



Nemaura Medical Inc.

Q3 about inline with initial revenues. Major catalyst expected in 2022 from SugarBEAT launch in U.S. and Europe. Lowering P/T to \$17.

Q3 about inline: Nemaura recently (on February 14) reported its Q3 FY22 (ending December) results. Revenue was \$0.2 million, compared with our estimate of \$0.2 million. EPS was \$(0.15) compared to our estimate of \$(0.13). There was no Q3 guidance. Nemaura is an early/clinical stage medical device development/commercialization company so it generates minimal revenue.

First quarter of revenue: Nemaura reported its first quarter of revenue.

Operating expense: Operating expenses were \$1.8 million, up from \$1.7 million in Q2 as the company expands commercial activities. Management declined to provide FY22 specific guidance, but we believe ~\$2 million is a reasonable near term quarterly burn rate.

No guidance: The company has not provided specific financial guidance.

Maintaining estimates: We are maintaining our FY22 estimate for revenue of \$0.5 million, and for EPS of \$(0.56).

Continued progress on SugarBEAT launches: The company continues to build its management team and increase resources for commercial revenue generation soon. With initial revenue started in Q3 FY22, the company expects to expand revenue in 2022.

SugarBEAT: sugarBEAT is a CE mark (EU) approved Class IIb medical device. It is a non-invasive and flexible continuous glucose monitor (CGM) providing actionable insights derived from real time glucose measurements and daily glucose trend data, which may help people with diabetes and pre-diabetes to better manage, reverse, and prevent the onset of diabetes. sugarBEAT received CE mark (EU) approval in May 2019 and is currently in early commercialization phase in the EU.

Large target market: sugarBEAT is for people with diabetes as an adjunct to finger prick testing to monitor and track their glucose profiles, so that the user can be better informed about the factors affecting their glucose profile, and to help manage their diabetes. sugarBEAT is targeted initially at the Type 2 diabetic population, which is over 25 million people in the U.S.

U.S. product updates: Nemaura has submitted a PMA (Pre-market Approval Application) for sugarBEAT to the U.S. FDA (in July 2020) which is still in process. The company also just launched a digital healthcare subscription service in the U.S. under the brand name BEATdiabetes. The company has also launched a beta version of Miboko, its mass-market metabolic health program utilizing the company's non-invasive glucose sensor along with an AI mobile application.

Full commercial launch in 2022: SugarBEAT is currently in early launch phase in the EU but we expect a major launch in the EU and U.S. in 2022. We believe a strong launch should be a major catalyst for the stock.

Solid balance sheet: The company had \$23 million in cash and \$24 million in debt as of December 2021. We believe it has enough cash through FY23. Tiger Partners Trading, an advisor to Julian Robertson's Tiger Management family office, acquired a 3.1% equity stake in Nemaura in February 2022.

Maintaining BUY: We are maintaining our BUY rating, but lowering our 12-month price target to \$17 from \$19, which is based on an NPV analysis. This represents significant upside from the current share price. We believe this valuation appropriately balances out the company's high risks with the company's high growth prospects and large upside opportunities.

Company Description

Based in Loughborough, England, Nemaura Medical is engaged in the discovery, development, and commercialization of diagnostic medical devices.

COMPANY UPDATE

Rating: BUY

Ticker: NMRD

Price: \$3.95

Target: \$17.00
(from \$19)

United States
Healthcare

March 20, 2022

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Stock Data

Exchange:	NasdaqCM
52-week Range:	\$3.51 – 17.40
Shares Outstanding (million):	24
Market cap (\$million):	\$95
EV (\$million):	\$96
Debt (\$million):	\$24
Cash (\$million):	\$23
Avg. Daily Trading Vol. (\$million):	~\$0.4
Float (million shares):	9
Short Interest (million shares):	~0.3
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2022E</u> <u>(Old)</u>	<u>2022E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>
Q1 Jun	0.0A		0.5E	
Q2 Sep	0.0A		0.6E	
Q3 Dec	0.2A	0.2E	0.7E	
Q4 Mar	<u>0.3E</u>		<u>1.2E</u>	
Total	0.5E		3.0E	
EV/Revs	N/A		39x	

Earnings per Share (pro forma)

	<u>2022E</u> <u>(Old)</u>	<u>2022E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>
Q1 Jun	(0.14)A		(0.11)E	
Q2 Sep	(0.15)A		(0.11)E	
Q3 Dec	(0.15)A	(0.13)E	(0.11)E	
Q4 Mar	<u>(0.12)E</u>	<u>(0.13)E</u>	<u>(0.10)E</u>	
Total	(0.56)E		(0.43)E	
P/E	N/A		N/A	

Important Disclosures

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

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 16.

Exhibit 1: Nemaura Medical's Company Overview

Our Vision

Within 5 years, Nemaura aims to lead the wearables market and in the self-management of chronic diseases with our AI-driven pipeline of sensor products and our digital healthcare platforms.

KNOWLEDGE

Provide knowledge to empower users, using our BEAT® body-worn sensor platform. Glucose today, and lactate, cortisol, alcohol and others, soon...

ENGAGEMENT

We are building and partnering with clinically validated digital tools, including gamification, to ensure longevity of our programs through long term engagement spanning years, not weeks.

OUTCOME

Empowering users with clinical grade data and world class digital programs, we aim to provide clinically significant long-term outcomes in the global health and wellness markets.

Company Overview

A UK-based medical device and digital healthcare company that owns and developed IP for the world's first non-invasive body worn sensor platform.

This gives us unparalleled opportunities to enter new markets and upscale our operations in one of the fastest growing fields of healthcare and well-being.

- ❑ Founded in 2011, we developed a platform technology using non-invasive microsystems to measure blood markers at the surface of the skin.
- ❑ Developed and launched sugarBEAT® Continuous Glucose Monitor, a CE approved Class 2b medical device with alarms and alerts for glucose monitoring in people with diabetes and pre-diabetes.
- ❑ Launched BEAT®diabetes, which combines the CGM platform with a digital healthcare program originally developed at the Joslin Diabetes Centre.
- ❑ Consumer product with mass appeal to be launched in 2021.

Source: Company reports.

Exhibit 2: Nemauro Medical's Investment Highlights (as of February 2022)

Summary

- CE Class 2b Medical Device Approval – and subsequent user testimonials and order for 200,000 sensors (from UK Licensee) and first batch delivery made in December 2021, leading the company to start recognizing revenues for the first time in its corporate history.
- FDA PMA review in progress
- First mover advantage with the non-invasive sensor platform
- Simple Revenue generation models: Direct to consumer subscription services, direct sales to Corporates and Insurers.
- Highly Scalable business model with potential for rapid growth
- Cash balance over \$22m (as of 31st Jan 2022); last quarterly burn rate approx. \$2m/qtr (plus debt repayment).

Source: Company reports.

Exhibit 3: Company Products

Product Positioning

sugarBEAT® CGM – Direct sales to consumers that wish to purchase sensors to measure glucose profiles on days they choose.

www.sugarBEAT.com

BEAT® diabetes Program: A diabetes management program based on subscription. Currently in Pilot and plan is to sell in to Corporates and Insurers.

www.BEATdiabetes.Life

MiBoKo® Consumer Metabolic Health Program – Direct to Consumer sales to commence after Beta Phase (Beta was launched in October 2021). Plan is also to sell to employers and insurers globally, due to the low cost approach.

www.Miboko.com

Source: Company reports.

Exhibit 4: SugarBEAT

SugarBEAT®

- We believe we are poised to disrupt the multi-billion dollar glucose trending and diabetes management space
- SugarBEAT® is a non-invasive CGM (Continuous Glucose Monitor) where the sensor sits on top of the skin. Does not require needles and does not puncture the skin to insert a sensor
- SugarBEAT® is a flexible CGM which can be worn for a single day at a time, with no commitment to wear the device continuously for 10-14 days as is the case with other CGM, making it unlikely that the daily cost-of-use can be matched by our competitors
- CE approved Class IIB Medical Device
- US FDA PMA approval and launch anticipated by end of 2021
- EU commercial launch first, with U.S. and others to follow.
- Empowering Glucose Trend data over the course of the day, with measurements recorded every 5 minutes
- Replacing point in time finger-stick measurements which provide very little and often misleading information as the previous and subsequent readings are not known

Source: Company reports.

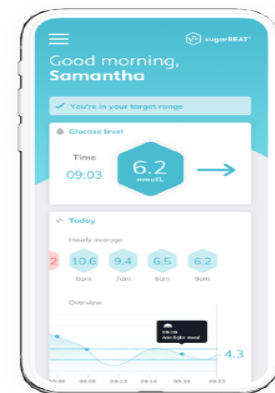
Exhibit 5: SugarBEAT Product

sugarBEAT® - How it Works



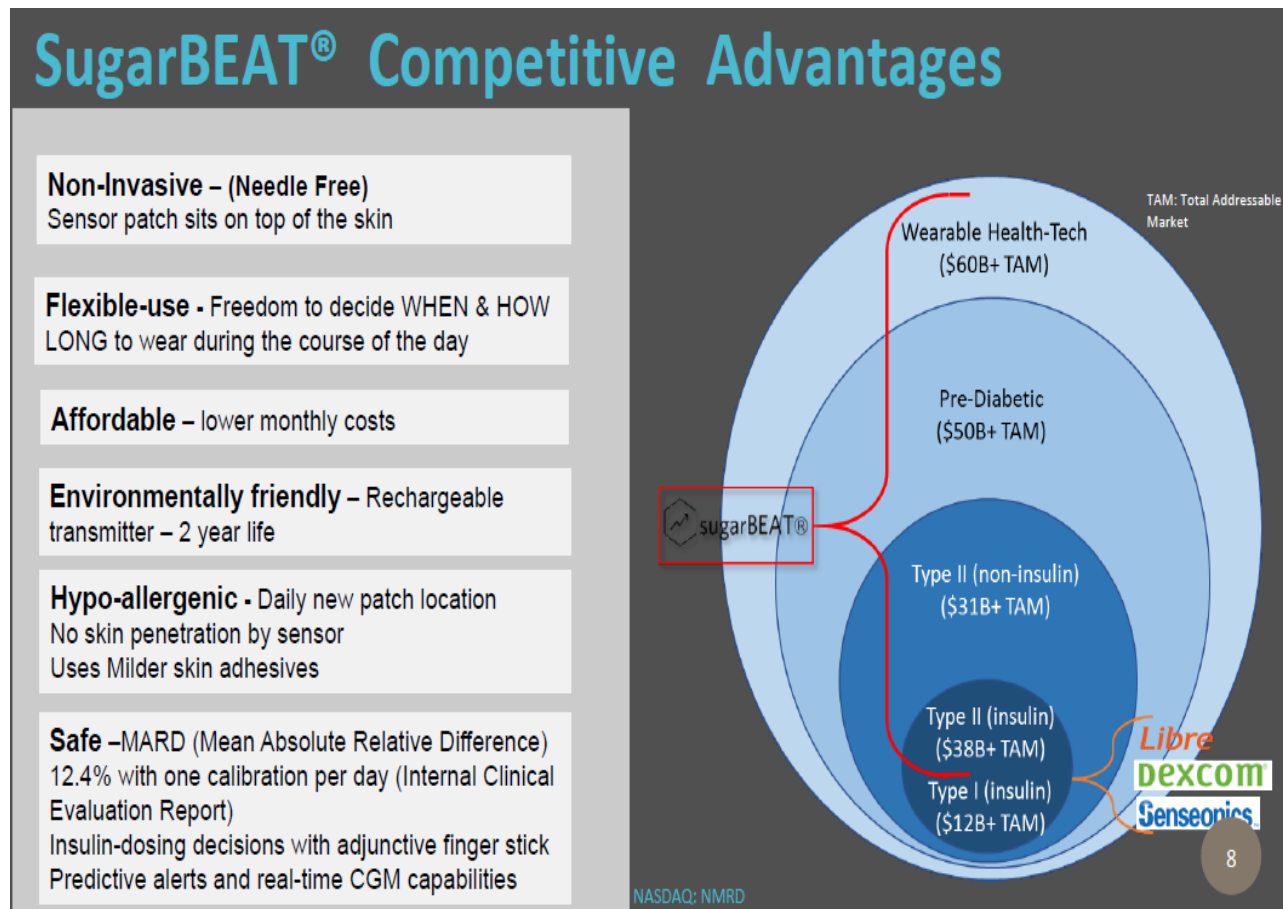
sugarBEAT® is a potential game-changer in diabetes management, with mass market applications in well-being and metabolic health

- 1 Discrete**
A small transmitter device and an adhesive patch with a sensor sits on top of the skin, typically on the upper arm
- 2 Painless**
The system painlessly draws small amounts of glucose molecules out of the interstitial fluid just below the top layer of skin into a chamber within the patch. Does not require needles, and the sensor does not puncture the skin
- 3 Integrated App**
The rechargeable transmitter measures glucose levels within the chamber and transmits this data every five minutes via Bluetooth to a mobile phone app
- 4 Proprietary Algorithm**
Using a proprietary algorithm, the app then displays this data as a glucose value on a smart phone/device in both graphical and numerical formats



Source: Company reports.

Exhibit 6: SugarBEAT Competitive Advantages



Source: Company reports.

Exhibit 7: SugarBEAT Commercial Strategy

Commercial Strategy

- **Priority 1: Subscription based service**
 - A monthly subscription planned to go online by end 2020 to receive a set number of sensors each month, and the app which will allow the user to share their data with family and care givers, and be able to monitor their glucose profile relative to lifestyle interventions and habits.
- **Priority 2: Digital Coaching**
 - Subscription based digital coaching supporting diabetes / health / nutrition / exercise/ behavioral changes and modification etc.
- **Priority 3: AI Platform**
 - Creation of AI platform to enhance user experience. This will be developed as we gather data from users.
- **Priority 4: One-to-one digital coaching**
 - Subscription based high value, low volume service, with coaches recruited in all local territories.

Commercial Strategy: Geographic

Digital solutions are not limited by geographical boundaries: post roll-out in the United States, we plan additional opportunities across allied geographic markets



Europe

Leverage similar compliance requirements and known healthcare structures to rapidly accelerate market entry



Australia & Canada

Rapid expansion in English speaking markets with known adoption of healthcare/lifestyle apps



Southeast Asia

Predominantly English speaking regions with a rich seam of resources available to reverse the diabetes pandemic



Middle East

A region with a high healthcare burden in diabetes and other metabolic diseases. High adopters of digital solutions

Source: Company reports.

Exhibit 8: SugarBEAT Market Opportunity

The Problem...

Obesity and Diabetes are two of the major drivers of the chronic disease epidemic

There are over 463 million people living with diabetes worldwide, and over \$760 Billion was spent in the US alone in 2019 for diabetes related healthcare expenditure¹.

The total addressable market exceeds \$150 Billion^{2,3,4}.



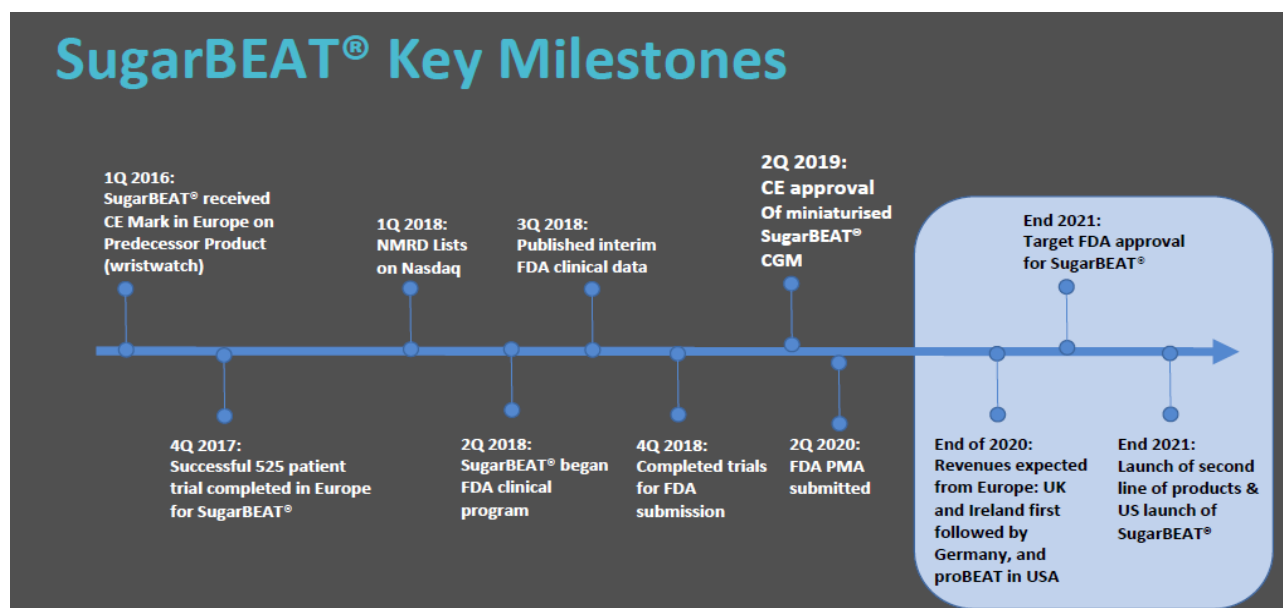
Total Addressable Market

28,000 people diagnosed with diabetes EVERY WEEK in the U.S. alone⁷ in a market worth nearly \$150B

UK	Germany	U.S.
4.8 million people with diabetes ⁸	9.5 million have diabetes ⁹ .	34.2 million have diabetes ⁶
One person diagnosed every 2 minutes	4.5 million of these 9.5 million are undiagnosed and, as a result, may be particularly at risk.	88 million people have pre-diabetes

Source: Company reports.

Exhibit 9: SugarBEAT Milestones (as of 9/20)



Source: Company reports.

Exhibit 10: SugarBEAT UK Sales

sugarBEAT® Sales status UK

- UK: 200,000 Sensors ordered by licensee following soft launch success
- Delivered first batch of Transmitter devices in December 2021, with rolling bi-weekly/monthly delivery planned.
- Purchase order forecast for (approximately) a further 100,000 per month for the next 2 years, totaling over 2 million sensors.
- Licensee selling these based on a diabetes management subscription service.

Source: Company reports.

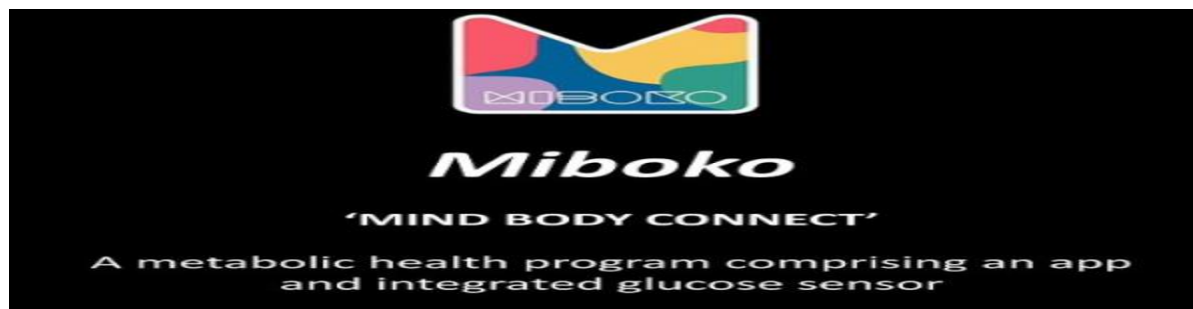
Exhibit 11: BEAT diabetes and MiBoKo



Type 2 Diabetes prevention and management program launched in the U.S.

BEAT[®] diabetes – 3 Components

1. Weight loss program originally developed at the Joslin Diabetes Centre – over 12 years of clinical evidence (based on an in-clinic program, subsequently replicated using a virtual program). Sustained long term weight loss achieved without loss of muscle mass
1. proBEAT™ Intermittent glucose profiling – using world’s first daily-wearable glucose sensor, developed in-house
2. Coaching: digital 24/7 using app, and specialist 1 to 1 coaching



MiBoKo: A Mass-Market Consumer Product

Download the app & On-board

Sensor measures metabolic health score

Receive report and weekly targets

Applicable to over 80 million people in the U.S. with prediabetes as well as general health-conscious individuals, and obesity market.



Source: Company reports.

Exhibit 12: Nemaura Medical Future Products

Future Product Opportunities

Leveraging the BEAT[®] Technology

A rich portfolio of additional products to complement existing offering and contribute to increased revenues



CONTINUOUS LACTATE MONITORING

01

Assists in threshold maximization in performance athletes

Early identification of tissue hypoperfusion or shock for aggressive early resuscitation of critically ill patients to improve their chances of survival



BODY TEMPERATURE MONITORING

02

Gives a more accurate and large data set. For monitoring viral infections and lower limb blood circulation tracking the effectiveness of drugs

Wearable temperature sensors market is expected to register a CAGR of 8.3% during the forecast period 2021-2026²²



ALCOHOL MONITORING

03

Support personal health goals and provide warnings prior to driving.

Provide physicians with individual's drinking habits.

Prevention of progression-to-alcohol-related disease



DRUG MONITORING

04

Monitoring the impact of drugs and personalized treatment plan for patients.

Global therapeutic drug monitoring device market to reach \$3.37B by 2024²³

Source: Company reports.

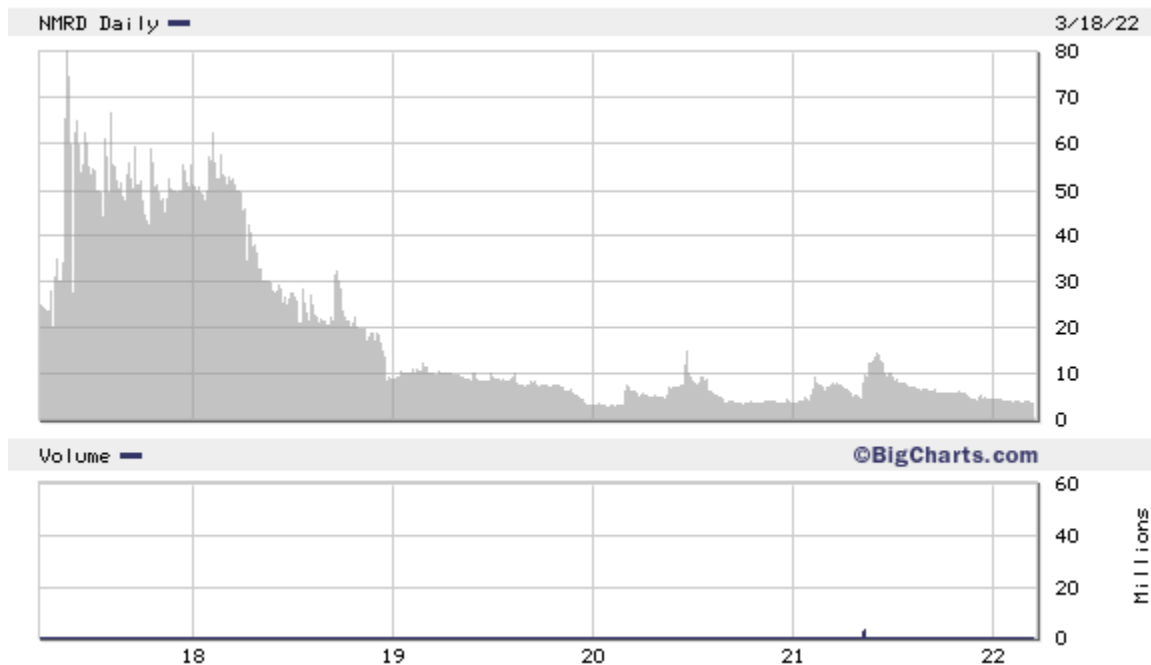
Exhibit 13: Q3 (Dec) FY22 and Recent Highlights

Recent Corporate Highlights:

- Commenced shipments of sugarBEAT[®] continuous glucose monitor (CGM) devices to its UK licensee, MySugarWatch Limited, previously DB Ethitronix Limited
- Appointed Dr. Arash Ghadar as Chief Operating Officer
- Launched Miboko, a new metabolic health program using a body-worn glucose sensor along with an AI mobile application, intended for employers and insurers as well as direct to consumer, as a form of wellness and preventative medicine platform
- Tiger Partners Trading LLC, an investment advisor to Julian Robertson's Tiger Management family office, acquired a 3.1% equity stake in Nemaura Medical in February 2022

Source: Company reports.

Exhibit 14: Nemaura Medical Inc. Stock Price (5-years)



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

Exhibit 15: Consensus Expectations (as of February 15, 2022)

	Revenue			EPS	
	2022E	2023E		2022E	2023E
Q1 Jun	\$0A	\$0.5E	Q1 Jun	\$(0.14)A	\$(0.14)E
Q2 Sep	\$0A		Q2 Sep	\$(0.15)A	
Q3 Dec	\$0.2A		Q3 Dec	\$(0.15)A	
Q4 Mar	\$0.3E		Q4 Mar	\$(0.14)E	
Total	\$0.5E	\$2.7E	Total	\$(0.57)E	\$(0.52)E

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

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

FINANCIAL MODEL

Nemaura Medical Inc.

Income Statement (\$ mils)	Jun-19	Sep-19	Dec-19	Mar-20	2020	Jun-20	Sep-20	Dec-20	Mar-21	2021	Jun-21	Sep-21	Dec-21	Mar-22	2022	Jun-22	Sep-22	Dec-22	Mar-23	2023
Fiscal Year End: March 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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.184	0.280	0.464	0.500	0.600	0.700	1.200	3.000
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	0.172	0.056	0.228	0.100	0.120	0.140	0.240	0.600
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	0.011	0.224	0.235	0.400	0.480	0.560	0.960	2.400
Research and development	0.556	0.463	0.517	0.474	2.009	0.315	0.456	0.487	0.296	1.555	0.288	0.287	0.412	0.400	1.388	0.500	0.500	0.500	0.500	2.000
General and administrative	0.699	0.655	0.543	0.873	2.769	0.596	0.772	0.582	1.083	3.032	1.332	1.428	1.391	1.400	5.551	1.800	2.000	2.000	2.100	7.900
Restructuring and other					0.000					0.000					0.000					0.000
Total operating expenses	1.255	1.117	1.059	1.347	4.778	0.911	1.228	1.068	1.379	4.587	1.621	1.715	1.804	1.800	6.939	2.300	2.500	2.500	2.600	9.900
Operating income (loss)	(1.255)	(1.117)	(1.059)	(1.347)	(4.778)	(0.911)	(1.228)	(1.068)	(1.379)	(4.587)	(1.621)	(1.715)	(1.792)	(1.576)	(6.704)	(1.900)	(2.020)	(1.940)	(1.640)	(7.500)
Interest income (expense)	0.004			0.000	0.004	(0.189)	(0.353)	(0.378)	(1.087)	(2.008)	(1.723)	(1.779)	(1.639)	(1.250)	(6.392)	(0.750)	(0.750)	(0.750)	(0.750)	(3.000)
Other income (expense)					0.000					0.000					0.000	0.000	0.000	0.000	0.000	0.000
Income before income taxes	(1.251)	(1.117)	(1.059)	(1.347)	(4.775)	(1.100)	(1.581)	(1.447)	(2.466)	(6.594)	(3.344)	(3.494)	(3.432)	(2.826)	(13.096)	(2.650)	(2.770)	(2.690)	(2.390)	(10.500)
Income taxes			(0.614)		(0.614)				(0.336)	(0.336)					0.000	0.000	0.000	0.000	0.000	0.000
Net income (loss)	(1.251)	(1.117)	(0.445)	(1.347)	(4.160)	(1.100)	(1.581)	(1.447)	(2.131)	(6.259)	(3.344)	(3.494)	(3.432)	(2.826)	(13.096)	(2.650)	(2.770)	(2.690)	(2.390)	(10.500)
Nonrecurring/noncash adjustments					0.000					0.000					0.000					0.000
Net income (pro forma)	(1.251)	(1.117)	(0.445)	(1.347)	(4.160)	(1.100)	(1.581)	(1.447)	(2.131)	(6.259)	(3.344)	(3.494)	(3.432)	(2.826)	(13.096)	(2.650)	(2.770)	(2.690)	(2.390)	(10.500)
EBITDA																				
Shares, Basic	20.8	20.8	20.8	20.8	20.8	20.9	22.4	22.9	23.0	22.3	23.1	23.3	23.3	24.1	23.5	24.3	24.5	24.7	24.9	24.6
Shares, Diluted	20.8	20.8	20.8	20.8	20.8	20.9	22.4	22.9	23.0	22.3	23.1	23.3	23.3	24.1	23.5	24.3	24.5	24.7	24.9	24.6
EPS Basic (pro forma)	(\$0.06)	(\$0.05)	(\$0.02)	(\$0.06)	(\$0.20)	(\$0.05)	(\$0.07)	(\$0.06)	(\$0.09)	(\$0.28)	(\$0.14)	(\$0.15)	(\$0.15)	(\$0.12)	(\$0.56)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.10)	(\$0.43)
EPS Diluted (pro forma)	(\$0.06)	(\$0.05)	(\$0.02)	(\$0.06)	(\$0.20)	(\$0.05)	(\$0.07)	(\$0.06)	(\$0.09)	(\$0.28)	(\$0.14)	(\$0.15)	(\$0.15)	(\$0.12)	(\$0.56)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.10)	(\$0.43)
Margins																				
Gross margin															80%	51%	80%	80%	80%	80%
Research and development															143%	299%	100%	83%	71%	42%
General and administrative															500%	1197%	360%	333%	286%	175%
Operating margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-976%	-563%	-1446%	-380%	-337%	-277%	-137%	-250%
Tax rate, GAAP	0%	0%	58%	0%	13%	0%	0%	0%	14%	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-1869%	#####	-2825%	-530%	-462%	-384%	-199%	-350%
Y/Y % change																				
Total Revenue																				
Gross margin																				
Research and development	29%	-26%	17%	-41%	-13%	-43%	-1%	-6%	-38%	-23%	-9%	-37%	-15%	35%	-11%	73%	74%	21%	25%	44%
General and administrative	104%	25%	11%	6%	27%	-15%	18%	7%	24%	9%	124%	85%	139%	29%	83%	35%	40%	44%	50%	42%
Operating income (loss)	63%	-3%	14%	-17%	7%	-27%	10%	1%	2%	-4%	78%	40%	68%	14%	46%	17%	18%	8%	4%	12%
Net income (loss)	64%	-2%	-52%	-17%	-7%	-12%	42%	225%	58%	50%	204%	121%	137%	33%	109%	-21%	-21%	-22%	-15%	-20%
EPS Diluted (pro forma)	-17%	-3%	-53%	-18%	-19%	-12%	32%	195%	43%	40%	175%	112%	133%	27%	99%	-25%	-25%	-26%	-18%	-24%

Source: Company reports and Ascendant Capital Markets estimates.

Nemaura Medical Inc.

Balance Sheet (\$ mils)	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Fiscal Year End: March 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	3.069	1.771	1.068	0.106	5.953	16.949	14.960	31.865	31.260	26.768	23.046	20.471	17.739	14.529	11.758	8.927
Short term investments												0.000	0.000	0.000	0.000	0.000
Account receivables									0.108	0.504	0.153	0.153	0.153	0.153	0.153	0.153
Inventory	0.039	0.196	0.230	0.286	0.339	0.412	0.818	0.851	0.882	1.115	1.384	1.384	1.384	1.384	1.384	1.384
Deferred income taxes												0.000	0.000	0.000	0.000	0.000
Prepaid expenses and other	0.552	0.376	0.444	0.452	2.260	0.358	0.850	1.270	1.820	1.364	0.472	0.472	0.472	0.472	0.472	0.472
Total current assets	3.659	2.343	1.741	0.845	8.552	17.719	16.628	33.986	34.069	29.751	25.056	22.480	19.749	16.538	13.767	10.936
Property and equipment, net	0.123	0.163	0.192	0.162	0.149	0.153	0.200	0.202	0.256	0.352	0.454	0.535	0.617	1.057	1.138	1.579
Intangibles, net	0.193	0.198	0.230	0.213	0.217	0.237	0.810	1.055	1.357	1.491	1.564	1.564	1.564	1.564	1.564	1.564
Deferred income tax												0.000	0.000	0.000	0.000	0.000
Other												0.000	0.000	0.000	0.000	0.000
Total assets	3.976	2.704	2.164	1.220	8.918	18.109	17.639	35.243	35.683	31.594	27.074	24.579	21.929	19.159	16.469	14.079
Liabilities and stockholders' equity																
Accounts payable	0.177	0.214	0.184	0.294	0.190	0.156	0.167	0.254	0.108	0.151	0.177	0.177	0.177	0.177	0.177	0.177
Related parties	1.073	1.007	0.702	0.830	0.544	0.154	0.396	0.149				0.000	0.000	0.000	0.000	0.000
Accrued expenses												0.000	0.000	0.000	0.000	0.000
Deferred income tax												0.000	0.000	0.000	0.000	0.000
Other	0.141	0.055	0.191	0.169	0.202	0.048	0.076	0.181	0.544	0.603	0.645	0.645	0.645	0.645	0.645	0.645
Deferred revenue	0.036	0.062	0.066	0.093	0.094	0.097	0.102	0.103	0.629	0.625	0.463	0.463	0.463	0.463	0.463	0.463
Short term debt					2.550	2.432	3.610	5.733	11.143	15.830	14.851	14.851	14.851	14.851	14.851	14.851
Total current liabilities	1.426	1.337	1.143	1.386	3.580	2.886	4.351	6.420	12.423	17.208	16.135	16.135	16.135	16.135	16.135	16.135
Deferred income taxes												0.000	0.000	0.000	0.000	0.000
Warrant liabilities												0.000	0.000	0.000	0.000	0.000
Other long term liabilities												0.000	0.000	0.000	0.000	0.000
Deferred revenue	1.241	1.170	1.255	1.147	1.143	1.195	1.263	1.276	1.267	1.225	1.202	1.202	1.202	1.202	1.202	1.202
Long term debt					2.234	2.786	1.699	19.189	14.026	8.795	8.713	8.713	8.713	8.713	8.713	8.713
Total other liabilities	1.241	1.170	1.255	1.147	3.378	3.981	2.961	20.465	15.292	10.020	9.915	9.915	9.915	9.915	9.915	9.915
Preferred stock												0.000	0.000	0.000	0.000	0.000
Common stock	0.208	0.208	0.021	0.021	0.021	0.023	0.023	0.023	0.023	0.023	0.023	0.023	0.023	0.023	0.023	0.023
Additional paid-in capital	16.133	16.146	16.373	16.589	20.957	31.838	31.998	32.044	35.008	35.008	35.122	35.122	35.122	35.122	35.122	35.122
Retained earnings	(14.677)	(15.794)	(16.239)	(17.586)	(18.686)	(20.267)	(21.714)	(23.845)	(27.188)	(30.683)	(34.114)	(36.940)	(39.590)	(42.360)	(45.050)	(47.440)
Accumulated other comprehensive in	(0.356)	(0.363)	(0.389)	(0.337)	(0.332)	(0.352)	0.020	0.136	0.125	0.018	(0.007)	0.324	0.324	0.324	0.324	0.324
Minority Interest												0.000	0.000	0.000	0.000	0.000
Total stockholders' equity	1.308	0.196	(0.235)	(1.313)	1.960	11.242	10.327	8.358	7.967	4.366	1.024	(1.471)	(4.121)	(6.891)	(9.581)	(11.971)
Total stockholders' equity and liabil	3.976	2.704	2.164	1.220	8.918	18.109	17.639	35.243	35.683	31.594	27.074	24.579	21.929	19.159	16.469	14.079

Balance Sheet Drivers

	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
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)	0.06	0.01	(0.01)	(0.06)	0.09	0.50	0.45	0.36	0.34	0.19	0.04	(0.06)	(0.17)	(0.28)	(0.39)	(0.48)
Cash per Share (diluted)	0.15	0.09	0.05	0.01	0.29	0.76	0.65	1.39	1.35	1.15	0.99	0.85	0.73	0.59	0.48	0.36
Net cash per Share (diluted)	0.15	0.09	0.05	0.01	0.06	0.52	0.42	0.30	0.26	0.09	(0.02)	(0.13)	(0.24)	(0.37)	(0.48)	(0.59)

Source: Company reports and Ascendant Capital Markets estimates

Nemaura Medical Inc.

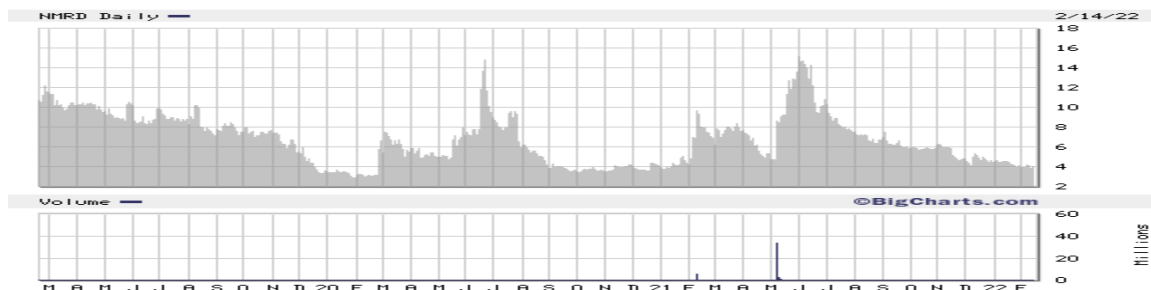
Cash Flow Statement (\$ mils)	Jun-19	Sep-19	Dec-19	Mar-20	2020	Jun-20	Sep-20	Dec-20	Mar-21	2021	Jun-21	Sep-21	Dec-21	Mar-22	2022	Jun-22	Sep-22	Dec-22	Mar-23	2023	
Fiscal Year End: March 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(1.251)	(1.117)	(0.445)	(1.347)	(4.160)	(1.100)	(1.581)	(1.447)	(2.131)	(6.259)	(3.344)	(3.494)	(3.432)	(2.826)	(13.096)	(2.650)	(2.770)	(2.690)	(2.390)	(10.500)	
Depreciation	0.011	0.017	0.019	0.007	0.055	0.020	0.021	0.028	0.030	0.098	0.036	0.046	0.058	0.058	0.198	0.058	0.058	0.058	0.058	0.232	
Amortization					0.000					0.000					0.000					0.000	
Debt related amortization expense					0.000	0.189	0.354	0.378	1.087	2.008	1.723	1.779	1.639		5.142					0.000	
Stock comp	0.162	0.115	0.040	0.247	0.565	0.059		0.025	0.029	0.113				0.000		0.000	0.000	0.000	0.000	0.000	
Deferred income taxes					0.000					0.000					0.000					0.000	
Change in fair value of warrant liability					0.000					0.000					0.000					0.000	
Writedowns and impairments					0.000					0.000					0.000					0.000	
F/X gains/losses					0.000					0.000		0.270	(0.071)		0.200					0.000	
Other gains/losses				0.013	0.013					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	0.197	0.066	(0.056)	(0.020)	0.186	0.152	(0.058)	(0.492)	(0.369)	(0.767)	(0.550)	0.455	0.892	0.000	0.797	0.000	0.000	0.000	0.000	0.000	
Inventory	(0.001)	(0.169)	(0.016)	(0.072)	(0.259)	(0.054)	(0.071)	(0.407)	(0.032)	(0.564)	(0.032)	(0.233)	(0.269)	0.000	(0.534)	0.000	0.000	0.000	0.000	0.000	
Other assets					0.000					0.000					0.000					0.000	
Accounts payable	0.017	0.042	(0.038)	0.117	0.138	(0.103)	(0.035)	0.011	0.087	(0.040)	(0.146)	0.044	0.025	0.000	(0.077)	0.000	0.000	0.000	0.000	0.000	
Accrued expenses	0.037	(0.090)	0.163	(0.008)	0.103	0.044	(0.165)	(0.313)	0.528	0.094	0.106	0.045	0.113	0.000	0.265	0.000	0.000	0.000	0.000	0.000	
Deferred revenue					0.000					0.516	(0.046)	(0.185)	0.000	0.285	0.000	0.000	0.000	0.000	0.000	0.000	
Other liabilities	0.136	(0.035)	(0.369)	0.177	(0.091)	(0.284)	(0.392)	0.584	(0.588)	(0.681)	(0.652)	0.351	0.000	(0.301)	0.000	0.000	0.000	0.000	0.000	0.000	
Net cash (used in) provided by	(0.692)	(1.171)	(0.701)	(0.886)	(3.450)	(1.078)	(1.929)	(1.632)	(1.359)	(5.998)	(1.690)	(1.786)	(0.877)	(2.768)	(7.121)	(2.592)	(2.712)	(2.632)	(2.332)	(10.268)	
Cash flow from investing activities																					
Purchases of property and equi	(0.077)	(0.057)	(0.029)	0.005	(0.158)	(0.002)	(0.012)	(0.057)	(0.020)	(0.091)	(0.082)	(0.138)	(0.139)	(0.139)	(0.499)	(0.139)	(0.499)	(0.139)	(0.499)	(1.276)	
Purchases of short-term investments					0.000					0.000					0.000					0.000	
Acquisitions	(0.011)	(0.017)	(0.022)	(0.003)	(0.053)	(0.010)	(0.017)	(0.467)	0.413	(0.082)	(0.293)	(0.126)	(0.042)		(0.460)					0.000	
Other					0.000				(0.664)	(0.664)	(0.023)	(0.025)	(0.013)		(0.060)					0.000	
Net cash used in investing activ	(0.088)	(0.074)	(0.051)	0.002	(0.211)	(0.012)	(0.029)	(0.524)	(0.271)	(0.836)	(0.398)	(0.288)	(0.194)	(0.139)	(1.019)	(0.139)	(0.499)	(0.139)	(0.499)	(1.276)	
Cash flow from financing activities																					
Issuance of debt					0.000	4.943	0.057	0.000	18.475	23.475				0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Repayment of debt			(0.028)	(0.013)	(0.041)	(0.366)	(0.042)	(0.300)	0.025	(0.683)	(1.500)	(2.300)	(2.704)		(6.504)					0.000	
Issuance of stock	0.143	(0.000)	0.000	0.255	0.398	1.986	12.807	0.000	0.000	14.793				0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Proceeds from stock option exe	0.026				0.026	0.394			0.006	0.401	2.964		0.119		3.082					0.000	
Other					0.000					0.000					0.000					0.000	
Dividends and distributions					0.000					0.000					0.000					0.000	
Cash provided by (used in) fina	0.169	(0.000)	(0.028)	0.242	0.383	6.958	12.823	(0.300)	18.506	37.986	1.464	(2.300)	(2.586)	0.000	(3.422)	0.000	0.000	0.000	0.000	0.000	
Effect of exchange rate on cash					0.000			0.577	0.030	0.607	0.019	(0.117)	(0.065)		(0.164)					0.000	
Net increase (decrease) in cash	(0.611)	(1.245)	(0.781)	(0.641)	(3.278)	5.868	10.865	(1.879)	16.906	31.759	(0.606)	(4.492)	(3.722)	(2.907)	(11.726)	(2.731)	(3.211)	(2.771)	(2.831)	(11.543)	
Beginning cash and equivalents	3.715	3.104	1.859	1.079	3.715	0.438	6.305	17.170	15.291	0.438	32.197	31.591	27.100	23.378	32.197	20.471	17.739	14.529	11.758	20.471	
Ending cash and equivalents	3.104	1.859	1.079	0.438	0.438	6.305	17.170	15.291	32.197	32.197	31.591	27.100	23.378	20.471	20.471	17.739	14.529	11.758	8.927	8.927	

Source: Company reports and Ascendant Capital Markets estimates

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Nemaura Medical Inc.



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

Report	Report Date	Rating	Price Target
1	6/20/2019	Buy	32.50
2	8/26/2019	Buy	32.50
3	4/26/2020	Buy	14.00
4	2/18/2021	Buy	15.00
5	7/11/2021	Buy	17.00
6	8/27/2021	Buy	18.00
7	11/20/2021	Buy	19.00

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Ascendant Capital Markets, LLC Rating System

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

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

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

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Rating System

Prior to January 31, 2014, ASCM used the following rating system:

Strong Buy: We expect the stock to provide a total return of 30% or more within a 12-month period.

Buy: We expect the stock to provide a total return of between 10% and 30% within a 12-month period.

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

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

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

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of January 15, 2022)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	40	98%	16	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	41	100%	16	39%

Other Important Disclosures

Our analysts use various valuation methodologies including discounted cash flow, price/earnings (P/E), enterprise value/EBITDAS, and P/E to growth rate, among others. Risks to our price targets include failure to achieve financial results, product risk, regulatory risk, general market conditions, and the risk of a change in economic conditions.

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