fundamentals with respect to legislation, mandates, incentives, customer demand, or product pricing; (2) issues relating to competing companies or products; (3) unforeseen developments with respect to management, financial condition or accounting policies or practices; or (4) external factors that affect the interest rates, currency, the economy or major segments of the economy. Past performance is not a guide to future performance, future returns are not guaranteed, and loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Our report is disseminated primarily electronically, and, in some cases, in printed form. The information contained in this report is not incorporated into the contents of our website and should be read independently thereof. Copyright Ascendant Capital Markets, LLC. No part of this material may be copied, photocopied or duplicated by any means or redistributed without the prior written consent of Ascendant Capital Markets, LLC.

Risks & Considerations

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

Ascendant Capital Markets, LLC Rating System

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 July 14, 2023)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	51	98%	16	31%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	52	100%	16	31%

Other Important Disclosures

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.

Dissemination of Research

Ascendant Capital Markets, LLC research is distributed electronically via the Thomson Reuters platforms, Bloomberg, Capital IQ and FactSet. Please contact your investment advisor or institutional salesperson for more information.

General Disclaimer



The information and opinions in this report were prepared by Ascendant Capital Markets, LLC. This information is not intended to be used as the primary basis of investment decisions and because of individual client objectives it should not be construed as advice designed to meet the particular investment needs of any investor. This material is for information purposes only and is not an offer or solicitation with respect to the purchase or sale of any security. The reader should assume that Ascendant Capital Markets, LLC may have a conflict of interest and should not rely solely on this report in evaluating whether or not to buy or sell securities of issuers discussed herein. The opinions, estimates, and projections contained in this report are those of Ascendant Capital Markets, LLC as of the date of this report and are subject to change without notice. Ascendant Capital Markets, LLC endeavors to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information and opinions that are accurate and complete. However, Ascendant Capital Markets, LLC makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein, and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. Information may be available to Ascendant Capital Markets, LLC, or its affiliates that is not reflected in this report. This report is not to be construed as an offer or solicitation to buy or sell any security.

Additional Disclosures

Ascendant Capital Markets, LLC is a broker-dealer registered with the United States Securities and Exchange Commission (SEC) and a member of the FINRA and SIPC. Ascendant Capital Markets, LLC is not a Registered Investment Advisor nor is it an investment advisor registered with the Securities and Exchange Commission or with the securities regulators of any state, and at the present time is not eligible to file for federal registration.