

GRI Bio, Inc.

Reports Q1 results. We believe positive clinical data in Q2 & Q3 2025 to be strong catalysts for stock. Lowering P/T to \$34.

COMPANY UPDATE

Rating: BUY

Ticker: GRI

Price: \$1.20

Target: \$34
(from \$40)

Reports Q1 results: GRI Bio recently (on May 15) reported its fiscal Q1 2025 (ending March) results. Net loss was \$3.0 million or EPS of \$(5.80), which compared with our estimates of \$(4.11) and consensus of \$(4.08). There was no Q1 guidance. GRI Bio is a clinical stage drug development company so it generates no revenue.

No guidance: Management did not provide forward guidance, but we believe ~\$2 million to be a reasonable near term quarterly cash burn rate.

Adjusting estimates: We are adjusting our 2025 estimates for EPS to \$(5.79) from \$(5.15).

Focus on immune response regulations: GRI Bio's science is founded on the discovery that NKT (Natural killer T) cells and dysregulated (uncontrolled) immune responses can be reset by regulating the activity of NKT cells to potentially treat a broad array of acute and chronic conditions.

GRI-0621: The company's initial main focus is developing GRI-0621 for the treatment of IPF (Idiopathic Pulmonary Fibrosis). GRI-0621 is designed to reset the dysfunctional immune response driving disease by inhibiting the activity of iNKT cells, as opposed to targeting a symptom of the disease.

Phase 2a Trial for GRI-0621: In December 2023, the company commenced enrollment for its GRI-0621 Phase 2a Trial in Patients with IPF. This trial will be a twelve-week, multicenter, multinational, randomized, placebo-controlled trial in approximately 36 patients with IPF. This trial is expected to take about one year.

Key data expected in Q2 2025 and Q3 2025: The company expects interim data from the Phase 2a study in Q2 2025 and top-line data in Q3 2025.

GRI-0803: The company's second planned drug product is GRI-0803, which is a novel oral agonist (activates a receptor to produce a biological response) of type 2 Natural Killer T (type 2 NKT) cells. The company is developing GRI-0803 for the treatment of autoimmune disorders, with much of its preclinical work in SLE (systemic lupus erythematosus or lupus) and MS (multiple sclerosis).

IND for GRI-0803 in 2025: The company expects to file an IND (Investigational New Drug Application) for GRI-0803 to treat Lupus in 2025.

Large market potential for IPF: Idiopathic pulmonary fibrosis is one of the most common and severe form of progressive PF. IPF is on the rise with more than 40,000 new cases diagnosed annually. More than 250,000 Americans are living with PF and ILD, of which IPF affects approximately 140,000 patients in the U.S.

Large market potential for Lupus: The Lupus Foundation of America estimates that 1.5 million Americans, and at least five million people worldwide, have a form of lupus. As many as 24,000 people in the U.S. are diagnosed with the disease each year.

Balance sheet: In Q1, GRI had \$3 million in cash and no debt. In the current Q2, the company raised \$5 million. We believe it has enough cash into 2026.

Positive high risks versus high rewards: Overall, concerns outweighed by growth prospects and valuation. GRI Bio's 2 drugs still have long development and commercialization roads left and the high risks of clinical trials or commercial failures, 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 \$34 from \$40, based on a NPV analysis, representing significant upside from the current share price. We believe this valuation fairly balances out the high risks with large upside opportunities.

Company Description

Based in La Jolla, CA, GRI Bio is a clinical-stage biopharmaceutical company focused on diseases associated with dysregulated immune responses leading to inflammatory, fibrotic, and autoimmune disorders.

United States
Healthcare

May 24, 2025

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Stock Data

Exchange:	NasdaqCM
52-week Range:	1.10 – 81.77
Shares Outstanding (million):	2
Market cap (\$million):	\$2
EV (\$million):	\$(1)
Debt (\$million):	\$0
Cash (\$million):	\$3
Avg. Daily Trading Vol. (\$million):	\$1
Float (million shares):	1
Short Interest (million shares):	0.1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)	<u>2026E</u> (Cur.)	<u>2026E</u> (Old)
Q1 Mar	0A	0E	0E	
Q2 Jun	0E		0E	
Q3 Sep	0E		0E	
Q4 Dec	<u>0E</u>		<u>0E</u>	
Total	0E		0E	
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	<u>2025E</u> (Cur.)	<u>2025E</u> (Old)	<u>2026E</u> (Cur.)	<u>2026E</u> (Old)
Q1 Mar	(5.80)A	(4.11)E	(0.96)E	
Q2 Jun	(1.23)E	(1.10)E	(0.92)E	
Q3 Sep	(1.13)E	(1.05)E	(0.89)E	(0.88)E
Q4 Dec	<u>(1.00)E</u>		<u>(0.79)E</u>	<u>(0.85)E</u>
Total	<u>(5.79)E</u>	<u>(5.15)E</u>	<u>(3.55)E</u>	<u>(3.59)E</u>
P/E	N/A		N/A	

*Reflects a 1:17 reverse stock split in February 2025.

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 21.

Exhibit 1: GRI Bio, Inc. Corporate Overview



A New Approach to Inflammatory Diseases

Summary

Elevating Clinical Stage Biotechnology
Company Advancing Innovative Pipeline
Across Multiple Orphan and High-Value
Inflammatory, Fibrotic and Autoimmune
Diseases

**We Believe NKT Science is Compelling
to Fundamental Institutional Investors
and Big Pharma Partners**

NKT Science

Leading NKT regulation
technology targeting earlier in
the inflammatory cascade to
interrupt disease progression

High-Value Indications

Clinical pipeline in potential high-
value indications with multiple
pipeline expansion opportunities

Proven Team

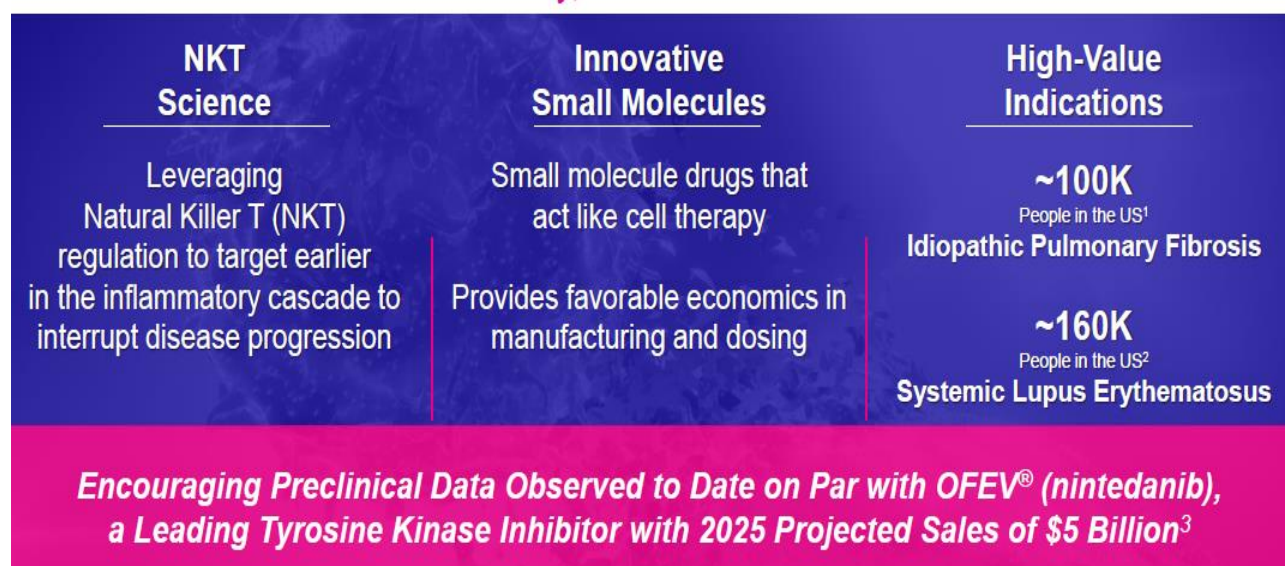
Team with proven NKT,
immunology and drug
development experience

Source: Company reports.

Exhibit 2: GRI Bio Investment Highlights

Highlights

Advancing an Innovative Pipeline of NKT Cell Modulators for the Treatment of Inflammatory, Fibrotic and Autoimmune Diseases



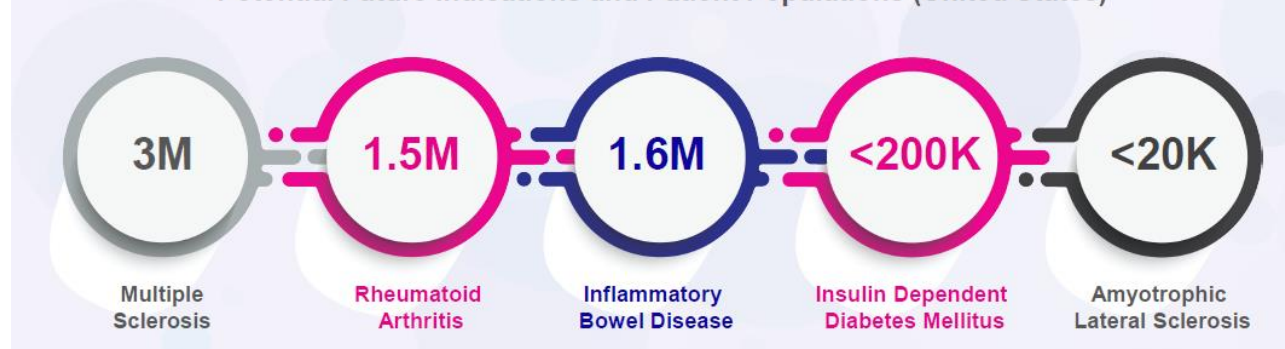
Source: Company reports.

Exhibit 3: GRI Bio Pipeline Expansion Opportunities

Pipeline Expansion Opportunities

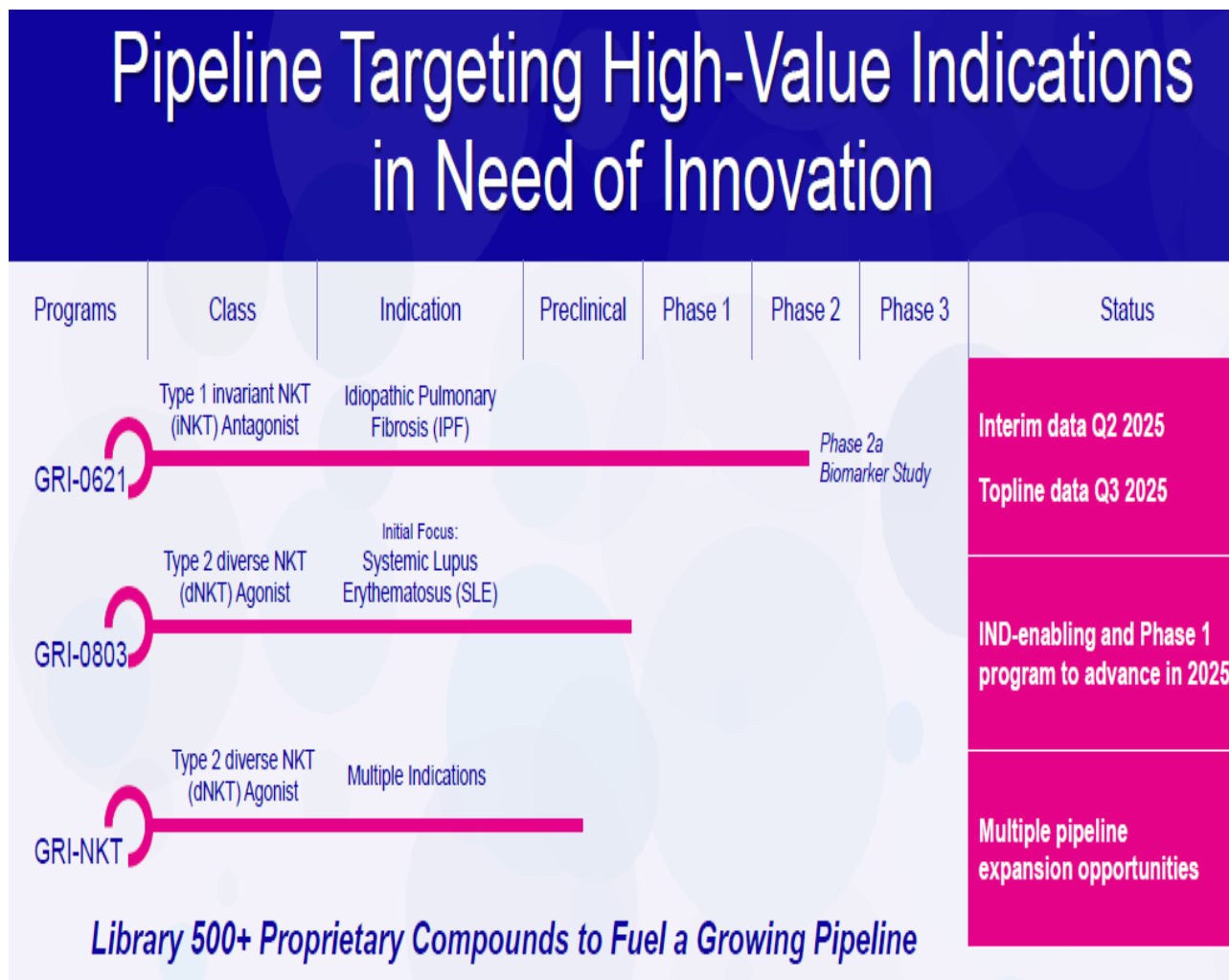
Type 2 NKT Agonists For Autoimmunity

Potential Future Indications and Patient Populations (United States)



Source: Company reports.

Exhibit 4: GRI Bio Drug Pipeline Overview



Source: Company reports.

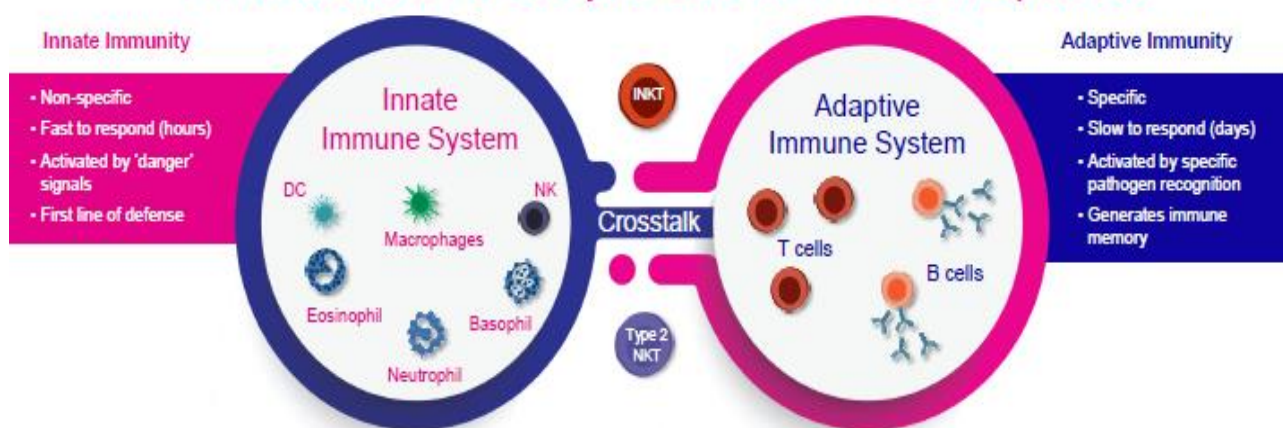
Exhibit 5: NKT Science

NKT SCIENCE:

Target the Immune Response Earlier in the Inflammatory Cascade to Interrupt Disease Progression

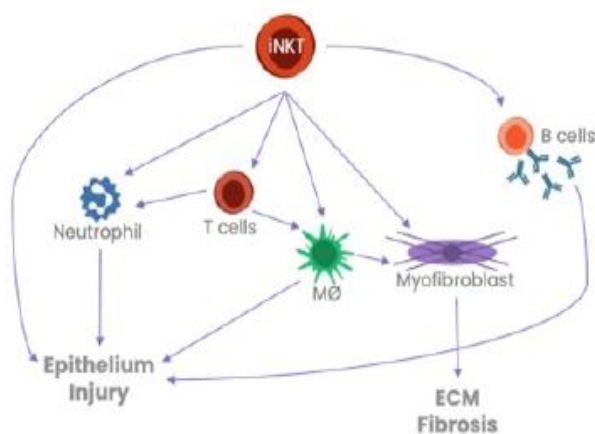
NKT Cells for Immune Regulation

Novel Immune Mechanism to Regulate the Adaptive-Innate Immune Axis & Reset Dysfunctional Immune Responses

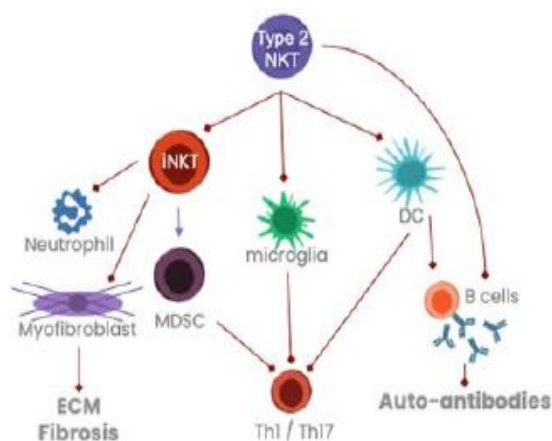


Regulating NKT Cells is a Selective Approach to Immunomodulation via Resetting the Immune Response

iNKT ARE EFFECTOR T CELLS & PROMOTE DYSREGULATED IMMUNITY

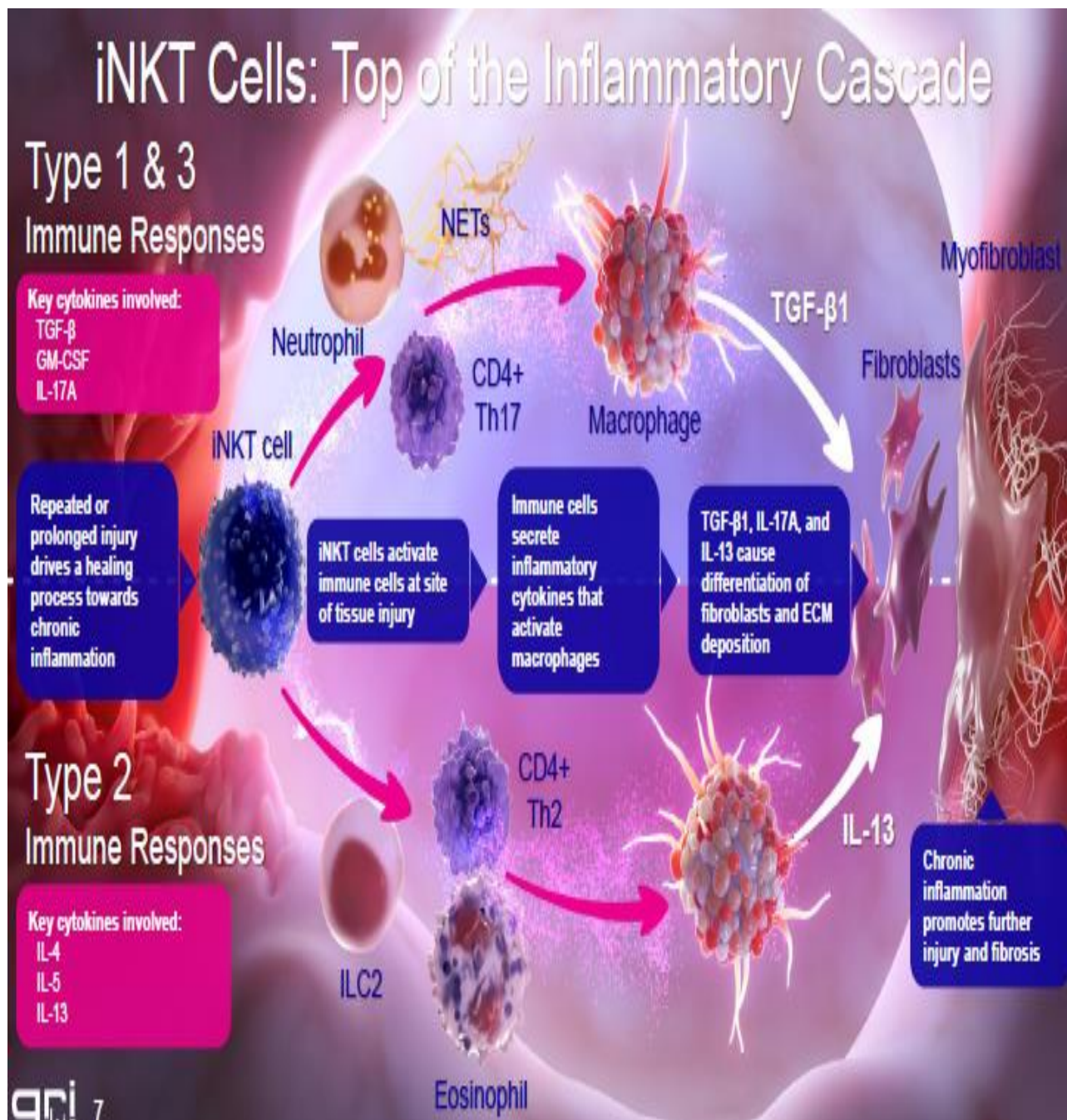


Type 2 NKT ARE REGULATORY T CELLS & RESET DYSREGULATED IMMUNITY



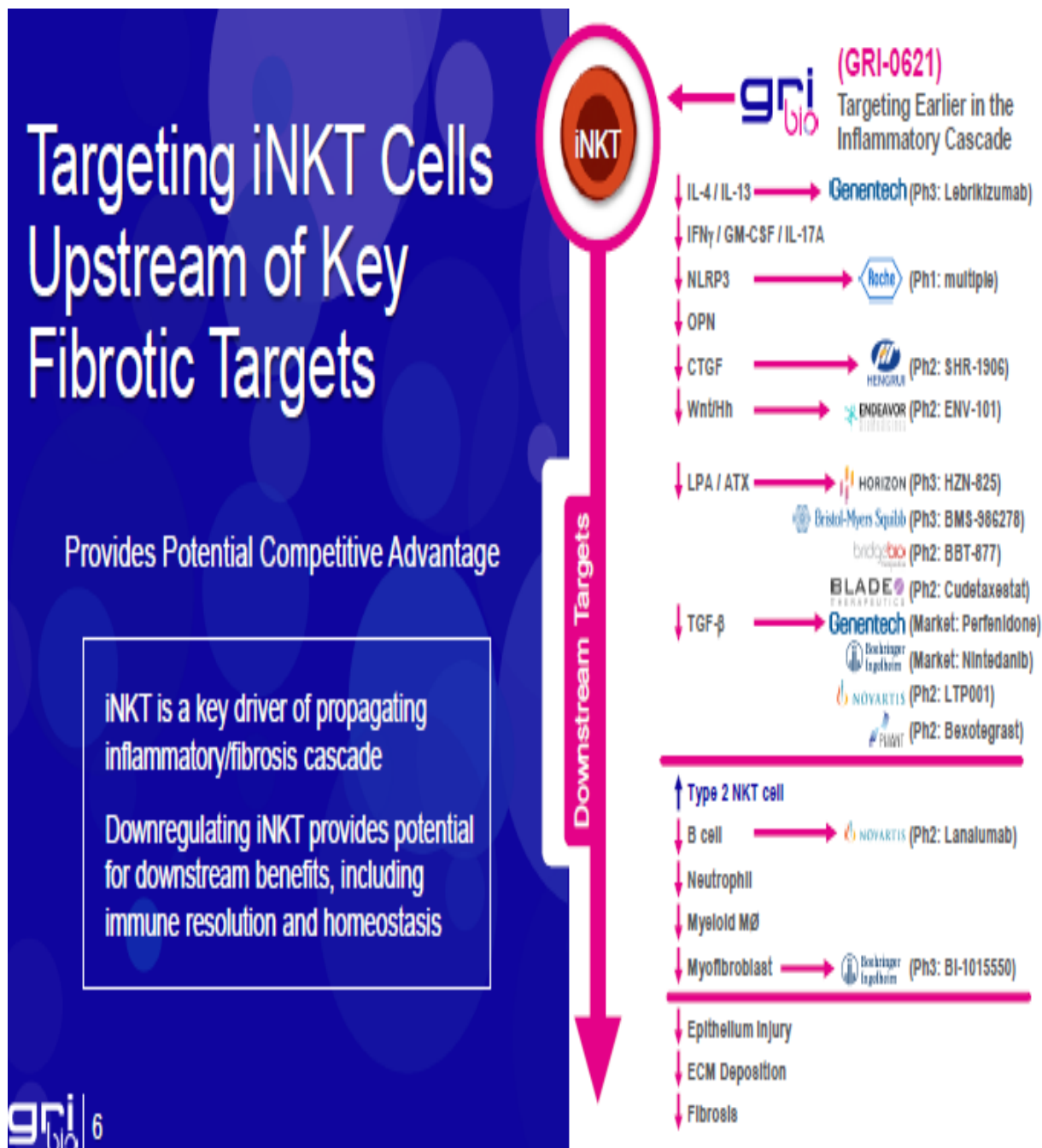
Source: Company reports.

Exhibit 6: iNKT Cells Role in Inflammation



Source: Company reports.

Exhibit 7: Targeting iNKT Cells Upstream



Source: Company reports.

Exhibit 8: Good (Acute) vs. Bad (Chronic) Inflammation

TYPES OF INFLAMMATION

ACUTE “GOOD” INFLAMMATION



A **serious** threat triggers inflammation (a cut, bruise, infection, etc.)



The body releases inflammatory compounds



The job gets done & anti-inflammatory compounds are released. The body goes back to business as usual

CHRONIC “BAD” INFLAMMATION



A non-serious event triggers inflammation (eating a certain food, acne bacteria. etc.)



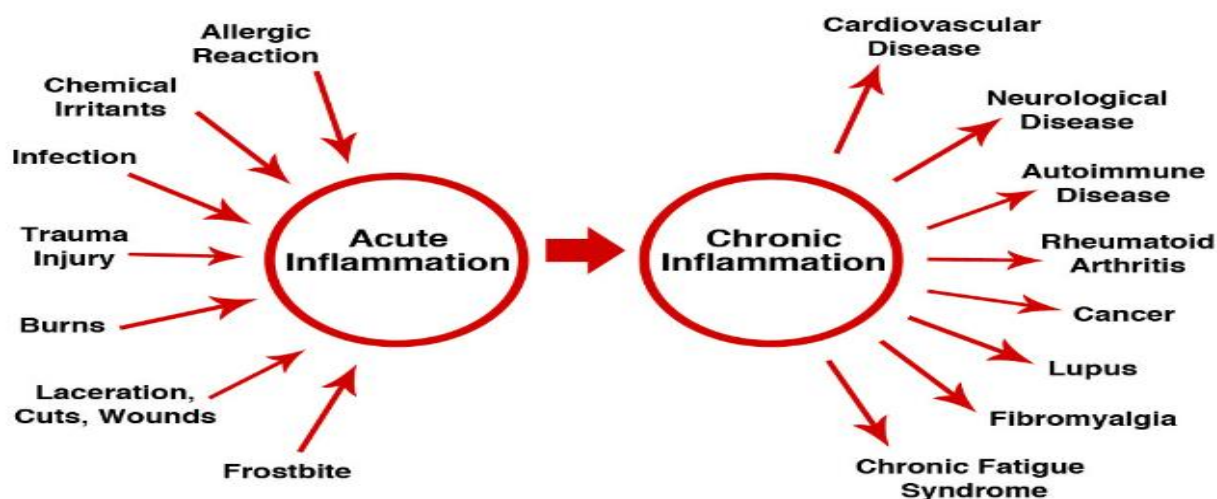
The body releases inflammatory compounds



The body *doesn't* release anti-inflammatory compounds and keeps sending an inflammatory response

GoodGlow.co

Acute Vs. Chronic Inflammation



Source: Inside Out Health Wellness

Source: GoodGlow.co and Inside Out Health Wellness.

Exhibit 9: GRI-0621 For Idiopathic Pulmonary Fibrosis (IPF)

GRI-0621

Idiopathic Pulmonary Fibrosis (IPF)

Ongoing Phase 2a biomarker study with interim data expected Q2 2025 and topline data Q3 2025

Leveraging FDA agreed 505(b)(2) regulatory pathway

Orphan indication with ~40K newly diagnosed cases annually¹

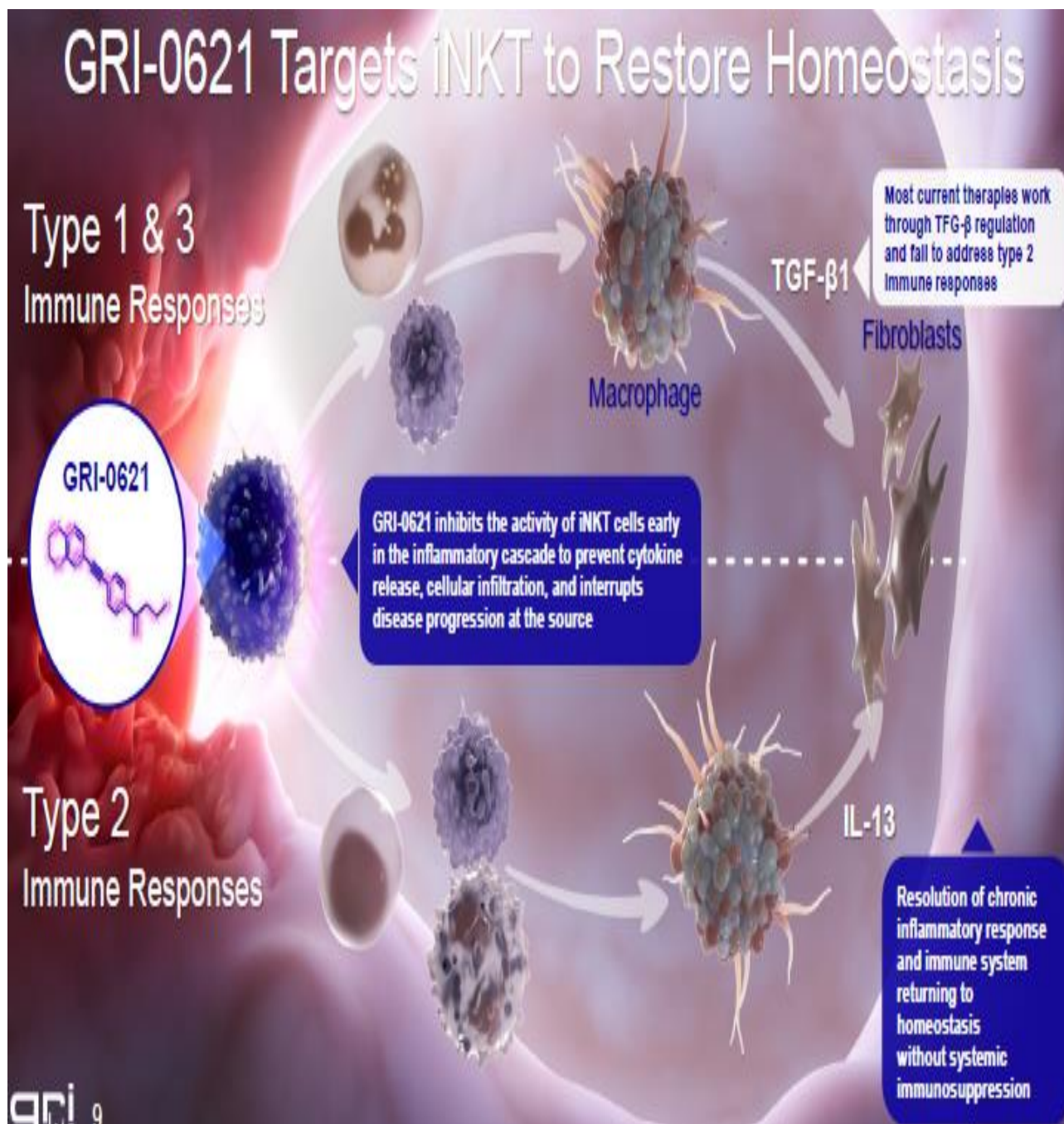
GRI-0621 is a small molecule RAR- $\beta\gamma$ dual agonist that inhibits the activity of human iNKT cells. GRI-0621 has been shown to reduce aminotransferases and other LFTs in patients and improve fibrosis in multiple disease models. GRI is repurposing GRI-0621 as a once-daily oral capsule for the treatment of IPF with the potential to expand into additional fibrotic indications.

Key Highlights:

- Targets upstream in the inflammatory cascade providing potential for greater efficacy
- Favorable safety profile demonstrated in prior late stage studies
- iNKT inhibition demonstrated fibrosis resolution in multiple animal models
- Extensive IP protection with issued medical use patents and market LOE through 2036

Source: Company reports.

Exhibit 10: GRI-0621 Targets iNKT To Restore Homeostasis (Normal Health)

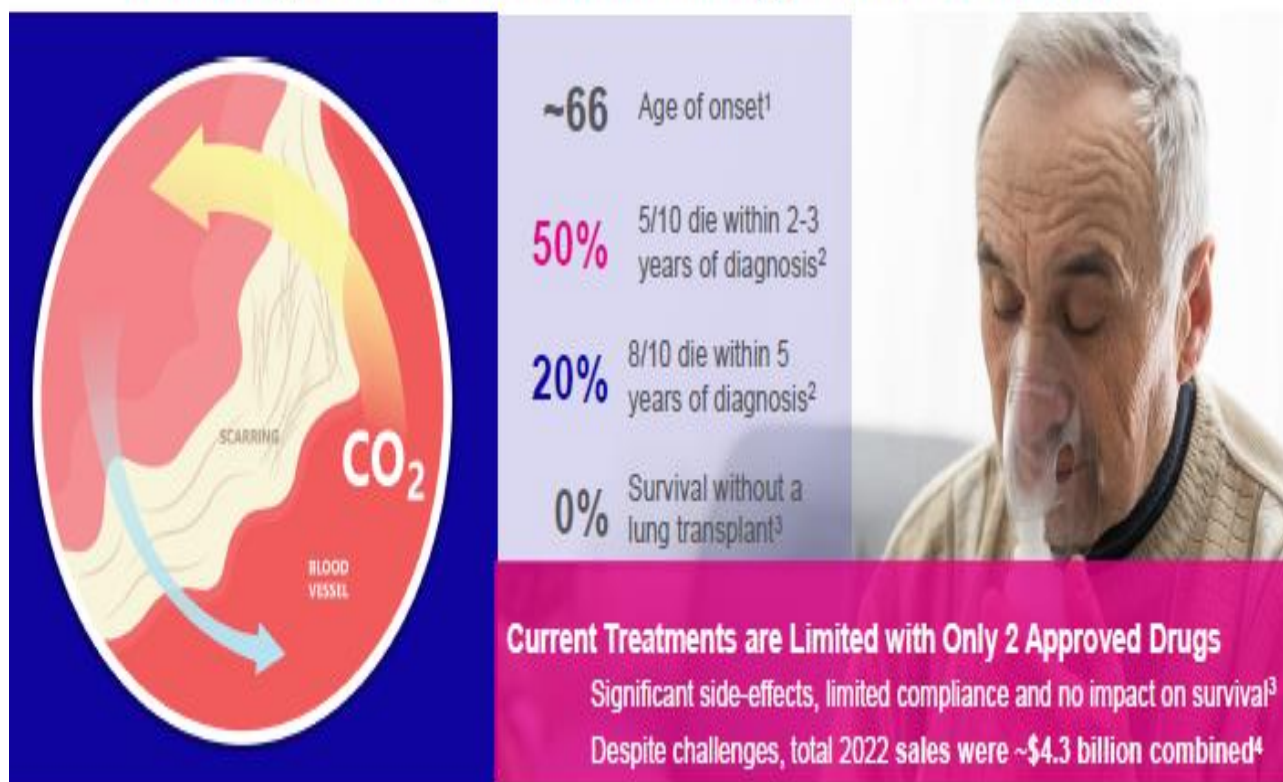


Source: Company report.

Exhibit 11: Idiopathic Pulmonary Fibrosis

The Need in Idiopathic Pulmonary Fibrosis

A Rare Chronic Progressive Pulmonary Disease with Abnormal Scarring of the Lungs Blocking the Movement of Oxygen into the Bloodstream



Source: Company reports.

Exhibit 12: GRI-0621 For IPF Benefits

GRI-0621 for the Treatment of Idiopathic Pulmonary Fibrosis

Small molecule RAR- β dual agonist that inhibits the activity of human iNKT cells

iNKT inhibition demonstrated fibrosis resolution in multiple animal models

Established safety profile as an oral formulation

GRI-0621 is an oral formulation of an FDA-approved topical dermatology product, tazarotene

Prior late-stage studies of an oral formulation of tazarotene demonstrated favorable safety profile in ~1,700 subjects

Extensive IP protection with issued medical use patents and market LOE through 2036

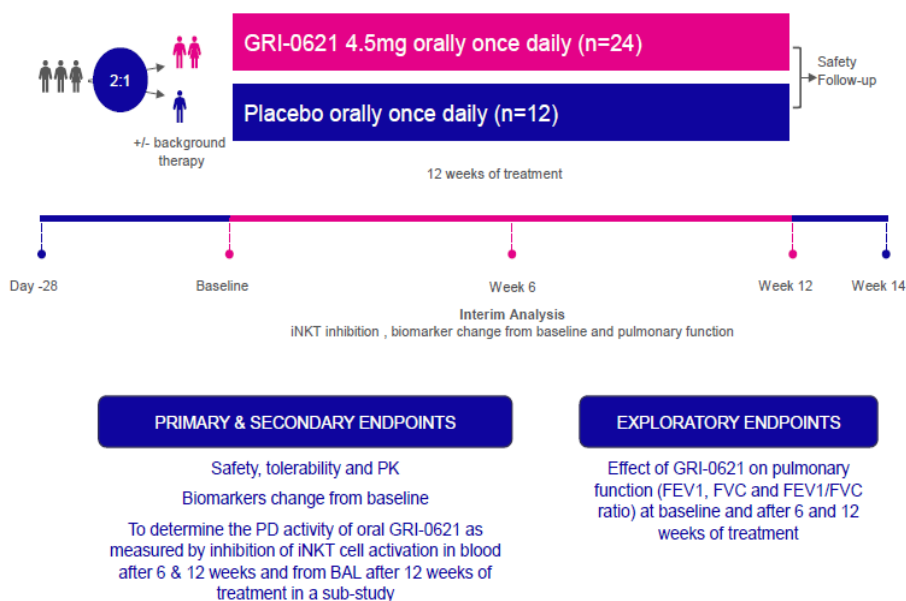
Source: Company reports.

Exhibit 13: GRI-0621 for IPF Phase 2 Clinical Trial

KEY INCLUSION CRITERIA

1. Men or women 40-85 yrs
2. Confirmed IPF diagnosis
3. FVC > 50% predicted
4. FEV1/FVC > 0.65
5. DLCOc > 30% predicted
6. Life expectancy of at least 12-months
7. Subjects on approved IPF therapy must remain on their current medication from Screening until the last study visit

Ongoing Phase 2 Study in IPF



Source: Company reports.

Exhibit 14: GRI-0803 For Systemic Lupus Erythematosus (SLE)

GRI-0803

Initial Focus on Systemic
Lupus Erythematosus (SLE)

Novel activator of human type 2 NKT cells

Extensive IP protection with issued
composition of matter and use patents and
market LOE through 2038

GRI-0803 is a novel activator of human type 2 NKT cells in development for the treatment of autoimmune disorders, with an initial focus on systemic lupus erythematosus (SLE). Activation of type 2 NKT leads to a dendritic cell-mediated inhibition of iNKT cells. In our preclinical studies, type 2 NKT activating molecules, GRI-0803 and GRI-0124, were observed to inhibit both murine and human iNKT cells. Oral administration of these type 2 NKT activating molecules was observed to inhibit lupus nephritis and to significantly improve overall survival.

Key Highlights:

- Targets upstream in the inflammatory cascade providing potential for greater efficacy
- Oral administration in a spontaneous model of lupus nephritis demonstrated significant inhibition of pro-inflammatory cytokines, including IL-6 and IL-17; significant inhibition of autoantibodies; and improvement in overall and proteinuria-free survival

Advancing Toward the Clinic

IND-Enabling and Phase 1 Program to Advance in 2025

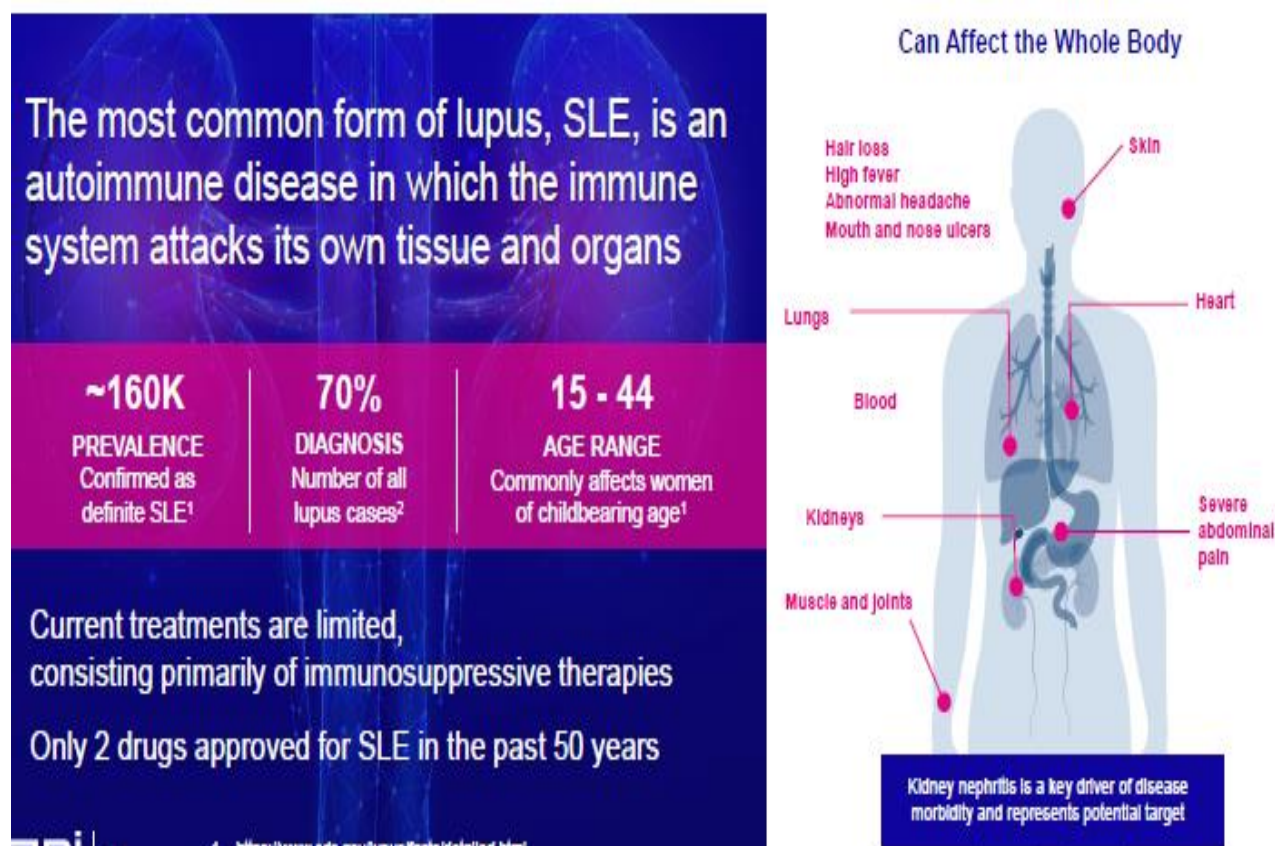
Steps Toward
IND Filing

Validate bioanalytical methods
Complete cGMP manufacturing
Complete toxicology studies

Source: Company reports.

Exhibit 15: Systemic Lupus Erythematosus (SLE)

The Need in Systemic Lupus Erythematosus



Source: Company reports.

Exhibit 16: GRI Bio's Strategy (as of March 2025)

Our Strategy

Our goal is to become a leader in developing and commercializing therapeutics that target diseases with significant unmet needs. Our initial focus is on developing product candidates that target the activity of NKT cells and their role in driving dysregulated immune responses. Our strategy is focused on the following key components:

- **Efficiently advance the clinical development of GRI-0621 in IPF** . We intend to conduct a randomized double-blind placebo-controlled Phase 2a trial in approximately 36 patients with IPF with topline data expected in the third quarter of 2025. This orphan disease is therapeutically underserved, and we believe that GRI-0621 may have the ability to become the first true disease-modifying therapy for these patients. Assuming a positive result in this trial, we plan to initiate a Phase 2b trial that could support an application for conditional approval of GRI-0621 in the European Union (the EU) and could have the potential to be regarded as a registrational trial in the United States.
- **Advance GRI-0803 through Phase 1a/1b studies initially targeting SLE** . Subject to IND clearance, we intend to evaluate GRI-0803 in a Phase 1a and 1b trial initially targeting SLE. We expect to file an IND with respect to this trial in 2025.
- **Leverage our understanding of iNKT and dNKT cells in disease and continue evaluating GRI-0621, GRI-0803, and additional product candidates in subsequent indications** . We intend to expand our leadership as a company dedicated to developing therapies that directly target the biological processes driving dysregulated immune responses. We also intend to selectively pursue business development opportunities to expand our product portfolio and supporting technologies.
- **Continue to build a patient-focused company across a broad range of inflammatory, fibrotic and autoimmune diseases** . In building a patient-focused company to address the needs of patients, we will work with clinicians, patient advocacy groups, medical centers of excellence, and medical key opinion leaders to better understand the symptoms and consequences of these diseases, to expeditiously develop and provide better treatments to patients, and to increase awareness of these diseases.
- **Maximize the commercial value of our product candidates** . We have retained worldwide development and commercial rights for all our product candidates. We intend to commercialize any products in our portfolio for which we receive regulatory approvals in certain rare indications in the United States and the EU with a limited and targeted commercial team. We also intend to retain the flexibility to evaluate strategic collaborations and to seek partners to commercialize our products in other geographies and for our products in highly prevalent indications which require significant investment to build a commercial infrastructure.

Source: Company reports.

Exhibit 17: Q1 2025 Financial Report and Recent Highlights (as of May 15, 2025)

GRI Bio Reports First Quarter 2025 Financial Results and Confirms GRI-0621 Phase 2a IPF Trial on Track for 6-Week Interim Data in Q2 2025 and Topline Data in Q3 2025

Positive interim 2-week safety and biomarker results from its ongoing Phase 2a study evaluating GRI-0621 for the treatment of Idiopathic Pulmonary Fibrosis ("IPF")

Continued momentum with completed patient enrollment for the 6-week interim analysis (n=24) and over two-thirds enrollment completed for the overall trial

Cash runway expected to fund operations through Q3 2025

LA JOLLA, CA, May 15, 2025 (GLOBE NEWSWIRE) -- GRI Bio, Inc. (NASDAQ: GRI) ("GRI Bio" or the "Company"), a biotechnology company advancing an innovative pipeline of Natural Killer T ("NKT") cell modulators for the treatment of inflammatory, fibrotic and autoimmune diseases, today reported its financial results for the quarter ended March 31, 2025 and provided a corporate update.

"We continue to make very encouraging progress with our ongoing Phase 2a trial of our lead program, GRI-0621. Based on the positive interim safety and biomarker data observed in the first 12 patients at 2 weeks, the current momentum with patient enrollment, and the additional data readouts anticipated this year, we believe we are well-positioned to build near- and long-term value for shareholders," commented Marc Hertz, PhD, Chief Executive Officer of GRI Bio.

Recent Highlights

- Reported interim biomarker data demonstrating a positive trend towards an anti-fibrotic effect of GRI-0621 in first 12 patients of ongoing Phase 2a study in IPF;
- Completed patient enrollment for the 6-week interim analysis (n=24) and completed over two-thirds of enrollment for the overall trial;
- Reported encouraging interim safety results from its ongoing Phase 2a study evaluating GRI-0621 for the treatment of IPF;
- Announced its abstract was selected for poster discussion at the 2025 American Thoracic Society (ATS) International Conference;
- Bolstered global intellectual property portfolio with granting of patents in Europe and Japan; and
- Extended cash runway with closing of \$5.0 million public offering.

Source: Company reports.

Exhibit 18: Upcoming Milestones (as of May 15, 2025)

Expected GRI-0621 Upcoming Milestones

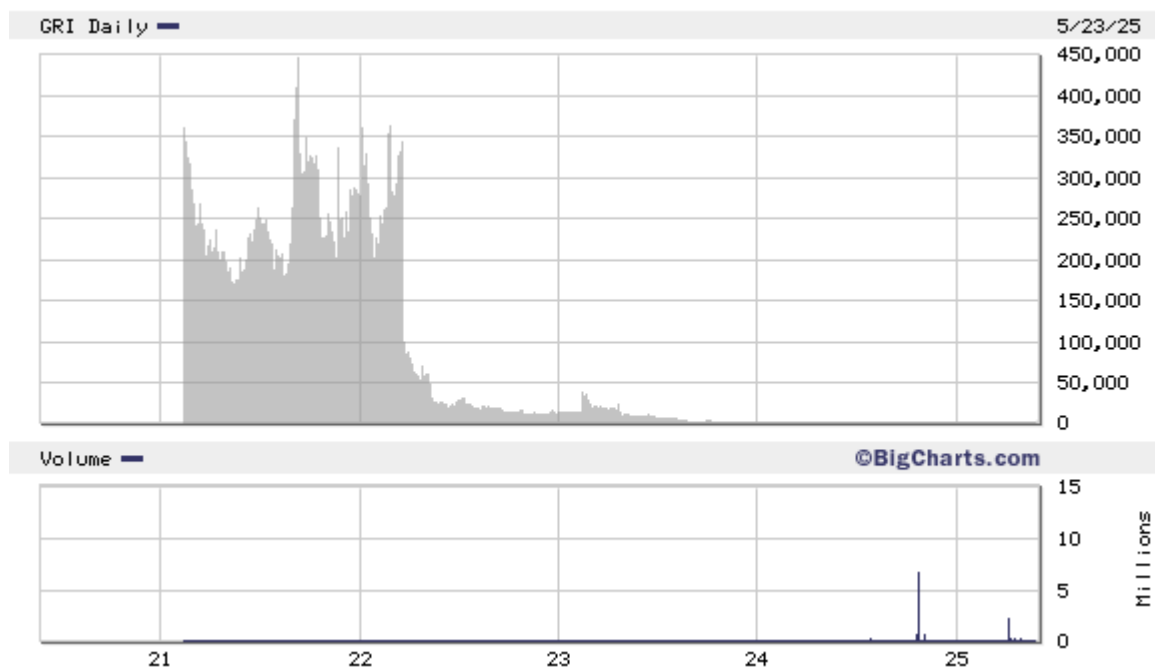
- Q2 2025: Report 6-week interim results from Phase 2a biomarker study
- Q3 2025: Report topline results from Phase 2a biomarker study

Source: Company reports.

Exhibit 19: GRI Bio, Inc. Stock Price (4-years since reverse merger)

Merger Announcement (with GRI Bio, Inc.) - 12/13/22

Merger Completion (to form GRI Bio, Inc.) - 4/21/23



*Reflects a 1:30 reverse stock split in April 2023.

*Reflects a 1:7 reverse stock split in January 2024.

*Reflects a 1:13 reverse stock split in June 2024.

*Reflects a 1:17 reverse stock split in February 2025.

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

Exhibit 20: Consensus Expectations (as of May 15, 2025)

Revenue (mils)			EPS		
	<u>2025E</u>	<u>2026E</u>		<u>2025E</u>	<u>2026E</u>
Q1 Mar	\$0E		Q1 Mar	\$(4.08)E	
Q2 Jun	\$0E		Q2 Jun	\$(4.08)E	
Q3 Sep			Q3 Sep		
Q4 Dec			Q4 Dec		
Total	\$0E	\$0E	Total	\$(15.72)E	\$(11.56)E

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

*Reflects a 1:17 reverse stock split in February 2025.

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

FINANCIAL MODEL

GRI Bio, Inc.

Income Statement (\$ mils)	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	Mar-26	Jun-26	Sep-26	Dec-26	2026
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cost of Revenues	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Gross Profit	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Research & development	0.116	0.880	1.189	1.047	3.232	0.933	0.877	1.130	0.83	3.768	1.640	1.300	1.200	1.000	5.140	1.000	1.000	1.000	1.000	4.000
General & administrative	0.872	5.054	1.250	0.979	8.155	0.962	1.380	1.000	1.125	4.467	1.411	1.400	1.400	1.400	5.611	1.400	1.400	1.400	1.200	5.400
Restructuring and other					0.000					0.000					0.000					0.000
Total operating expenses	0.988	5.934	2.439	2.026	11.387	1.895	2.257	2.130	1.953	8.235	3.051	2.700	2.600	2.400	10.751	2.400	2.400	2.400	2.200	9.400
Operating income (loss)	(0.988)	(5.934)	(2.439)	(2.026)	(11.387)	(1.895)	(2.257)	(2.130)	(1.953)	(8.235)	(3.051)	(2.700)	(2.600)	(2.400)	(10.751)	(2.400)	(2.400)	(2.400)	(2.200)	(9.400)
Interest income (expense)	(1.162)	(0.934)	0.006	0.01	(2.082)	0.006	0.006	0.007	0.006	0.025	0.005	0.000	0.000	0.000	0.005	0.000	0.000	0.000	0.000	0.000
Other income (expense)		0.122	0.296	0.014	0.432	0.002	0.001		(1.911)	(1.908)		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Income before income taxes	(2.150)	(6.746)	(2.137)	(2.004)	(13.037)	(1.887)	(2.250)	(2.123)	(3.858)	(10.118)	(3.046)	(2.700)	(2.600)	(2.400)	(10.746)	(2.400)	(2.400)	(2.400)	(2.200)	(9.400)
Income taxes					0.000					0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net income (loss)	(2.150)	(6.746)	(2.137)	(2.004)	(13.037)	(1.887)	(2.250)	(2.123)	(3.858)	(10.118)	(3.046)	(2.700)	(2.600)	(2.400)	(10.746)	(2.400)	(2.400)	(2.400)	(2.200)	(9.400)
Nonrecurring/noncash adjustments		0.000		(0.001)	(0.001)					0.000					0.000					0.000
Net income (pro forma)	(2.150)	(6.746)	(2.137)	(2.005)	(13.038)	(1.887)	(2.250)	(2.123)	(3.858)	(10.118)	(3.046)	(2.700)	(2.600)	(2.400)	(10.746)	(2.400)	(2.400)	(2.400)	(2.200)	(9.400)
EBITDA																				
Shares, Basic	0.001	0.002	0.003	0.003	0.002	0.019	0.027	0.186	0.500	0.183	0.525	2.200	2.300	2.400	1.856	2.500	2.600	2.700	2.800	2.650
Shares, Diluted	0.001	0.002	0.003	0.003	0.002	0.019	0.027	0.186	0.500	0.183	0.525	2.200	2.300	2.400	1.856	2.500	2.600	2.700	2.800	2.650
EPS Basic (pro forma)	(\$3,323)	(\$4,069)	(\$802)	(\$588)	(\$6,243)	(\$101)	(\$83.56)	(\$11.42)	(\$7.72)	(\$55.21)	(\$5.80)	(\$1.23)	(\$1.13)	(\$1.00)	(\$5.79)	(\$0.96)	(\$0.92)	(\$0.89)	(\$0.79)	(\$3.55)
EPS Diluted (pro forma)	(\$3,323)	(\$4,069)	(\$802)	(\$588)	(\$6,243)	(\$101)	(\$83.56)	(\$11.42)	(\$7.72)	(\$55.21)	(\$5.80)	(\$1.23)	(\$1.13)	(\$1.00)	(\$5.79)	(\$0.96)	(\$0.92)	(\$0.89)	(\$0.79)	(\$3.55)
Margins																				
Gross margin																				
Research & development																				
General & administrative																				
Operating margin																				
Tax rate, GAAP																				
Net margin																				
Y/Y % change																				
Total Revenue																				
Gross margin																				
Research & development	93%	1392%	1787%	1645%	1236%	704%	0%	-5%	-21%	17%	76%	48%	6%	21%	36%	-39%	-23%	-17%	0%	-22%
General & administrative	532%	3788%	916%	-39%	308%	10%	-73%	-20%	15%	-45%	47%	1%	40%	24%	26%	-1%	0%	0%	-14%	-4%
Operating income (loss)	399%	3040%	1211%	22%	409%	92%	-62%	-13%	-4%	-28%	61%	20%	22%	23%	31%	-21%	-11%	-8%	-8%	-13%
Net income (loss)	612%	2187%	509%	-12%	305%	-12%	-67%	-1%	93%	-22%	61%	20%	22%	-38%	6%	-21%	-11%	-8%	-8%	-13%
EPS Diluted (pro forma)	506%	659%	32%	-85%	13%	-97%	-98%	-99%	-99%	-99%	-94%	-99%	-90%	-87%	-90%	-83%	-25%	-21%	-21%	-39%

Reflects a 1:7 reverse stock split in January 2024 Reflects a 1:13 reverse stock split in June 2024 Reflects a 1:17 reverse stock split in February 2025

Source: Company reports and Ascendant Capital Markets estimates.

GRI Bio, Inc.

Balance Sheet (\$ mils)	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
Fiscal Year End: December 31	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets															
Cash and cash equivalents	4.799	3.488	1.808	4.091	6.353	4.746	5.028	3.281	5.801	3.421	1.241	(0.939)	(3.119)	(4.667)	(6.447)
Short term investments									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Deferred income taxes									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Prepaid expenses and other	0.793	0.879	1.126	0.337	0.531	0.577	0.587	0.649	0.649	0.649	0.649	0.649	0.649	0.649	0.649
Total current assets	5.592	4.367	2.934	4.428	6.884	5.323	5.615	3.930	6.450	4.070	1.890	(0.290)	(2.470)	(4.018)	(5.798)
Property and equipment, net	0.009	0.009	0.008	0.007	0.006	0.005	0.004	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003
Intangibles, net									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Deferred income tax									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.041	0.028	0.014	0.152	0.141	0.131	0.120	0.109	0.109	0.109	0.109	0.109	0.109	0.109	0.109
Total assets	5.642	4.404	2.956	4.587	7.031	5.459	5.739	4.042	6.562	4.182	2.002	(0.178)	(2.358)	(3.906)	(5.686)
Liabilities and stockholders' equity															
Accounts payable	0.307	0.988	1.410	0.637	1.236	1.137	0.897	1.361	1.361	1.361	1.361	1.361	1.361	1.361	1.361
Accrued expenses	1.193	1.143	1.270	0.999	0.935	0.531	0.691	1.368	1.368	1.368	1.368	1.368	1.368	2.000	2.200
Deferred income tax									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities	0.063	0.018	0.003	0.001					0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.041	0.028	0.014	0.043	0.045	0.047	0.048	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Short term debt									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total current liabilities	1.604	2.177	2.697	1.680	2.216	1.715	1.636	2.779	2.779	2.779	2.779	2.779	2.779	3.411	3.611
Deferred income taxes									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other long term liabilities				0.109	0.096	0.084	0.071	0.058	0.058	0.058	0.058	0.058	0.058	0.058	0.058
Long term debt									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total other liabilities	0.000	0.000	0.000	0.109	0.096	0.084	0.071	0.058	0.058	0.058	0.058	0.058	0.058	0.058	0.058
Preferred stock									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Common stock									0.220	0.440	0.660	0.880	1.100	1.320	1.540
Additional paid-in capital	31.430	31.756	31.792	36.218	40.389	41.453	43.772	43.991	43.991	43.991	43.991	43.991	43.991	43.991	43.991
Retained earnings	(27.392)	(29.529)	(31.533)	(33.420)	(35.670)	(37.793)	(39.740)	(42.786)	(45.486)	(48.086)	(50.486)	(52.886)	(55.286)	(57.686)	(59.886)
Other									5.000	5.000	5.000	5.000	5.000	5.000	5.000
Accumulated other comprehensive income									0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total stockholders' equity	4.038	2.227	0.259	2.798	4.719	3.660	4.032	1.205	3.725	1.345	(0.835)	(3.015)	(5.195)	(7.375)	(9.355)
Total stockholders' equity and liabilities	5.642	4.404	2.956	4.587	7.031	5.459	5.739	4.042	6.562	4.182	2.002	(0.178)	(2.358)	(3.906)	(5.686)

Balance Sheet Drivers

	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book & Cash Value (per share)															
Book Value per Share (diluted)	#####	\$835.30	\$75.91	\$149.82	\$175.26	\$19.69	\$8.06	\$2.29	\$1.69	\$0.58	-\$0.35	-\$1.21	-\$2.00	-\$2.73	-\$3.34
Cash per Share (diluted)	#####	#####	\$529.93	\$219.05	\$235.94	\$25.53	\$10.06	\$6.24	\$2.64	\$1.49	\$0.52	-\$0.38	-\$1.20	-\$1.73	-\$2.30
Net cash per Share (diluted)	#####	#####	\$529.93	\$219.05	\$235.94	\$25.53	\$10.06	\$6.24	\$2.64	\$1.49	\$0.52	-\$0.38	-\$1.20	-\$1.73	-\$2.30

Source: Company reports and Ascendant Capital Markets estimates

GRI Bio, Inc.

Cash Flow Statement (\$ mils)	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	Mar-26	Jun-26	Sep-26	Dec-26	2026
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																				
Net income	(2.150)	(6.746)	(2.137)	(2.004)	(13.037)	(1.887)	(2.250)	(2.122)	(1.948)	(8.207)	(3.046)	(2.700)	(2.600)	(2.400)	#####	(2.400)	(2.400)	(2.400)	(2.200)	(9.400)
Depreciation	0.001	0.001	0.001	0.001	0.004	0.001	0.001	0.001	0.001	0.004	0.001				0.001					0.000
Amortization					0.000					0.000					0.000					0.000
Non-cash lease expense					0.000					0.000					0.000					0.000
Debt related amortization expense	1.161	0.943			2.104					0.000					0.000					0.000
Stock comp	0.013	0.013	0.326	0.036	0.388	0.037	0.037	0.037	0.037	0.148	0.220	0.220	0.220	0.220	0.880	0.220	0.220	0.220	0.220	0.880
Deferred income taxes					0.000					0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Change in fair value of warrant liability		0.063	(0.045)	(0.200)	(0.182)	(0.002)	(0.001)			(0.003)					0.000					0.000
Lease	0.012	0.014	0.013	0.014	0.053	0.014	(0.141)	0.010	0.012	(0.105)	0.011				0.011					0.000
Inventory reserve					0.000					0.000					0.000					0.000
Accrued interest					0.000					0.000					0.000					0.000
Writedowns and impairments					0.000					0.000					0.000					0.000
Other gains/losses					0.000					0.000					0.000					0.000
Other					0.000					0.000					0.000					0.000
Changes in operating assets and liabilities:																				
Prepaid expenses & other current	0.028	(0.778)	(0.086)	0.289	(0.547)	0.564	(0.194)	(0.048)	(0.009)	0.313	0.196	0.000	0.000	0.000	0.196	0.000	0.000	0.000	0.000	0.000
Income tax					0.000					0.000					0.000					0.000
Other assets					0.000					0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Accounts payable	0.408	3.771	0.681	(2.701)	2.159	(0.744)	0.344	0.253	(0.240)	(0.387)	0.331	0.000	0.000	0.000	0.331	0.000	0.000	0.000	0.000	0.000
Accrued expenses	(0.036)	1.193	(0.051)	(0.981)	0.125	(0.172)	(0.078)	(0.389)	0.160	(0.479)	0.562	0.000	0.000	0.000	0.562	0.000	0.000	0.632	0.200	0.832
Deferred revenue					0.000					0.000					0.000					0.000
Other liabilities	(0.016)	(0.014)	(0.013)	(0.014)	(0.057)	(0.014)	0.141	(0.010)	(0.012)	0.105	(0.011)	0.000	0.000	0.000	(0.011)	0.000	0.000	0.000	0.000	0.000
Net cash (used in) provided by	(0.579)	(1.540)	(1.311)	(5.560)	(8.990)	(2.203)	(2.141)	(2.268)	(1.999)	(8.611)	(1.736)	(2.480)	(2.380)	(2.180)	(8.776)	(2.180)	(2.180)	(1.548)	(1.780)	(7.688)
Cash flow from investing activities																				
Purchases of property and equipment		(0.008)			(0.008)					0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Purchases of short-term investments					0.000					0.000					0.000					0.000
Acquisitions					0.000					0.000					0.000					0.000
Other					0.000					0.000					0.000					0.000
Net cash used in investing activities	0.000	(0.008)	0.000	0.000	(0.008)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cash flow from financing activities																				
Issuance of debt	1.440	0.000	(1.250)		0.190					0.000		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Repayment of debt	(0.195)				(0.195)					0.000					0.000					0.000
Issuance of stock	(0.215)	12.465	1.250		13.500	4.486	4.403	0.661	1.520	11.070	(0.011)	0.000	0.000	0.000	(0.011)	0.000	0.000	0.000	0.000	0.000
Proceeds from stock option exercises		0.012			0.012				0.762	0.762					0.000					0.000
Other		(6.590)	0.000	3.880	(2.710)				(0.001)	(0.001)		5.000			5.000					0.000
Dividends and distributions					0.000					0.000					0.000					0.000
Cash provided by (used in) financing	1.030	5.887	0.000	3.880	10.797	4.486	4.403	0.661	2.281	11.831	(0.011)	5.000	0.000	0.000	4.989	0.000	0.000	0.000	0.000	0.000
Effect of exchange rate on cash					0.000					0.000					0.000					0.000
Net increase (decrease) in cash	0.451	4.339	(1.311)	(1.680)	1.799	2.283	2.262	(1.607)	0.282	3.220	(1.747)	2.520	(2.380)	(2.180)	(3.787)	(2.180)	(2.180)	(1.548)	(1.780)	(7.688)
Beginning cash and equivalents	0.009	0.460	4.799	3.488	0.009	1.808	4.091	6.353	4.746	1.808	5.028	3.281	5.801	3.421	5.028	1.241	(0.939)	(3.119)	(4.667)	1.241
Ending cash and equivalents	0.460	4.799	3.488	1.808	1.808	4.091	6.353	4.746	5.028	5.028	3.281	5.801	3.421	1.241	1.241	(0.939)	(3.119)	(4.667)	(6.447)	(6.447)

Source: Company reports and Ascendant Capital Markets estimates

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GRI Bio, Inc.

- Ascendant Capital Markets, LLC has received compensation for advisory or investment banking services from the company in the past 12 months.

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Total return is defined as price appreciation plus dividend yield.

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Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
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Total	53	100%	21	40%

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