



Myomo, Inc.

Q3 about inline. We believe continued strong revenue growth over the next year to be positive for stock. Lowering P/T to \$9.

Q3 about inline: Myomo recently (on November 10) reported its Q3 2022 (ending September) results. Revenue was \$4.0 million (-9% y-o-y), compared with our and consensus estimates of \$3.9 – 4.0 million. EPS was \$(0.40), compared with our estimates of \$(0.38) and consensus of \$(0.43). There was no Q3 guidance, but it did expect higher sequential Q3 revenue but to be lower y-o-y.

Solid sales and backlog: Myomo sold 87 units in Q3 (vs. 80 units in Q2, 71 in Q1 2022 and 102 in Q3 2021). The reimbursement pipeline was 1,112 units at Q3, up from 1,049 units at Q2. Backlog (insurance authorized) was 184, up from 163 at Q2. While revenues were lower y-o-y, the pipeline adds and backlog are all higher y-o-y boding well for growth in 2023.

Q4 guidance: The company declined to provide specific Q4 guidance, but did expect “modest” sequential revenue growth from Q3.

Strong 2023 expected: Myomo’s current pipeline is 1,112 (vs. 1,049 in Q2 2022), with pipeline adds in Q3 strong at 419 (vs. 420 in Q2 2022). The large pipeline should lead to strong revenues over the next year.

Lowering estimates: We are lowering our 2022 estimates for revenue to \$15.6 million, from \$17.3 million, and for EPS to \$(1.65) from \$(1.36). Our Q4 and 2022 estimates do not include any additional JV revenue due to its variability in timing of receipt.

Recent growth solid: We expect the company’s recent solid revenue growth (was +17% YTD 2022, +83% (y-o-y) in 2021, and +98% in 2020) to continue over the near-term. With the increased focus on direct billing units (79% of Q3 revenue and ~80% of the pipeline) and growing, Myomo’s revenue and gross margins should continue to improve significantly.

Focused on MyoPro commercialization: Myomo’s main product, the MyoPro custom fabricated myoelectric upper limb orthosis, is like an exoskeleton for the upper body. Myomo estimates that the addressable U.S. market for its products is \$10 billion.

Key catalysts expected in 2022/23: Myomo’s key catalysts expected in 2022/23 include continued momentum in U.S. commercialization (particularly improved reimbursement and starting Medicare coverage), commercialization in Europe and international (which is only ~10% of revenues), a new MyoPro pediatric product, and the recently launched MyoPro 2+ (offering lighter weight, easier donning, greater comfort, and improved grasp functionality over the MyoPro 2).

China JV: In January 2021, Myomo entered into a JV with Beijing Ryzur Medical Investment Co. to manufacture and sell MyoPro for the Chinese market. The JV made an upfront license fee of \$1.0 million to Myomo in Q1 and should make another \$1.7 million payment in 2022/23. After this payment, the JV will begin operations.

Balance sheet: The company had \$7 million in cash and no debt at the end of Q3. The company should have enough cash until mid-2023.

Positive high risks versus rewards: Overall, concerns outweighed by growth prospects and valuation. We believe the ~billion dollars market potentials presents a high reward for the risks.

Current valuation attractive: Maintaining our BUY rating, but lowering our 12-month price target to \$9 from \$10. This is based on a NPV analysis, representing significant upside from the current share price.

Company Description

Based in Boston, MA, Myomo is a wearable medical robotics company that develops myoelectric orthotics for people with neuromuscular disorders and upper limb paralysis.

COMPANY UPDATE

Rating: BUY

Ticker: MYO

Price: \$0.91

Target: \$9.00
(from \$10)

United States
Healthcare

November 13, 2022

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

Stock Data

Exchange:	NYSE
52-week Range:	\$0.88 – 9.98
Shares Outstanding (million):	7
Market cap (\$million):	\$6
EV (\$million):	\$(1)
Debt (\$million):	\$0
Cash (\$million):	\$7
Avg. Daily Trading Vol. (\$million):	\$0.1
Float (million shares):	5
Short Interest (million shares):	0.1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2022E</u> <u>(Cur.)</u>	<u>2022E</u> <u>(Old)</u>	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>
Q1 Mar	3.9A		3.5E	
Q2 Jun	3.7A		4.0E	
Q3 Sep	4.0A	3.9E	5.0E	4.8E
Q4 Dec	<u>4.1E</u>	<u>5.9E</u>	<u>5.5E</u>	<u>6.7E</u>
Total	15.6E	17.3E	18.0E	19.0E
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	<u>2022E</u> <u>(Cur.)</u>	<u>2022E</u> <u>(Old)</u>	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>
Q1 Mar	(0.41)A		(0.41)E	
Q2 Jun	(0.42)A		(0.35)E	(0.36)E
Q3 Sep	(0.40)A	(0.38)E	(0.25)E	(0.27)E
Q4 Dec	<u>(0.42)E</u>	<u>(0.15)E</u>	<u>(0.19)E</u>	<u>(0.08)E</u>
Total	(1.65)E	(1.36)E	(1.20)E	(1.11)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 12.

Exhibit 1: Myomo Investment Highlights (as of June 2022)

Investment Highlights: Market Leader in New Product Category

- Creating a new product category for this large unmet medical need
 - Patient Population with Chronic Arm Paralysis = Approx. 3M in US
 - New Incidences in US each year = Approx. 250K due to new strokes, other neuro conditions
 - Worldwide need: Prevalence = Approx. 1% of Population

- Experienced management team is rapidly scaling the only commercially-available device to restore function for upper extremity paralysis
 - Revenue growth rates of 83% and 98% in 2021 and 2020, respectively.

- Over 900 patient candidates in pipeline; Backlog of 160 units = \$6.1M pending revenue

- Commercial and government health insurance plans reimburse for devices on a case-to-case basis (over 1600 delivered to patients)

- Revenue Growth driven by shift to Direct Billing channel and greater International sales, resulting in higher ASPs and gross margin

- Cash position as of 3/31/22 = \$12.9 million. Sufficient cash runway to last well into 2023

Source: Company reports.

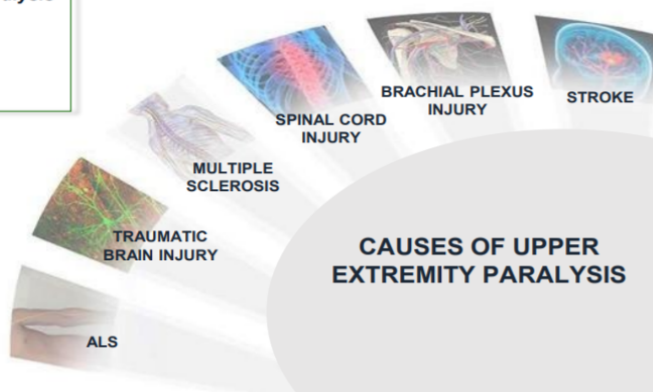
Exhibit 2: Myomo's Market Opportunity

Large Market Opportunity



***15M strokes per year. Roughly 1/3 of patients don't qualify medically, 1/3 recover and the remainder represent Myomo's market opportunity**

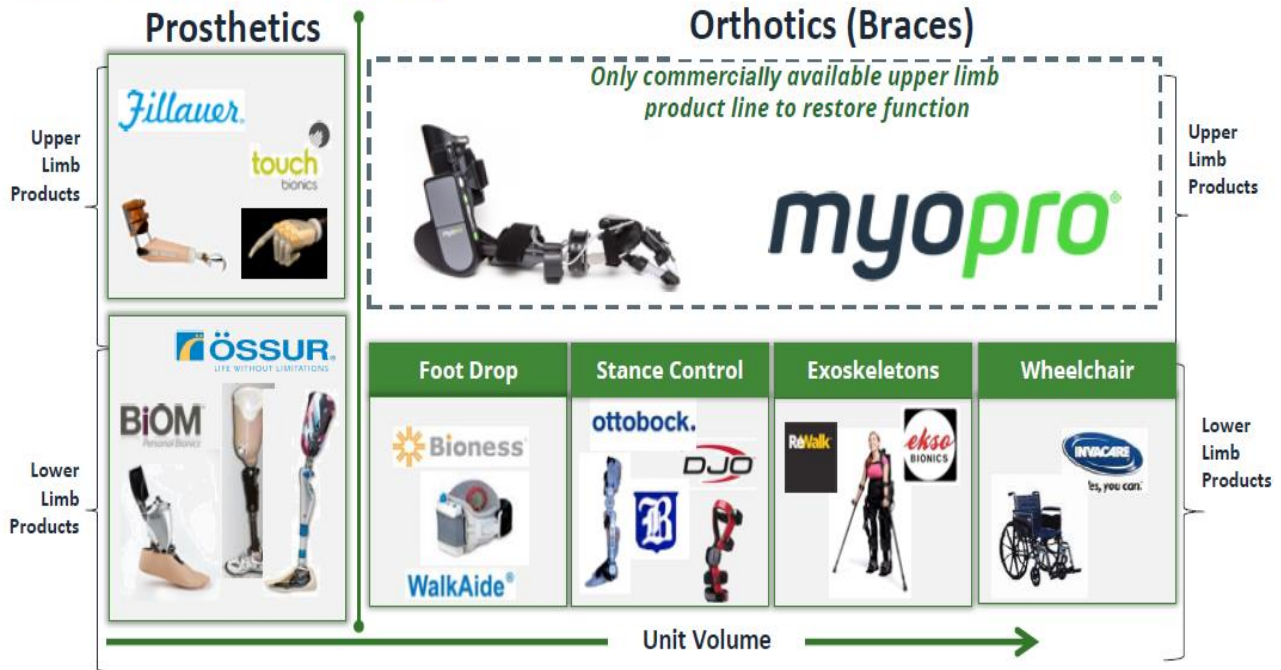
Source: Christopher and Dana Reeve Foundation Survey, National Stroke Association, World Health Organization, and Myomo base model estimates



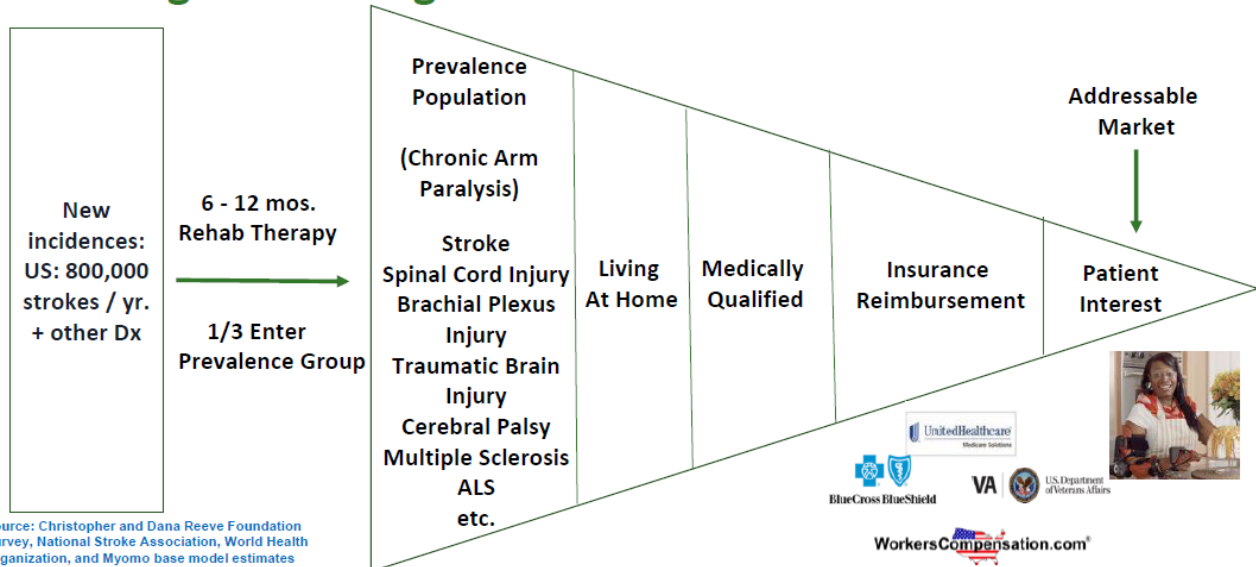
Source: Company reports.

Exhibit 3: Myomo's MyoPro

Competitive Positioning



Defining the US Target Market



Source: Christopher and Dana Reeve Foundation Survey, National Stroke Association, World Health Organization, and Myomo base model estimates

Source: Company reports.

Exhibit 4: Myomo's Long Term Strategy

Investor Summary: Catalysts for Growth



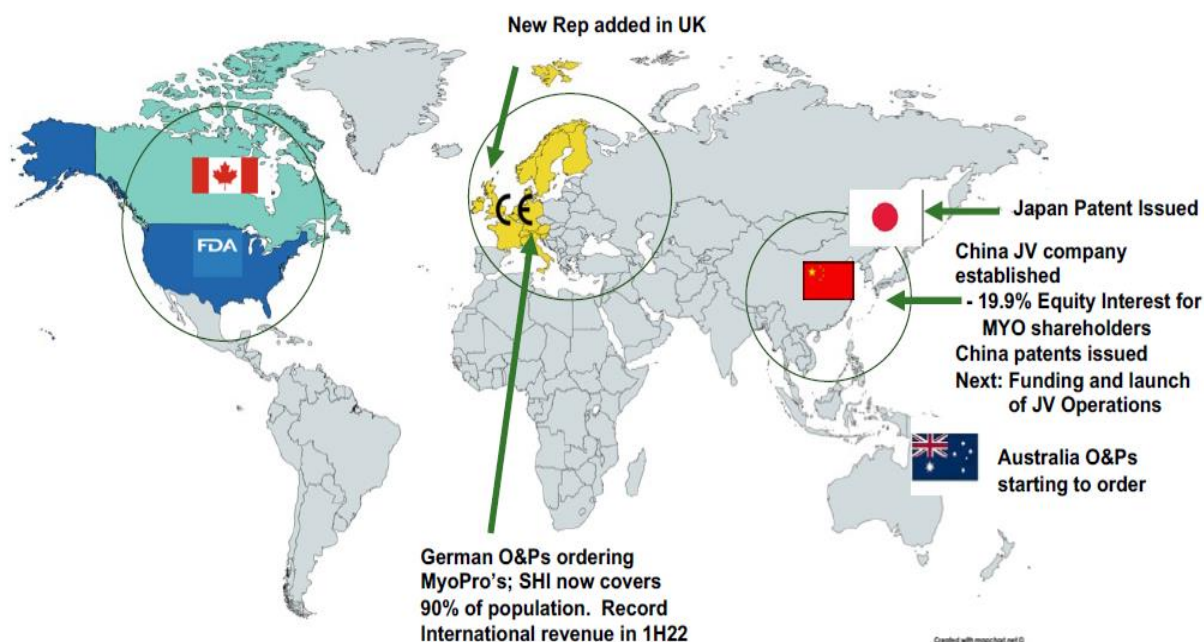
Strategic Goals: Increase Market Penetration and Generate Operating Leverage

- Accelerate Growth of the Patient Pipeline with Combination of Online Marketing and TV Advertising @ Lower Cost per Pipeline Add
- Utilize Digital Technologies to Reduce Costs of Marketing, Manufacturing, and Delivery
- Develop New Products Using Company's Platform Technology to Expand Target Patient Population
- Expand # of Payers Reimbursing for a MyoPro in US and International Markets, including Part B Medicare beneficiaries
- Scale Revenues to Cash flow Positive Operations

Source: Company reports.

Exhibit 5: International Expansion

International Update: Activity in Key Markets



my own mo

European Expansion Underway and New China JV

Europe

- Established Myomo footprint in Europe – Myomo Europe GmbH based in Germany
- Recruited O&P providers in Germany, Denmark, UK, Italy
- Obtaining initial reimbursements and booking orders
- Statutory Health Insurance to cover MyoPro in Germany on case-by-case basis; BARMER, Allianz and other payers (40% of population)

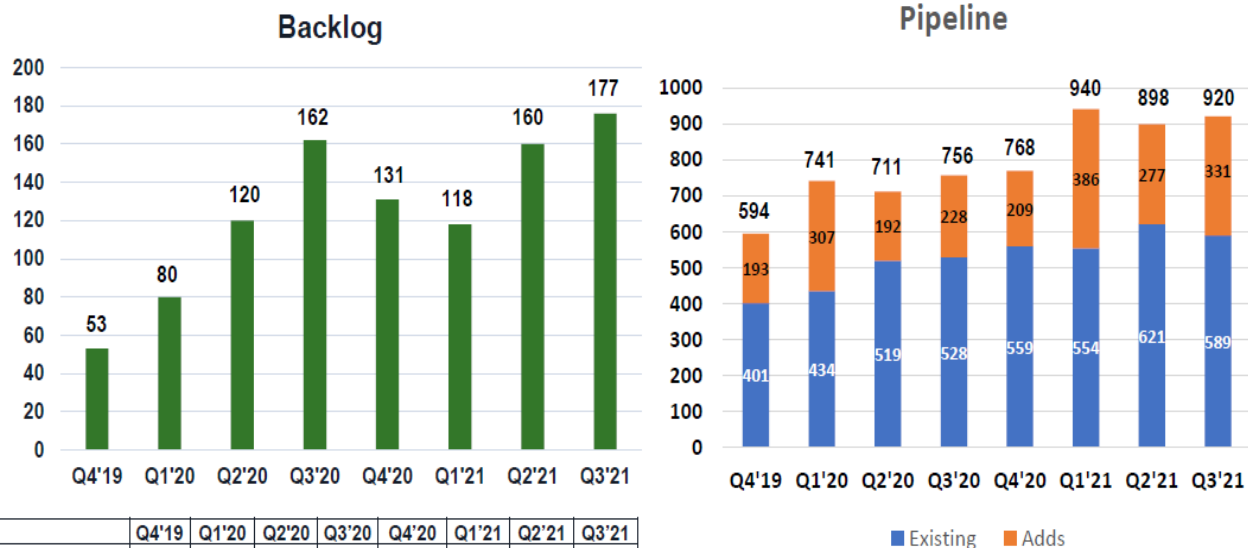
China

- Announced Myomo China JV with Ryzur, medical device and rehab co.
- Chinese partners providing capital, local manufacturing and distribution
- Myomo to own 19.9% of JV
- JV to license Myomo technology for \$2.5M upfront + \$10M+ over 10 years
- Myomo to maintain IP on control system chips and software

Source: Company reports.

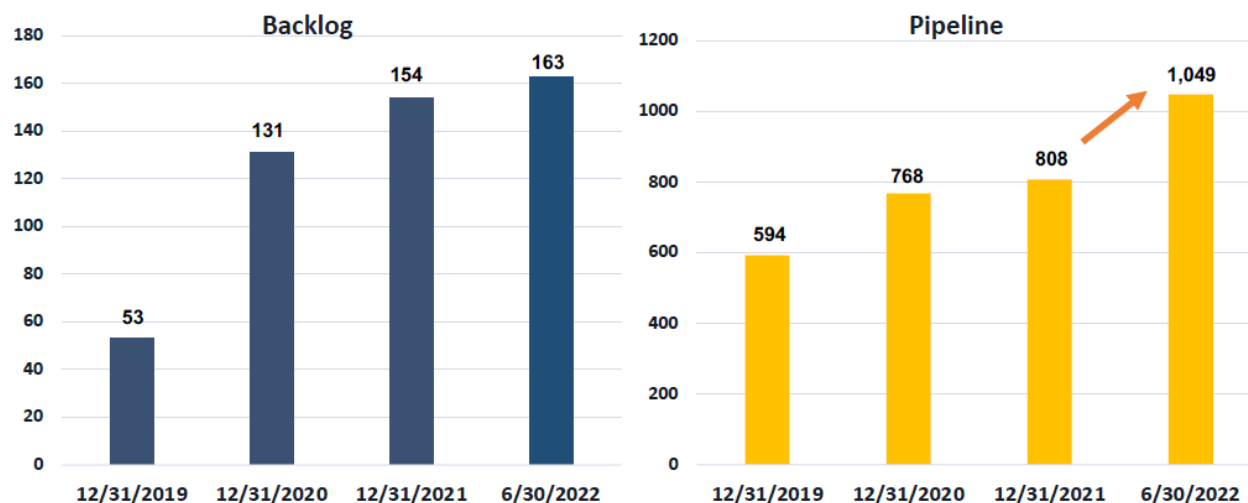
Exhibit 6: MyoPro Reimbursement Pipeline (as of Q2 2022)

Backlog: Authorization to Revenue - Near-Term Indicator
Pipeline: Successful Evaluation to Authorization – Longer-Term Indicator



	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Authorizations	40	66	75	98	86	66	138	133
Revenue Units	43	30	24	51	97	65	80	102

Backlog and Pipeline are Leading Indicators of Revenue



➤ Record 420 patients added to Pipeline in Q2 2022 @ 50% Lower Cost / Candidate

Source: Company reports.

Exhibit 7: Myomo Near Term Catalysts



Near Term Catalysts

Positioned for strong revenue growth in 2022:

- Increased pipeline and backlog from direct-to-patient marketing
- Additional payers covering the cost of MyoPro

Upcoming Product Announcements:

- Enhancements to MyoPro Adult Version
- MyoPal Pediatric Device

New research publications and studies undertaken

China JV company funding and initial license fees paid

Source: Company reports.

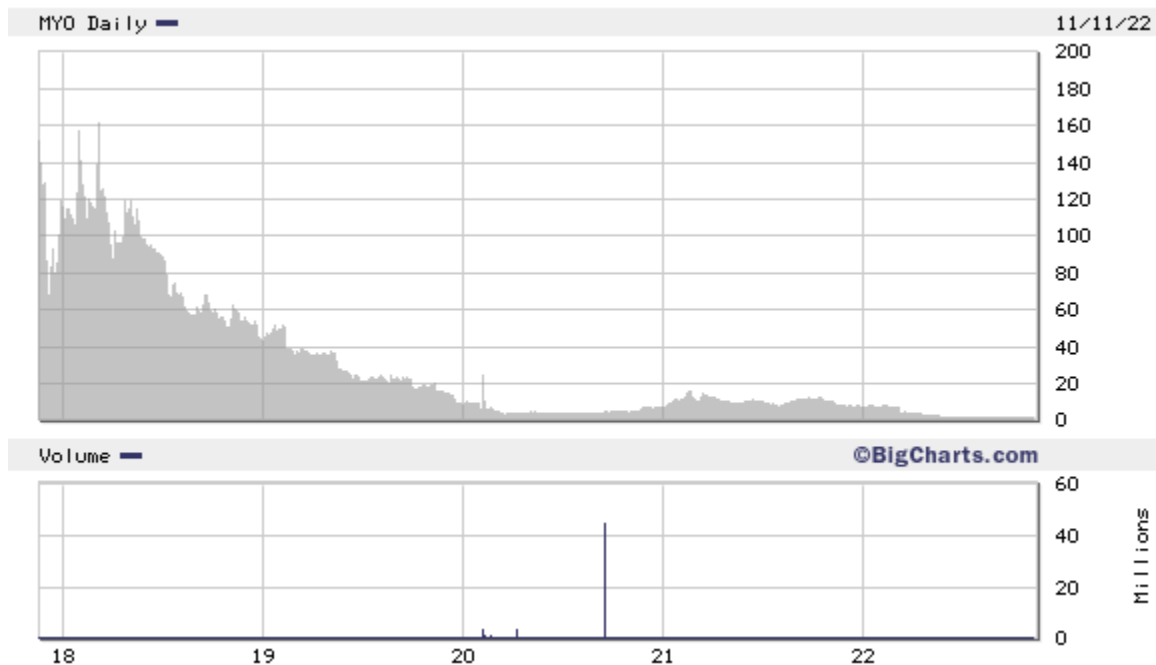
Exhibit 8: Myomo Q4 2022 Business Outlook (as of 11/10/22)

Business Outlook

"We expect to be able to report modest sequential product revenue growth in the fourth quarter," said Gudonis. "While growing the pipeline will be seasonally challenging in the fourth quarter due to competition from holiday and election advertising, we expect to enter 2023 with a much larger pipeline than we entered 2022, positioning the Company for stronger product revenue growth in 2023."

Source: Company reports.

Exhibit 9: Myomo, Inc. (5-Years)



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

Exhibit 10: Consensus Expectations (as of November 10, 2022)

	Revenue (mil)			EPS	
	2022E	2023E		2022E	2023E
Q1 Mar	\$3.9A		Q1 Mar	\$(0.41)A	
Q2 Jun	\$3.7A		Q2 Jun	\$(0.42)A	
Q3 Sep	\$4.0E		Q3 Sep	\$(0.43)E	
Q4 Dec	\$5.9E		Q4 Dec	\$(0.26)E	
Total	\$17.0E	\$21.5E	Total	\$(1.51)E	\$(1.16)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

Myomo, 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	Q3A	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	1.0	0.9	1.9	3.8	7.6	2.3	3.1	4.4	4.0	13.9	3.9	3.7	4.0	4.1	15.6	3.5	4.0	5.0	5.5	18.0
<u>Cost of Revenues</u>	0.3	0.4	0.9	1.0	2.6	0.6	0.9	1.1	0.9	3.5	1.3	1.3	1.3	1.4	5.3	0.9	1.0	1.3	1.4	4.5
Gross Profit	0.7	0.4	1.1	2.8	5.0	1.7	2.2	3.3	3.1	10.3	2.6	2.4	2.6	2.7	10.3	2.6	3.0	3.8	4.1	13.5
Research and development	0.5	0.4	0.3	0.4	1.7	0.5	0.6	0.6	0.8	2.6	0.7	0.6	0.7	0.7	2.7	0.6	0.6	0.6	0.6	2.4
Sales, general and administrative	3.6	2.9	3.3	4.1	13.8	4.1	4.2	4.7	5.0	18.0	4.7	4.7	4.8	4.9	19.0	5.0	5.0	5.0	5.0	20.0
<u>Restructuring and other</u>					0.0					0.0					0.0					0.0
Total operating expenses	4.1	3.3	3.6	4.5	15.5	4.6	4.8	5.3	5.8	20.6	5.3	5.3	5.5	5.6	21.7	5.6	5.6	5.6	5.6	22.4
Operating income (loss)	(3.4)	(2.8)	(2.5)	(1.7)	(10.5)	(2.9)	(2.6)	(2.0)	(2.7)	(10.3)	(2.7)	(2.9)	(2.8)	(2.9)	(11.3)	(3.0)	(2.6)	(1.9)	(1.5)	(8.9)
Interest income (expense)	(0.3)	(0.1)	(0.0)	(0.0)	(0.5)	(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	0.0
<u>Other income (expense)</u>	(0.7)	(0.3)	(0.2)	(0.0)	(1.3)				(0.6)	(0.6)			(0.0)	(0.0)	(0.1)					0.0
Income before income taxes	(4.5)	(3.3)	(2.8)	(1.7)	(12.2)	(2.9)	(2.6)	(2.0)	(3.4)	(10.9)	(2.7)	(2.9)	(2.8)	(3.0)	(11.5)	(3.0)	(2.6)	(1.9)	(1.5)	(8.9)
<u>Income taxes</u>	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	(0.0)	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(4.5)	(3.3)	(2.8)	(1.7)	(12.2)	(3.0)	(2.6)	(2.0)	(3.4)	(11.0)	(2.8)	(2.9)	(2.8)	(3.0)	(11.5)	(3.0)	(2.6)	(1.9)	(1.5)	(8.9)
<u>Nonrecurring/noncash adjustments</u>					0.0					0.0					0.0					0.0
Net income (pro forma)	(4.5)	(3.3)	(2.8)	(1.7)	(12.2)	(3.0)	(2.6)	(2.0)	(3.4)	(11.0)	(2.8)	(2.9)	(2.8)	(3.0)	(11.5)	(3.0)	(2.6)	(1.9)	(1.5)	(8.9)
EBITDA	(3.3)	(2.7)	(2.3)	(1.5)	(9.8)	(2.7)	(2.2)	(1.7)	(2.4)	(9.0)	(2.4)	(2.5)	(2.5)	(2.5)	(9.9)	(2.6)	(2.2)	(1.5)	(1.1)	(7.5)
Shares, Basic	1.8	2.9	3.9	4.6	3.3	5.2	5.6	5.7	6.5	5.8	6.9	6.9	7.1	7.2	7.0	7.3	7.4	7.5	7.6	7.4
Shares, Diluted	1.8	2.9	3.9	4.6	3.3	5.2	5.6	5.7	6.5	5.8	6.9	6.9	7.1	7.2	7.0	7.3	7.4	7.5	7.6	7.4
EPS Basic (Pro forma)	(\$2.51)	(\$1.12)	(\$0.70)	(\$0.37)	(\$3.67)	(\$0.57)	(\$0.46)	(\$0.36)	(\$0.52)	(\$1.89)	(\$0.41)	(\$0.42)	(\$0.40)	(\$0.42)	(\$1.65)	(\$0.41)	(\$0.35)	(\$0.25)	(\$0.19)	(\$1.20)
EPS Diluted (Pro forma)	(\$2.51)	(\$1.12)	(\$0.70)	(\$0.37)	(\$3.67)	(\$0.57)	(\$0.46)	(\$0.36)	(\$0.52)	(\$1.89)	(\$0.41)	(\$0.42)	(\$0.40)	(\$0.42)	(\$1.65)	(\$0.41)	(\$0.35)	(\$0.25)	(\$0.19)	(\$1.20)
Margins																				
Gross margin	68%	51%	56%	73%	66%	73%	71%	75%	77%	74%	67%	66%	66%	66%	66%	75%	75%	75%	75%	75%
Research and development	50%	46%	18%	11%	22%	23%	19%	15%	20%	18%	17%	17%	17%	17%	17%	17%	15%	12%	11%	13%
Sales, general and administrative	358%	337%	170%	107%	182%	176%	135%	106%	125%	130%	120%	127%	120%	120%	122%	143%	125%	100%	91%	111%
Operating margin	-339%	-332%	-132%	-45%	-138%	-126%	-84%	-46%	-67%	-74%	-71%	-78%	-71%	-71%	-73%	-85%	-65%	-37%	-27%	-49%
Tax rate, GAAP	0%	0%	0%	0%	0%	-1%	-1%	-1%	-1%	-1%	-3%	0%	-1%	0%	-1%	0%	0%	0%	0%	0%
Net margin	-444%	-383%	-144%	-45%	-161%	-127%	-84%	-47%	-84%	-79%	-73%	-79%	-71%	-73%	-74%	-85%	-65%	-37%	-27%	-49%
Y/Y % change																				
Total Revenue	21%	-2%	218%	149%	98%	132%	262%	128%	6%	83%	66%	18%	-9%	2%	13%	-10%	9%	26%	34%	15%
Gross margin	5%	-30%	160%	127%	71%	148%	401%	206%	12%	107%	50%	9%	-19%	-13%	0%	2%	24%	42%	52%	31%
Research and development	-5%	-26%	-37%	-23%	-23%	4%	51%	86%	88%	53%	25%	5%	8%	-11%	5%	-9%	-5%	-13%	-14%	-11%
Sales, general and administrative	29%	3%	21%	24%	20%	14%	45%	43%	24%	30%	13%	11%	2%	-3%	5%	7%	7%	5%	2%	5%
Operating income (loss)	28%	5%	-10%	-35%	-3%	-14%	-9%	-20%	60%	-2%	-7%	11%	39%	7%	10%	9%	-10%	-34%	-49%	-21%
Net income (loss)	72%	28%	0%	-38%	14%	-34%	-20%	-26%	99%	-10%	-5%	11%	38%	-11%	5%	6%	-11%	-35%	-51%	-23%
EPS Diluted (Pro forma)	-52%	-75%	-86%	-92%	-81%	-77%	-59%	-49%	41%	-49%	-28%	-10%	11%	-19%	-13%	0%	-16%	-38%	-53%	-27%

Source: Company reports and Ascendant Capital Markets estimates. Reflects a 1:30 reverse stock split in January 2020

Myomo, Inc.

Balance Sheet (\$ mils)	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	13.7	10.7	13.3	12.2	17.4	13.8	12.6	15.5	12.9	10.2	7.4	5.1	2.8	0.6	(0.9)	(1.9)
Short term investments												0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	0.3	0.3	0.3	0.9	0.8	1.1	2.2	2.0	1.7	1.4	1.6	2.3	1.9	2.2	2.8	3.1
Inventory	0.6	0.7	0.8	0.7	0.8	0.7	0.6	0.8	1.0	1.3	1.5	1.4	0.9	1.0	1.3	1.4
Deferred income taxes												0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	0.9	0.9	0.8	0.6	1.0	1.0	1.0	0.9	0.9	0.5	0.6	3.7	3.2	3.6	4.5	5.0
Total current assets	15.6	12.6	15.2	14.4	19.9	16.6	16.5	19.2	16.6	13.3	11.1	12.5	8.7	7.4	7.6	7.5
Property and equipment, net	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.3
Intangibles, net												0.0	0.0	0.0	0.0	0.0
Deferred offering costs	0.1											0.0	0.0	0.0	0.0	0.0
Deferred income tax												0.0	0.0	0.0	0.0	0.0
Investment in JV									0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Other	0.1	0.1	0.1	0.2	0.8	0.8	0.7	0.6	0.9	0.8	0.7	0.7	0.7	0.7	0.7	0.7
Total assets	15.9	12.8	15.4	14.7	20.9	17.7	17.5	20.1	18.0	14.6	12.2	13.6	9.8	8.5	8.8	8.6
Liabilities and stockholders' equity																
Accounts payable	2.6	1.7	2.1	2.8	3.9	2.9	3.4	3.9	4.2	3.4	3.6	7.2	6.1	7.0	8.8	9.6
Accrued expenses												0.6	0.5	0.6	0.8	0.8
Derivative liabilities	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	0.0	0.0	0.0
Deferred income tax												0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0		0.0	0.2	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Short term debt	1.4	1.0	0.1									0.0	0.0	0.0	0.0	0.0
Total current liabilities	4.1	2.7	2.2	2.9	4.1	3.2	3.7	4.3	4.7	3.9	4.1	8.3	7.1	8.1	10.0	10.9
Deferred income taxes												0.0	0.0	0.0	0.0	0.0
Warrant liabilities												0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.1	0.2	0.3	0.8	0.7	0.6	0.4	0.5	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Long term debt												0.0	0.0	0.0	0.0	0.0
Total other liabilities	0.0	0.1	0.2	0.3	0.8	0.7	0.6	0.4	0.5	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Preferred stock												0.0	0.0	0.0	0.0	0.0
Common stock	0.0	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	1.2	1.5
Additional paid-in capital	71.7	73.3	79.0	79.3	86.7	87.1	88.5	93.5	93.8	94.1	94.5	94.5	94.5	94.5	94.5	94.5
Retained earnings	(59.9)	(63.2)	(66.0)	(67.7)	(70.7)	(73.3)	(75.3)	(78.1)	(80.9)	(83.8)	(86.6)	(89.6)	(92.6)	(95.2)	(97.0)	(98.5)
Accumulated other comprehensive income				(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(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)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total stockholders' equity	11.8	10.1	13.0	11.6	16.1	13.8	13.1	15.4	12.9	10.3	7.8	5.1	2.5	0.2	(1.4)	(2.5)
Total stockholders' equity and liabil	15.9	12.8	15.4	14.7	20.9	17.7	17.5	20.1	18.0	14.6	12.2	13.6	9.8	8.5	8.8	8.6

Balance Sheet Drivers

	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	93%	107%	41%	15%	43%	32%	23%	22%	24%	12%	14%	90%	90%	90%	90%	90%
Accounts payable as % of total rev	261%	197%	110%	75%	167%	93%	78%	98%	110%	94%	92%	175%	175%	175%	175%	175%
Inventories as % of cost of rev	189%	162%	89%	70%	127%	81%	58%	89%	80%	100%	111%	100%	100%	100%	100%	100%
Accrued expenses as % of total rev	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	15%	15%	15%	15%	15%
Activity Ratios																
A/R Days Sales Outstanding	27	33	14	22	29	33	45	44	39	33	36	50	50	50	50	50
Inventory Turnover	2.1x	2.5x	4.5x	5.7x	3.1x	4.9x	6.9x	4.5x	5.0x	4.0x	3.6x	4.0x	4.0x	4.0x	4.0x	4.0x
A/P Days Payable	742	363	223	254	562	289	277	391	296	245	247	463	630	630	630	630
Book & Cash Value (per share)																
Book Value per Share (diluted)	\$6.62	\$3.43	\$3.29	\$2.49	\$3.09	\$2.45	\$2.31	\$2.35	\$1.87	\$1.49	\$1.11	\$0.72	\$0.34	\$0.02	-\$0.18	-\$0.34
Cash per Share (diluted)	\$7.72	\$3.66	\$3.38	\$2.64	\$3.35	\$2.44	\$2.22	\$2.37	\$1.88	\$1.48	\$1.05	\$0.72	\$0.38	\$0.08	-\$0.12	-\$0.25
Net cash per Share (diluted)	\$6.91	\$3.32	\$3.36	\$2.64	\$3.35	\$2.44	\$2.22	\$2.37	\$1.88	\$1.48	\$1.05	\$0.72	\$0.38	\$0.08	-\$0.12	-\$0.25

Source: Company reports and Ascendant Capital Markets estimates

Myomo, Inc.

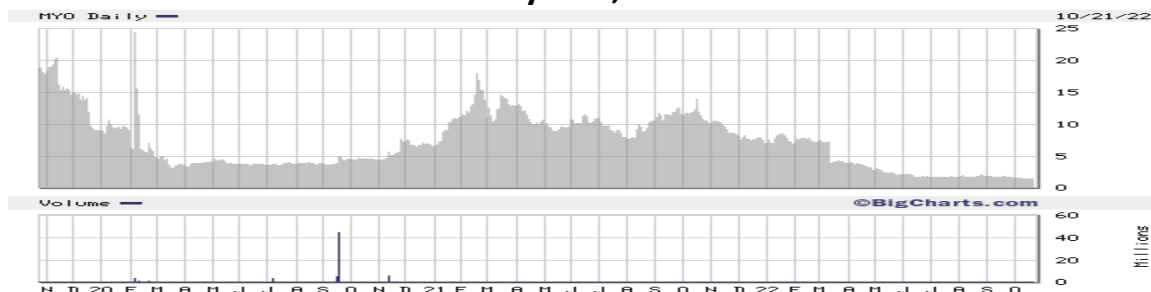
Cash Flow Statement (\$ mils)	Mar-20	Jun-20	Sep-20	Dec-20	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(3.8)	(3.3)	(2.8)	(1.7)	(11.6)	(3.0)	(2.6)	(2.1)	(2.7)	(10.4)	(2.8)	(2.9)	(2.8)	(3.0)	(11.5)	(3.0)	(2.6)	(1.9)	(1.5)	(8.9)	
Depreciation	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.2	
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.3					0.0	
Debt related amortization expen	0.4	0.5	(0.5)	0.7	1.1					0.0					0.0					0.0	
Stock comp	0.1	0.1	0.2	0.2	0.6	0.2	0.4	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.2	0.3	0.3	0.3	0.3	1.2	
Bad debt expense	0.0	0.0	(0.0)	(0.0)	0.0					0.0	0.0				0.0					0.0	
Inventory reserve																					
Deferred income taxes					0.0					0.0					0.0	0.0	0.0	0.0	0.0	0.0	
Change in fair value of warrant I	(0.1)	(0.0)	(0.0)		(0.1)					0.0					0.0	0.0	0.0	0.0	0.0	0.0	
Writedowns and impairments			(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	0.1	(0.0)		0.1					0.0	
Other gains/losses	(0.0)	0.0	0.7	(0.7)	(0.0)	0.0				0.0			0.0		0.0					0.0	
Other					0.0					0.0					0.0					0.0	
Changes in operating assets and liabilities:																					
Accounts receivable	0.1	(0.0)	0.0	(0.6)	(0.5)	0.2	(0.4)	(1.1)	0.2	(1.0)	0.3	0.3	(0.2)	(0.7)	(0.3)	0.3	(0.3)	(0.6)	(0.3)	(0.8)	
Inventory	(0.2)	(0.1)	(0.1)	0.1	(0.3)	(0.1)	0.1	0.1	(0.2)	(0.1)	(0.2)	(0.3)	(0.3)	0.1	(0.7)	0.5	(0.1)	(0.3)	(0.1)	0.0	
Prepaid expenses & other curre	(0.1)	0.0	0.1	0.2	0.2	(0.4)	(0.0)	0.0	0.1	(0.3)	(0.1)	0.5	(0.1)	(3.1)	(2.9)	0.5	(0.5)	(0.9)	(0.5)	(1.3)	
Income tax					0.0					0.0					0.0					0.0	
Other assets	0.1				0.1					0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	
Accounts payable	1.0	(0.9)	0.4	0.7	1.2	1.0	(0.9)	0.6	0.5	1.1	0.3	(0.8)	0.2	3.5	3.3	(1.1)	0.9	1.8	0.9	2.5	
Accrued expenses					0.0		0.1	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	0.6	0.3	(0.1)	0.1	0.2	0.1	0.2	
Deferred revenue	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	
Other liabilities	0.0	0.1	0.1	(0.0)	0.1	0.0	(0.0)	(0.1)	(0.1)	(0.1)				0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net cash (used in) provided by	(2.4)	(3.7)	(1.8)	(1.2)	(9.0)	(2.1)	(3.4)	(2.2)	(1.8)	(9.5)	(2.3)	(2.6)	(2.8)	(2.2)	(10.0)	(2.4)	(2.1)	(1.3)	(1.0)	(6.8)	
Cash flow from investing activities																					
Purchases of property and equit	(0.0)		(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.1)	(0.0)	(0.3)	(0.0)	(0.1)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.2)	(0.0)	(0.2)	
Purchases of short-term investments					0.0					0.0					0.0					0.0	
Acquisitions					0.0					0.0	(0.2)				(0.2)					0.0	
Other					0.0					0.0					0.0					0.0	
Net cash used in investing acti	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.1)	(0.0)	(0.3)	(0.2)	(0.1)	(0.0)	(0.0)	(0.4)	(0.0)	(0.0)	(0.2)	(0.0)	(0.2)	
Cash flow from financing activities																					
Issuance of debt					0.0					0.0					0.0	0.0	0.0	0.0	0.0	0.0	
Repayment of debt	(2.0)		0.0	0.0	(2.0)					0.0					0.0					0.0	
Issuance of stock	13.5	0.7	4.4	0.0	18.6			1.1		1.1				0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Proceeds from stock option exe	0.2	(0.0)	0.0	0.0	0.2	7.3	0.0		4.8	12.1					0.0					0.0	
Other	0.0			(0.0)	0.0			(0.0)		0.0					0.0					0.0	
<u>Dividends and distributions</u>					<u>0.0</u>					<u>0.0</u>					<u>0.0</u>					<u>0.0</u>	
Cash provided by (used in) fina	11.7	0.7	4.4	0.0	16.8	7.3	0.0	1.1	4.8	13.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Effect of exchange rate on cash	(0.0)		(0.0)	(0.0)	(0.0)	(0.0)		0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		(0.0)					0.0	
Net increase (decrease) in cash	9.3	(3.0)	2.6	(1.2)	7.7	5.1	(3.6)	(1.2)	2.9	3.3	(2.6)	(2.7)	(2.8)	(2.3)	(10.4)	(2.4)	(2.2)	(1.5)	(1.0)	(7.1)	
Beginning cash and equivalents	4.5	13.8	10.8	13.4	4.5	12.2	17.4	13.8	12.6	12.2	15.5	12.9	10.2	7.4	15.5	5.1	2.8	0.6	(0.9)	5.1	
Ending cash and equivalents	13.8	10.8	13.4	12.2	12.2	17.4	13.8	12.6	15.5	15.5	12.9	10.2	7.4	5.1	5.1	2.8	0.6	(0.9)	(1.9)	(1.9)	

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.

Myomo, Inc.



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

Report	Date	Rating	Price Target
1	7/30/2019	Buy	60.00
2	8/12/2019	Buy	52.50
3	11/13/2019	Buy	45.00
4	3/23/2020	Buy	15.00
5	5/19/2020	Buy	12.00
6	8/11/2020	Buy	13.00
7	11/11/2020	Buy	14.00
8	3/11/2021	Buy	18.00
9	5/11/2021	Buy	19.00
10	8/15/2021	Buy	20.00
11	11/28/2021	Buy	19.00
12	3/21/2022	Buy	17.00
13	6/5/2022	Buy	14.00
14	8/7/2022	Buy	10.00

- 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 candidates to demonstrate safety and efficacy in clinical trials/studies, failure to gain/maintain regulatory approvals, ability to commercialize product, 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 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.

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

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

Speculative Buy: This rating is reserved for companies we believe have tremendous potential, but whose stocks are illiquid or whose equity market capitalizations are very small, often in the definition of a nano cap (below \$50 million in market cap). In general, for stocks ranked in this category, we expect the stock to provide a total return of 50% or more within a 12-month period. However, because of the illiquid nature of the stock's trading and/or the nano cap nature of the investment, we caution that these investments may not be suitable for all parties.

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of October 7, 2022)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	43	98%	17	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	44	100%	17	39%

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.