



ENDRA Life Sciences Inc.

Reports Q2 inline. New CEO and game plan. We believe FDA approval and EU/US product launch over the next year to drive stock. Lowering P/T to \$10.

Q2 about inline: ENDRA recently (on August 22) reported its Q2 2024 (ending June) results. Net loss was \$2.2 million or EPS of \$(4.09) compared with our estimates of \$(3.25). There was no Q2 guidance or consensus estimates. ENDRA is a late stage medical device development/early stage commercialization company so it generates no revenues.

Operating expense: Operating expenses were \$2.2 million, vs \$2.8 million in Q1 on lower R&D and G&A costs.

No 2024 guidance: Management did not provide 2024 financial guidance.

Adjusting 2024 estimates: We are adjusting our 2024 estimates for revenues to \$0 from \$0.1 million, and for EPS to \$(11.08) from \$(11.62).

New CEO: In August, ENDRA appointed Alexander Tokman as acting CEO to replace Francois Michelin. Mr. Tokman is a growth-driven executive with 24+ years of experience in the development and commercialization of new technology products and services for Medical Device, Biotech, Consumer Electronics, AI and AgTech markets.

New focus on clinical data: ENDRA is now focused on getting more key clinical data to support the FDA application and commercialization.

New CFO: The company also added Ziad Rouag as Head of Regulatory and Clinical Affairs and Richard Jacroux as CFO.

Focused on TAEUS development: ENDRA has one main medical device candidate, the Thermo Acoustic Enhanced UltraSound (TAEUS) platform to enable clinicians to visualize human tissue composition, function and temperature in ways previously possible only with CT and MRI, but at a fraction of the cost and at the point-of-care.

FDA decision delayed to 2025: On August 14, 2023, ENDRA filed its De Novo application with the FDA. The FDA's target approval date is 150 days (~5 months or about January 15, 2024). On May 20, ENDRA announced that it has met with the FDA. Based on the feedback received, ENDRA will update its pivotal clinical study protocol and statistical plan for submission to the FDA as a next step prior to initiating the study. This will require additional data and a resubmitted application in 1H 2025.

EU launched: In March 2020, ENDRA received CE Mark approval, and is now starting initial commercialization activity in Europe.

Large market opportunity: The company is launching its first TAEUS application to measure fat in the liver, which is used for early detection and monitoring of Steatotic Liver Disease (SLD) (aka Non-Alcoholic Fatty Liver Disease (NAFLD)). In 2011, over 1.4 billion people were affected by SLD/NAFLD/NASH around the world. Despite the increased incidence of SLD/NAFLD, there are no low-cost, accurate, and safe methods for measuring fat in the liver. TAEUS technology should enable to diagnose SLD earlier and monitor patients with related liver diseases more accurately and cost-effectively than is possible with existing technology.

Balance sheet: In Q2, ENDRA has \$6 million in cash and no debt. In Q2, the company raised ~\$8 million selling stock. We believe it has enough cash into 2025.

Stock split: The company effected a 1-for-50 reverse stock split in August 2024.

Current valuation attractive: Maintaining our BUY rating, but lowering our 12-month price target to \$10 from \$400. This is based on a NPV analysis, representing 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 Ann Arbor, MI, ENDRA Life Sciences is a medical device company developing enhanced ultrasound technologies (TAEUS) for medical imaging.

United States
Healthcare

September 10, 2024

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COMPANY UPDATE

Rating: **BUY**

Ticker: NDRA

Price: \$0.27

Target: \$10
(from \$400)

Stock Data

Exchange:	NasdaqCM
52-week Range:	\$0.24 – 139.50
Shares Outstanding (million):	1.5
Market cap (\$million):	~\$1
EV (\$million):	\$(6)
Debt (\$million):	\$0
Cash (\$million):	\$6
Avg. Daily Trading Vol. (\$million):	\$1
Float (million shares):	1.5
Short Interest (million shares):	0.2
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	0.0A		0.0E	0.1E
Q2 Jun	0.0A	0.0E	0.0E	0.1E
Q3 Sep	0.0E		0.0E	0.1E
Q4 Dec	<u>0.0E</u>	<u>0.1E</u>	<u>0.3E</u>	<u>0.5E</u>
Total	0.0E	0.1E	0.3E	0.8E
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	(12.84)A		(2.25)E	(2.11)E
Q2 Jun	(4.09)A	(3.25)E	(2.25)E	(2.11)E
Q3 Sep	(1.78)E	(2.08)E	(2.25)E	(2.11)E
Q4 Dec	<u>(1.78)E</u>	<u>(2.05)E</u>	<u>(2.16)E</u>	<u>(2.05)E</u>
Total	(11.08)E	(11.62)E	(8.91)E	(8.38)E
P/E	N/A		N/A	

*Reflects a 1:50 reverse stock split in August 2024.

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 13.

Exhibit 1: Q2 2024 Results and Recent Highlights (as of August 22, 2024)

August 22, 2024 1:14 PM

ENDRA Life Sciences Reports Second Quarter 2024 Financial Results and Provides a Business Update

Conference call begins at 4:30 p.m. Eastern time today

[ENDRA Life Sciences Inc.](#) (NASDAQ: NDRA), a pioneer of Thermo Acoustic Enhanced UltraSound (TAEUS[®]), reports financial results for the three and six months ended June 30, 2024, as filed in a Form 10-Q on August 14, 2024, and provides the following business update:

New executive team

- **Subsequent to quarter-end, ENDRA announced leadership changes.** Board member Alexander Tokman was appointed as acting CEO, bringing 24+ years of global commercial leadership experience. Additionally, two industry veterans joined in key roles including regulatory and clinical affairs, and finance. Richard Jacroux, new Chief Financial Officer, has over 20 years of experience in financial management and accounting and has held the role of CFO at several technology companies. Ziad Rouag, Head of Regulatory and Clinical Affairs, brings to ENDRA more than two decades of experience in the medical device industry as a leader of clinical operations and regulatory affairs for emerging startups and high-growth businesses.

Focus on clinical and regulatory activities

- **Advanced the U.S. regulatory process.** ENDRA met with the U.S. Food and Drug Administration (FDA) at their headquarters in Maryland to demonstrate the TAEUS technology and review the clinical and statistical plans. The meeting minutes confirmed alignment on the topics discussed and the steps required for a successful regulatory outcome. To drive the process forward, ENDRA has hired Mr. Rouag, an experienced regulatory and clinical leader.
- **Started new pilot clinical trials.** New pilot trials were initiated at two clinical sites in North America and one is expected to commence in Europe to generate data that support TAEUS' value to clinical users. ENDRA will use the data from these sites to demonstrate the TAEUS system's performance to the FDA before initiating the De Novo pivotal study.
- **Expanded the intellectual property portfolio, now with 81 issued patents globally.** During the second quarter of 2024, ENDRA was issued five additional patents, including three in Europe and two in China. ENDRA's broad intellectual property portfolio provides protection for the TAEUS system with its novel thermoacoustic technology and the opportunity to explore licensing opportunities for indications beyond its core focus.

Raised capital and significantly reduced operating expenses

- **Raised \$8.0 million in a public offering.** The company raised approximately \$8.0 million in gross proceeds from the sale of common stock and warrants in a public offering.
- **Significantly reduced operating expenses.** As part of focusing resources on clinical and regulatory activities, ENDRA restructured operations, reducing annualized expenses by \$3.1 million compared with the prior-year second quarter.

"In the near-term, the company is prioritizing securing the clinical data to support a new De Novo regulatory filing with the FDA above all other goals," said Alexander Tokman, acting Chief Executive Officer. "In parallel, we are revisiting our go-to-market strategy for TAEUS to ensure we are prioritizing the most promising vertical markets while formalizing our longer-term business strategy and crystalizing our vision for ENDRA. All of this is being done with careful attention to operating expenses, which we recently reduced by 26% on an annualized basis without impacting any of our primary deliverables."

Source: Company reports.

Exhibit 2: ENDRA Investment Highlights

ENDRA Life Sciences

ENHANCE ULTRASOUND TO SEE HUMAN TISSUE IN WAYS SIMILAR TO CT-MRI... BUT AT 50X LOWER COST²

Investment Highlights

\$12.5 BILLION¹ INITIAL MARKET

- Measure liver fat for assessment of **Steatotic Liver Disease** (formerly known as NAFLD-NASH or "fatty liver disease")
- Affects 2 billion people globally²
- Diagnostic gap with no current practical tools
- First therapeutic (Rezdiffra™) for fatty liver disease approved March 2024³, representing additional driver for identification of liver fat

PROPRIETARY, SCALABLE PLATFORM

- ✓ Thermo Acoustic Enhanced Ultrasound (TAEUS®): RF pulses ⇔ **sonic waves**
- ✓ Similar to MRI but 1/40th the cost⁴ and at point of patient care
- ✓ Platform enables multiple potential clinical applications & revenue streams
- ✓ 75 patents issued (zero in-licensing)
- ✓ CE mark received in Europe
- ✓ De Novo pre-submission meeting scheduled with U.S. FDA

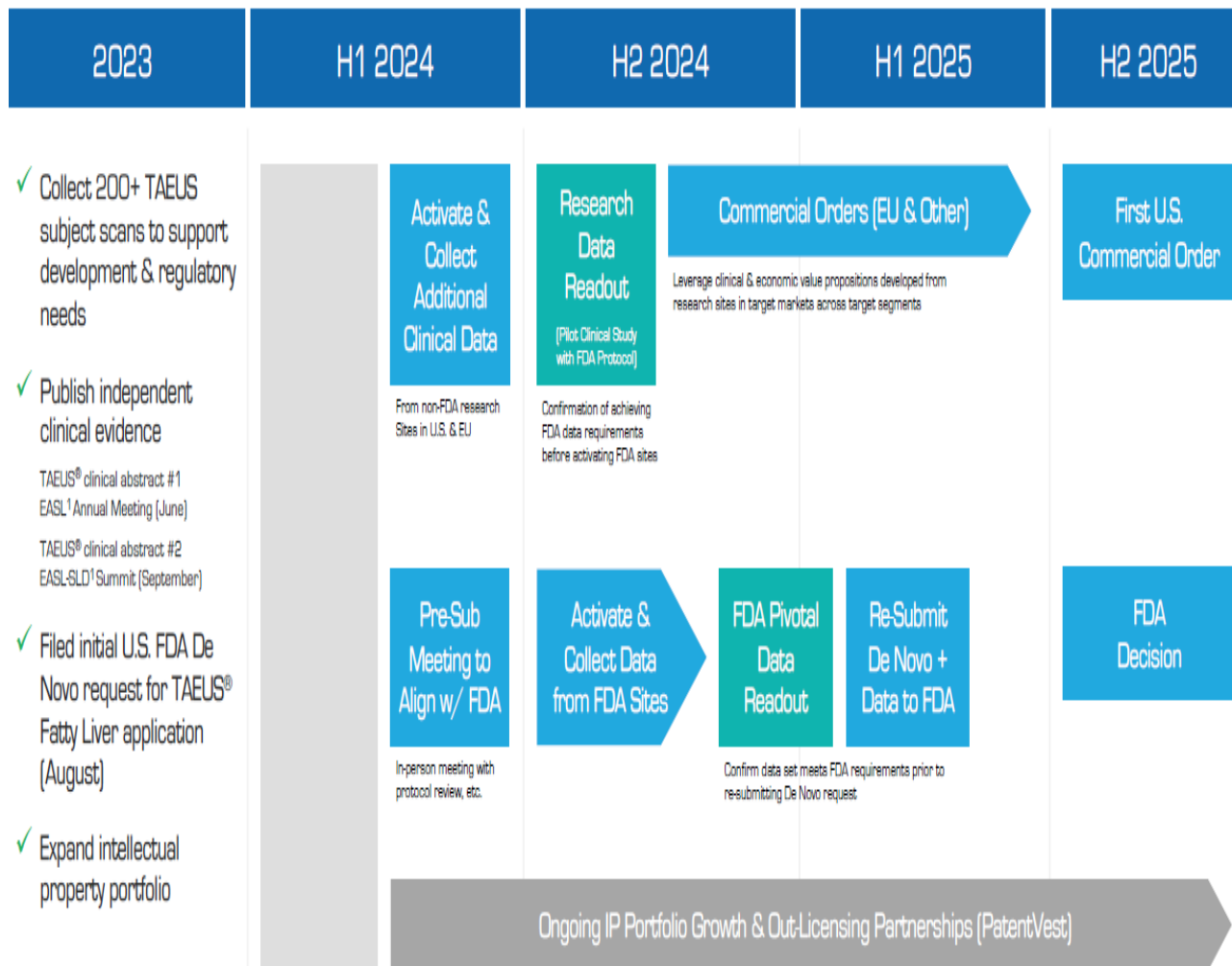
CAPITAL-EFFICIENT MODEL

- Lean and deeply experienced management team
- World-class technical, clinical and commercial partners

Source: Company reports.

Exhibit 3: TAEUS Planned Milestones

Key Milestones Achieved & Anticipated Future Catalysts



Source: Company reports.

Exhibit 4: ENDRA Partners

Value-Added Partner Ecosystem

Leverage partnerships to amplify ENDRA's technical, clinical and commercial activities

TECHNOLOGY

- Peer-leading IP portfolio
- Novel cloud-based data mgt.
- Artificial Intelligence tools
- Collaborations to co-develop & potentially integrate TAEUS applications



ROBUST CLINICAL EVIDENCE

- Clinical data supporting regulatory submissions & commercialization
- Studies comparing TAEUS to MRI-PDF in target markets: U.S., EU, Asia
- Pharma pilot of TAEUS for drug trial recruitment efficiencies



COMMERCIAL ADOPTION

- Target clinicians in Germany, France, UK & USA with small ENDRA sales team & partners
- Leverage clinical publications & in-country reference sites
- Demonstrate TAEUS at key global clinical conferences
- Online education & marketing
- Distributors in secondary mkt.



GE HealthCare*



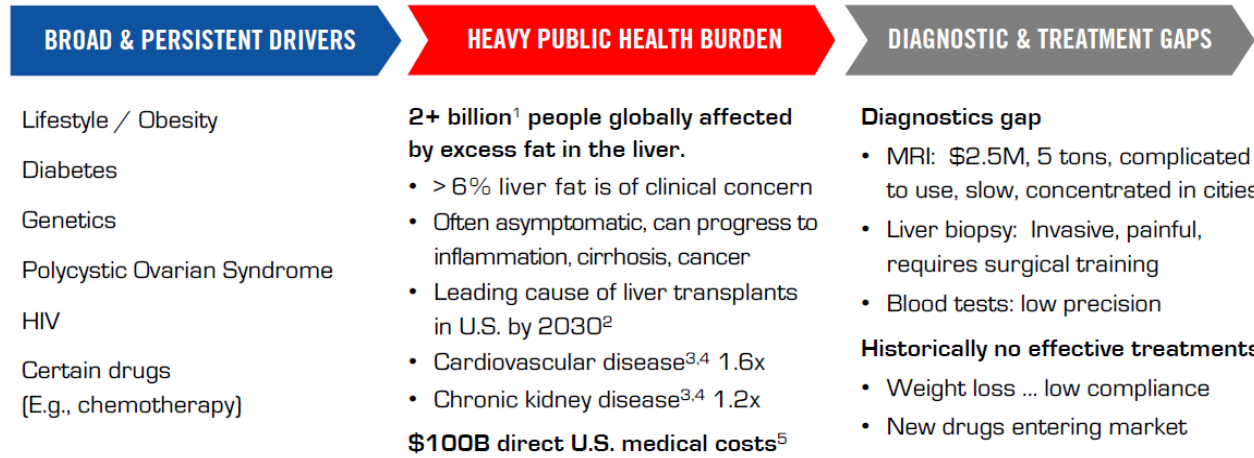
KHOLICO (Vietnam distributor)

Source: Company reports.

Exhibit 5: ENDRA's TAEUS Liver Fat Opportunity (Steatotic Liver Disease (SLD) aka NASH - NAFLD)

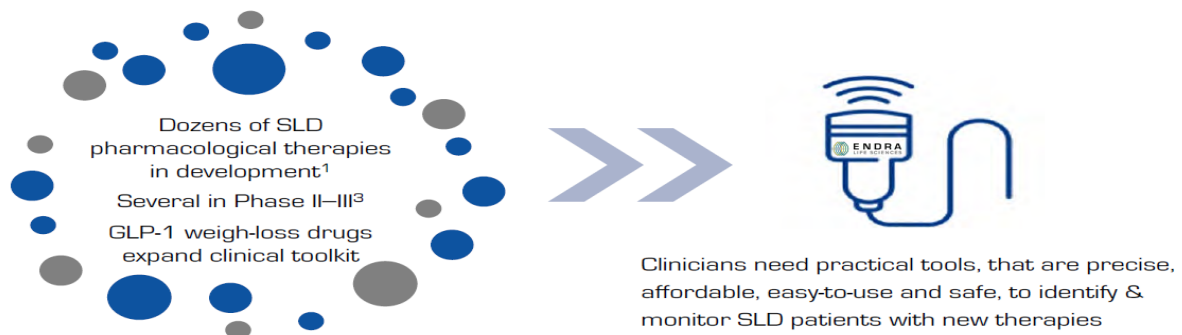
The Problem: Steatotic Liver Disease (SLD)

CONVERGENCE OF PIVOTAL FACTORS CREATE OPPORTUNITY FOR ENDRA TO ADDRESS LARGE UNMET DIAGNOSTIC NEED



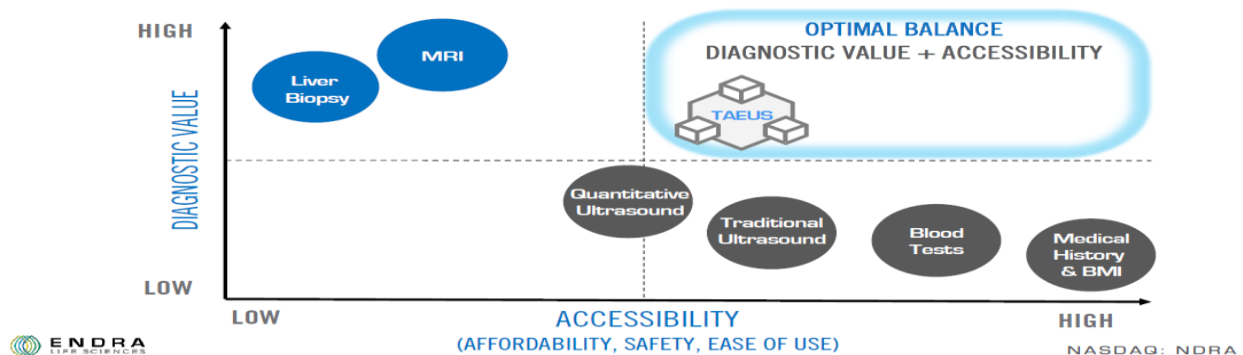
The Opportunity: Improved Diagnostics To Drive Adoption of New Treatments

FIRST APPROVED STEATOTIC LIVER DISEASE (SLD) THERAPIES EXPECTED IN 2023^{1,2} INTENSIFYING NEED TO IDENTIFY & MONITOR PATIENTS



The Opportunity: Assess Liver Fat of 2+ Billion SLD Patients

INTRODUCE A TOOL THAT BALANCES DIAGNOSTIC VALUE + ACCESSIBILITY



Source: Company reports.

Exhibit 6: TAEUS

Thermo Acoustic Enhanced Ultrasound: TAEUS®

Encouraging early clinical data published in September 2023

TAEUS® SYSTEM

- ✓ System consists of a console, probe and display
- ✓ Results do not require a radiological interpretation
- ✓ Obese and fibrotic¹ patients are not excluded
- ✓ Total procedure takes ~10 minutes

CLINICAL VALIDATION & REGULATORY STATUS

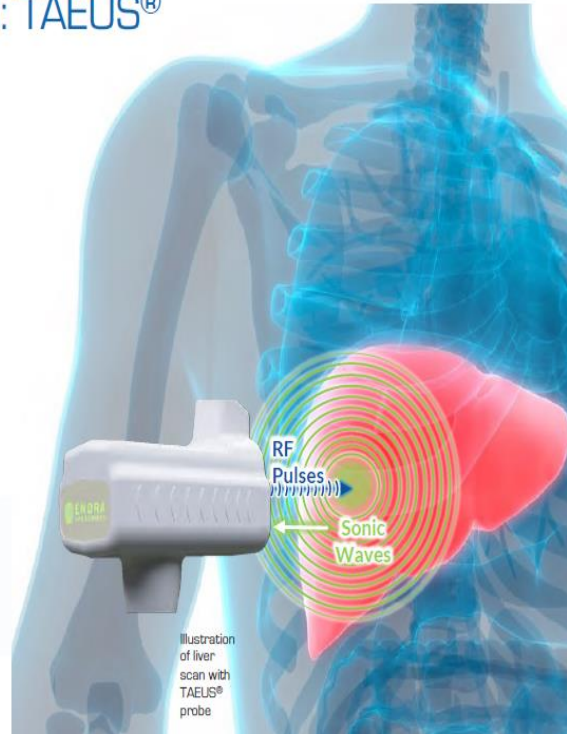
- ✓ CE mark received in Europe
- ✓ TAEUS® clinical studies published by EASL²

TAEUS® Correlation to MRI-PDFF: $r = 0.87$

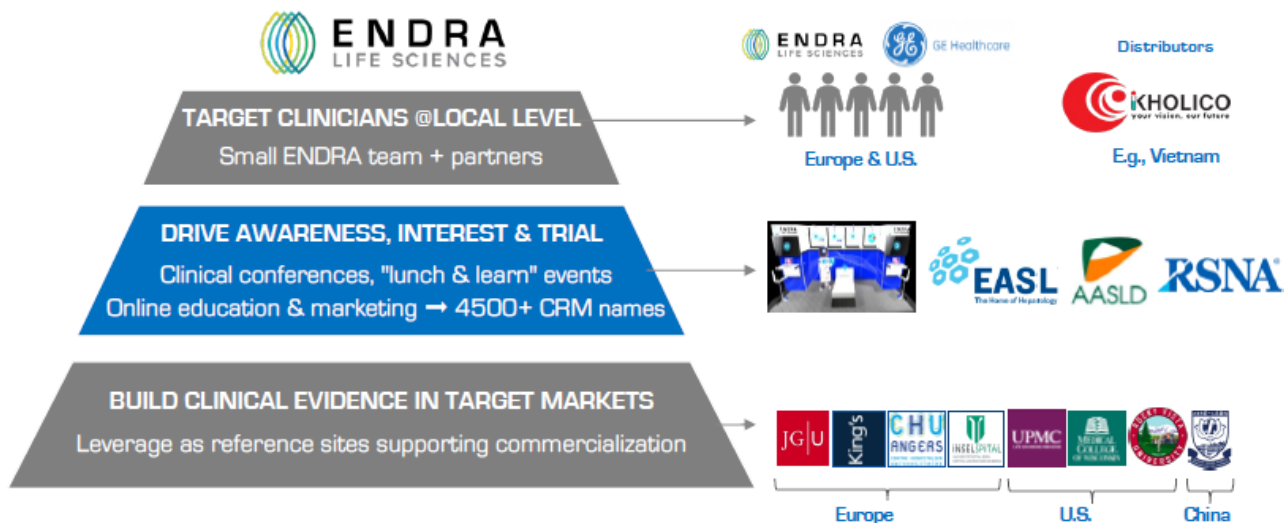
At 6% liver fat threshold: Sensitivity = 95% and Specificity = 77%

Negative Predictive Value (NPV): 95%

- ✓ De Novo pre-submission meeting scheduled with U.S. FDA



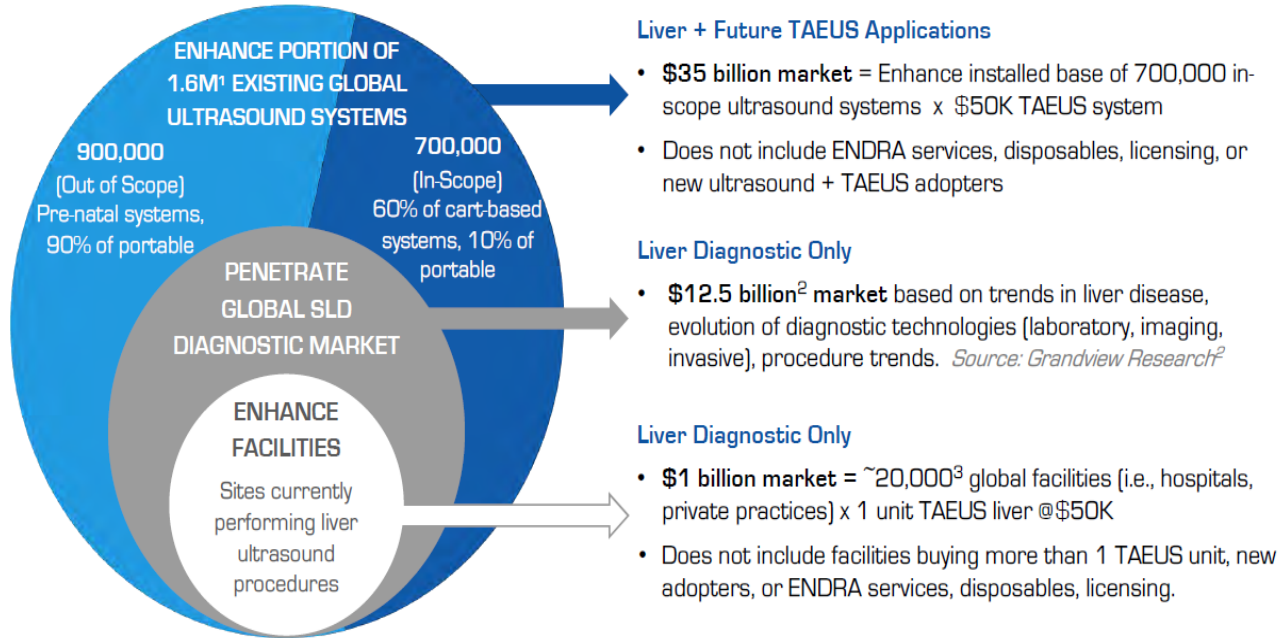
Commercializing TAEUS Liver: 3 Core Elements



Source: Company reports.

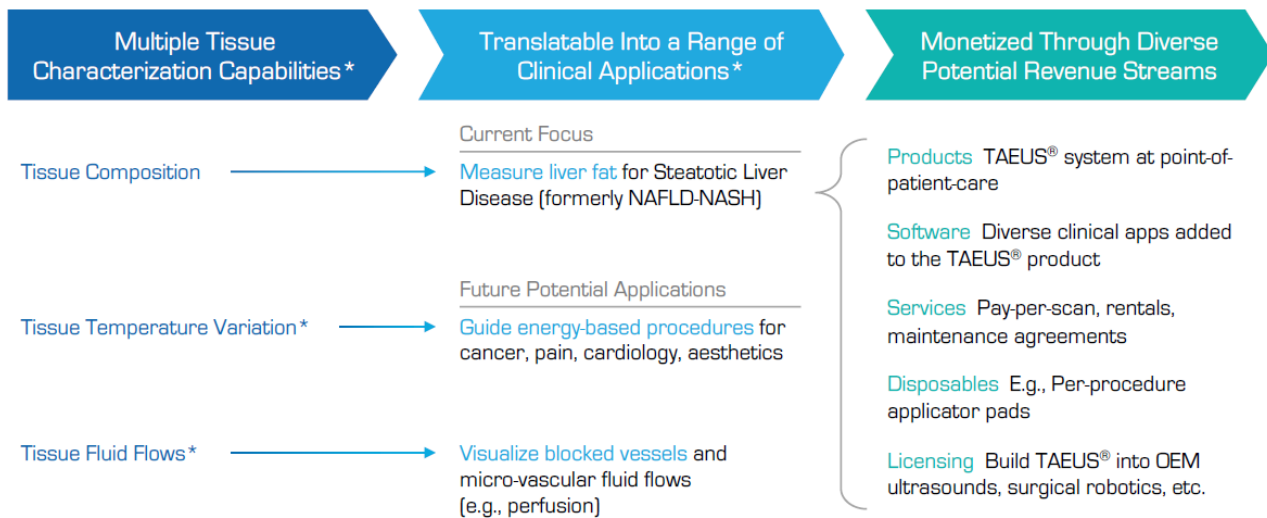
Exhibit 7: TAEUS Potential Market Opportunities

Total Addressable Markets for TAEUS®: Liver & Other Applications



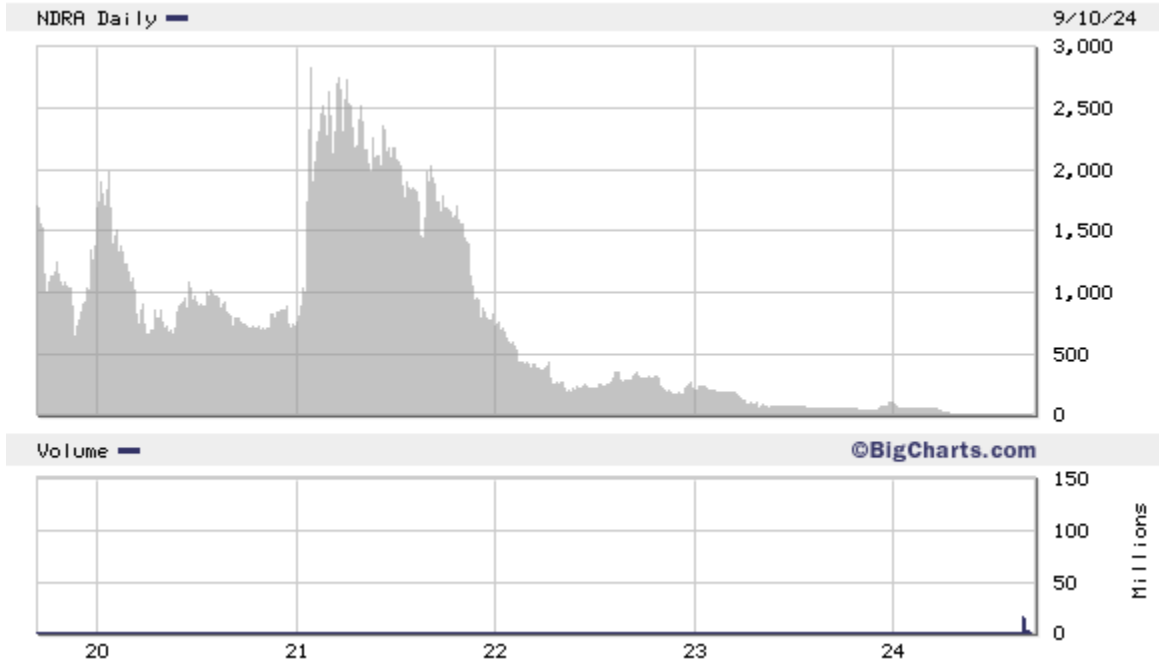
ENDRA's TAEUS® Platform & Business Model

First TAEUS® application assesses liver fat, with licensing opportunities in other indications



Source: Company reports.

Exhibit 8: ENDRA Life Sciences Stock Price (5-years)



**Reflects a 1:50 reverse stock split in August 2024*

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

FINANCIAL MODEL

ENDRA Life Sciences Inc.

Income Statement (\$ mils)	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	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3
Cost of Revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Gross Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Research and development	1.2	1.8	1.8	1.7	6.6	1.4	1.4	1.6	0.6	5.0	1.0	0.7	1.0	1.0	3.8	1.4	1.4	1.4	1.4	5.6
Sales and marketing	0.3	0.3	0.4	0.3	1.4	0.2	0.2	0.2	0.1	0.8	0.2	0.2	0.2	0.2	0.8	0.5	0.5	0.5	0.5	2.0
General and administrative	1.3	1.4	1.2	1.3	5.2	1.4	1.3	1.3	0.7	4.7	1.5	1.4	1.4	1.4	5.7	1.4	1.4	1.4	1.4	5.6
Restructuring and other					0.0					0.0					0.0					0.0
Total operating expenses	2.9	3.6	3.4	3.3	13.2	2.9	3.0	3.1	1.5	10.5	2.8	2.2	2.6	2.6	10.2	3.3	3.3	3.3	3.3	13.2
Operating income (loss)	(2.9)	(3.6)	(3.4)	(3.3)	(13.2)	(2.9)	(3.0)	(3.1)	(1.5)	(10.5)	(2.8)	(2.2)	(2.6)	(2.6)	(10.2)	(3.3)	(3.3)	(3.3)	(3.2)	(13.1)
Interest income (expense)					0.0	(0.0)			0.0	0.0				0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other income (expense)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.4	0.0	(0.0)	(0.0)	0.5	0.0	0.0			0.0					0.0
Income before income taxes	(2.9)	(3.6)	(3.4)	(3.3)	(13.2)	(2.9)	(2.6)	(3.1)	(1.5)	(10.1)	(2.8)	(2.2)	(2.6)	(2.6)	(10.2)	(3.3)	(3.3)	(3.3)	(3.2)	(13.1)
Income taxes					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(2.9)	(3.6)	(3.4)	(3.3)	(13.2)	(2.9)	(2.6)	(3.1)	(1.5)	(10.1)	(2.8)	(2.2)	(2.6)	(2.6)	(10.2)	(3.3)	(3.3)	(3.3)	(3.2)	(13.1)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	(2.9)	(3.6)	(3.4)	(3.3)	(13.2)	(2.9)	(2.6)	(3.1)	(1.5)	(10.1)	(2.8)	(2.2)	(2.6)	(2.6)	(10.2)	(3.3)	(3.3)	(3.3)	(3.2)	(13.1)
EBITDA																				
Shares, Basic	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.5	1.5	1.5	0.9	1.5	1.5	1.5	1.5	1.5
Shares, Diluted	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.5	1.5	1.5	0.9	1.5	1.5	1.5	1.5	1.5
EPS Basic (Pro forma)	(\$66.39)	(\$58.25)	(\$54.46)	(\$51.89)	(\$227.91)	(\$46.43)	(\$21.32)	(\$20.18)	(\$8.49)	(\$79.04)	(\$12.84)	(\$4.09)	(\$1.78)	(\$1.78)	(\$11.08)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.16)	(\$8.91)
EPS Diluted (Pro forma)	(\$66.39)	(\$58.25)	(\$54.46)	(\$51.89)	(\$227.91)	(\$46.43)	(\$21.32)	(\$20.18)	(\$8.49)	(\$79.04)	(\$12.84)	(\$4.09)	(\$1.78)	(\$1.78)	(\$11.08)	(\$2.25)	(\$2.25)	(\$2.25)	(\$2.16)	(\$8.91)
Margins																				
Gross margin																				
Research and development																				
Sales and marketing																				
General and administrative																				
Operating margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-1270%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-1270%
YY % change																				
Total Revenue																				
Gross margin																				
Research and development		6%	56%	17%	20%	15%	-24%	-11%	-65%	-24%	-25%	-49%	-39%	73%	-25%	34%	95%	40%	40%	49%
Sales and marketing	111%	33%	53%	-14%	33%	-47%	-28%	-42%	-55%	-43%	31%	-34%	-18%	35%	-2%	110%	207%	150%	150%	149%
General and administrative	2%	15%	-3%	4%	5%	5%	-3%	7%	-45%	-9%	10%	0%	12%	92%	20%	-7%	4%	0%	0%	-1%
Operating income (loss)	11%	12%	29%	8%	14%	3%	-16%	-8%	-56%	-20%	-5%	-26%	-17%	78%	-3%	19%	48%	27%	22%	28%
Net income (loss)	20%	12%	29%	6%	16%	3%	-29%	-10%	-56%	-24%	-6%	-13%	-16%	78%	1%	19%	48%	27%	22%	28%
EPS Diluted (Pro forma)	5%	-24%	-14%	-29%	-18%	-30%	-63%	-63%	-84%	-65%	-72%	-81%	-91%	-79%	-86%	-82%	-45%	26%	21%	-20%

Source: Company reports and Ascendant Capital Markets estimates.

Reflects a 1:50 reverse stock split in August 2024

ENDRA Life Sciences Inc.

Balance Sheet (\$ mils)	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	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E	
Assets																	
Cash and cash equivalents	7.1	11.3	8.0	4.9	2.4	4.8	3.3	2.8	1.1	6.4	4.3	1.6	(1.5)	(4.7)	(7.8)	(10.4)	
Short term investments											0.0	0.0	0.0	0.0	0.0	0.0	
Accounts receivable, net											0.0	0.0	0.0	0.0	0.0	0.3	
Inventory	1.9	2.4	2.6	2.6	2.7	2.8	2.8				0.0	0.0	0.0	0.0	0.0	0.0	
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0	
Prepaid expenses and other	1.1	0.8	0.9	1.0	0.4	0.5	0.3	0.2	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.1	
Total current assets	10.1	14.5	11.6	8.5	5.5	8.1	6.4	3.0	1.3	6.7	4.3	1.6	(1.5)	(4.7)	(7.8)	(10.0)	
Property and equipment, net	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	
Intangibles, net											0.0	0.0	0.0	0.0	0.0	0.0	
Inventory								2.6	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0	
Other	0.6	0.6	0.5	0.5	0.9	1.0	1.0	1.0	1.0	0.9	0.9	0.0	0.0	0.0	0.0	0.0	
Total assets	10.9	15.3	12.3	9.3	6.7	9.2	7.6	6.8	5.1	10.4	8.0	4.4	1.3	(1.8)	(4.9)	(7.0)	
Liabilities and stockholders' equity																	
Accounts payable	1.2	1.4	1.6	1.5	1.6	1.8	2.0	0.7	1.0	1.2	1.2	0.0	0.0	0.0	0.0	0.8	
Accrued expenses											0.0	0.0	0.0	0.0	0.0	0.1	
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0	
Other	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
Short term debt				0.0	0.0	0.0	0.0	0.0			0.0	0.0	0.0	0.0	0.0	0.0	
Total current liabilities	1.4	1.5	1.7	1.7	1.8	2.0	2.2	0.9	1.2	1.4	1.4	0.2	0.2	0.2	0.2	1.1	
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0	
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0	
Other long term liabilities	0.5	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Long term debt	0.0	0.0	0.0								0.0	0.0	0.0	0.0	0.0	0.0	
Total other liabilities	0.5	0.5	0.4	0.4	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	0.0	0.0	0.0	0.0	0.0	
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.4	0.6	0.8	0.9	1.1	
Additional paid-in capital	80.6	88.5	88.8	89.1	89.3	94.3	95.7	97.6	98.4	105.9	105.9	105.9	105.9	105.9	105.9	105.9	
Retained earnings	(71.5)	(75.1)	(78.6)	(81.9)	(84.8)	(87.4)	(90.5)	(91.9)	(94.7)	(96.9)	(99.5)	(102.1)	(105.4)	(108.7)	(112.0)	(115.2)	
Accumulated other comprehensive income											0.0	0.0	0.0	0.0	0.0	0.0	
Other	0.0	0.0	0.0	0.0	0.0						0.0	0.0	0.0	0.0	0.0	0.0	
Total stockholders' equity	9.1	13.3	10.2	7.2	4.5	6.9	5.2	5.7	3.7	9.0	6.6	4.2	1.1	(2.1)	(5.2)	(8.2)	
Total stockholders' equity and liability	10.9	15.3	12.3	9.3	6.7	9.2	7.6	6.8	5.1	10.4	8.0	4.4	1.3	(1.8)	(4.9)	(7.0)	

Balance Sheet Drivers

	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
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev												50%	50%	50%	50%	50%
Accounts payable as % of total rev												300%	300%	300%	300%	300%
Inventories as % of cost of rev												20%	20%	20%	20%	20%
Accrued expenses as % of total rev												50%	50%	50%	50%	50%
Activity Ratios																
A/R Days Sales Outstanding												100	100	100	100	100
Inventory Turnover												#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	20.0x
A/P Days Payable												#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	540
Book & Cash Value (per share)																
Book Value per Share (diluted)	#####	#####	#####	#####	\$70.98	\$57.79	\$33.81	\$32.90	\$17.11	\$16.48	\$4.51	\$2.85	\$0.72	-\$1.40	-\$3.52	-\$5.55
Cash per Share (diluted)	#####	#####	#####	\$77.12	\$37.16	\$40.19	\$21.70	\$16.48	\$5.25	\$11.73	\$2.93	\$1.10	-\$1.04	-\$3.17	-\$5.33	-\$7.06
Net cash per Share (diluted)	#####	#####	#####	\$76.67	\$36.71	\$39.95	\$21.51	\$16.31	\$5.25	\$11.73	\$2.93	\$1.10	-\$1.04	-\$3.17	-\$5.33	-\$7.06

Source: Company reports and Ascendant Capital Markets estimates

ENDRA Life Sciences Inc.

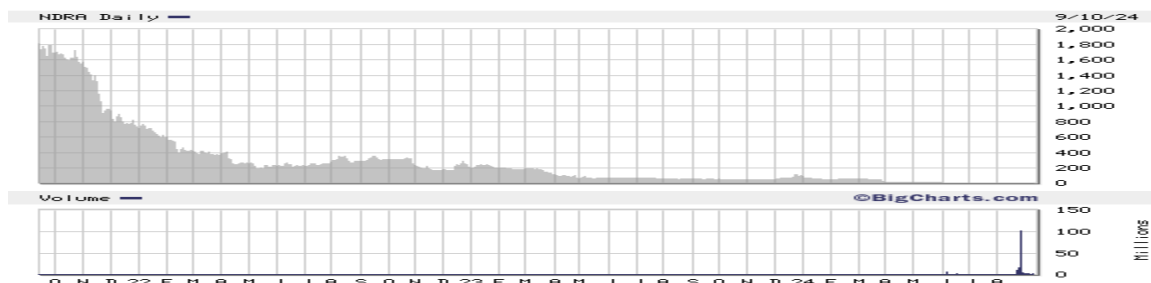
Cash Flow Statement (\$ mils)	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(2.9)	(3.6)	(3.4)	(3.3)	(13.2)	(2.9)	(2.6)	(3.1)	(1.5)	(10.1)	(2.8)	(2.2)	(2.6)	(2.6)	(10.2)	(3.3)	(3.3)	(3.3)	(3.2)	(13.1)	
Depreciation	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Amortization	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	
Debt related amortization expense					0.0					0.0					0.0					0.0	
Stock comp	0.3	0.3	0.3	0.3	1.2	0.2	0.3	0.3	0.3	1.0	0.3	0.2	0.2	0.2	0.9	0.2	0.2	0.2	0.2	0.7	
Deferred income taxes					0.0					0.0					0.0					0.0	
Change in fair value of warrant liability					0.0					0.0					0.0					0.0	
Writedowns and impairments				0.0	0.0				0.2	0.2	0.2	(0.1)			0.0					0.0	
Other gains/losses					0.0					0.0					0.0					0.0	
Other					0.0					0.0					0.0					0.0	
Changes in operating assets and liabilities:																					
Accounts receivable					0.0					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.3)	(0.3)
Inventory	(0.6)	(0.4)	(0.3)	(0.0)	(1.4)	(0.1)	(0.0)	0.0	(0.0)	(0.1)	(0.2)	0.1	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.0)	(0.0)
Prepaid expenses & other curre	0.3	0.2	(0.1)	(0.1)	0.4	0.1	(0.2)	0.1	0.1	0.2	0.0	(0.2)	0.3	0.0	0.2	0.0	0.0	0.0	0.0	(0.1)	(0.1)
Income tax					0.0					0.0					0.0					0.0	
Other assets					0.0					0.0					0.9	0.0	0.0	0.0	0.0	0.0	
Accounts payable	(0.2)	0.1	0.2	(0.0)	0.1	0.1	0.2	0.1	(1.3)	(0.8)	0.3	0.1	0.0	(1.2)	(0.7)	0.0	0.0	0.0	0.8	0.8	
Accrued expenses					0.0					0.0					0.0	0.0	0.0	0.0	0.1	0.1	
Other liabilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	
Net cash (used in) provided by	(3.1)	(3.3)	(3.2)	(3.1)	(12.769)	(2.5)	(2.3)	(2.6)	(2.2)	(9.5)	(2.1)	(2.1)	(2.1)	(2.6)	(9.0)	(3.1)	(3.1)	(3.1)	(2.5)	(11.8)	
Cash flow from investing activities																					
Purchases of property and equi	(0.1)	(0.1)	(0.0)	(0.0)	(0.2)	(0.0)			0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	
Purchases of short-term investments					0.0					0.0					0.0					0.0	
Acquisitions					0.0					0.0					0.0					0.0	
Other					0.0					0.0	0.0				0.0					0.0	
Net cash used in investing acti	(0.1)	(0.1)	(0.0)	(0.0)	(0.2)	(0.0)	0.0	0.0	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	
Cash flow from financing activities																					
Issuance of debt					0.0					0.0				0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Repayment of debt					0.0					0.0	(0.0)				(0.0)					0.0	
Issuance of stock	0.9	7.5			8.4		4.7	1.1	0.7	6.5	0.4	0.7	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	
Proceeds from stock option exercises					0.0		0.0		1.0	1.0	0.1	6.6			6.7					0.0	
Other					0.0					0.0					0.0					0.0	
Dividends and distributions					0.0					0.0					0.0					0.0	
Cash provided by (used in) fina	0.9	7.5	0.0	0.0	8.4	0.0	4.7	1.1	1.7	7.5	0.5	7.3	0.0	0.0	7.8	0.0	0.0	0.0	0.0	0.0	
Effect of exchange rate on cash					0.0					0.0					0.0					0.0	
Net increase (decrease) in cash	(2.3)	4.2	(3.3)	(3.1)	(4.6)	(2.5)	2.5	(1.5)	(0.5)	(2.1)	(1.7)	5.3	(2.1)	(2.7)	(1.2)	(3.1)	(3.1)	(3.2)	(2.6)	(12.0)	
Beginning cash and equivalents	9.5	7.1	11.3	8.0	9.5	4.9	2.4	4.8	3.3	4.9	2.8	1.1	6.4	4.3	2.8	1.6	(1.5)	(4.7)	(7.8)	1.6	
Ending cash and equivalents	7.1	11.3	8.0	4.9	4.9	2.4	4.8	3.3	2.8	2.8	1.1	6.4	4.3	1.6	1.6	(1.5)	(4.7)	(7.8)	(10.4)	(10.4)	

Source: Company reports and Ascendant Capital Markets estimates

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ENDRA Life Sciences Inc.



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

*Reflects a 1:50 reverse stock split in August 2024

Report	Report Date	Rating	Price Target
1	4/10/2019	Buy	4,500.00
2	5/15/2019	Buy	4,250.00
3	8/12/2019	Buy	3,250.00
4	11/18/2019	Buy	2,750.00
5	1/28/2020	Buy	3,000.00
6	3/29/2020	Buy	2,500.00
7	5/19/2020	Buy	2,750.00
8	8/18/2020	Buy	3,250.00
9	11/21/2020	Buy	3,500.00
10	4/4/2021	Buy	5,500.00
11	5/31/2021	Buy	6,000.00
12	8/23/2021	Buy	6,500.00
13	11/17/2021	Buy	6,250.00
14	4/12/2022	Buy	5,500.00
15	6/5/2022	Buy	5,000.00
16	9/7/2022	Buy	4,500.00
17	11/21/2022	Buy	4,250.00
18	3/28/2023	Buy	1,500.00
19	5/30/2023	Buy	1,000.00
20	8/25/2023	Buy	850.00
21	11/20/2023	Buy	550.00
22	4/30/2024	Buy	500.00
23	6/6/2024	Buy	400.00

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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%

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