

# Cyclo Therapeutics, Inc.

Q2 miss on higher expenses. Regulatory timeline on track, merger with Rafael Holding announced. Lower PT to \$0.95 due to merger.

United States  
Healthcare

August 26, 2024

Lucas Ward  
(561) 427-7788  
lward@ascendant.com

## COMPANY UPDATE

**Q2 EPS miss on higher expenses:** On August 15, CYTH reported Q2 FY24 results (ending June). Revenues were \$123,000, in line with our estimate. All revenues were from the company's legacy specialty chemical business. EPS was \$(0.21), versus our and consensus estimate of \$(0.17). No guidance was provided.

**New office lease impacted SG&A:** Operating expenses for the quarter came in at \$5.8 million, versus our estimate of \$5.1 million. Key factors included a new lease which increased office expenses.

**Rafael Holdings announces merger with Cyclo Therapeutics:** On August 22, CYTH's largest strategic investor, Rafael Holdings (ticker symbol RFL) announced it would issue stock to merge with CYTH. The merger will value each share of CYTH at \$0.95 and is expected to close in calendar Q4 of 2024. Following the merger, Cyclo Therapeutics will become a wholly owned subsidiary of Rafael Holdings and holders of CYTH will receive a proportional share of RFL stock.

## Rating: BUY

Ticker: CYTH

Price: \$0.84

Target: \$0.95  
(from \$2.60)

**Company completes enrollment in phase 3 trial, affirms regulatory timeline:** On May 30, the company announced it has completed enrollment for its 108-patient pivotal phase 3 trial of its lead drug candidate, Trappsol Cyclo for NPC disease. This puts the company on track for an interim data analysis in 1H 2025. If the interim data is significant, the company expects to file a New Drug Application (NDA) with the FDA and Marketing Authorization Application with the EMA in 2H 2025. This puts the company on track for potential FDA approval of the drug by Q1 of FY26. We estimate that NPC is a \$300 million per year opportunity for Cyclo Therapeutics in the US alone. We further estimate that the company will be able to market the drug independently, given it has interacted with much of the NPC community already, through its clinical research.

**Adjusting estimates:** We are lowering our FY24 EPS estimate to \$(0.77) from \$(0.74) on lower expenses. We are lowering our FY25 EPS estimate to \$(0.83) from \$(0.80) on lower expenses. Consensus estimates are \$(0.63) and \$(0.65) for FY24 and FY25, respectively. Our revenue estimates are unchanged at \$1.2 and \$1.3 million for FY24 and FY25, respectively.

**New EU patent:** On July 26, the company announced that it received notice from the European Patent Office of a decision to grant European patent application No. 19805439.7 titled, "Methods for Treating Alzheimer's Disease" under European patent number 3873604B. The patent will be published on August 21, 2024 and will take effect on that date.

**Cyclodextrin platform technology based on cholesterol removal:** Cyclo Therapeutic's business strategy hinges on the observation that cyclodextrin will effectively bind with cholesterol and facilitate its excretion, making it potentially disease altering for sufferers of both NPC and AD. In both diseases, impairment of natural cholesterol metabolism leads to a build-up of cholesterol in the cells, causing dangerous symptoms, including neurological deterioration.

**Lowering our price target to \$0.95 due to merger:** We are adjusting our price-target to \$0.95 per share to reflect the merger valuation which Rafael Holdings has agreed to pay. While there is always a 'risk' the merger doesn't go through, our base case scenario is that holders of CYTH will receive newly issued RFL stock valued at the equivalent of \$0.95 per share, sometime in calendar Q4.

### Company Description

Based in Gainesville, FL, Cyclo Therapeutics, Inc. is a drug company specializing in therapeutics for neuro degenerative diseases.

### Stock Data

Exchange:	NasdaqCM
52-week Range:	\$0.83-2.12
Shares Outstanding (million):	28.6
Market cap (\$million):	\$24.0
EV (\$million):	\$25.6
Debt (\$million):	\$2.7
Cash (\$million):	\$1.1
Avg. Daily Trading Vol. (\$ million):	\$0.52
Float (million shares):	15.9
Short Interest (million shares):	0.173
Dividend, annual (yield):	NA

### Revenues (US\$ million)

	2024E (Cur.)	2024E (Old.)	2025E (Cur.)	2025E (Old.)
Q1 Mar	0.2A		0.2E	
Q2 Jun	0.1A	0.1E	0.1E	
Q3 Sep	0.5E		0.6E	
Q4 Dec	0.3E		0.4E	
Total	1.2E		1.3E	
EV/Revs	21x		20x	

### Earnings per Share (pro forma)

	2024E (Cur.)	2024E (Cur.)	2025E (Cur.)	2025E (Cur.)
Q1 Mar	(0.15)A		(0.19)E	(0.18)E
Q2 Jun	(0.21)A	(0.17)E	(0.22)E	(0.19)E
Q3 Sep	(0.19)E	(0.18)E	(0.21)E	(0.19)E
Q4 Dec	0.20E	0.21E	0.22E	0.23E
Total	0.77E	0.74E	0.83E	0.80E
P/E	NA		NA	

### 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 15.

**Exhibit 1: Cyclo Therapeutics, Inc. Corporate Overview**

3

## Company Snapshot

**Who:** In 1990, the company was formed as Specialty Fine Chemical business specializing in cyclodextrins. In 2014, the business was expanded into a biotechnology company dedicated to developing life-changing medicines through science and innovation for patients and families living with challenging diseases.

**What:** Trappsol® Cyclo™ is a proprietary formulation of hydroxypropyl beta cyclodextrin and in multiple clinical studies has shown encouraging results to effectively manage the transportation of cholesterol.

**Why:** Because cholesterol is so important to the normal function of our cells, its synthesis and degradation is tightly controlled by an array of cellular processes. When there is an imbalance in cholesterol synthesis or metabolism, cells and organs may not function properly, leading to disease or death.

**How:** Trappsol® Cyclo™, with its cyclic structure, facilitates the transport of accumulated cholesterol out of cellular lysosomes so it can be further processed and excreted out of cells.

### Currently Targeting 2 Serious Diseases with Unmet Medical Need

**Niemann-Pick Disease Type C**  
 Fatal and progressive genetic disorder  
 Orphan indication affecting >9,000 in 80 countries (~400 in U.S. / 320 EU5)<sup>1</sup>

**Alzheimer’s Disease**  
 6<sup>th</sup> leading cause of death affecting 5 million people in the U.S.<sup>2</sup>

Platform technology has potential to fuel pipeline expansion opportunities

1. April 2021, Tessellon Inc. (former Kantar Health experts with 25+ years of epidemiology and forecasting experience), ([www.Tessellon.com](http://www.Tessellon.com)); Exhaustive literature search with a broad range of MESH terms in United States + 79 other countries.  
 2. <https://www.alz.org/alzheimers-dementia/facts-figures>

Source: Company Reports

**Exhibit 2: Cyclo Therapeutics, Inc. Product Pipeline**

4

## Platform Technology Pipeline:

Trappsol® Cyclo™ allows for a multiple shots on goal model

Program	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Milestones	
Trappsol® Cyclo™	Niemann-Pick Disease Type C	<div style="width: 100%; height: 15px; background-color: #00b09b; border-radius: 10px;"></div>				<b>Transport NPC<sup>®</sup></b>	Continued strong pace of enrollment
Trappsol® Cyclo™	Alzheimer’s Disease	<div style="width: 100%; height: 15px; background-color: #00b09b; border-radius: 10px;"></div>					First patient enrolled and dosed in Q1 2023 for Phase 2b study

Ongoing Collaboration with University of the Witwatersrand, Johannesburg to Advance Trappsol® Cyclo™ Platform and Explore Pipeline Expansion Opportunities

Orphan Drug Designation in U.S. | Fast Track Status in U.S. | Potential for Priority Review Voucher (PRV) in U.S.  
 Orphan Designation in EU | EMA Pediatric Investigational Plan Adopted

Source: Company Reports

**Exhibit 3: Cyclo Therapeutics, Inc. Senior Leadership**

5

## Leadership Team with Proven Experience



**N. Scott Fine**  
Chief Executive Officer & Director





**Joshua M. Fine**  
Chief Financial Officer





**Karen Mullen, FFPM**  
Interim Chief Medical Officer





**Michael Lisjak**  
Chief Regulatory Officer





**Jeffrey L. Tate, Ph.D.**  
Chief Operating Officer, Chief Quality Officer & Director





**Lori McKenna Gorski**  
Global Head of Patient Advocacy






Source: Company Reports

**Exhibit 4: Cyclo Therapeutics, Inc. Scientific Advisory Board**


6


## Scientific Advisory Board



**Rita Colwell, Ph.D.**  
Co-Chair


Internationally recognized scientist, microbiologist and founder of CosmosID, a privately held bioinformatics firm. Distinguished University Professor at U. Maryland and Johns Hopkins University. Former Director, National Science Foundation (1998 - 2006). National Medal of Science awardee. Member, US National Academy of Sciences.






**Sharon H. Hrynkow, Ph.D.**  
Co-Chair


Neuroscientist with more than 25 years' experience in global health arena, public and private sectors. Senior executive at NIH. First president of non-profit Global Virus Network. Former Member of President's Council of Advisors on Science and Technology. 5 years at Cyclo Therapeutics leading clinical and scientific programs.






**Benny Liu, M.D.**  
Key Opinion Leader in Niemann-Pick Disease Type C


Gastroenterologist at Alameda Health System, CA and Highland Hospital. Globally recognized expert in lipid metabolism. First to discover that cyclodextrins release cholesterol from cells using an animal model. Assistant Clinical Professor, UCSF.






**Caroline Hastings, M.D.**  
Key Opinion Leader in Niemann-Pick Disease Type C


Pediatric hematologist oncologist, Director of NeuroOncology, and Professor of Pediatrics, UCSF Benioff Children's Hospital Oakland. First physician in US to use cyclodextrins for treatment in NPC, compassionate use. Advisor to US and Australian NPC Advocacy organizations and to physicians globally on NPC.






**Gerald F. Cox, M.D., Ph.D.**  
Internationally Renowned for Clinical Drug Development

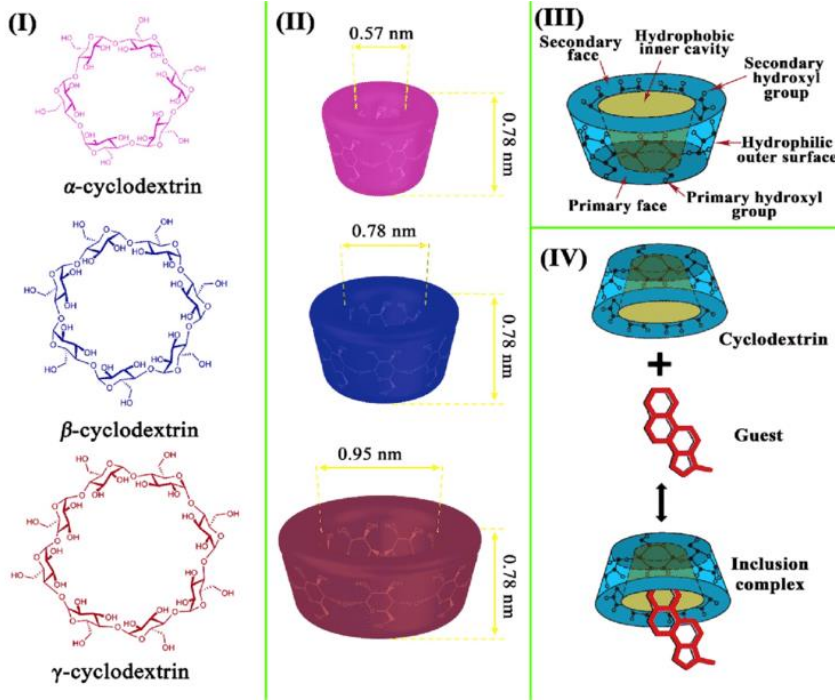
Seasoned biotechnology executive with 20-year successful track record of drug development for rare genetic diseases and extensive worldwide regulatory experience





Source: Company Reports

Exhibit 5: Cyclodextrins, Chemical Structure



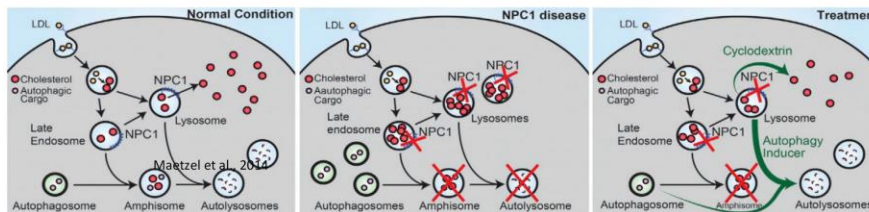
Source: 'Environmental Chemistry Letters' Journal

Exhibit 6: Trapsol Cyclo Cholesterol Transport Effect

Trapsol® Cyclo™



Enables the Effective Transport of Cholesterol Out of Cells



Cholesterol as measured by Filipin staining at Baseline and after 7 doses over 14 weeks



The lack of light blue represents the clearing of cholesterol from cells

Source: Company Reports

**Exhibit 7: NPC Overview**

8

## NPC: A Debilitating Disease with Fatal Outcomes

- Rare, fatal and progressive genetic disorder affecting the brain, liver, spleen and lungs
- Characterized by a defect in the NPC1 protein
- Cholesterol and lipids accumulate in cells of major organs and tissues
- Leading to cell and tissue dysfunction

0

U.S. Approved NPC Therapies

---

1

EU Approved Therapy with No Systemic Effects

**Incidences**

1/100,000 (~35 per year in U.S.)

**Of Diagnosis**

~ 3% are age 3 and below  
~ 97% are age 3 and above  
~ 60% age 16 and above

**Median Survival**

Early Infantile (2m-2): 4.6y  
Late Infantile (3-6): 9.4y  
Juvenile (7-15): 15.4y  
Adolescent/Adult (16+): 12.2y

Market Opportunity<sup>1</sup>

United States: \$300 Million | Worldwide: \$600 Million

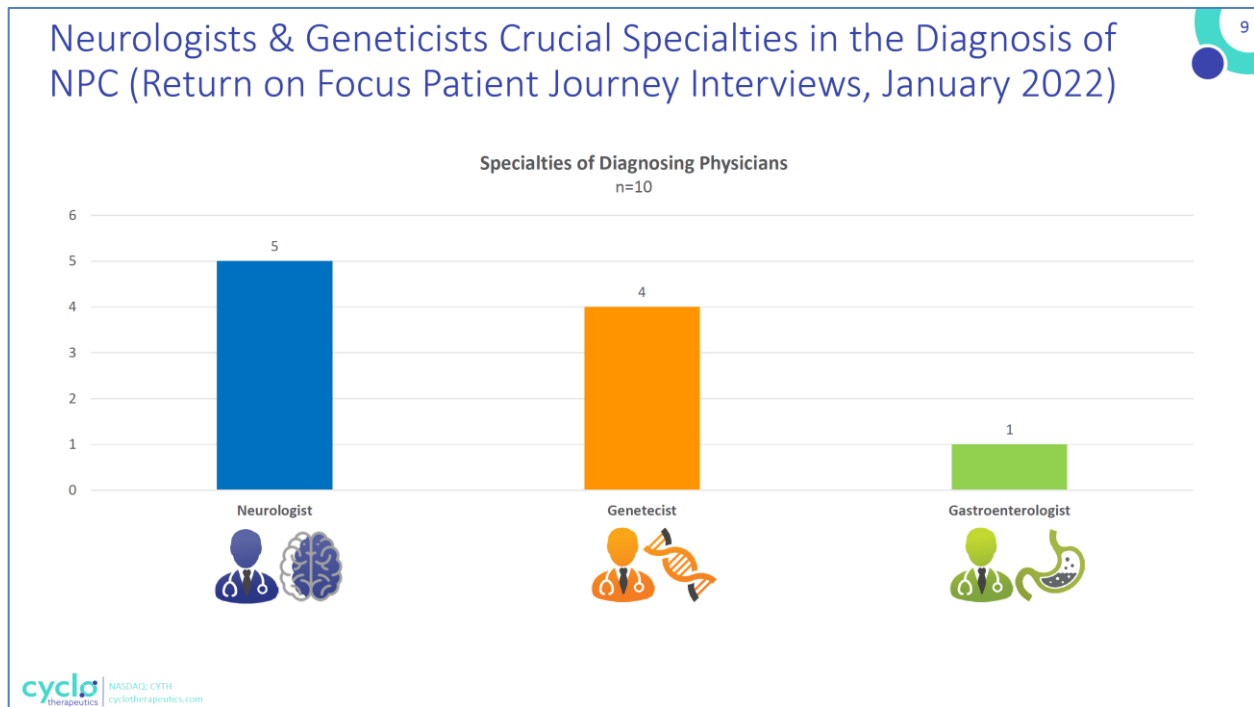
1: Data on file Cyclo Therapeutics

\*Scope: United States + 79 other countries; \*Commissioned Tesselon Inc – former Kantar Health experts with 25+ years of epidemiology and forecasting experience, ([www.Tesselon.com](http://www.Tesselon.com)); \*Exhaustive literature search with a broad range of MESH terms.

NASDAQ: CYTH  
cyclotherapeutics.com

Source: Company Reports

**Exhibit 8: Medical Specialties Involved in Diagnosing NPC**



Source: Company Reports

**Exhibit 9: Specialists Required to Care for NPC Patients**

## Multidisciplinary Team Needed in Support of Patient Care

10

Discipline	Features of NPC for Which this Discipline May Be of Assistance
Primary Care Physician	Assist with general medical care; coordinate specialists; provide support for family
Metabolic Diseases Specialist	Diagnosis of NPC and exclusion of other disorders in the differential diagnosis; ongoing patient assessment for disease progression and response to therapy
Neurologist	Cataplexy, movement disorders, dystonia, seizures
Psychiatrist	Psychosis, behavioral disturbances; depression
Neuro-ophthalmologist	Diagnosis (vertical gaze palsy) and assess response to therapy (changes in saccadic eye movement velocity)
Anesthesiologist	Assess for anesthetic risk as needed
Neuropsychologist	Assess for cognitive involvement at baseline and in response to therapy
Speech and Language Therapist	Assess for dysphagia and aspiration risk; speech therapy for children
Occupational and Physical Therapists / Rehabilitation Physician	Assess development and develop aids and home adjustments as needed for patients with communication and physical challenges
Orthopaedic Surgeon	Assess the need for surgical correction of severe scoliosis, osteo-articular retractions, spasticity treatments and hip problems
Nutritionist / Gastroenterologists	Assess nutritional status in patients who may be losing weight due to dysphagia or side effects of therapy; Gastrostomy tube insertion when swallowing is unsafe
Social Worker	Support of patients and families living with disabilities who require enhanced resources in the community
Genetic Counselor	Provide counselling for families as to recurrence risk and options for prenatal diagnosis if desired



Source: Company Reports

**Exhibit 10: Alzheimer' Disease Overview**

## Alzheimer's Disease The Most Common Form of Dementia

16

An irreversible, progressive neurologic disorder that slowly degrades memory, thinking and social skills that affects a person's ability to function independently.

### Similarities with NPC

- Cognitive decline
- Elevated levels of tau
- Amyloid plaques



- Affects more than 5 million people in the U.S.<sup>1</sup>
- 6th leading cause of death in the U.S.<sup>1</sup>
- 500,000 new cases every year<sup>2</sup>
- 13.8 million cases projected by 2050<sup>1</sup>



1. <https://www.alz.org/alzheimers-dementia/facts-figures>  
 2. <https://www.brightfocus.org/alzheimers/article/alzheimers-disease-facts-figures>

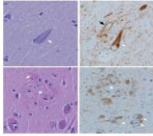
Source: Company Reports

**Exhibit 11: Similarities between Niemann-Pick Type C Disease and Alzheimer’s Disease**

17

## Commonality Across Target Neurodegenerative Diseases

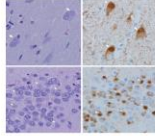
**Alzheimer’s Disease**  
Secondary Tauopathy



**Biologic Similarities**

Cholesterol Accumulation in Regions of Brain  
Elevated Levels of Tau in CSF  
Amyloid Plaques in the Brain

**Niemann-Pick Disease Type C**  
Primary Tauopathy




**Disease Manifestation**

- Cognitive decline / dementia
- Premature death
- Clumsiness
- Progressive motor symptoms
- Ataxia, dystonia, dysarthria, dysphasia
- Psychiatric signs: psychosis, depression
- Weight loss

**Disease Manifestation**

- Progressive cognitive decline / early dementia
- Premature death
- Clumsiness, gait disturbance
- Delayed motor milestones
- Progressive: ataxia, dystonia
- Seizures
- Weight loss



Source: Company Reports

**Exhibit 12: Cyclo Therapeutics, Inc. Phase 1 and 2 Studies of Trappsol Cyclo for NPC**

12

## Trappsol® Cyclo™ Summary of Completed Clinical Studies in NPC

**Study 101**


Phase 1 study in NPC patients age 18 years and older showed Trappsol® Cyclo™ was well-tolerated with an acceptable safety and tolerability profile

- After IV infusion, the drug is detectable in the cerebrospinal fluid within hours after the start of infusion
- Cholesterol synthesis and metabolism affected, and cholesterol cleared from cells, mimicking effects from nonclinical studies (*in vitro* and *in vivo*) in NPC models

**Study 201**

Consistent pharmacodynamic effects and safety profile observed in a 48-week Phase 1/2 study in NPC patients aged 2 years and older

- 100% of patients assessed by treating physicians to be either stable or improved
- 88% (8 of 9 patients who completed the study), experienced clinically meaningful improvements in one or more efficacy endpoints, assessed by the 17 Domain NPC Severity Scale
- Based on totality of data from the Phase 1 and Phase 2 studies, the 2000 mg/kg dose was selected for the Phase 3 study



Source: Company Reports

**Exhibit 13: Cyclo Therapeutics, Inc. Phase 3 Study of Trappsol Cyclo for NPC**

## Ongoing Pivotal Phase 3 Study in Niemann-Pick Disease Type C

Continued Strong Pace of Enrollment

Double-blind, randomized, placebo-controlled, parallel-group study and is currently the most advanced clinical research program underway to identify a treatment for NPC

13

Number of Subjects	93		
Current Sites	25+ across 13 countries	United States, United Kingdom, Italy, Germany, Spain, Taiwan, Poland, France, Israel, Turkey, Argentina, Brazil and Australia	
Duration	96-week trial, with interim analysis at 48 weeks		
Dose	2000 mg/kg via IV infusion		
Primary Endpoint	NPC Composite Severity Score		
Secondary Endpoints	SCAFI, Swallow, Vineland-2		
Exploratory Endpoints	Inclusive of speech, liver and lung function		

NASDAQ: CYTH  
cyclotherapeutics.com

Source: Company Reports

**Exhibit 14: NPC Clinical Studies Competitive Landscape**

## We Have the Only Active Late-Stage Clinical Program in NPC

14

Company*	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Potential Indication (Systemic and Neurological)	Safety Profile	Summary
	Trappsol <sup>®</sup> Cyclo <sup>™</sup> (Intravenous every 2 weeks, home infusions)							Met all primary endpoints of the Ph1 and Ph1/2 showing favorable safety and efficacy. Ph3 currently enrolling and additional site activation ongoing.
	Zavesca (Oral 3 times daily)							FDA: Data did not support benefit risk. Off-label in US. EMA: Approved January 2009.
	IB1001 (Oral 3 times daily)							Met with FDA, EMA and UK, Phase 3 study required, 6-month placebo-controlled crossover trial with approximately 50 patients (4 years of age and above). Study fully enrolled 4Q 2022. No time table available for planned submissions to US and EU.
	Arimoclomol (Oral 3 times daily)							KenPharm acquired Arimoclomol from Orphazyme in June 2022. Changed their name to Zevra Therapeutics March 2023. FDA: CRL received June 17, 2021, noting additional data required to support benefit risk. Resubmission planned 3Q 2023. EMA: To be determined
	Adrabetadex (VTS-270) (Intrathecal every 2 weeks)							MNK concluded program 20-Jan-2021 noting the benefit risk is negative. Mandos received Court Approval to buy from MNK 29-Jun-2021. FDA has not found drug to be safe and effective for use to treat NPC1 or for any other use.
	AZ-3102 (Oral)					TBD	TBD	A small molecule with the potential to reduce the harmful accumulation of "waste" lipids and to reduce the impact of the impaired lysosome currently being studied in 12-week study (Rainbow) for GM1 and GM2 gangliosidosis and NPC.

\* There are other companies in pre-clinical which we continue to monitor. As they mature, we will add to the above table as appropriate.

**Differentiation Key:** - Optimal - Moderate - Weak

NASDAQ: CYTH  
cyclotherapeutics.com

Source: Company Reports



**Exhibit 15: Cyclo Therapeutics, Inc. Phase 2b Study of Trappsol Cyclo for Alzheimer’s Disease**

18

## Ongoing Phase 2b Study in Early Alzheimer’s Disease

First Patient Enrolled and Dosed in Q1 2023 for Phase 2b Study

U.S. Multicenter, Randomized, Placebo-Controlled,  
Double-Blind, Parallel Group, 6-Month Study

Number of Subjects	~90
Current Sites	6 + across two countries
Duration	6 Months
Dose	Randomized across three study arms: 500 mg/kg or 1000 mg/kg of Trappsol® Cyclo™ and Placebo
Study Endpoints	Safety, Tolerability and Potential Efficacy

NASDAQ: CYTH  
cyclotherapeutics.com

Source: Company Reports

**Exhibit 16: Cyclo Therapeutics, Inc. Phase 1 Study of Trappsol Cyclo for Alzheimer’s Disease, Positive Results**

19

## Trappsol® Cyclo™ for the Potential Treatment of Early Alzheimer’s Disease Targeting Reduction of Amyloid Beta and Tau

Preeminent Neuroscientist and World-Renowned Researcher,  
Cynthia A. Lemere, PhD Senior Advisor for Advancement of Alzheimer’s Disease Asset

**Positive Results in Alzheimer Patient Under Compassionate Use Program**

FDA authorized use of Trappsol® Cyclo™ in geriatric patient

- 18 months of monthly IV infusion
- Disease did not progress
- Family reported less volatility and greater word-finding ability

18 months of data has led to development of Phase 2 protocol

NASDAQ: CYTH  
cyclotherapeutics.com

### Alzheimer’s Mini-Mental State Evaluation Performance<sup>1</sup>

Months	Cyclo Patient	Cognitively Normal = 30	Expected Decline of AD Patients
0	24	30	24
3	24	30	23.5
7	24	30	23
9	25	30	22.5
12	26	30	22
14	25	30	21.5
18	26	30	21

\*Treating physician reported the 18-month score as a range between 24-26  
1: Rate of MMSE decline in AD patients: Elkhorn, RS et al, J. Alz. Disease, 61: 1221, 2018. Suh, GH et al., Intl. J. Geriatric Psychiatry, 19(9): 817, 2004.

Source: Company Reports

**Exhibit 17: Cyclo Therapeutics, Inc. Strategic Partnership with Rafael Holdings, Inc.**

21

## Strategic Partnership with




Invested \$9.0M in 2023, and Rafael CEO William Conkling has joined Cyclo Board of Directors

Aligns with vision of developing a much-needed treatment option for people living with Niemann-Pick Disease Type C

Strategic investments support advancing our ongoing pivotal Phase 3 study, **TransportNPC™**



cyclotherapeutics.com

Source: Company Reports


**Exhibit 18: Cyclo Therapeutics, Inc. Investment Highlights**

23


## Investment Summary

Leveraging over 3 decades of experience with cyclodextrins to advance clinically de-risked programs towards approval in diseases with unmet medical need

<p><b>Strategic relationship with Rafael Holdings, Inc. Rafael provides financial and strategic guidance. \$9.0M in committed Capital and William Conkling, Rafael CEO has joined Cyclo Therapeutics' Board</b></p> <p>Platform technology has demonstrated to be safe and effective with over 10 years of patient exposure</p>	<p><b>TransportNPC™</b></p> <p>Continued strong pace of enrollment</p> <p>Significant market opportunity with no approved therapy to treat both systemic and neurological manifestations of NPC</p> <p>FDA: Orphan Drug Designation (ODD), Fast-Track, Rare Pediatric Disease Designation, potential PRV; EMA: ODD and adopted PIP</p>	<p>Pipeline expansion into Alzheimer's Disease (AD), patent filed globally and is currently being executed</p> <p>First patient enrolled and dosed in Q1 2023 for Phase 2b study</p>
---	--	--



Multiple value-driving milestones expected  
Platform technology with opportunity to expand into multiple indications  
Leadership team with proven track-record in execution and value creation



cyclotherapeutics.com

Source: Company Reports

**Exhibit 19: Cyclo Therapeutics, Inc. Consensus Earnings Estimates**

August 22, 2024

Revenue (USD million)			EPS (USD)		
	FY2024E	FY2025E		FY2024E	FY2025E
Q1 Mar	\$0.2A	\$0.2E	Q1 Mar	\$(0.15)A	\$(0.18)E
Q2 Jun	\$0.1A	\$0.1E	Q2 Jun	\$(0.21)A	\$(0.19)E
Q3 Sep	\$0.3E	\$0.4E	Q3 Sep	\$(0.14)E	\$(0.17)E
Q4 Dec	\$0.2E	\$0.3E	Q4 Dec	\$(0.15)E	\$(0.20)E
<b>Total</b>	<b>\$0.9E</b>	<b>\$1.2E</b>	<b>Total</b>	<b>\$(0.63)E</b>	<b>\$(0.65)E</b>

Source: Company Reports, Capital IQ, Ascendant Capital Markets Estimates

**Exhibit 20: Cyclo Therapeutics, Inc. Daily Stock Price, Last 5 Years**



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



**CYCLE THERAPEUTICS, INC (CYTH)**

Balance Sheet (\$ mils)	Dec-20	Dec-21	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	Q4A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<b>Current assets</b>															
Cash	12.8	16.6	1.5	0.9	0.8	1.8	9.2	3.0	1.1	1.7	(4.0)	(9.3)	(15.6)	(21.7)	(27.8)
Accounts receivable, net	0.1	0.5	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.1
Inventories, net	0.2	0.2	0.3	0.2	0.2	0.2	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Current portion of mortgage note receivable	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance and services	0.1	0.0	0.1	0.2	0.2	0.2	0.4	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Prepaid clinical expenses	0.7	2.0	2.2	2.5	3.2	3.0	2.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
<b>Total current assets</b>	<b>14.1</b>	<b>19.4</b>	<b>4.2</b>	<b>4.0</b>	<b>4.5</b>	<b>5.5</b>	<b>12.3</b>	<b>6.6</b>	<b>4.5</b>	<b>4.9</b>	<b>(0.8)</b>	<b>(6.2)</b>	<b>(12.5)</b>	<b>(18.5)</b>	<b>(24.7)</b>
FURNITURE AND EQUIPMENT, NET	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RIGHT-OF-USE LEASE ASSET, NET	0.0	0.0	0.0	0.1	0.0	0.0	0.9	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Mortgage note receivable, less current portion	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>14.2</b>	<b>19.5</b>	<b>4.2</b>	<b>4.1</b>	<b>4.6</b>	<b>5.6</b>	<b>13.2</b>	<b>7.2</b>	<b>4.7</b>	<b>5.2</b>	<b>(0.6)</b>	<b>(5.9)</b>	<b>(12.2)</b>	<b>(18.2)</b>	<b>(24.4)</b>
<b>Liabilities and Stockholders' Equity</b>															
<b>Current liabilities</b>															
Current portion of lease liability	0.0	0.0	-	0.0	0.0	0.0	1.0	0.6	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Convertible note payable	-	-	-	-	-	-	-	-	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Current portion of long-term debt	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable and accrued expenses	3.5	3.7	3.5	4.5	6.1	6.6	7.5	5.9	6.8	6.8	6.8	6.8	6.8	6.8	6.8
<b>Total current liabilities</b>	<b>3.7</b>	<b>3.8</b>	<b>3.5</b>	<b>4.5</b>	<b>6.1</b>	<b>6.6</b>	<b>8.5</b>	<b>6.5</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>
Lease liability, net of current portion	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-
Long-term debt, less current portion	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>3.7</b>	<b>3.8</b>	<b>3.5</b>	<b>4.5</b>	<b>6.1</b>	<b>6.6</b>	<b>8.5</b>	<b>6.6</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>	<b>9.8</b>
<b>Stockholders' Equity</b>															
Preferred stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common 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	0.0
Additional paid-in capital	44.5	64.0	64.5	68.4	72.0	77.2	88.6	88.8	89.1	95.1	95.1	95.1	95.1	95.1	95.1
Stock subscription receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated deficit	(34.1)	(48.3)	(63.8)	(68.8)	(73.4)	(78.2)	(83.9)	(88.2)	(94.2)	(99.7)	(105.5)	(110.8)	(117.1)	(123.1)	(129.3)
<b>Total stockholders' equity</b>	<b>10.5</b>	<b>15.7</b>	<b>0.7</b>	<b>(0.4)</b>	<b>(1.5)</b>	<b>(1.1)</b>	<b>4.8</b>	<b>0.6</b>	<b>(5.1)</b>	<b>(4.7)</b>	<b>(10.4)</b>	<b>(15.7)</b>	<b>(22.1)</b>	<b>(28.1)</b>	<b>(34.2)</b>
<b>Total liabilities and stockholders' equity</b>	<b>14.2</b>	<b>19.5</b>	<b>4.2</b>	<b>4.1</b>	<b>4.6</b>	<b>5.6</b>	<b>13.2</b>	<b>7.2</b>	<b>4.7</b>	<b>5.2</b>	<b>(0.6)</b>	<b>(5.9)</b>	<b>(12.2)</b>	<b>(18.2)</b>	<b>(24.4)</b>

**Balance Sheet Drivers**

	Dec-20	Dec-21	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	Q4A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<b>Book &amp; Cash Value (per share)</b>															
Book Value per Share (diluted)	-	2.5	0.1	(0.0)	(0.1)	(0.1)	0.2	0.0	(0.2)	(0.2)	(0.4)	(0.5)	(0.8)	(1.0)	(1.2)
Cash per Share (diluted)	8.1	2.6	0.2	0.1	0.1	0.1	0.4	0.1	0.0	0.1	(0.1)	(0.3)	(0.5)	(0.8)	(1.0)
Net cash per Share (diluted)	7.9	2.6	0.2	0.1	0.1	0.1	0.4	0.1	0.0	0.1	(0.1)	(0.3)	(0.5)	(0.8)	(1.0)

Source: Company reports, Ascendant Capital Markets estimates

**CYCLE THERAPEUTICS, INC (CYTH)**

Cash Flow Statement (\$ mils)	2021	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	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
<u>Cash flow from operating activities</u>																		
<b>Net income (loss) from operations</b>	<b>(14.3)</b>	<b>(15.5)</b>	<b>(5.0)</b>	<b>(4.6)</b>	<b>(4.8)</b>	<b>(5.6)</b>	<b>(20.1)</b>	<b>(4.3)</b>	<b>(6.0)</b>	<b>(5.5)</b>	<b>(5.7)</b>	<b>(21.6)</b>	<b>(5.3)</b>	<b>(6.3)</b>	<b>(6.0)</b>	<b>(6.2)</b>	<b>(23.8)</b>	
Adjustments:												10%						10%
Depreciation and amortization	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
Loss (gain) on disposal of equipment	-	-	-	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-
Gain on forgiveness of PPP loan	-	(0.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for doubtful accounts	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PPP loan forgiveness	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation	-	0.4	-	0.1	0.1	0.1	0.4	0.2	0.2	-	-	0.3	-	-	-	-	-	-
Provision for inventory obsolescence	-	-	-	-	-	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-
Stock compensation to employees	0.1	0.0	0.1	(0.1)	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
Stock compensation to nonemployees	0.1	0.1	-	0.1	0.1	0.1	0.3	0.1	0.1	-	-	0.2	-	-	-	-	-	-
Issuance of stock-based compensation	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment on property held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory valuation allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write off deferred costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change in operating lease assets and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on change in fair value of convertible promissory note	-	-	-	-	-	-	-	-	0.7	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase or decrease in:																		
Accounts receivable, net	(0.4)	0.4	(0.1)	0.0	(0.2)	0.2	(0.1)	0.1	(0.0)	(0.1)	0.1	(0.0)	0.0	0.0	(0.2)	0.1	(0.0)	
Inventory, net	0.0	(0.0)	0.0	0.0	0.0	(0.1)	(0.1)	0.0	0.0	0.2	0.0	0.2	0.0	(0.0)	(0.0)	0.0	(0.0)	
Prepaid clinical expenses	(1.3)	(0.2)	(0.3)	(0.7)	0.2	0.7	(0.1)	(0.5)	0.0	-	-	(0.5)	-	-	-	-	-	
Prepaid insurance and services	0.1	(0.1)	(0.1)	0.0	0.0	0.1	0.0	(0.1)	0.2	-	-	0.1	-	-	-	-	-	
Other	(0.0)	-	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	
Accounts payable and accrued expenses	0.4	(0.2)	1.0	1.6	0.5	0.1	3.2	(1.6)	1.0	-	-	(0.6)	-	-	-	-	-	
Total adjustments	(0.7)	0.3	0.6	1.2	0.7	1.3	3.9	(1.8)	2.1	0.1	0.1	(0.2)	0.1	0.0	(0.2)	0.1	(0.0)	
<b>Net cash used in operating activities</b>	<b>(15.0)</b>	<b>(15.1)</b>	<b>(4.4)</b>	<b>(3.5)</b>	<b>(4.0)</b>	<b>(4.3)</b>	<b>(16.2)</b>	<b>(6.2)</b>	<b>(3.8)</b>	<b>(5.5)</b>	<b>(5.6)</b>	<b>(21.8)</b>	<b>(5.3)</b>	<b>(6.3)</b>	<b>(6.2)</b>	<b>(6.1)</b>	<b>(23.7)</b>	
<u>Investing Activities</u>																		
Purchases of equipment	(0.0)	(0.0)	-	-	-	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	
Proceeds from sale of property and equipment, net of closing costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Collections from mortgage note receivable	0.0	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net cash used in investing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<u>Financing Activities</u>																		
Net proceeds from sale of warrants	-	-	2.4	0.5	-	(0.5)	2.4	-	-	-	-	-	-	-	-	-	-	
Net proceeds from sale of stock	18.8	-	1.3	2.9	5.0	0.5	9.7	-	-	6.0	-	6.0	-	-	-	-	-	
Principal payments on notes payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Principal payments on line of credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exercise of stock options	-	-	-	-	0.0	-	0.0	-	-	-	-	-	-	-	-	-	-	
Exercise of warrants	-	-	0.0	0.0	-	2.4	2.4	-	-	-	-	-	-	-	-	-	-	
Payments on PPP loan	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Merger transaction costs	-	-	-	-	-	-	-	(0.1)	(0.0)	-	-	-	-	-	-	-	-	
Merger recapitalization transaction costs	-	-	-	-	-	(0.7)	(0.7)	-	-	-	-	-	-	-	-	-	-	
Net proceeds from merger recapitalization	-	-	-	-	-	10.0	10.0	-	-	-	-	-	-	-	-	-	-	
Net proceeds from issuance of convertible note	-	-	-	-	-	-	-	2.0	-	-	-	-	-	-	-	-	-	
Refund of PPP loan payments	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net cash provided by financing activities</b>	<b>18.8</b>	<b>0.0</b>	<b>3.7</b>	<b>3.4</b>	<b>5.0</b>	<b>11.7</b>	<b>23.9</b>	<b>(0.1)</b>	<b>2.0</b>	<b>6.0</b>	<b>-</b>	<b>6.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net cash increase (decrease)</b>	<b>3.8</b>	<b>(15.1)</b>	<b>(0.6)</b>	<b>(0.1)</b>	<b>1.0</b>	<b>7.4</b>	<b>7.7</b>	<b>(6.3)</b>	<b>(1.9)</b>	<b>0.5</b>	<b>(5.6)</b>	<b>(15.8)</b>	<b>(5.3)</b>	<b>(6.3)</b>	<b>(6.2)</b>	<b>(6.1)</b>	<b>(23.7)</b>	
Cash balance at beginning of period	12.8	16.6	1.5	0.9	0.8	1.8	1.5	9.2	3.0	1.1	1.7	(4.0)	(4.0)	(9.3)	(15.6)	(21.7)	(27.8)	
<b>Cash balance at end of period</b>	<b>16.6</b>	<b>1.5</b>	<b>0.9</b>	<b>0.8</b>	<b>1.8</b>	<b>9.2</b>	<b>9.2</b>	<b>3.0</b>	<b>1.1</b>	<b>1.7</b>	<b>(4.0)</b>	<b>(4.0)</b>	<b>(9.3)</b>	<b>(15.6)</b>	<b>(21.7)</b>	<b>(27.8)</b>	<b>(27.8)</b>	

Source: Company reports, 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.

## **Cyclo Therapeutics, Inc.**

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

## **IMPORTANT DISCLOSURES**

This report has been distributed by Ascendant Capital Markets, LLC and is for the sole use of our clients. This report is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. This report contains information from various sources, including United States government publications, The Wall Street Journal and other periodicals, Yahoo! Finance and other sources, and is for informational purposes only and is not a recommendation to trade in the securities of the companies mentioned within the report. We seek to update our research and recommendations as appropriate, but the large majority of reports are published at irregular intervals as we consider appropriate and, in some cases, as constrained by industry regulations.

We may have a business relationship with companies covered in this report. Ascendant Capital Markets, LLC may make a market in the securities of the subject company. We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this report. This report is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any information in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of the investments referred to in this report may fluctuate.

Following are some general risks that can adversely impact future operational and financial performance and share price valuation: (1) industry fundamentals with respect to legislation, mandates, incentives, customer demand, or product pricing; (2) issues relating to competing companies or products; (3) unforeseen developments with respect to management, financial condition or accounting policies or practices; or (4) external factors that affect the interest rates, currency, the economy or major segments of the economy. Past performance is not a guide to future performance, future returns are not guaranteed, and loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Our report is disseminated primarily electronically, and, in some cases, in printed form. The information contained in this report is not incorporated into the contents of our website and should be read independently thereof. Copyright Ascendant Capital Markets, LLC. No part of this material may be copied, photocopied or duplicated by any means or redistributed without the prior written consent of Ascendant Capital Markets, LLC.

## **Risks & Considerations**

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 healthcare 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.

### Ratings Distribution and Investment Banking Disclosure (As of July 12, 2024)

	Investment Banking Services Past 12 Months			
	Count	Percent	Count	Percent
<b>Buy</b>	<b>58</b>	<b>98%</b>	<b>21</b>	<b>36%</b>
<b>Hold</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Sell</b>	<b>1</b>	<b>2%</b>	<b>0</b>	<b>0%</b>
<b>Total</b>	<b>59</b>	<b>100%</b>	<b>21</b>	<b>36%</b>

### Other Important Disclosures

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

### Dissemination of Research

Ascendant Capital Markets, LLC research is distributed electronically via the Thomson Reuters platforms, Bloomberg, Capital IQ, and FactSet. Please contact your investment advisor or institutional salesperson for more information.

### General Disclaimer

The information and opinions in this report were prepared by Ascendant Capital Markets, LLC. This information is not intended to be used as the primary basis of investment decisions and because of individual client objectives it should not be construed as advice designed to meet the particular investment needs of any investor. This material is for information purposes only and is not an offer or solicitation with respect to the purchase or sale of any security. The reader should assume that Ascendant Capital Markets, LLC may have a conflict of interest and should not rely solely on this report in evaluating whether or not to buy or sell securities of issuers discussed herein. The opinions, estimates, and projections contained in this report are those of Ascendant Capital Markets, LLC as of the date of this report and are subject to change without notice. Ascendant Capital Markets, LLC endeavors to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information and opinions that are accurate and complete. However, Ascendant Capital Markets, LLC makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein, and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. Information may be available to Ascendant Capital Markets, LLC, or its affiliates that is not reflected in this report. This report is not to be construed as an offer or solicitation to buy or sell any security.

### Additional Disclosures

Ascendant Capital Markets, LLC is a broker-dealer registered with the United States Securities and Exchange Commission (SEC) and a member of the FINRA and SIPC. Ascendant Capital Markets, LLC is not a Registered Investment Advisor nor is it an investment advisor registered with the Securities and Exchange Commission or with the securities regulators of any state, and at the present time is not eligible to file for federal registration.