



PAVmed Inc.

Reports Q3 with solid progress. Lucid and Veris large ramp up should drive stock much higher. Lowering P/T to \$30.

Reports Q3: PAVmed recently (on November 14) reported its Q3 2023 (ending September) results. Revenue was \$0.8 million, compared with our and consensus estimates of \$0.3 – 0.7 million. Pro forma net loss was \$9.7 million or EPS of \$(1.31), compared with our and consensus estimate of \$(2.10) – (2.12). There was no Q3 guidance. PAVmed’s Lucid business (which represents all of PAVmed’s revenues) is still early in its commercialization and Veris is at an even earlier stage so the company generates minimal revenue currently, but is expected to grow significantly in 2023/2024.

EsoGuard growth: Lucid processed 2,575 tests in Q3, up from 2,202 tests in Q2, 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 \$15 million, flat with \$15 million in Q2 2023 due to its recent reorg and cost cuts.

No guidance: Management did not provide forward guidance.

Adjusting estimates: We are adjusting our 2023 estimates for revenues to \$2.3 million, from \$1.4 million, and for EPS to \$(6.15) from \$(7.10).

Focused on Lucid and Veris commercialization: PAVmed is focused on commercialization of Lucid and Veris Health. Both are still very early in their commercialization, but are expected to grow significantly in 2023/2024.

Lucid as catalyst: We believe Lucid’s high growth and ramp up in commercialization will be a major catalyst for PAVmed’s stock. 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. Lucid is also broadly expanding its high volume #CheckYourFoodTube Precancer Detection Events.

Veris Health software launched: Veris Health is a digital health company with tools to improve personalized cancer care through remote patient monitoring. In Q4 2022, Veris commercialization and software launch began with the Veris Cancer Care Platform. Veris will launch the next generation of its software along with developing a biopharma companion digital module to support new cancer therapeutics and to seek FDA clearance as a SaMD (software as a medical device) for actively diagnosing and treating patients. Veris continues to make progress toward regulatory 510(k) submission (in 1H 2024) of its implantable monitor which is targeted for commercial launch next year (in 2024).

Large market potential: Cancer is the 2nd leading cause of death in the U.S. (behind heart disease) with ~600,000 deaths a year. Digital health and medtech are high growth areas.

Balance sheet: In Q3, PAVmed had \$26 million in cash and \$45 million in debt. We believe the company has enough cash into 2024.

Dividend: Lucid will on January 15, 2024 (Q1 2024) be issuing 3.3 million shares to PAVmed for debt owed, of which PAVmed will be issuing to its shareholders as a special dividend.

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

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

Current valuation attractive: We are maintaining our BUY rating, but lowering our 12-month price target to \$30 from \$105 based on a NPV analysis. This represents significant upside from the current share price and we believe this valuation appropriately balances out the company’s high risks with large upside opportunities.

Company Description

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

United States
Healthcare

December 8, 2023

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COMPANY UPDATE

Rating: **BUY**

Ticker: PAVM

Price: \$2.96

Target: \$30.00
(from \$105)

Stock Data

Exchange:	NasdaqGS
52-week Range:	\$2.75 – 9.86
Shares Outstanding (million):	8
Market cap (\$million):	\$24
EV (\$million):	\$43
Debt (\$million):	\$45
Cash (\$million):	\$26
Avg. Daily Trading Vol. (\$million):	\$0.2
Float (million shares):	8
Short Interest (million shares):	0.2
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>
Q1 Mar	0.4A		1.1E	1.0E
Q2 Jun	0.2A		1.5E	
Q3 Sep	0.8A	0.3E	2.3E	2.0E
Q4 Dec	<u>0.9E</u>	<u>0.5E</u>	<u>4.5E</u>	<u>3.5E</u>
Total	2.3E	1.4E	9.4E	8.0E
EV/Revs	19x		5x	

Earnings per Share (pro forma)

	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>
Q1 Mar	(1.44)A		(1.80)E	(1.95)E
Q2 Jun	(1.42)A		(1.77)E	(1.91)E
Q3 Sep	(1.31)A	(2.12)E	(1.76)E	(1.92)E
Q4 Dec	<u>(1.93)E</u>	<u>(2.06)E</u>	<u>(1.55)E</u>	<u>(1.76)E</u>
Total	(6.15)E	(7.10)E	(6.88)E	(7.54)E
P/E	N/A		N/A	

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

Important Disclosures

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

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 18.

Exhibit 1: PAVmed Company Overview



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



Founded 2014



Nasdaq IPO 2016



*Diversified
Product Portfolio*



*Groundbreaking
Technologies
Addressing Important
Unmet Clinical Needs*



*Business Model
Focused on
Speed to Market*



Innovation & Value Creation Engine

Internal Innovation >>>

License or Acquire >>>



Products ≡




Source: Company reports

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



Major Subsidiaries

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: PAVmed Products Highlights (as of Q3 2023)

Recent Highlights



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



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

Source: Company reports

Exhibit 4: PAVmed's January 2023 Restructuring



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

Source: Company reports.

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



Nasdaq: **LUCD**

Commercial-Stage Cancer Prevention Medical Diagnostics Company

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

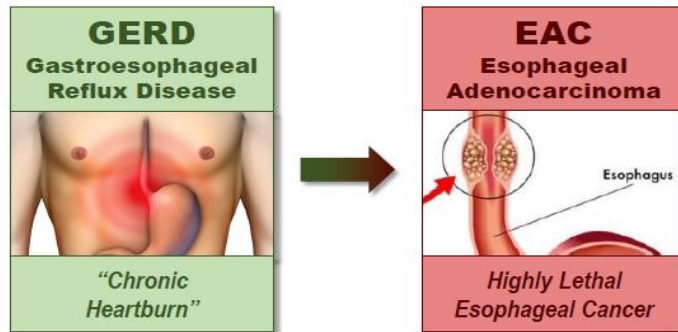


Source: Company reports.

Exhibit 6: Lucid Diagnostics



Commercial-Stage Diagnostic Technology Company Focused on Early Precancer Detection



MISSION: Prevent EAC Deaths in At-Risk GERD Patients

Lead Lucid Products

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



EsoGuard
esophageal DNA test



EsoCheck
cell collection device



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

Highlights



EsoGuard commercialized as LDT at dedicated CLIA/CAP Laboratory



Lucid Test Centers operating in 13 states



Effective CMS Payment



FDA Breakthrough Device Designation



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



EsoGuard & EsoCheck supported by professional society guidelines



Near-Term Value Inflection Milestones



Multi-Billion U.S. TAM

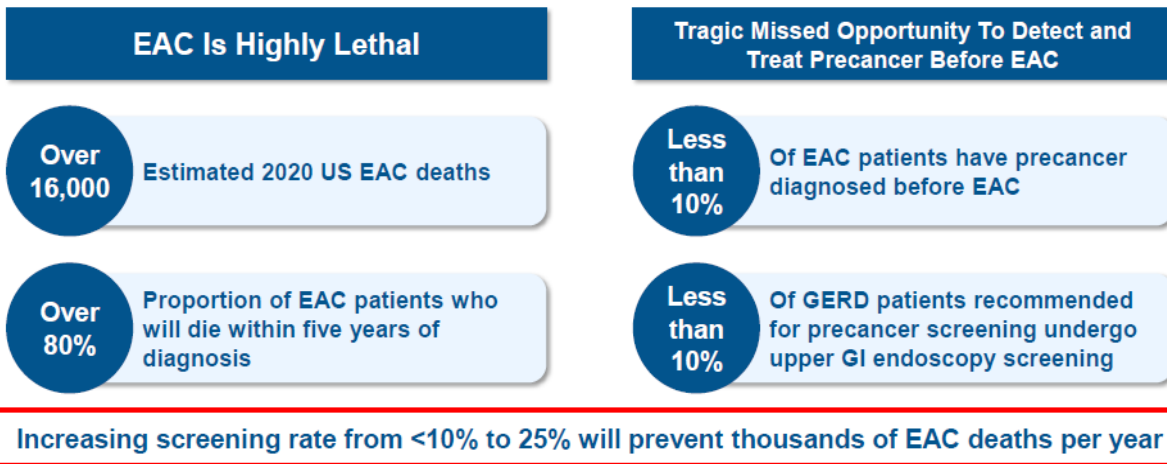
Exhibit 7: EsoCheck and EsoGuard Market Opportunity

EAC Precancer Screening to Prevent EAC

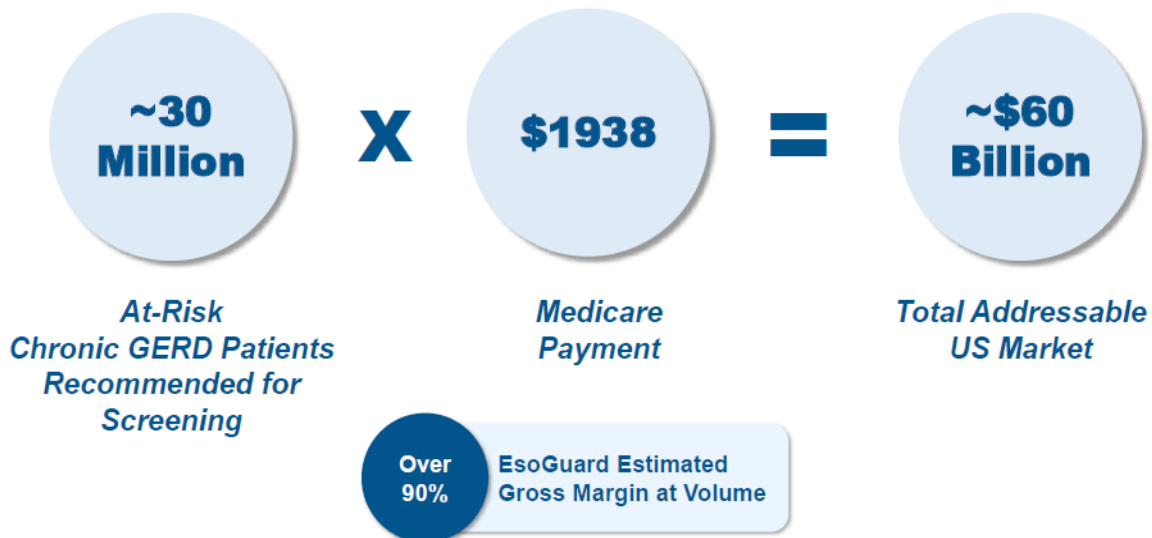
Major unmet clinical need

Necessary to prevent EAC deaths through early precancer detection

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



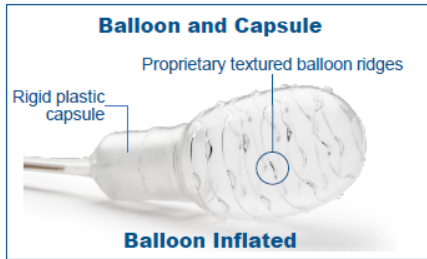
EsoGuard Commercial Opportunity



Source: Company reports.

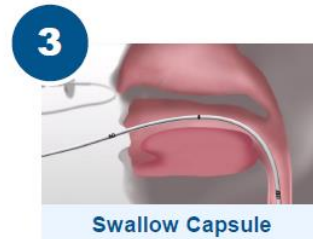
Exhibit 8: The EsoCheck Procedure

The EsoCheck Esophageal Cell Sampling Procedure



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

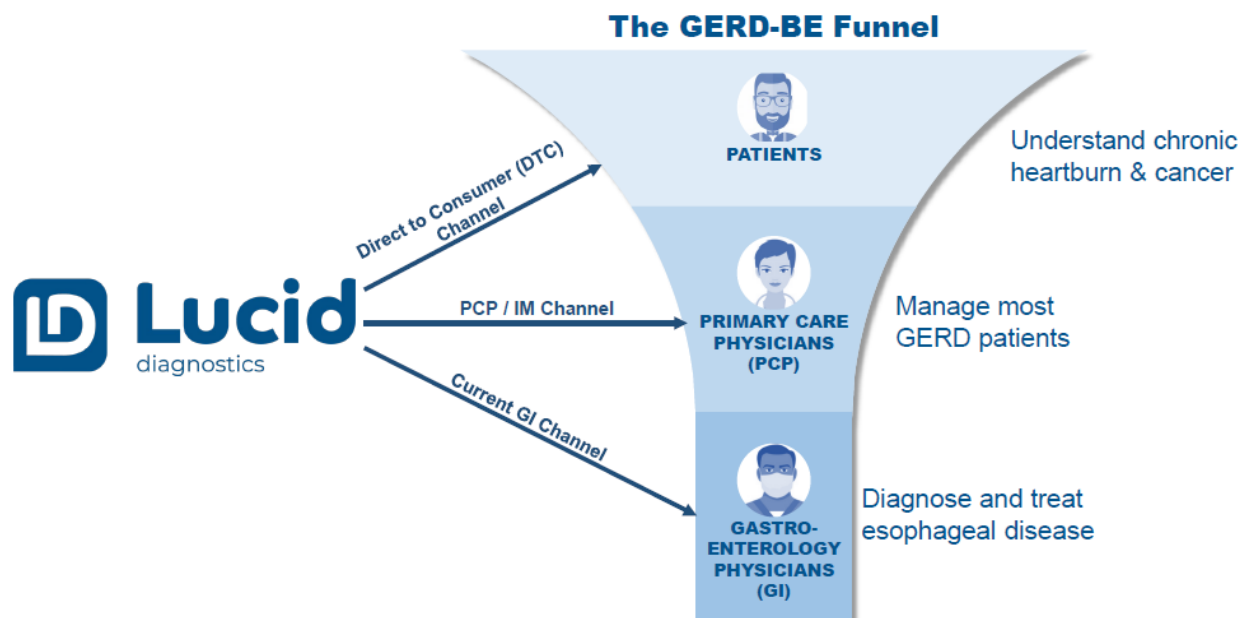
EsoCheck Procedure Steps



Source: Company reports.

Exhibit 9: Lucid Growth Strategy

Multichannel Commercial Strategy



EsoGuard Commercial Strategy

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

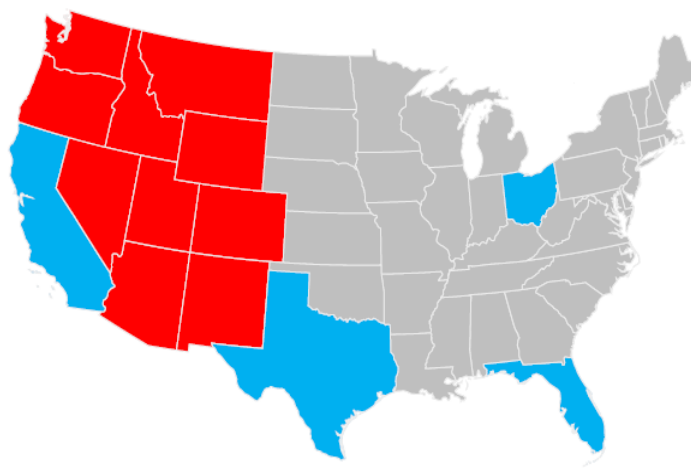
CELL COLLECTION SITE	Lucid Test Center (LTC)	Satellite Lucid Test Center (sLTC)	Physician Practice
EsoCheck Procedure Operator	Lucid NP	Lucid NP	Practice RN / NP / PA

Source: Company reports.

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

Lucid Test Centers

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



Lucid Test Centers



EsoGuard
esophageal DNA test



A new test for early detection of precursors of esophageal cancer

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

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

Who should be considered for testing?

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

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

plus two additional risk factors:

- Caucasian
- Male
- Central Obesity
- Past or Present History of Smoking
- Family History of BE or EAC

Patients may be referred to Lucid Test Centers:

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

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

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

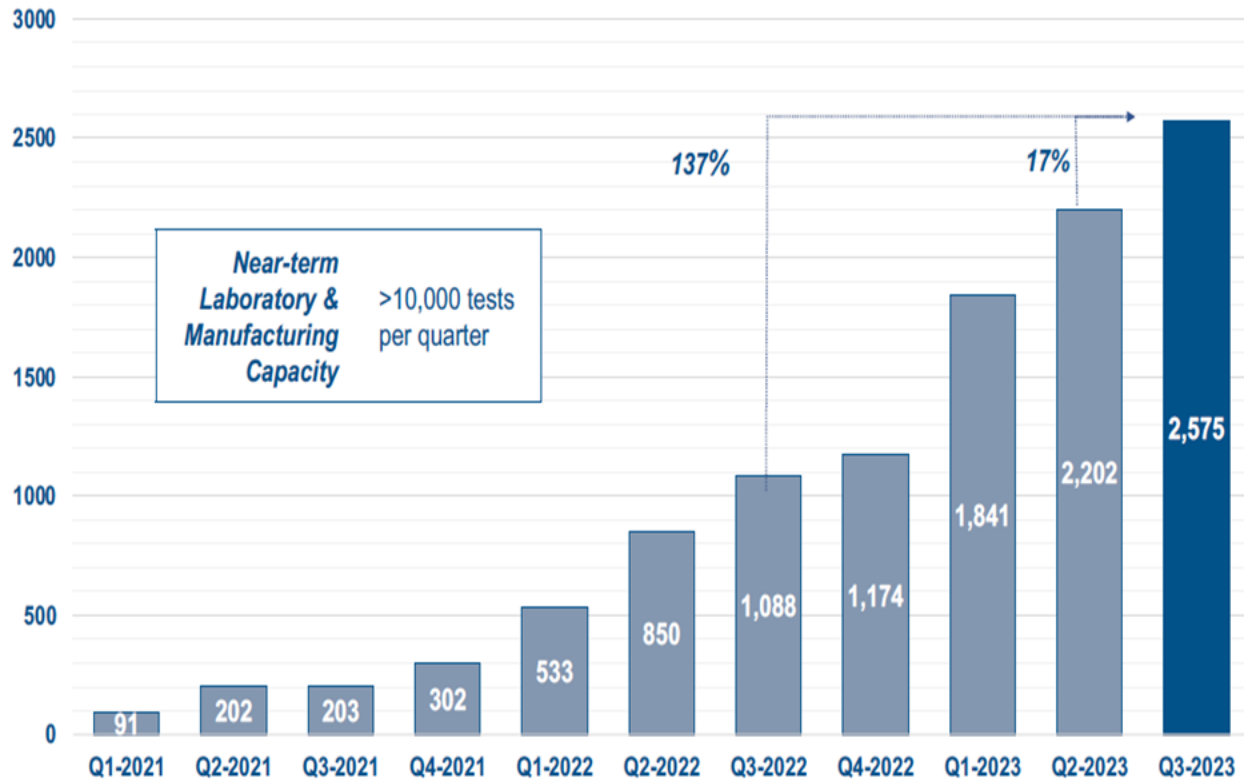
Over 90%

EsoGuard Estimated Gross Margin at Volume

Source: Company reports.

Exhibit 11: EsoGuard Testing Volume (as of Q3 2023)

EsoGuard Testing Volume by Quarter



Source: Company reports.

Exhibit 12: Veris Health Overview


PAVmed Launches Veris, Acquires Oncodisc



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

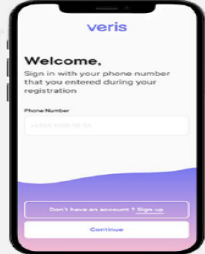
Solution: Veris Health Platform

DEVICE



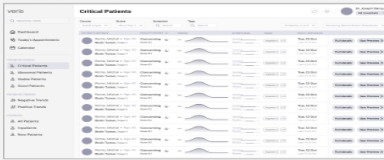
First intelligent implantable vascular access port

SOFTWARE



Patient mobile interface

DATA



Physician interface



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

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

\$70,000 Average Cost of Hospitalizations per Patient

Up to 50% Avoidable Hospitalizations

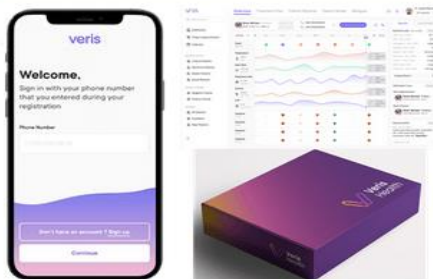
MISSION: Improve outcomes utilizing modern Remote Physiologic Monitoring (“RPM”) tools

Source: Company reports.

Exhibit 13: Veris Health Products


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

Veris Cancer Care Platform



Implantable Monitor



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

Source: Company reports.

Exhibit 14: Veris Health Business Model

Business Model

Veris Revenue Opportunity

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

Customer Value Proposition

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

Total Addressable Market opportunity of ~\$2 billion

Source: Company reports.

Exhibit 15: Q3 2023 and Recent Business Highlights (as of November 14, 2023)

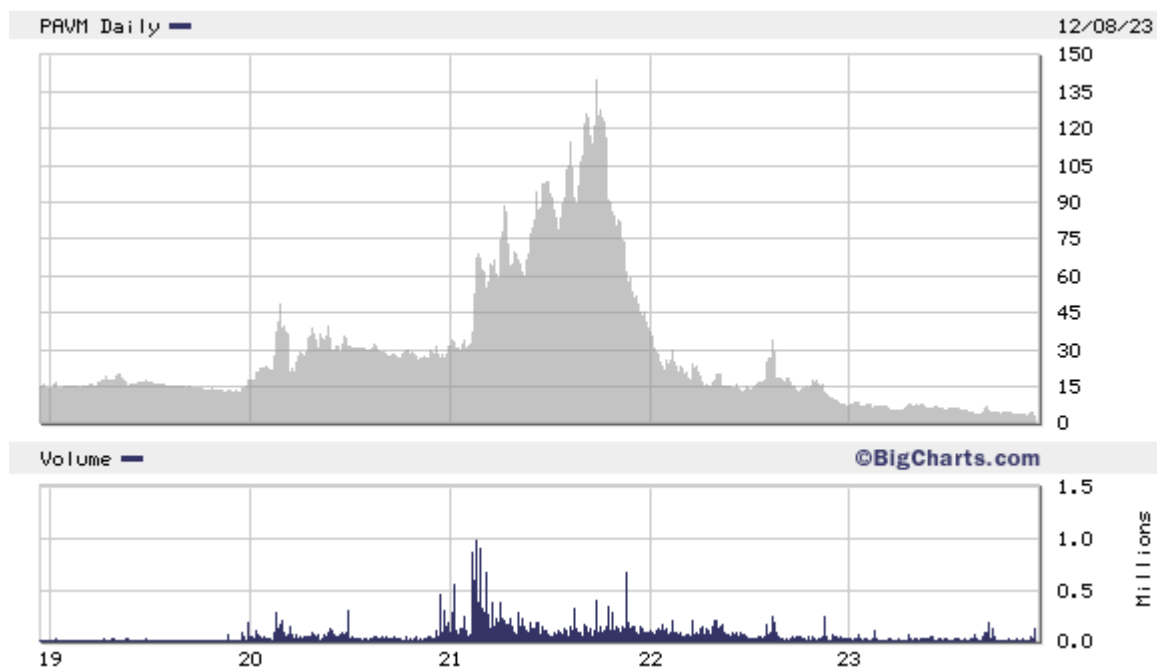
Highlights from the third quarter and recent weeks include:

- Yesterday, Lucid Diagnostics reported that quarterly EsoGuard testing volumes increased 17 percent sequentially from 2Q23 and 137 percent annually from 3Q22.
- Lucid's upgraded revenue cycle management infrastructure showed sustained impact, driving \$783K in quarterly revenue, representing a 392 percent increase sequentially from 2Q23 and a 930 percent annual increase from 3Q22.
- Lucid substantially increased its clinical utility data portfolio to support in-network payor coverage engagement, with near-perfect clinical utility data (98-100 percent concordance) from three studies.
- Lucid launched EsoGuard 2.0, the next generation of the EsoGuard Esophageal DNA test, which enhances performance and lowers per-sample costs.
- Veris restructured its commercial organization, including two new hires, with expansion efforts now underway aiming to accelerate patient enrollment at small-to-medium sized oncology practices and to secure strategic accounts, such as large academic cancer centers.
- Veris advanced development of the next-generation Veris Cancer Care Platform incorporating feedback from early adopters, including key enhancements for practice workflow and provider billing, with version 2.0 launching during 4Q23.
- Veris is in active discussions with several pharma companies to incorporate the platform as a digital companion for novel cancer therapeutics. The biopharma module will facilitate market surveillance to allow these drugs to become first- or second-line treatment options.
- Veris is working to upgrade the platform from an FDA-designated Medical Device Data System ("MDDS"), to a Software-as-a-Medical-Device ("SaMD"), with the goal of an FDA 510(k) submission next year. The upgraded platform will provide unlimited potential to grow into a clinical decision support tool that includes threshold alarms for faster provider response, analytical algorithms for effective triage, and digital biomarkers based on artificial intelligence and machine learning that will provide a risk assessment for cancer patients.
- Veris remains on track for a 2024 regulatory submission of its implantable cardiac and physiologic monitor, designed to be implanted in conjunction with a vascular access port. The team has held multiple, successful FDA pre-submission meetings on various design features.

Financial Results:

- For the three months ended September 30, 2023, revenues were \$0.8 million. Operating expenses were approximately \$16.3 million, which include stock-based compensation expenses of \$2.2 million. GAAP net loss attributable to common stockholders was approximately \$17.7 million, or \$(0.16) per common share.
- As shown below and for the purpose of illustrating the effect of stock-based compensation and other non-cash income and expenses on the Company's financial results, the Company's preliminary non-GAAP adjusted loss for the three months ended September 30, 2023, was approximately \$9.7 million or \$(0.09) per common share.
- PAVmed had cash and cash equivalents of \$26.4 million as of September 30, 2023, compared to \$37.2 million as of June 30, 2023.
- The unaudited financial results for the three months ended September 30, 2023 were filed with the SEC on Form 10-Q on November 13, 2023, and are available at www.pavmed.com or www.sec.gov.

Source: Company reports.

Exhibit 16: PAVmed Inc. Stock Price (5-years)


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

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

Exhibit 17: Consensus Expectations (as of November 14, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$0.04A		Q1 Mar	\$(1.50)A	
Q2 Jun	\$0.2A		Q2 Jun	\$(1.35)A	
Q3 Sep	\$0.7E		Q3 Sep	\$(2.10)E	
Q4 Dec	\$1.0E		Q4 Dec	\$(1.95)E	
Total	\$2.3E	\$9.7E	Total	\$(9.30)E	\$(7.35)E

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

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

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

FINANCIAL MODEL

PAVmed Inc.

Income Statement (\$ mils)	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	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	Q3A	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	0.8	0.9	2.3	1.1	1.5	2.3	4.5	9.4
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	1.7	1.8	1.4	6.2	0.3	0.5	0.7	1.4	2.8
Gross Profit	0.0	0.0	0.1	(0.1)	(0.1)	(0.2)	0.0	(1.6)	(1.5)	(3.2)	(0.9)	(1.5)	(1.0)	(0.5)	(3.9)	0.8	1.1	1.6	3.2	6.6
Sales and marketing	1.4	2.0	2.4	3.1	8.9	3.9	4.9	4.7	5.8	19.3	4.5	4.3	4.0	4.0	16.9	4.5	4.5	4.5	4.5	18.0
General and administrative	3.4	6.7	6.0	9.5	25.6	9.4	11.8	10.3	9.5	41.0	10.0	6.7	6.9	7.0	30.5	7.0	7.0	7.5	7.5	29.0
Research and development	3.3	4.3	5.3	7.0	19.8	5.9	6.7	6.2	6.7	25.5	4.4	3.5	3.2	4.0	15.1	4.0	4.0	4.0	4.0	16.0
Restructuring and other					0.0			0.5	1.3	1.8	0.5	0.5	0.5		1.5					0.0
Total operating expenses	8.1	13.0	13.7	19.5	54.3	19.3	23.5	21.8	23.2	87.7	19.5	15.0	14.5	15.0	64.0	15.5	15.5	16.0	16.0	63.0
Operating income (loss)	(8.1)	(13.0)	(13.7)	(19.7)	(54.4)	(19.5)	(23.5)	(23.3)	(24.7)	(90.9)	(20.4)	(16.5)	(15.5)	(15.5)	(67.9)	(14.7)	(14.5)	(14.4)	(12.9)	(56.4)
Interest income (expense)					0.0	(0.1)	(0.5)	(0.5)	(0.2)	(1.3)	(0.1)	(0.1)	(0.0)	(0.9)	(1.1)	(0.9)	(0.9)	(0.9)	(0.9)	(3.6)
Other income (expense)	(1.4)	1.4	1.4	2.4	3.8	2.6	(1.6)	(2.4)	4.3	2.9	2.5	2.0	(2.2)	0.0	2.3	0.3	0.2	0.2	0.2	0.9
Income before income taxes	(9.5)	(11.5)	(12.3)	(17.3)	(50.6)	(16.9)	(25.6)	(26.2)	(20.5)	(89.3)	(18.0)	(14.6)	(17.7)	(16.3)	(66.7)	(15.3)	(15.1)	(15.1)	(13.5)	(59.1)
Income taxes					0.0					0.0					0.0					0.0
Net income (loss)	(9.5)	(11.5)	(12.3)	(17.3)	(50.6)	(16.9)	(25.6)	(26.2)	(20.5)	(89.3)	(18.0)	(14.6)	(17.7)	(16.3)	(66.7)	(15.3)	(15.1)	(15.1)	(13.5)	(59.1)
Nonrecurring/noncash adjustments	3.6	5.1	4.0	4.4	17.1	5.2	11.0	12.4	6.7	35.3	8.7	4.7	8.0	0.8	22.2	0.8	0.8	0.8	0.8	3.0
Net income (pro forma)	(6.0)	(6.4)	(8.3)	(12.9)	(33.6)	(11.7)	(14.6)	(13.8)	(13.8)	(53.9)	(9.3)	(9.9)	(9.7)	(15.6)	(44.6)	(14.6)	(14.4)	(14.3)	(12.8)	(56.1)
EBITDA	(9.4)	(11.5)	(12.2)	(17.1)	(50.1)	(16.7)	(24.7)	(24.9)	(18.8)	(85.1)	(17.1)	(13.7)	(17.1)	(12.5)	(60.4)	(11.8)	(11.5)	(11.4)	(9.9)	(44.5)
Shares, Basic	4.9	5.5	5.6	5.8	5.2	5.8	5.8	6.0	6.0	5.9	6.5	7.0	7.5	8.1	7.2	8.1	8.1	8.2	8.2	8.2
Shares, Diluted	4.9	5.5	5.6	5.8	5.2	5.8	5.8	6.0	6.0	5.9	6.5	7.0	7.5	8.1	7.2	8.1	8.1	8.2	8.2	8.2
EPS Basic (pro forma)	(\$1.21)	(\$1.17)	(\$1.50)	(\$2.24)	(\$6.50)	(\$2.04)	(\$2.51)	(\$2.31)	(\$2.30)	(\$9.08)	(\$1.44)	(\$1.42)	(\$1.31)	(\$1.93)	(\$6.15)	(\$1.80)	(\$1.77)	(\$1.76)	(\$1.55)	(\$6.88)
EPS Diluted (pro forma)	(\$1.21)	(\$1.17)	(\$1.50)	(\$2.24)	(\$6.50)	(\$2.04)	(\$2.51)	(\$2.31)	(\$2.30)	(\$9.08)	(\$1.44)	(\$1.42)	(\$1.31)	(\$1.93)	(\$6.15)	(\$1.80)	(\$1.77)	(\$1.76)	(\$1.55)	(\$6.88)
Margins																				
Gross margin			28%	-47%	-17%	-95%	#DIV/0!	-2039%	-1346%	-859%	-202%	-915%	-125%	-50%	-167%	70%	70%	70%	70%	70%
Sales and marketing			1034%	1779%	2077%	#DIV/0!	6232%	5142%	5124%	1018%	2614%	508%	444%	734%	409%	300%	196%	100%	191%	191%
General and administrative			3155%	5113%	4986%	#DIV/0!	13579%	8446%	10886%	2246%	4007%	867%	778%	1326%	636%	467%	326%	167%	309%	309%
Research and development			2323%	3969%	3139%	#DIV/0!	8161%	5958%	6776%	995%	2090%	400%	444%	654%	364%	267%	174%	89%	170%	170%
Operating margin	NM	NM	-6834%	-6559%	-10879%	-10296%	NM	-30675%	-22033%	-24119%	-4574%	-9930%	-1963%	-1717%	-2947%	-1339%	-963%	-626%	-286%	-600%
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	NM	NM	-6147%	-5762%	-10126%	-8963%	NM	-34470%	-18332%	-23677%	-4037%	-8802%	-2244%	-1817%	-2897%	-1394%	-1010%	-656%	-301%	-629%
YY % change																				
Total Revenue																				
Gross margin																				
Sales and marketing						183%	148%	95%	86%	117%	16%	-11%	-15%	-31%	-13%	-1%	4%	12%	13%	7%
General and administrative	51%	134%	106%	138%	113%	179%	76%	72%	0%	61%	6%	-44%	-34%	-26%	-26%	-30%	5%	9%	7%	-5%
Research and development	26%	100%	103%	95%	81%	79%	58%	17%	-4%	29%	-25%	-49%	-49%	-40%	-41%	-10%	15%	27%	0%	6%
Operating income (loss)	54%	159%	147%	160%	133%	141%	81%	71%	25%	67%	5%	-30%	-33%	-37%	-25%	-28%	-12%	-7%	-17%	-17%
Net income (loss)	-35%	104%	121%	96%	46%	78%	122%	113%	19%	76%	6%	-43%	-32%	-20%	-25%	-15%	4%	-15%	-17%	-11%
EPS Diluted (pro forma)	-22%	-17%	6%	23%	0%	69%	115%	55%	3%	40%	-29%	-44%	-43%	-16%	-32%	25%	25%	34%	-20%	12%

Source: Company reports and Ascendant Capital Markets estimates.

Reflects a 1:15 reverse stock split in December 2023

PAVmed Inc.

Balance Sheet (\$ mils)	Mar-21	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	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	48.5	43.2	37.3	77.3	64.7	65.2	56.8	39.7	49.3	37.2	26.4	13.0	0.7	(11.6)	(23.7)	(34.4)
Short term investments												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
Inventory			0.1									0.0	0.0	0.0	0.0	0.0
Deferred income taxes												0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	2.0	3.1	4.1	5.2	6.2	5.7	5.2	4.2	4.5	5.9	6.0	6.0	6.0	6.0	6.0	6.0
Total current assets	50.5	46.3	41.7	82.6	71.0	70.8	62.0	43.9	53.8	43.1	32.5	19.1	6.7	(5.5)	(17.7)	(28.3)
Property and equipment, net			0.5	1.6	2.1	2.3	2.4	2.5	2.3	2.0	1.8	1.1	0.4	(0.3)	(1.0)	(1.7)
Intangibles, net			0.0	2.0	7.6	4.5	4.0	3.4	2.9	2.4	1.9	1.9	1.9	1.9	1.9	1.9
Deferred income tax												0.0	0.0	0.0	0.0	0.0
Other	0.9	1.0	0.8	0.7	3.6	4.9	4.2	4.2	6.3	6.1	5.8	5.8	5.8	5.8	5.8	5.8
Total assets	51.4	47.4	43.0	87.0	84.3	82.5	72.5	54.0	65.3	53.7	42.0	27.9	14.8	1.9	(10.9)	(22.2)
Liabilities and stockholders' equity																
Accounts payable	1.9	3.8	6.1	3.3	8.2	4.5	2.5	2.7	1.3	1.2	2.2	2.2	2.2	2.2	2.2	2.2
Accrued expenses	1.1	1.6	1.7	4.3	3.5	2.9	2.9	3.7	3.7	4.9	5.5	5.5	5.5	5.5	5.5	5.5
Deferred income tax												0.0	0.0	0.0	0.0	0.0
Other	0.3				5.8	1.9	1.0	1.1	1.3	1.7	1.9	1.9	1.9	1.9	1.9	1.9
Short term debt						29.5	35.5	33.7	44.3	43.0	45.0	45.0	45.0	45.0	45.0	45.0
Total current liabilities	3.3	5.3	7.8	7.6	17.5	38.9	41.9	41.2	50.5	50.8	54.5	54.5	54.5	54.5	54.5	54.5
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					2.1	2.2	2.0	1.8	3.9	3.7	3.3	3.3	3.3	3.3	3.3	3.3
Long term debt												0.0	0.0	0.0	0.0	0.0
Total other liabilities	0.0	0.0	0.0	0.0	2.1	2.2	2.0	1.8	3.9	3.7	3.3	3.3	3.3	3.3	3.3	3.3
Preferred stock	2.6	2.5	2.4	2.4	2.5	2.6	2.6	2.7	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.9
Common stock	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	2.4	4.6	6.9	9.1	11.3
Additional paid-in capital	145.4	149.7	154.1	198.1	199.7	201.3	214.3	216.1	221.2	226.3	232.2	232.2	232.2	232.2	232.2	232.2
Retained earnings	(97.8)	(109.3)	(121.6)	(138.9)	(155.8)	(181.4)	(207.6)	(228.2)	(246.2)	(260.8)	(278.5)	(294.9)	(310.2)	(325.4)	(340.4)	(354.0)
Treasury stock					(0.5)	(0.5)	(0.4)	(0.4)				0.0	0.0	0.0	0.0	0.0
Accumulated other comprehensive income												0.0	0.0	0.0	0.0	0.0
Minority Interest	(2.2)	(0.9)	0.4	17.8	18.8	19.4	19.6	20.6	32.9	30.7	27.4	27.4	27.4	27.4	27.4	27.4
Total stockholders' equity	48.0	42.0	35.2	79.4	64.7	41.4	28.6	10.9	10.8	(0.8)	(15.8)	(29.9)	(43.0)	(55.9)	(68.8)	(80.1)
Total stockholders' equity and liability	51.4	47.4	43.0	87.0	84.3	82.5	72.5	54.0	65.3	53.7	42.0	27.9	14.8	1.9	(10.9)	(22.2)

Balance Sheet Drivers

	Mar-21	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)	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4E	Q1E	Q2E	Q3E	Q4E
Book Value per Share (diluted)	9.74	7.67	6.34	13.79	11.25	7.14	4.77	1.83	1.67	(0.12)	(2.12)	(3.71)	(5.31)	(6.88)	(8.42)	(9.73)
Cash per Share (diluted)	9.85	7.88	6.72	13.42	11.25	11.24	9.49	6.64	7.61	5.34	3.54	1.61	0.08	(1.43)	(2.90)	(4.17)
Net cash per Share (diluted)	9.85	7.88	6.72	13.42	11.25	6.15	3.56	1.02	0.77	(0.84)	(2.49)	(3.96)	(5.47)	(6.96)	(8.41)	(9.64)

Source: Company reports and Ascendant Capital Markets estimates

PAVMed Inc.

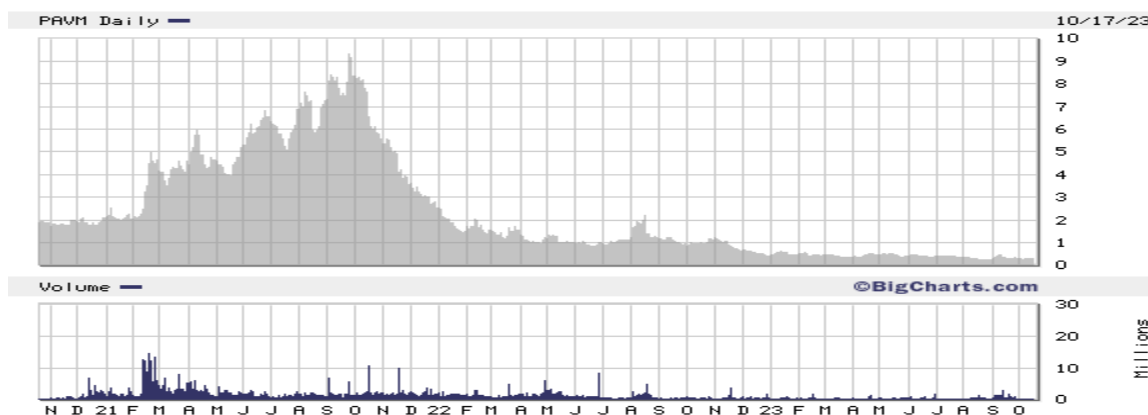
Cash Flow Statement (\$ mils)	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(10.1)	(12.7)	(13.7)	(19.7)	(56.1)	(19.6)	(29.1)	(29.9)	(24.6)	(103.2)	(22.2)	(17.9)	(21.7)	(16.3)	(78.2)	(15.3)	(15.1)	(15.1)	(13.5)	(59.1)	
Depreciation	0.0	0.0	0.0	0.0	0.1	0.1	0.9	0.7	0.7	2.5	0.7	0.7	0.7	0.7	2.9	0.7	0.7	0.7	0.7	2.9	
Amortization		0.0	(0.0)	0.1	0.1	0.1	(0.1)	0.0		0.0					0.0					0.0	
Debt related amortization expense					0.0					0.0		2.5	3.3		5.8					0.0	
Stock comp	1.4	5.2	4.0	4.4	15.0	4.8	5.2	5.0	5.2	20.2	4.4	2.5	2.2	2.2	11.4	2.2	2.2	2.2	2.2	9.0	
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 l	(1.7)				(1.7)		2.0	(0.3)	(0.5)	1.3	1.0	(0.8)	0.0		0.3					0.0	
Writedowns and impairments	3.7				3.7		2.5	6.1	0.3	9.0	1.7	(0.4)	2.9		4.1					0.0	
Other gains/losses		(0.2)		0.0	(0.2)					0.0	(1.0)	0.7	0.0		(0.3)					0.0	
Other					0.0	0.2	(0.1)	0.0	0.0	0.1	0.8	0.0	0.1		0.9					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)					0.0	
Prepaid expenses & other curre	(0.3)	(1.2)	(0.5)	(1.5)	(3.5)	(0.1)	(1.5)	1.1	1.0	0.4	(0.3)	(1.3)	(0.2)	0.0	(1.8)	0.0	0.0	0.0	0.0	0.0	
Other assets					0.0					0.0					0.0	0.0	0.0	0.0	0.0	0.0	
Accounts payable	(1.1)	1.7	2.3	(2.7)	0.2	3.9	(2.9)	(2.0)	0.2	(0.7)	(1.4)	(0.1)	1.0	0.0	(0.5)	0.0	0.0	0.0	0.0	0.0	
Accrued expenses	(1.2)	0.4	0.0	2.6	1.9	(1.8)	0.4	(0.0)	0.8	(0.6)		1.2	0.5	0.0	1.8	0.0	0.0	0.0	0.0	0.0	
Other liabilities					0.0					0.0	0.0	(0.0)	0.0		0.0	0.0	0.0	0.0	0.0	0.0	
Net cash (used in) provided by	(9.2)	(6.6)	(8.0)	(16.8)	(40.6)	(12.3)	(22.6)	(19.3)	(16.8)	(71.0)	(16.3)	(12.8)	(11.1)	(13.4)	(53.5)	(12.4)	(12.2)	(12.1)	(10.6)	(47.2)	
Cash flow from investing activities																					
Purchases of property and equi	(0.0)	(0.1)	(0.0)	(1.3)	(1.5)	(0.6)	(0.4)	(0.3)	(0.3)	(1.5)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	(0.0)	(0.1)	(0.2)	
Purchases of short-term investments					0.0					0.0					0.0					0.0	
Acquisitions		(0.0)	(0.1)	(2.1)	(2.2)		(2.2)	(1.0)		(3.2)	1.0				1.0					0.0	
Other					0.0					0.0					0.0					0.0	
Net cash used in investing acti	(0.0)	(0.2)	(0.1)	(3.4)	(3.7)	(0.6)	(2.6)	(1.3)	(0.3)	(4.7)	1.0	(0.0)	(0.0)	(0.0)	0.9	(0.0)	(0.1)	(0.0)	(0.1)	(0.2)	
Cash flow from financing activities																					
Issuance of debt					0.0		25.0	10.2		35.2	9.9	0.1		0.0	10.0	0.0	0.0	0.0	0.0	0.0	
Repayment of debt	(15.0)			0.0	(15.0)					0.0					0.0					0.0	
Issuance of stock	53.7			56.3	110.0			1.8	0.1	1.9	14.5	0.6	0.0	0.0	15.1	0.0	0.0	0.0	0.0	0.0	
Proceeds from stock option exe	1.8	1.5	2.3	3.7	9.2	0.3	0.9	0.3	0.0	1.5	0.5	0.0	0.4	0.8						0.0	
Other				0.0	0.0		(0.4)			(0.4)				0.0						0.0	
Dividends and distributions					0.0					0.0					0.0					0.0	
Cash provided by (used in) fina	40.5	1.5	2.3	60.1	104.3	0.3	25.5	12.3	0.1	38.2	24.8	0.7	0.4	0.0	25.9	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	31.3	(5.3)	(5.9)	39.9	60.0	(12.5)	0.4	(8.4)	(17.0)	(37.5)	9.5	(12.1)	(10.8)	(13.4)	(26.7)	(12.4)	(12.2)	(12.1)	(10.6)	(47.4)	
Beginning cash and equivalents	17.3	48.5	43.2	37.3	17.3	77.3	64.7	65.2	56.8	77.3	39.7	49.3	37.2	26.4	39.7	13.0	0.7	(11.6)	(23.7)	13.0	
Ending cash and equivalents	48.5	43.2	37.3	77.3	77.3	64.7	65.2	56.8	39.7	39.7	49.3	37.2	26.4	13.0	13.0	0.7	(11.6)	(23.7)	(34.4)	(34.4)	

Source: Company reports and Ascendant Capital Markets estimates

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PAVmed Inc. (as of 10/15/23)



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

	Report Date		Price
Report	Date	Rating	Target
1	11/5/2020	Buy	5.00
2	11/21/2020	Buy	5.25
3	3/18/2021	Buy	9.00
4	6/4/2021	Buy	9.50
5	8/23/2021	Buy	10.00
6	12/1/2021	Buy	10.50
7	4/16/2022	Buy	9.50
8	6/6/2022	Buy	9.00
9	9/14/2022	Buy	8.75
10	11/22/2022	Buy	8.25
11	4/9/2023	Buy	7.75
12	5/26/2023	Buy	7.50
13	9/5/2023	Buy	7.00

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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 October 13, 2023)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	51	98%	19	37%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	52	100%	19	37%

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

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