



# RenovoRx, Inc.

Reports Q2 results. We believe more positive clinical data in 2024/25 to be strong catalysts for stock. Raising P/T to \$8.25.

## COMPANY UPDATE

Rating: BUY

Ticker: RNXT

Price: \$1.05

Target: \$8.25  
(from \$8.00)

**Reports Q2 results:** RenovoRx recently (on August 13) reported its fiscal Q2 2024 (ending June) results. Net loss was \$2.4 million or EPS of \$(0.10), which compared with our estimates of \$(0.11) and consensus of \$(0.10). There was no Q2 guidance. RenovoRx is a clinical stage drug development company so it generates no revenue.

**No guidance:** Management did not provide forward guidance, but we believe ~\$3 million to be a reasonable near term quarterly cash burn rate.

**Adjusting estimates:** We are adjusting our 2024 estimates for EPS to \$(0.41) from \$(0.40).

**Focus on TAMP:** The company is developing novel precision oncology therapies based on a local drug delivery platform. The company's proprietary Trans-Arterial Micro-Perfusion (TAMP) therapy platform is designed to ensure precise therapeutic delivery to directly target the tumor while potentially minimizing a therapy's toxicities versus systemic IV therapy. This approach has the goal to improve therapeutic outcomes for cancer patients undergoing treatment by increasing safety, tolerance, and improved efficacy.

**RenovoGem:** RenovoRx's lead drug therapy candidate RenovoGem is an oncology drug-device combination product. It is currently in a Phase 3 registration trial to treat Locally Advanced Pancreatic Cancer (LAPC). The company also plans to evaluate RenovoGem as a potential therapy in other indications including bile duct cancer (eCCA), non-small cell lung cancer, uterine tumors, glioblastoma, and sarcoma.

**Positive 1<sup>st</sup> interim analysis:** In March 2023, the company announced positive interim analysis results of the study suggesting a 6-month potential improvement in median overall survival with RenovoGem. The Data Monitoring Committee determined the interim data warrants continuation of this pivotal trial without modification and no safety concerns were observed.

**Late 2024/early 2025 2<sup>nd</sup> interim analysis:** The company expects that the 2<sup>nd</sup> interim data analysis to occur in late 2024 or early 2025.

**Large market potential:** Pancreatic cancer is one of the deadliest cancers in the U.S. with very poor prognosis and outcomes. According to American Cancer Society, pancreatic cancer has a 5-year combined overall survival rate of 12%, which is the worst of any other cancer types. Locally Advanced Pancreatic Cancer (LAPC) is diagnosed when the disease has not spread far beyond the pancreas, however, has advanced to the point where it cannot be surgically removed.

**Evaluating RenovoCath commercialization:** Based on physician interest and KOL guidance, RenovoRx is now actively exploring commercializing its FDA-cleared RenovoCath as a standalone FDA-cleared proprietary medical device.

**Balance sheet:** In Q2, the company had \$12 million in cash and no debt. We believe it has enough cash into late 2025.

**Positive high risks versus high rewards:** Overall, concerns outweighed by growth prospects and valuation. RenovoRx TAMP platform still have long development roads left and the high risks of clinical trials 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 raising our 12-month price target to \$8.25 from \$8.00, 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 Los Altos, CA, RenovoRx is a clinical-stage pharmaceutical company developing novel therapies to treat and cure cancer.

United States  
Healthcare

September 11, 2024

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### Stock Data

Exchange:	NasdaqCM
52-week Range:	0.53 – 2.35
Shares Outstanding (million):	24
Market cap (\$million):	\$25
EV (\$million):	\$13
Debt (\$million):	\$0
Cash (\$million):	\$12
Avg. Daily Trading Vol. (\$million):	\$0.1
Float (million shares):	24
Short Interest (million shares):	0.1
Dividend, annual (yield):	\$0 (NA%)

### Revenues (US\$ million)

	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>	<u>2025E</u> <u>(Cur.)</u>	<u>2025E</u> <u>(Old)</u>
Q1 Mar	0A		0E	
Q2 Jun	0A	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>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>	<u>2025E</u> <u>(Cur.)</u>	<u>2025E</u> <u>(Old)</u>
Q1 Mar	(0.07)A		(0.11)E	(0.10)E
Q2 Jun	(0.10)A	(0.11)E	(0.11)E	(0.10)E
Q3 Sep	(0.12)E	(0.11)E	(0.11)E	(0.10)E
Q4 Dec	<u>(0.11)E</u>		<u>(0.11)E</u>	<u>(0.10)E</u>
Total	<u>(0.41)E</u>	<u>(0.40)E</u>	<u>(0.45)E</u>	<u>(0.41)E</u>
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 20.

Exhibit 1: RenovoRx, Inc. Corporate Overview

# RENOVO | RX

Delivering Therapy Where it Matters™

## Company Overview

-  Founded in 2009 by a physician with first external funding 2012. Last private financing led by Boston Scientific, 2018. IPO, Q3 2021. HQ: Los Altos, CA.
-  Developing **proprietary targeted combination therapies**. **Trans-Arterial Micro-Perfusion (TAMP™)** platform's goal is to improve therapeutic index.
-  Pivotal **Phase III TIGeR-PaC** study interim analysis demonstrated positive 1<sup>o</sup> and 2<sup>o</sup> endpoint data including **increased Overall Survival and progression-free survival, and 65% reduction in side effects**.
-  **FDA Orphan Drug Designation granted to RenovoRx** for intra-arterial gemcitabine delivered via 510k FDA cleared RenovoCath® delivery system for pancreatic and bile duct cancers (TAMP)
-  **\$1B global market opportunity** in the primary indication. Additional financial opportunity for commercialization and pipeline platform expansion.



Source: Company reports.

## Exhibit 2: RenovoRx Investment Highlights

# RenovoRx Highlights

### Targeted Trans-Arterial Approach: TAMP Designed to Decrease Side Effects and Increase Tumor Penetration

- Reduced systemic drug exposure
- Higher local drug concentration

### Lead Product Candidate: RenovoGem

#### Targeted Combination Therapy:

- Trans-arterial (IA) gemcitabine delivered through proprietary FDA-cleared delivery system

### Positive interim analysis data from Phase III TIGeR-PaC study:

- 6-month Overall Survival benefit
- 8-month progression-free survival benefit
- 65% reduction in side effects

### RenovoGem Targets Locally Advanced Solid Tumors

- Initial indications: pancreatic cancer (**\$1B addressable market**) and bile duct cancer
- Potential **pipeline indications** include non-small cell lung cancer, uterine tumors, glioblastoma, sarcoma

### Novel Therapy Platform: TAMP Pipeline

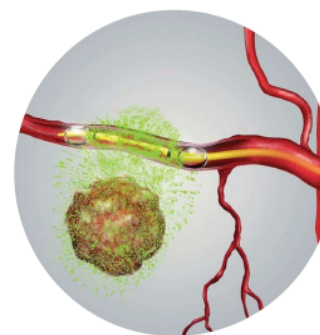
- TAMP **compatible with multiple potential targets**
- Platform expanding pre-clinical studies underway
- **Collaboration with Imugene further validates the TAMP platform** and will **explore expansion of the pipeline** with CF33 oncolytic virus therapy for the treatment of difficult-to-access tumors

### TAMP Platform: Layers of Market Exclusivity (Regulatory & IP)

- **9 patents issued** on TAMP and proprietary delivery system for targeted combination therapy
  - 8 US patents issued; 1 EU patent issued
  - 8 additional pending patents in US, EU, Asia
- **Orphan Drug Designation** for pancreatic cancer and bile duct cancer provides **7 years of market exclusivity** for RenovoGem upon NDA approval

## Investment Opportunity

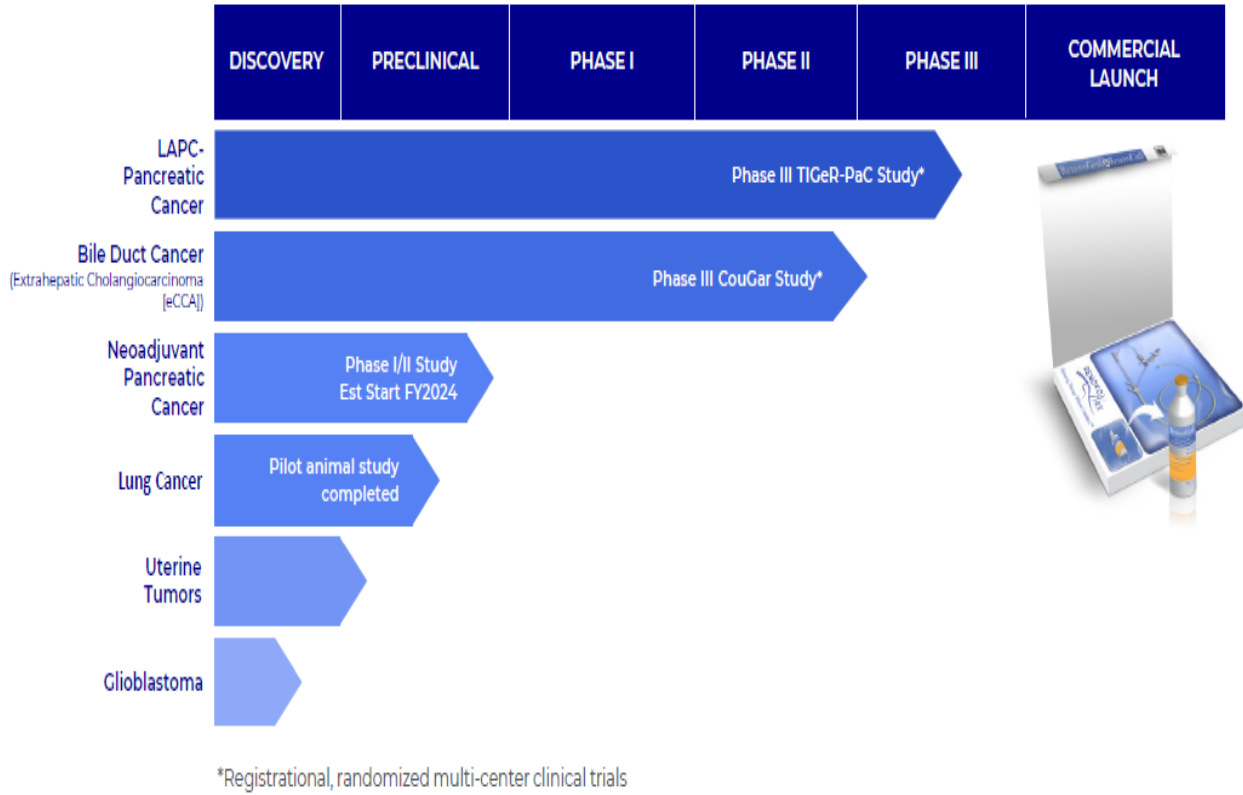
- De-risked drug development and validated TAMP platform
- Large first indication market (\$1B) and platform broadly applicable to growing market segment
- Additional financial opportunity for commercialization and pipeline platform expansion
- Potential strategic partnership/business development opportunities:
  - RenovoCath as stand alone commercial device
  - Agents delivered via RenovoCath beyond gemcitabine
- Experienced clinical and commercial Leadership Team and Board
- **Positive 1st Phase III interim analysis completed 1H '23:**
  - 6-month Overall Survival benefit
  - 8-month progression-free survival benefit
  - >65% reduction in side effects



Source: Company reports.

**Exhibit 3: RenovoRx Pipeline Overview**

# RenovoGem Product Development Plan



Source: Company reports.

**Exhibit 4: RenovoGem Lead Indication: LAPC (Locally Advanced Pancreatic Cancer)**

# First Product Candidate Lead Indication: LAPC

Pancreatic Cancer Worldwide Incidence:

495,000 new cases/year with  
30% locally advanced at presentation



USA 62,000

EU 58,007

China 134,000

new pancreatic cancer diagnosis annually

Current Standard of Care:

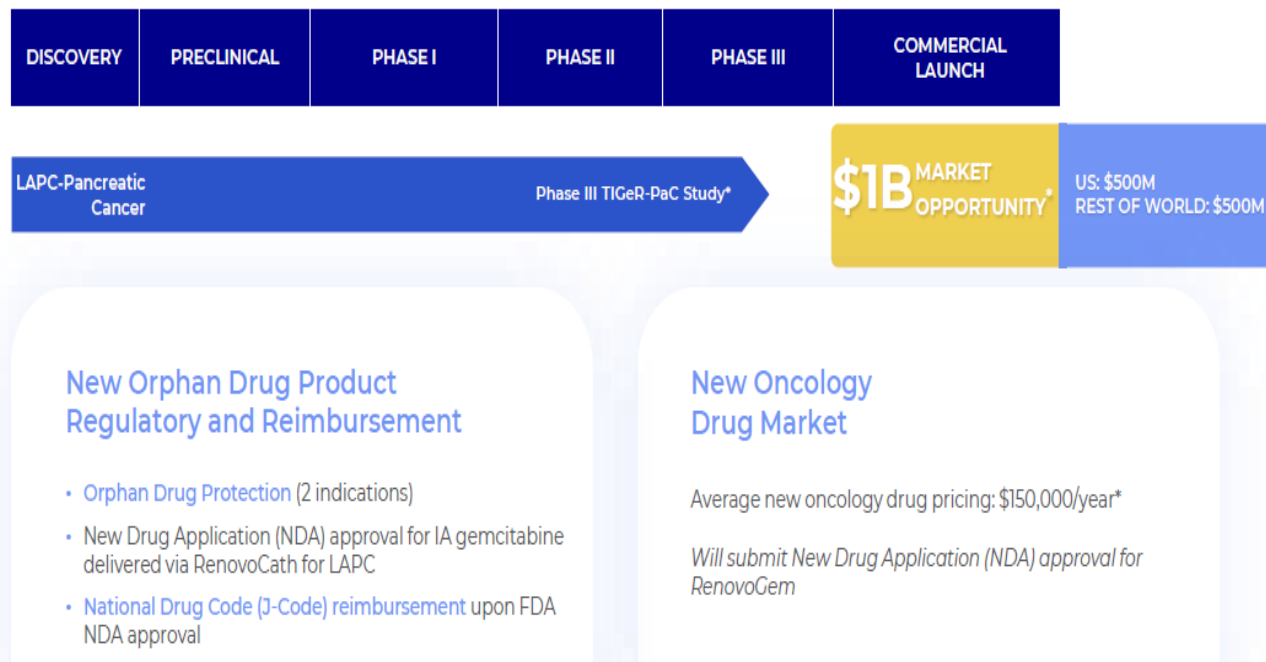
12 to 18.8-month median Overall Survival from time of diagnosis

Using chemo-radiation regimens with gemcitabine+nab-paclitaxel OR mFOLFIRINOX as base treatment

Soon to be second leading cause of cancer-related death in US (48,000 deaths annually)

Only Three Drugs Approved by FDA to Treat LAPC within Past 10 Years

## TAMP LAPC: Initial Market Plan



Source: Company reports.

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**Exhibit 5: RenovoGem**

**RenovoTAMP Therapy Platform and First Product Candidate, RenovoGem**

Our Therapy  
Platform

**RenovoTAMP**  
RenovoRx® Trans-Arterial Micro-Perfusion  
(drug/device combination)

Our First Product  
Candidate



Source: Company reports.

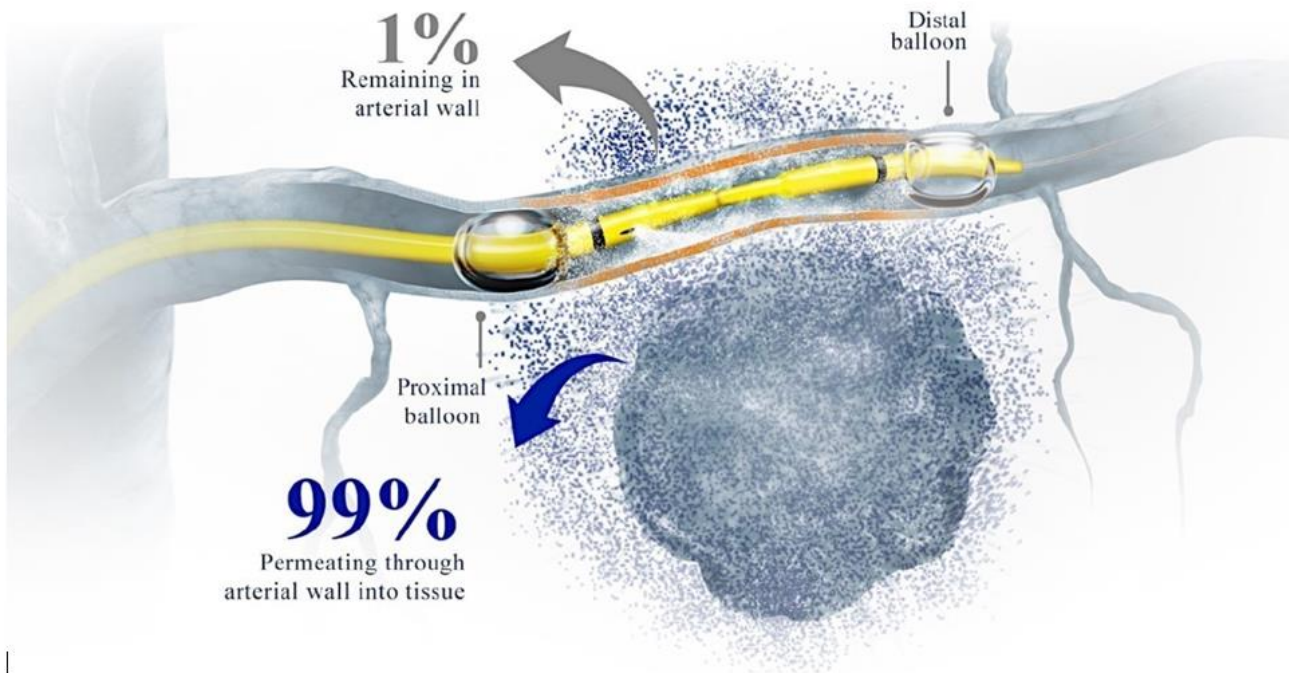
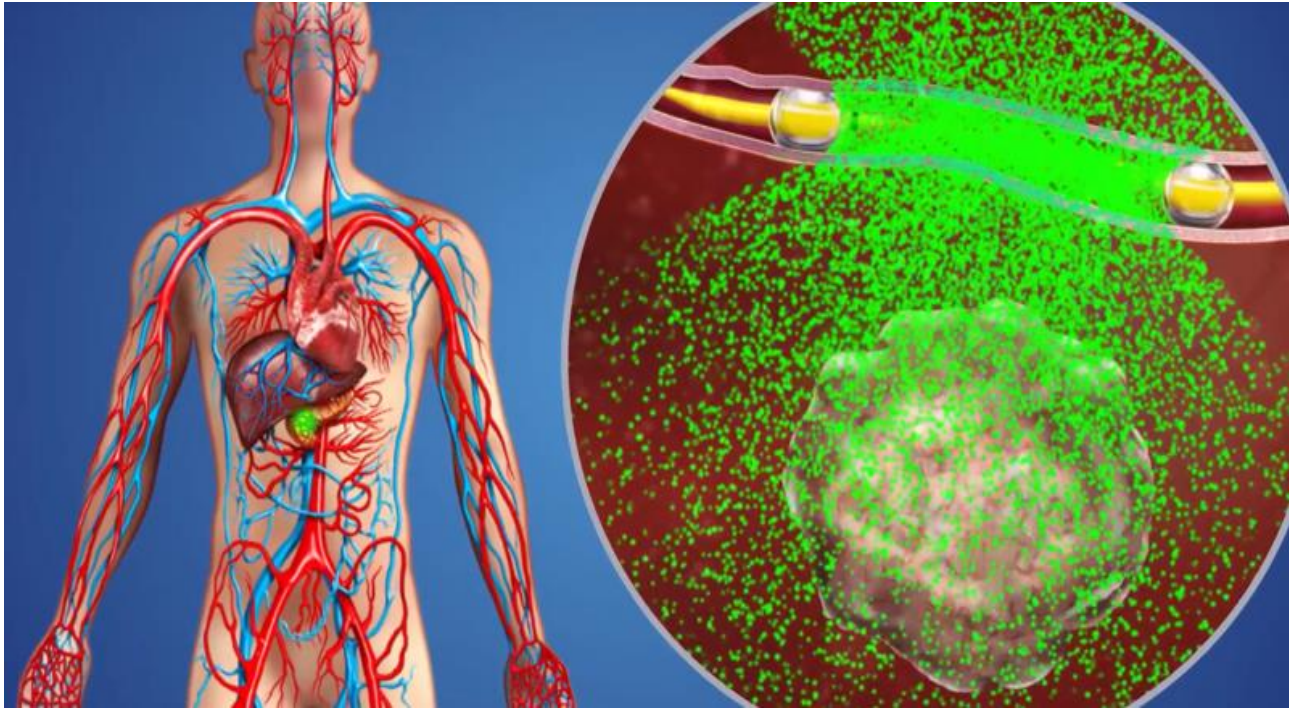
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Exhibit 6: RenovoTAMP and RenovoGem



Source: Company reports.

Exhibit 7: Trans-Arterial Micro-Perfusion (TAMP) Therapy (affecting a localized or single area)



Source: Company reports.

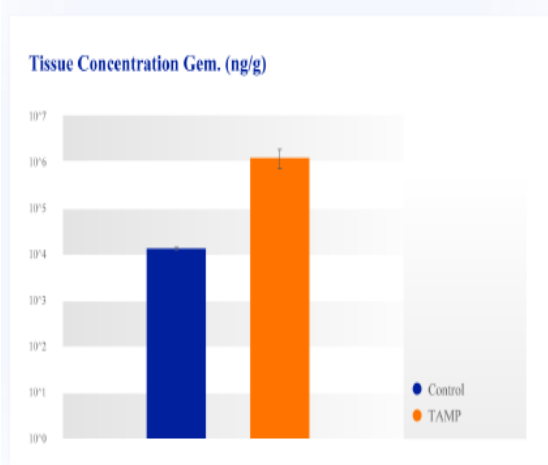


**Exhibit 8: Improved Drug's Therapeutic Index**

# TAMP Improves a Drug's Therapeutic Index

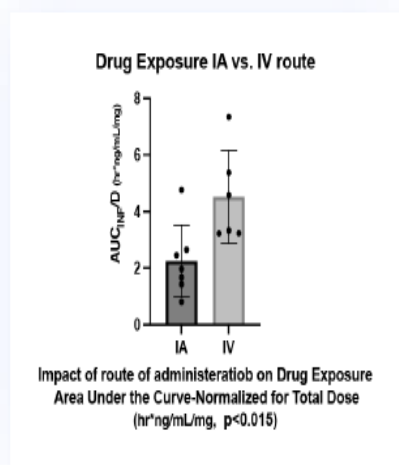
Higher Amounts of Drug to Pathological Site (↑ Efficacy) & Less Systemic Exposure (↑ Safety)

Increases **Drug Concentration to Target Pathological Site** by ~100X\* Compared to IV Administration\*



\*As demonstrated in animal studies presented at SIR 2019

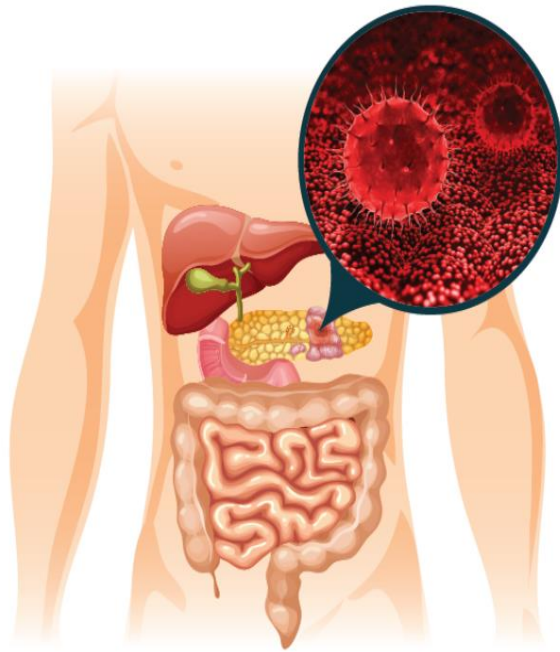
Reduces Drug AUC by >50% Compared to IV Administration+



\*As demonstrated in Sub-study performed in Phase III TIGeR-PaC study presented at ASCO-GI 2023

Source: Company report.

**Exhibit 9: Pancreatic Cancer**



**Why Should I learn About Pancreatic Cancer?**

Pancreatic Cancer causes 7% of cancer-related deaths in the United States. This type of cancer has one of the lowest five-year survival rates of any major cancer, at only 10% combined. Sadly, many patients receive diagnoses too late. Distant cancer has a 5-year survivability of 3%. This means cancer has spread into other areas of the body.

**The American Cancer Society's estimates for pancreatic cancer in the United States for 2023 are:**

- ✓ About 64,050 people (33,130 men and 30,920 women) will be diagnosed with pancreatic cancer.
- ✓ About 50,550 people (26,620 men and 23,930 women) will die of pancreatic cancer.

**PANCREAS CANCER**

Stage 0 (healthy pancreas)    
 Stage I, II, III (tumor in pancreas)    
 Stage IV (tumor spreads to the liver)

A cancer type is based on the location of the tumor's origin within the pancreas organ. In this case, the origin is the pancreas organ.

Cancer is the name for a disease in which abnormal cells divide without control and can invade nearby tissues. Cancer cells can also spread to other parts of the body through the blood and lymph systems.

If you want to learn more about cancer consider reading the What Is Cancer article published by the NIH National Cancer Institute.

**What is Pancreatic Cancer?**

Pancreatic cancer is uncontrolled cell growth that starts in the organ of the pancreas.

**Types of Pancreatic Cancer**

- ✓ Acinar Cell Cancers are cancerous tumors that form on the ends of the pancreatic ducts.
- ✓ Adenocarcinoma is cancer that begins in the cells that line internal organs and have the function to secrete fluids. In the pancreas, this is a cancer of the exocrine cells that line the pancreatic ducts. More than 95% of pancreatic cancers are adenocarcinomas of the exocrine pancreas.
- ✓ Cystic Tumors derive their name from the presence of fluid-filled sacs within the pancreas. The fluid is produced by the lining of abnormal tissues or tumors. These tumors may lead to cancer in some patients; however, most cystic tumors of the pancreas are benign.
- ✓ Sarcomas are tumors that form in the connective tissue that bonds pancreatic cells together and are rare.

Source: The National Pancreatic Cancer Foundation.

**Exhibit 10: Pancreatic Cancer Five-Year Relative Survival Rates**
**Table 8. Five-year Relative Survival Rates\* (%) by Stage at Diagnosis, US, 2013-2019**

	All stages	Local	Regional	Distant		All stages	Local	Regional	Distant
Breast (female)	91	99	86	31	Non-Hodgkin lymphoma	74	86	78	67
Colon & rectum†	64	91	73	14	Oral cavity & pharynx	69	87	69	39
Colon†	63	91	73	13	Ovary	51	92	73	32
Rectum	67	90	74	18	Pancreas	13	44	16	3
Esophagus	22	49	28	6	Prostate	97	>99	>99	34
Kidney & renal pelvis	78	93	74	17	Stomach	36	75	35	7
Larynx	62	79	47	34	Thyroid	99	>99	98	54
Liver‡	22	37	14	4	Urinary bladder§	78	71	39	8
Lung & bronchus	25	63	35	8	Uterine cervix	67	91	60	19
Melanoma of the skin	94	>99	74	35	Uterine corpus	81	95	70	18

\*Rates are adjusted for normal life expectancy and are based on cases diagnosed in the SEER 22 areas from 2013-2019; all cases were followed through 2020. †Excludes appendix. ‡Includes intrahepatic bile duct. §Rate for in situ cases is 96%.

Stage classification based on Combined Summary Stage. **Local:** an invasive malignant cancer confined entirely to the organ of origin. **Regional:** a malignant cancer that 1) has extended beyond the limits of the organ of origin directly into surrounding organs or tissues; 2) involves regional lymph nodes; or 3) has both regional extension and involvement of regional lymph nodes. **Distant:** a malignant cancer that has spread to parts of the body remote from the primary tumor either by direct extension or by discontinuous metastasis to distant organs, tissues, or via the lymphatic system to distant lymph nodes.

**Source:** SEER\*Explorer, National Cancer Institute, 2023. Available from <https://seer.cancer.gov/explorer/>. Colon & rectal cancer – SEER\*Stat software (version 8.4.0.1), National Cancer Institute, 2022.

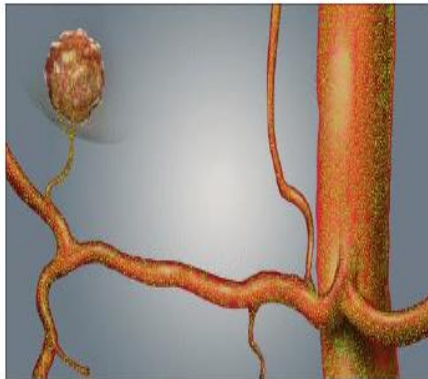
©2024 American Cancer Society, Inc., Surveillance and Health Equity Science

Source: The American Cancer Society, American Cancer Society Inc. Cancer Facts & Figures 2024.

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**Exhibit 11: Pancreatic Tumors Have Poor Blood Supply**

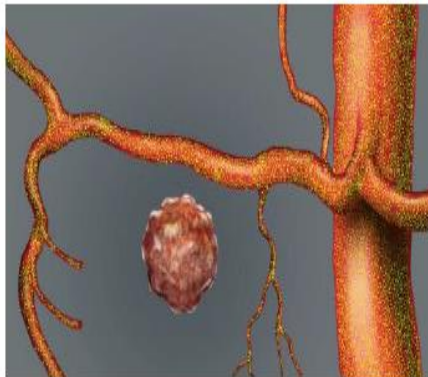
## A Paradigm Shift: We Are Addressing a Significant Problem in Cancer Treatment



Hypervascular tumors are adequately treated with current therapies

Liver tumors are highly vascularized

- Large tumor feeders – excellent targets for systemic therapy
- Can be accessed and treated with current local therapy techniques



Hypovascular tumors = major barrier to chemotherapy treatment success

Pancreatic tumors have poor blood supply

- No visible tumor feeder vessels
- Systemic therapy does not reach tumor tissue
- Inability to identify or engage tumor feeder vessels: local therapy is ineffective

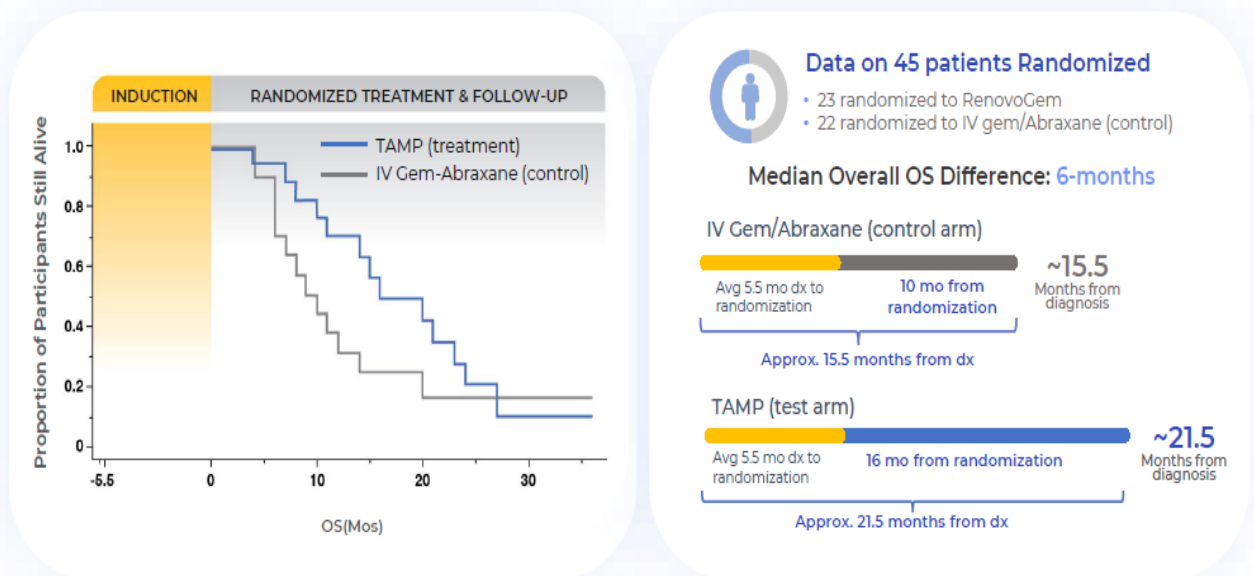
Source: Company reports.

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Exhibit 12: TIGeR-PaC Phase 3 Interim Data Update (March and June 2023)

## TIGeR-PaC Phase III Data Update (1st Interim Analysis):

TAMP Arm Observes 6-month Median Overall Survival (OS) Benefit Over IV Gem-Abraxane (Control)



Data Presented at AACR 2023

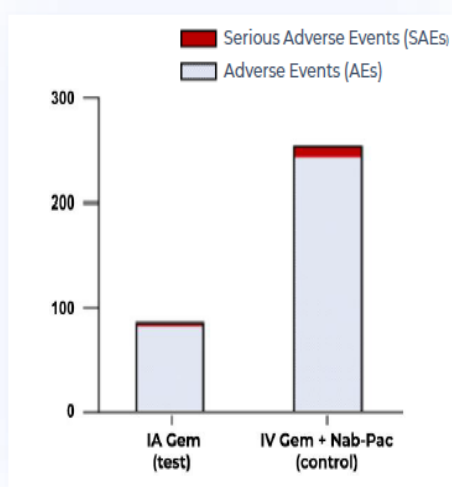
Statistical significance was not reached to stop the study early

## TIGeR-PaC Phase III Data Update (1st Interim Analysis)

RenovoGem (Treatment) Arm Observes >65% Fewer AEs and SAEs Compared to Standard of Care Systemic/IV Gem/Abraxane (Control)

65% fewer total AEs and SAEs in IA vs. IV arm

Fewer AEs in 11/13 categories with greater than 10% frequency in each arm (All Grades)



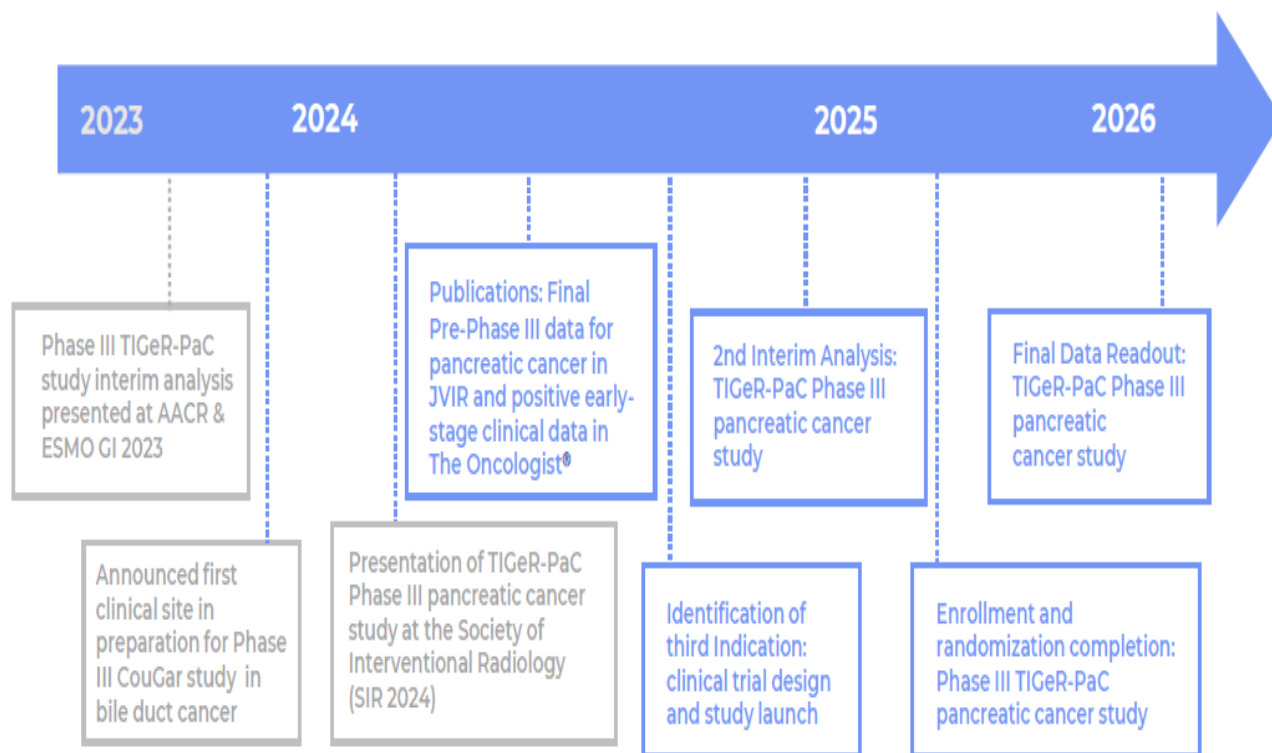
Data Presented at AACR 2023 and ESMO GI 2023

Adverse Events	IV Gem + Pac	IA Gem
Neutropenia	81%	21%
Anemia	48%	8%
Thrombocytopenia	38%	4%
Elevated AST	33%	4%
Elevated ALT	29%	13%
Fatigue	19%	8%
Neuropathy	19%	0%
Dehydration	19%	8%
Hypertension	14%	4%
Hypokalemia	14%	4%
Hypoalbuminemia	14%	4%
Abdominal Pain	0%	21%
Nausea	10%	17%

Source: Company reports.

Exhibit 13: Upcoming Milestones

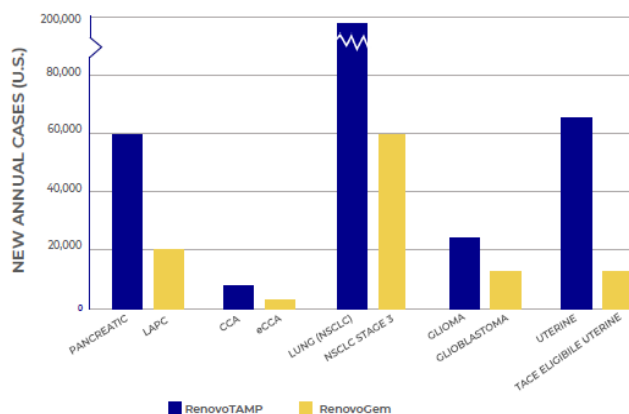
# Upcoming Milestones



Source: Company reports.

**Exhibit 14: TAMP Broad Market Opportunities**

## TAMP Broad Market Opportunity in Target Cancers



### US Annual Incidence of Initial IA Gemcitabine + Renovocath Target Tumor Types

- ~125,000 all locally advanced (Stage 3) potentially addressable

**NEXT:**

TAMP platform is broadly applicable to solid tumors:

Platform may be used with additional agents in multiple solid tumor indications

COMPANY NEWS

RenovoRx and Imugene Announce Collaboration to Deliver Oncolytic Virus Therapy Using Proprietary Trans-Arterial Micro-Perfusion (TAMP™) Platform

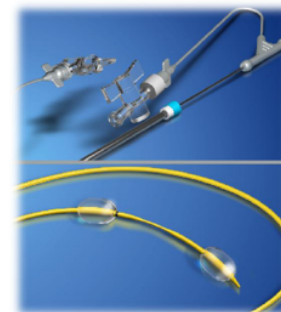


Source: Company reports.

**Exhibit 15: RenovoCath Commercialization**

## Exploring RenovoCath® Delivery System: Stand-Alone Commercialization

- RenovoRx's FDA-cleared proprietary RenovoCath delivery system is indicated for temporary vessel occlusion in applications including arteriography, preoperative occlusion, and chemotherapeutic drug infusion\*
- 1H '24: based on physician interest and KOL guidance, RenovoRx began to actively explore opportunity of commercializing FDA-cleared RenovoCath as a standalone device (on our own, or more likely, with a commercial partner)
- Potential for post-market device registry clinical studies of RenovoCath to gather additional data to support strategic growth
- *Optionality: RenovoRx remains fully engaged and committed to drug-device combination opportunities including intra-arterial gemcitabine + RenovoCath for treatment of LAPC and additional combination products to add to RenovoRx's therapeutics pipeline*



\*Please refer to RenovoCath IFU at <https://renovorx.com/for-clinicians> for full 510K indications of use

Source: Company reports.

**Exhibit 16: RenovoRx, Inc. Stock Price (3-years since August 2021 IPO)**

 Source: <https://bigcharts.marketwatch.com/>
**Exhibit 17: Consensus Expectations (as of August 13, 2024)**

	Revenue (mil)			EPS	
	2024E	2025E		2024E	2025E
Q1 Mar	\$0A		Q1 Mar	\$(0.07)A	
Q2 Jun	\$0E		Q2 Jun	\$(0.10)E	
Q3 Sep	\$0E		Q3 Sep	\$(0.10)E	
Q4 Dec			Q4 Dec		
Total	\$0E	\$0E	Total	\$(0.36)E	\$(0.38)E

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

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



## FINANCIAL MODEL

### RenovoRx, Inc.

Income Statement (\$ mils)	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	Mar-25	Jun-25	Sep-25	Dec-25	2025	
Fiscal Year End: December 31	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
<b>Total Revenue</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
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	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	0.000	0.000
Research & development	3.039	1.289	1.390	0.846	0.776	4.301	1.338	1.925	1.629	0.775	5.667	1.257	1.542	1.500	1.500	5.799	1.500	1.500	1.500	1.500	6.000	
General & administrative	2.632	1.716	1.224	1.315	1.394	5.649	1.923	1.450	1.354	1.002	5.729	1.219	1.492	1.300	1.300	5.311	1.300	1.300	1.300	1.300	5.200	
Restructuring and other						0.000					0.000					0.000					0.000	
Total operating expenses	5.671	3.005	2.614	2.161	2.170	9.950	3.261	3.375	2.983	1.777	11.396	2.476	3.034	2.800	2.800	11.110	2.800	2.800	2.800	2.800	11.200	
<b>Operating income (loss)</b>	<b>(5.671)</b>	<b>(3.005)</b>	<b>(2.614)</b>	<b>(2.161)</b>	<b>(2.170)</b>	<b>(9.950)</b>	<b>(3.261)</b>	<b>(3.375)</b>	<b>(2.983)</b>	<b>(1.777)</b>	<b>(11.396)</b>	<b>(2.476)</b>	<b>(3.034)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(11.110)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(11.200)</b>	
Interest income (expense)	(0.834)	0.001	0.020	0.022	0.014	0.057	0.004	0.050	0.043	0.011	0.108	0.037	0.138	0.000	0.000	0.175	0.000	0.000	0.000	0.000	0.000	
Other income (expense)	0.181	0.001		0.003	0.000	0.004	0.998	1.519	(1.461)		1.056	1.363	0.507	0.000	0.000	1.870	0.000	0.000	0.000	0.000	0.000	
Income before income taxes	(6.324)	(3.003)	(2.594)	(2.136)	(2.156)	(9.889)	(3.257)	(2.327)	(1.421)	(3.227)	(10.232)	(1.076)	(2.389)	(2.800)	(2.800)	(9.065)	(2.800)	(2.800)	(2.800)	(2.800)	(11.200)	
Income taxes						0.000					0.000			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Net income (loss)	(6.324)	(3.003)	(2.594)	(2.136)	(2.156)	(9.889)	(3.257)	(2.327)	(1.421)	(3.227)	(10.232)	(1.076)	(2.389)	(2.800)	(2.800)	(9.065)	(2.800)	(2.800)	(2.800)	(2.800)	(11.200)	
Nonrecurring/noncash adjustments						0.000					0.000					0.000					0.000	
<b>Net income (pro forma)</b>	<b>(6.324)</b>	<b>(3.003)</b>	<b>(2.594)</b>	<b>(2.136)</b>	<b>(2.156)</b>	<b>(9.889)</b>	<b>(3.257)</b>	<b>(2.327)</b>	<b>(1.421)</b>	<b>(3.227)</b>	<b>(10.232)</b>	<b>(1.076)</b>	<b>(2.389)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(9.065)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(2.800)</b>	<b>(11.200)</b>	
EBITDA																						
Shares, Basic	5.217	8.992	9.057	9.068	9.090	9.052	9.090	10.655	10.693	10.725	10.291	14.948	24.049	24.249	24.449	21.924	24.649	24.849	25.049	25.249	24.949	
Shares, Diluted	5.217	8.992	9.057	9.068	9.090	9.052	9.090	10.655	10.693	10.725	10.291	14.948	24.049	24.249	24.449	21.924	24.649	24.849	25.049	25.249	24.949	
EPS Basic (pro forma)	(\$1.21)	(\$0.33)	(\$0.29)	(\$0.24)	(\$0.24)	(\$1.09)	(\$0.36)	(\$0.22)	(\$0.13)	(\$0.30)	(\$0.99)	(\$0.07)	(\$0.10)	(\$0.12)	(\$0.11)	(\$0.41)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.45)	
EPS Diluted (pro forma)	(\$1.21)	(\$0.33)	(\$0.29)	(\$0.24)	(\$0.24)	(\$1.09)	(\$0.36)	(\$0.22)	(\$0.13)	(\$0.30)	(\$0.99)	(\$0.07)	(\$0.10)	(\$0.12)	(\$0.11)	(\$0.41)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.45)	
<b>Margins</b>																						
Gross margin																						
Research & development																						
General & administrative																						
Operating margin																						
Tax rate, GAAP																						
Net margin																						
<b>YY % change</b>																						
Total Revenue																						
Gross margin						42%	4%	38%	93%	0%	32%	-6%	-20%	-8%	94%	2%	19%	-3%	0%	0%	3%	
Research & development						115%	12%	18%	3%	-28%	1%	-37%	3%	-4%	30%	-7%	7%	-13%	0%	0%	-2%	
General & administrative						75%	9%	29%	38%	-18%	15%	-24%	-10%	-6%	58%	-3%	13%	-8%	0%	0%	1%	
Operating income (loss)						56%	8%	-10%	-33%	50%	3%	-67%	3%	97%	-13%	-11%	160%	17%	0%	0%	24%	
Net income (loss)						-10%	7%	-24%	-44%	27%	-9%	-80%	-55%	-13%	-62%	-58%	58%	13%	-3%	-3%	9%	
EPS Diluted (pro forma)																						

Source: Company reports and Ascendant Capital Markets estimates.

**RenovoRx, Inc.**

Balance Sheet (\$ mils)	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	Mar-25	Jun-25	Sep-25	Dec-25
Fiscal Year End: December 31	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<b>Assets</b>																	
Cash and cash equivalents	15.192	13.121	2.769	3.093	4.391	3.723	5.954	3.226	1.173	4.389	11.742	9.186	6.630	4.074	1.518	0.089	(2.267)
Short term investments			7.996	5.021	2.049							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
Prepaid expenses and other	1.089	0.822	0.478	1.136	0.825	0.838	0.360	0.293	0.293	0.399	0.262	0.262	0.262	0.262	0.262	0.262	0.262
Total current assets	16.281	13.943	11.243	9.250	7.265	4.561	6.314	3.519	1.466	4.788	12.004	9.448	6.892	4.336	1.780	0.351	(2.005)
Property and equipment, net	0.006	0.003										0.000	0.000	0.000	0.000	0.000	0.000
Intangibles, net												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
Other												0.000	0.000	0.000	0.000	0.000	0.000
<b>Total assets</b>	<b>16.287</b>	<b>13.946</b>	<b>11.243</b>	<b>9.250</b>	<b>7.265</b>	<b>4.561</b>	<b>6.314</b>	<b>3.519</b>	<b>1.466</b>	<b>4.788</b>	<b>12.004</b>	<b>9.448</b>	<b>6.892</b>	<b>4.336</b>	<b>1.780</b>	<b>0.351</b>	<b>(2.005)</b>
<b>Liabilities and stockholders' equity</b>																	
Accounts payable	0.525	0.729	0.473	0.538	0.534	0.828	0.872	0.350	0.561	0.356	0.438	0.438	0.438	0.438	0.438	0.438	0.438
Accrued expenses	0.413	0.677	0.650	0.564	0.568	0.477	0.827	1.255	0.614	0.737	0.873	0.873	0.873	0.873	0.873	2.000	2.200
Deferred income tax												0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities									3.291	1.928		0.000	0.000	0.000	0.000	0.000	0.000
Other												0.000	0.000	0.000	0.000	0.000	0.000
Short term debt												0.000	0.000	0.000	0.000	0.000	0.000
<b>Total current liabilities</b>	<b>0.938</b>	<b>1.406</b>	<b>1.123</b>	<b>1.102</b>	<b>1.102</b>	<b>1.305</b>	<b>1.699</b>	<b>1.605</b>	<b>4.466</b>	<b>3.021</b>	<b>1.311</b>	<b>1.311</b>	<b>1.311</b>	<b>1.311</b>	<b>1.311</b>	<b>2.438</b>	<b>2.638</b>
Deferred income taxes												0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities							3.427	1.908			1.421	1.421	1.421	1.421	1.421	1.421	1.421
Other long term liabilities												0.000	0.000	0.000	0.000	0.000	0.000
Long term debt												0.000	0.000	0.000	0.000	0.000	0.000
<b>Total other liabilities</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>3.427</b>	<b>1.908</b>	<b>0.000</b>	<b>0.000</b>	<b>1.421</b>	<b>1.421</b>	<b>1.421</b>	<b>1.421</b>	<b>1.421</b>	<b>1.421</b>	<b>1.421</b>
Preferred stock												0.000	0.000	0.000	0.000	0.000	0.000
Common stock	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.002	0.002	0.246	0.490	0.734	0.978	1.222	1.466
Additional paid-in capital	36.632	36.826	37.004	37.151	37.318	37.685	37.944	38.183	38.404	44.246	54.140	54.140	54.140	54.140	54.140	54.140	54.140
Retained earnings	(21.284)	(24.287)	(26.881)	(29.017)	(31.173)	(34.430)	(36.757)	(38.178)	(41.405)	(42.481)	(44.870)	(47.670)	(50.470)	(53.270)	(56.070)	(58.870)	(61.670)
Other												0.000	0.000	0.000	0.000	0.000	0.000
Accumulated other comprehensive income			(0.004)	0.013	0.017							0.000	0.000	0.000	0.000	0.000	0.000
<b>Total stockholders' equity</b>	<b>15.349</b>	<b>12.540</b>	<b>10.120</b>	<b>8.148</b>	<b>6.163</b>	<b>3.256</b>	<b>1.188</b>	<b>0.006</b>	<b>(3.000)</b>	<b>1.767</b>	<b>9.272</b>	<b>6.716</b>	<b>4.160</b>	<b>1.604</b>	<b>(0.952)</b>	<b>(3.508)</b>	<b>(6.064)</b>
<b>Total stockholders' equity and liabilities</b>	<b>16.287</b>	<b>13.946</b>	<b>11.243</b>	<b>9.250</b>	<b>7.265</b>	<b>4.561</b>	<b>6.314</b>	<b>3.519</b>	<b>1.466</b>	<b>4.788</b>	<b>12.004</b>	<b>9.448</b>	<b>6.892</b>	<b>4.336</b>	<b>1.780</b>	<b>0.351</b>	<b>(2.005)</b>

**Balance Sheet Drivers**

Book & Cash Value (per share)	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	Mar-25	Jun-25	Sep-25	Dec-25
	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book Value per Share (diluted)	\$2.94	\$1.39	\$1.12	\$0.90	\$0.68	\$0.36	\$0.11	\$0.00	-\$0.28	\$0.12	\$0.39	\$0.28	\$0.17	\$0.07	-\$0.04	-\$0.14	-\$0.24
Cash per Share (diluted)	\$2.91	\$1.46	\$1.19	\$0.89	\$0.71	\$0.41	\$0.56	\$0.30	\$0.11	\$0.29	\$0.49	\$0.38	\$0.27	\$0.17	\$0.06	\$0.00	-\$0.09
Net cash per Share (diluted)	\$2.91	\$1.46	\$1.19	\$0.89	\$0.71	\$0.41	\$0.56	\$0.30	\$0.11	\$0.29	\$0.49	\$0.38	\$0.27	\$0.17	\$0.06	\$0.00	-\$0.09

Source: Company reports and Ascendant Capital Markets estimates

**RenovoRx, Inc.**

Cash Flow Statement (\$ mils)	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	Mar-25	Jun-25	Sep-25	Dec-25	2025	
Fiscal Year End: December 31	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
<b>Cash flow from operating activities</b>																						
Net income	(6.324)	(3.003)	(2.594)	(2.136)	(2.156)	(9.889)	(3.257)	(2.327)	(1.421)	(3.227)	(10.232)	(1.076)	(2.389)	(2.800)	(2.800)	(9.065)	(2.800)	(2.800)	(2.800)	(2.800)	(11.200)	
Depreciation						0.000					0.000					0.000					0.000	
Amortization	0.009	0.003	0.003			0.006					0.000					0.000					0.000	
Non-cash lease expense						0.000					0.000					0.000					0.000	
Debt related amortization exper	0.697					0.000					0.000					0.000					0.000	
Stock comp	0.147	0.168	0.169	0.143	0.164	0.644	0.361	0.257	0.239	0.221	1.078	0.423	0.244	0.244	0.244	1.155	0.244	0.244	0.244	0.244	0.976	
Deferred income taxes						0.000					0.000					0.000					0.000	
Change in fair value of warrant	(0.118)					0.000		(1.966)	(1.519)	1.776	(1.709)	(1.362)	(0.508)			(1.870)					0.000	
Lease						0.000					0.000					0.000					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	0.078					0.000					0.000					0.000					0.000	
Other gains/losses	(0.140)					0.000		0.393		(0.393)	0.000					0.000					0.000	
Other						0.000					0.000					0.000					0.000	
Changes in operating assets and liabilities:																						
Prepaid expenses & other curre	(0.970)	0.267	0.344	(0.658)	0.311	0.264	0.233	0.268	0.072	0.060	0.633	(0.079)	0.009	0.000	0.000	(0.070)	0.000	0.000	0.000	0.000	0.000	
Income tax						0.000					0.000					0.000					0.000	
Other assets					0.009	0.009	(0.246)	0.210	(0.005)	(0.060)	(0.101)	(0.027)	0.128	0.000	0.000	0.101	0.000	0.000	0.000	0.000	0.000	
Accounts payable	0.363	0.204	(0.256)	0.065	(0.013)	(0.000)	0.294	0.044	(0.522)	0.211	0.027	(0.206)	0.083	0.000	0.000	(0.123)	0.000	0.000	0.000	0.000	0.000	
Accrued expenses	0.342	0.264	(0.027)	(0.086)	0.004	0.155	(0.091)	0.350	0.428	(0.641)	0.046	0.123	0.136	0.000	0.000	0.259	0.000	0.000	1.127	0.200	1.327	
Deferred revenue						0.000					0.000					0.000					0.000	
Other liabilities						0.000					0.000			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Net cash (used in) provided by</b>	<b>(5.916)</b>	<b>(2.097)</b>	<b>(2.361)</b>	<b>(2.672)</b>	<b>(1.681)</b>	<b>(8.811)</b>	<b>(2.706)</b>	<b>(2.771)</b>	<b>(2.728)</b>	<b>(2.053)</b>	<b>(10.258)</b>	<b>(2.204)</b>	<b>(2.297)</b>	<b>(2.556)</b>	<b>(2.556)</b>	<b>(9.613)</b>	<b>(2.556)</b>	<b>(2.556)</b>	<b>(1.429)</b>	<b>(2.356)</b>	<b>(8.897)</b>	
<b>Cash flow from investing activities</b>																						
Purchases of property and equi	(0.015)					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			(8.000)	2.992	2.976	(2.032)	2.032				2.032					0.000					0.000	
Acquisitions						0.000					0.000					0.000					0.000	
Other						0.000					0.000					0.000					0.000	
<b>Net cash used in investing activ</b>	<b>(0.015)</b>	<b>0.000</b>	<b>(8.000)</b>	<b>2.992</b>	<b>2.976</b>	<b>(2.032)</b>	<b>2.032</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.032</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	
<b>Cash flow from financing activities</b>																						
Issuance of debt	1.977					0.000					0.000			0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Repayment of debt						0.000					0.000					0.000					0.000	
Issuance of stock	14.563					0.000		5.000			5.000	5.378	9.638	0.000	0.000	15.016	0.000	0.000	0.000	0.000	0.000	
Proceeds from stock option exe	2.788	0.026	0.009	0.004	0.003	0.042	0.006	0.002			0.008	0.042	0.012			0.054					0.000	
Other						0.000					0.000					0.000					0.000	
Dividends and distributions						0.000					0.000					0.000					0.000	
<b>Cash provided by (used in) fina</b>	<b>19.328</b>	<b>0.026</b>	<b>0.009</b>	<b>0.004</b>	<b>0.003</b>	<b>0.042</b>	<b>0.006</b>	<b>5.002</b>	<b>0.000</b>	<b>0.000</b>	<b>5.008</b>	<b>5.420</b>	<b>9.650</b>	<b>0.000</b>	<b>0.000</b>	<b>15.070</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	
Effect of exchange rate on cash						0.000					0.000					0.000					0.000	
<b>Net increase (decrease) in cash</b>	<b>13.397</b>	<b>(2.071)</b>	<b>(10.352)</b>	<b>0.324</b>	<b>1.298</b>	<b>(10.801)</b>	<b>(0.668)</b>	<b>2.231</b>	<b>(2.728)</b>	<b>(2.053)</b>	<b>(3.218)</b>	<b>3.216</b>	<b>7.353</b>	<b>(2.556)</b>	<b>(2.556)</b>	<b>5.457</b>	<b>(2.556)</b>	<b>(2.556)</b>	<b>(1.429)</b>	<b>(2.356)</b>	<b>(8.897)</b>	
<b>Beginning cash and equivalents</b>	<b>1.795</b>	<b>15.192</b>	<b>13.121</b>	<b>2.769</b>	<b>3.093</b>	<b>15.192</b>	<b>4.391</b>	<b>3.723</b>	<b>5.954</b>	<b>3.226</b>	<b>4.391</b>	<b>1.173</b>	<b>4.389</b>	<b>11.742</b>	<b>9.186</b>	<b>1.173</b>	<b>6.630</b>	<b>4.074</b>	<b>1.518</b>	<b>0.089</b>	<b>6.630</b>	
<b>Ending cash and equivalents</b>	<b>15.192</b>	<b>13.121</b>	<b>2.769</b>	<b>3.093</b>	<b>4.391</b>	<b>4.391</b>	<b>3.723</b>	<b>5.954</b>	<b>3.226</b>	<b>1.173</b>	<b>1.173</b>	<b>4.389</b>	<b>11.742</b>	<b>9.186</b>	<b>6.630</b>	<b>6.630</b>	<b>4.074</b>	<b>1.518</b>	<b>0.089</b>	<b>(2.267)</b>	<b>(2.267)</b>	

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.

## **RenovoRx, Inc.**

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

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

### Ascendant Capital Markets, LLC Rating System

**BUY:** We expect the stock to provide a total return of 15% or more within a 12-month period.

**HOLD:** We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

**SELL:** We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

### Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of July 12, 2024)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	58	98%	21	36%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	59	100%	21	36%

### 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.

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