



INITIATION OF COVERAGE

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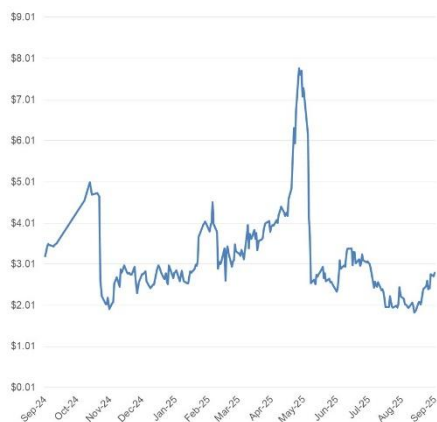
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Market Statistics in USD

Price	\$ 2.80
52 week Range	\$1.79 - \$8.94
Daily Vol (3-mo. average)	446,398
Market Cap (M)	\$ 54.4
Enterprise Value (M)	\$ 49.7
Shares Outstanding: (M)	14.3
Float (M)	9.5

Financial Summary in USD

Cash (M)	\$ 9.7
Cash/Share	\$ 0.68
Debt (M)	\$ 4.7
Equity (M)	\$ 3.2
Equity/Share	\$ 0.23



COMPANY DESCRIPTION

Medicus Pharma Ltd. (NASDAQ: MDCX) is a biotech company advancing novel therapeutics globally, including its subsidiary SkinJect Inc., which is developing a patented dissolvable microneedle patch for non-invasive treatment of basal cell skin cancer and is currently in multicenter clinical trials across the U.S., Europe, and UAE. In August 2025, Medicus completed acquisition of a UK-based clinical-stage drug development company, Antev, developer of Teverelix, a late-stage GnRH antagonist for advanced prostate cancer patients with CV risk profile and prevent relapse of acute urinary retention, due to enlarged prostate. Currently in phase 2 study.

MEDICUS PHARMA LTD (NASDAQ: MDCX)

Company Updates

Medicus advanced several strategic initiatives in 2Q25 as it builds a diversified portfolio of clinical and pre-clinical assets. The Company completed the acquisition of Antev Limited, expanding its therapeutic pipeline into dermatology and infectious diseases, complementing its lead microneedle patch technology for skin cancer. In addition, Medicus entered into a Memorandum of Understanding (MoU) with Helix Nanotechnologies to co-develop thermostable vaccines for infectious diseases, a collaboration that addresses critical global healthcare challenges tied to cold-chain limitations. Financially, the Company secured an \$8.0M non-dilutive debenture financing, strengthening its balance sheet and extending cash runway while minimizing dilution for existing shareholders. These milestones have highlighted the Company's strategy of combining organic development with opportunistic acquisitions to accelerate the advancement of its therapeutic assets.

Financial Performance: In 2Q25, MDCX reported a net loss of \$6.2M, compared to \$3.6M in 2Q24, reflecting increased expenses of \$4.6M and R&D investment of \$1.4M. For the six-month period, net loss widened to \$11.3M versus \$5.3M in the prior year, consistent with the Company's expanded development and corporate activities. Cash and equivalents stood at \$9.7M at quarter-end, an increase from \$4.2M at year-end 2024, supported by equity raises, warrant exercises, and \$4.5M in proceeds from the debenture issuance. Management expects that recent financings, combined with disciplined cost control, will provide sufficient capital to advance ongoing clinical and business development programs into 2026.

Asset Overview: Medicus' lead program, SkinJect, is a dissolvable microneedle patch designed for localized delivery of chemotherapeutic agents to treat non-melanoma skin cancers, including basal cell carcinoma. The product is intended for outpatient use, potentially reducing treatment costs and improving compliance relative to surgical and systemic approaches. The Antev acquisition further expands Medicus's portfolio into dermatology and infectious disease assets, while the Helix Nanotechnologies collaboration introduces vaccine development capabilities with a focus on thermostable platforms. Together, these programs position Medicus with a diversified pipeline targeting both near-term specialty indications and longer-term global opportunities. Management continues to pursue additional high-impact assets to complement this portfolio and leverage its multi-strategy model.

Valuation: We use a probability-adjusted Discounted Cash Flow Model when valuing MDCX. Our valuation model returns a valuation range of \$14.91 to \$29.35 with a midpoint of \$21.13 based on a discount rate range of 17.50% to 22.50% and a current risk adjustment range of 50% to 40%. Further details on our model can be found on page 9 of this report. We note that this model is highly levered to the out years due to the long-term nature of MDCX's industry, leading to the potential for dramatic re-ratings as new information becomes available.

Business Overview

Medicus Pharma Ltd. (NASDAQ: MDCX) is a clinical-stage, multi-strategy biotechnology and life sciences holding company dedicated to accelerating the development of novel and disruptive therapeutic assets. Headquartered in West Conshohocken, Pennsylvania, with origins in Ontario, Canada, the Company strategically acquires and advances relatively de-risked clinical-stage assets that address significant unmet medical needs. Medicus leverages deep industry expertise, extensive clinical network, and capital markets access to expedite the path of promising therapies through FDA-regulated trials, with a strategy to monetize through future out-licensing or future asset sale, rather than company-led commercialization.

Through its subsidiaries and partnerships, Medicus is developing novel and potentially disruptive therapeutic solutions. Programs such as its dissolvable microneedle platform for skin cancers and prostate cancer therapy highlight the company's strategy of advancing relatively de-risked assets with differentiated clinical and commercial potential. Additional detail on these programs is provided later in this report.

Medicus Pharma's growth model emphasizes disciplined portfolio expansion through accretive acquisitions, licensing opportunities, and strategic collaborations. In addition to advancing its lead programs, the Company is actively exploring partnership opportunities to broaden the reach of its technologies and pipeline. A notable example is its memorandum of understanding with HelixNano, aimed at combining Medicus' proprietary microneedle delivery system with HelixNano's mRNA vaccine platform to develop thermostable infectious disease vaccines. This initiative highlights the Company's ability to extend its core drug delivery platform into adjacent therapeutic and vaccine markets, creating further optionality for long-term growth.

By focusing on large and underserved markets (such as skin cancers), diagnosed in more than five million Americans annually, and prostate cancer, one of the leading causes of cancer-related morbidity worldwide—Medicus seeks to establish itself as a differentiated pharmaceutical platform company. Its strategy is built on addressing gaps in efficacy, safety, and patient convenience where current standards of care remain limited, creating significant opportunities for disruptive therapies that improve outcomes and expand access.

The strength of Medicus lies not only in its assets but also in its leadership. The Company is led by Raza Bokhari, MD, Executive Chairman and CEO, who brings deep experience in healthcare, biotech investment, and capital markets and has ~\$4 million investment in the company. He is supported by a management team with decades of combined expertise in clinical development, regulatory strategy, and financing, with track records at leading global pharmaceutical and biotechnology companies. The management team and certain board members have also invested ~ an additional \$10 million in the Company.

Exhibit 1: Business Strategy

About Medicus Pharma

A biotech/life sciences company focused on accelerating the clinical development programs of novel and disruptive therapeutic assets



Source: Company Reports

Exhibit 2: Portfolio & Partnerships

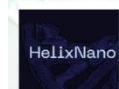
Portfolio Companies & Potential Partnerships



A novel non-invasive regimen to treat skin cancer; especially Basal Cell Carcinoma, using a patented dissolvable doxorubicin-containing microneedle arrays.



A clinical stage biotech company, developing Teverelix, a next generation gonadotropin releasing hormone antagonist, a potentially first in market product for high-risk prostate cancer patients and patients with first acute urinary retention (AUR) episodes due to enlarged prostate.



Medicus and HelixNano have entered into a non-binding memorandum of understanding (MoU) in respect of their shared mutual interest in the development of thermostable infectious diseases vaccines by combining HelixNano's proprietary mRNA vaccine platform with Medicus' proprietary micro needle array delivery platform.

Source: Company Reports

Pipeline Overview

As previously stated, Medicus Pharma Ltd. has assembled a pipeline of clinical and acquisition-stage assets designed to address large unmet medical needs in oncology and specialty therapeutics. The pipeline today is anchored by two primary assets: SkinJect's D-MNA microneedle platform for basal cell carcinoma (BCC) and the proposed acquisition of Antev Ltd.'s Teverelix trifluoroacetate (Teverelix TFA) for prostate cancer and acute urinary retention. Together, these programs reflect Medicus Pharma's dual focus on novel drug delivery technologies and differentiated therapies in high-prevalence conditions.

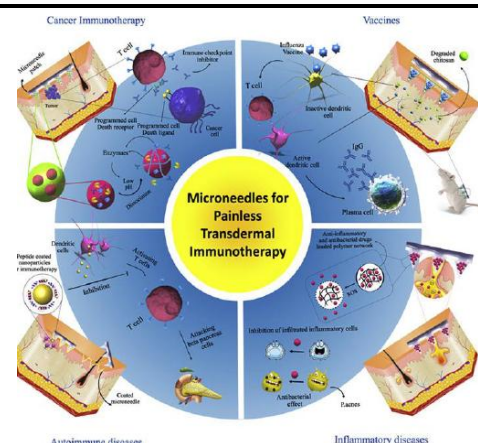
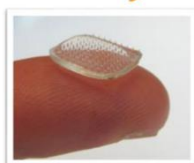
Exhibit 3: SkinJect Asset Overview

About SkinJect

A novel non-invasive regimen to treat skin cancer; especially Basal Cell Carcinoma

- **SkinJect Inc.** is a development stage biotechnology life sciences company focused on commercializing novel treatment for non-melanoma skin cancer, especially basal cell carcinoma, using a patented dissolvable doxorubicin-containing microneedle arrays (D-MNA). D-MNA delivers the chemotherapeutic agent transdermally at the site of the lesion to eradicate tumor cells. The relevant US Patents were granted to University of Pittsburgh and Carnegie Mellon University in 2018.
- **SkinJect Inc.** secured exclusive worldwide development and commercialization rights from University of Pittsburgh and Carnegie Mellon University in April 2016. The company attempts to provide an alternative to an invasive, painful, but effective treatment commonly called Mohs Surgery, by providing an efficacious, painless and easy to administer treatment in an office setting.
- **SkinJect Inc.** has completed a Phase I study in March 2021 for participants with superficial and nodular Basal Cell Carcinoma (BCC). In January 2024 a Phase 2 IND clinical protocol was submitted to the FDA for a randomized, controlled, double-blind, multicenter study that is expected to randomize up to 60 patients. Patient recruitment began in August 2024 in 9 sites across United States. A positively trending interim analysis in March 2025 showed more than 60% complete clinical response. In April 2025, IRB approved to increase the number of patients from 60 to 90.

SKINJECT



Source: Company Presentation

SkinJect – Dissolvable Microneedle Array for Basal Cell Carcinoma:

SkinJect, Inc., a wholly owned subsidiary of Medicus Pharma, is advancing a novel, non-invasive approach for the treatment of non-melanoma skin cancers, beginning with basal cell carcinoma (BCC). The company's therapy uses a patented dissolvable microneedle array (D-MNA) patch to deliver the chemotherapeutic agent doxorubicin directly to the lesion. This localized delivery method is designed to eradicate tumor cells while minimizing systemic exposure, offering a potential alternative to surgery—the current standard-of-care for most BCC patients.


BCC is the most common skin cancer in the U.S., with over five million cases annually, and procedures are projected to grow at ~4% per year to reach six million by 2030, representing a market of more than \$15 billion. While Mohs surgery provides high cure rates, it is invasive, costly, and often results in cosmetic scarring, leaving a substantial unmet need for effective, office-based therapies. SkinJect aims to meet this need with a regimen that can be administered once weekly in a 30-minute office visit, with minimal local irritation and the potential to stimulate an immune response to prevent recurrence.

Clinical development has shown promising progress. A Phase I trial completed in 2021 demonstrated safety and tolerability, with several patients achieving complete responses. In 2024, SkinJect initiated a Phase II randomized, double-blind, placebo-controlled trial across nine U.S. sites, with European sites expected to follow. An interim analysis in March 2025 showed >60% complete clinical clearance, prompting Institutional Review Board approval to expand enrollment from 60 to 90 patients. The SKNJCT-003 Phase II study has now randomized more than 75% of the ninety (90) patients. Following the acceptance of the Type C meeting request by the United States Food and Drug Administration (the FDA), the Company has submitted its queries in writing and expects to receive a response from the FDA before the end of Q2 2025.

The goal of this meeting is to provide guidance on pivotal trial design and define potential regulatory pathways. Beyond BCC, SkinJect's microneedle platform could extend into related indications, including actinic keratosis and squamous cell carcinoma in situ, as well as veterinary applications such as equine squamous cell carcinoma. The Company also holds exclusive worldwide development and commercialization rights from the University of Pittsburgh and Carnegie Mellon University, with a robust IP portfolio protecting its technology through 2035.

With strong interim data, cost advantages over surgery (*estimated ~\$1,000 per course vs. \$2,000–\$15,000 for Mohs*), and high expected physician and patient acceptance, SkinJect is positioned as a differentiated therapeutic option in a large and growing market. Its ability to provide non-invasive, efficacious treatment with improved cosmetic outcomes could establish the platform as a meaningful competitor in dermatologic oncology.

Exhibit 4: Teverelix Overview and IP Portfolio

Teverelix: A Next-Gen GnRH Antagonist				IP and Orange Book IP	
Teverelix is being developed to compete with or improve upon current GnRH antagonists like Degarelix and Relugolix as well as agonists				067728 – EU, USA, CHN - 2039	
What sets Teverelix apart is the potential for: <ul style="list-style-type: none"> • Rapid onset of testosterone suppression and prostate shrinkage • Avoidance of testosterone flare versus agonists • A longer-acting injection schedule (possibly every 6 weeks) • Potential for subcutaneous and intra-muscular delivery without daily dosing (vs. Relugolix's daily oral use) • Due to superior formulation, ISRs potentially significantly milder compared to Degarelix 				Teverelix TFA molar ratio composition	
				067718 – EU, USA, J - 2039	
				A reconstitutable teverelix TFA composition	
				067733 – EU, USA, J, CHN - 2039	
				A lyophilization process and teverelix TFA lyophilizate obtained thereby	
How Teverelix compares to Other Antagonists				EP23204384.4 – 2044	
				A dosage regime for use in the treatment of prostate cancer	
				EP24174080.2 – 2045	
				Recurrent AUR	
Feature	Teverelix (Investigational)	Degarelix	Relugolix		
Route	SC + IM, then SC	SC monthly	Oral daily		
Flare risk	None	None	None		
Onset of action	~2 days	~2-3 days	~2 days		
Maintenance interval	Every 6 weeks (planned)	Monthly	Daily		
Cardiovascular data	Not yet known	Neutral	↓ 54% MACE vs leuprolide		
Main limitation	Castration durability with current tested doses	ISR discomfort	Daily pill compliance		

Source: Company Presentation

Teverelix TFA – Next-Generation GnRH Antagonist

In parallel with advancing SkinJect, Medicus Pharma is expanding its pipeline through acquisitions and partnerships. The most notable recent initiative is the company's definitive agreement to acquire Antev Ltd., a clinical-stage biotech developing Teverelix TFA, a long-acting gonadotrophin-releasing hormone (GnRH) antagonist. Teverelix is being positioned as a next-generation therapy for both prostate cancer and acute urinary retention (AUR) caused by benign prostatic hyperplasia.

Unlike GnRH agonists, which induce an initial testosterone surge before suppression, Teverelix achieves immediate and sustained testosterone suppression without flare, reducing the cardiovascular risks associated with agonist therapies. The compound is designed with a more convenient dosing regimen, with the potential for subcutaneous or intramuscular injections every six weeks, in contrast to daily oral dosing required by Relugolix or monthly injections with Degarelix. Early clinical data suggest Teverelix could provide a favorable safety and tolerability profile, with milder injection site reactions compared to current antagonists.

Prostate cancer remains the second most common cancer in men worldwide, and androgen deprivation therapy (ADT) is a mainstay of treatment. However, cardiovascular risk, compliance issues, and treatment tolerability continue to challenge existing standards of care. Teverelix offers the potential to fill this treatment gap by delivering rapid onset testosterone suppression, long-acting efficacy, and improved patient convenience.

If approved, the asset could also become the first therapy approved for AUR prevention, a complication that affects a significant portion of men with advanced prostate enlargement and currently lacks effective pharmacological solutions.

The transaction with Antev, expected to close in 2025 pending customary approvals, would add a late-stage asset to Medicus's pipeline and meaningfully broaden its therapeutic focus. Future trials will seek to optimize dosing schedules, compare outcomes with established ADT therapies, and generate long-term data on cardiovascular safety, prostate shrinkage, and survival benefits. If successfully advanced, Teverelix could represent a best-in-class option in androgen deprivation therapy and expand Medicus Pharma's footprint in a large, global market with significant unmet need.

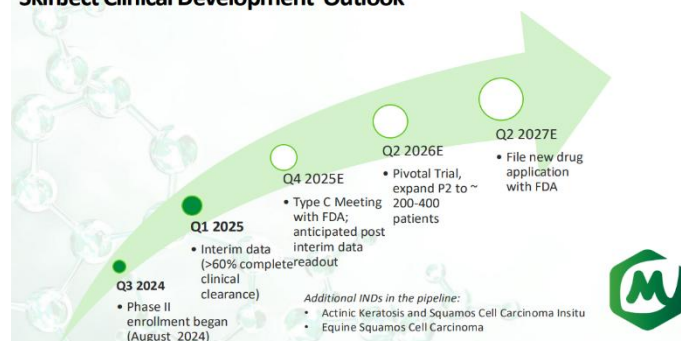
Together, SkinJect and Teverelix represent the foundation of Medicus Pharma's pipeline strategy: advancing differentiated assets with the potential to improve patient outcomes in large and underserved therapeutic categories. SkinJect's D-MNA platform targets a high-incidence cancer with a non-invasive, cost-effective treatment option, while Teverelix TFA represents a potential paradigm shift in prostate cancer and AUR management. Beyond these programs, the company continues to evaluate additional acquisition opportunities to broaden its portfolio and reinforce its position as a multi-asset biotechnology holding company.

Growth Drivers

Medicus Pharma is positioned at an important inflection point with two differentiated, clinical-stage programs in large, underserved therapeutic areas. The first growth driver is SkinJect's dissolvable microneedle array (D-MNA), which has demonstrated encouraging Phase II interim data in basal cell carcinoma (BCC) with >60% complete clinical clearance. In April 2025, the Institutional Review Board approved expanding enrollment from 60 to 90 patients following positive safety and efficacy trends, and European trial sites are being added to complement the U.S. footprint. The SKNJCT-003 Phase II study has now randomized more than 75% of the ninety (90) patients. Following the acceptance of the Type C meeting request by the United States Food and Drug Administration (the FDA), the Company has submitted its queries in writing and expects to receive a response from the FDA before the end of Q2 2025. The goal of this meeting is to provide guidance on pivotal trial design and define potential regulatory pathways.

Exhibit 5: Clinical Outlook and Investment Highlights

SkinJect Clinical Development Outlook



Medicus Investment Highlights

Dual de-risked assets, first-in-class potential

- Two differentiated, clinical-stage assets across two high-growth markets
- **Teverelix:** Next-gen GnRH antagonist addressing >\$4B TAM, FDA guidance secured, Phase 2/3 ready
- **SkinJect:** Non-invasive therapy targeting \$15B BCC Markets, Phase 2 positive interim data
- Near-term catalysts: Key trial starts 2026, Phase 2 data readouts 2026, Key FDA interactions H2 2025 & 2026
- IP protection through 2045; GMP manufacturing ready
- Positioned for partnerships and BD opportunities

Source: Company Presentation

A second major driver is the recently completed acquisition of Antev Ltd. (September 2025), adding Teverelix TFA, a next-generation GnRH antagonist in development for prostate cancer and acute urinary retention (AUR). Teverelix has the potential to compete with and improve upon existing antagonists such as Degarelix and Relugolix by offering longer dosing intervals (every six weeks vs. monthly/daily) and milder injection site

reactions. With a targeted IND submission and Phase II initiation expected in 2026, Teverelix represents a multi-billion-dollar opportunity with potential first-in-class and best-in-class positioning.

Geographic and program optionality add additional catalysts. Beyond U.S./EU expansion, the Company secured “study-may-proceed” clearance in the United Arab Emirates (SKNJCT-004), opening a second Phase II path and institutional touchpoints (Cleveland Clinic Abu Dhabi as PI, plus SSMC, Burjeel Medical City, and American Hospital Dubai). A recent press release highlight additional momentum. In September 2025, the SKNJCT-004 Phase II clinical study commenced patient recruitment at Cleveland Clinic Abu Dhabi (CCAD). This multi-region footprint can accelerate enrollment, diversify regulatory dialogue, and seed future commercial relationships in dermatology-heavy markets.

The Company is also expanding beyond oncology through new collaborations, including a memorandum of understanding (MoU) with HelixNano, a Boston-based biotech. The agreement aims to co-develop thermostable, mRNA-based infectious disease vaccines using HelixNano’s platform combined with Medicus’ microneedle delivery technology.

While non-binding, the initiative demonstrates management’s intent to leverage its proprietary delivery system into broader therapeutic and vaccine markets.

The Company also strengthened its financial runway with a \$4.2M Regulation A raise, a \$7M public offering, a \$3.75 warrants exercise, and a \$15M Standby Equity Purchase Agreement with Yorkville Advisors, providing flexibility to fund development without over-reliance on dilutive financings. In September 2025, the company also completed a \$8 million non-dilutive debenture to further strengthen its cash position.

Exhibit 6: BCC Market and Competitive Landscape

Basal Cell Carcinoma (BCC) Market Opportunity

Unmet medical need of a non-surgical option for an expected > US\$2 Billion annual market opportunity²

40-50% of Americans who live to age 65 will experience BCC or SCC at least once.³

Current Options are Insufficient:

- Surgery is the standard treatment for most BCC patients, either standard excision or Mohs Micrographic surgery.

Growing Incidence Among Elderly:

- Risk of skin cancer is higher among the aged population, with a significant rise in inoperable patients, driving demand for novel therapeutics

Market Growth:

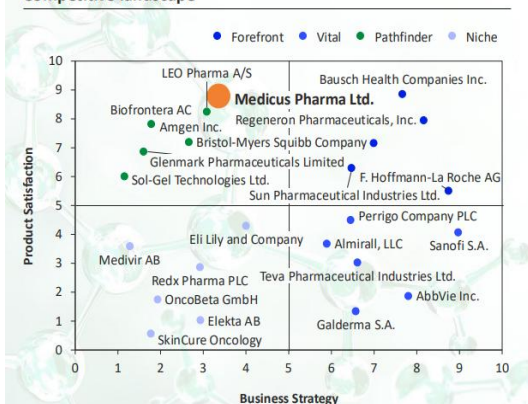
- BCC procedures are projected to grow at 4% per annum reaching 6 million procedures in 2030 representing a market size in excess of US\$15 billion annually.²
- While still most prevalent in the older segments of the population, it is becoming ever more frequent in younger individuals.¹

High Prevalence for BCC:

- >5 million BCC cases annually in the U.S.¹
- Rarely metastasizes but are frequently multiple and recurrent on sun-exposed skin, with some morbidity
- Untreated BCCs can become locally invasive, grow wide and deep into the skin and destroy skin, tissue and bone. (Skin Cancer foundation website)

¹ American Cancer Society
² SkinJect commercial opportunity assessment by an independent 3rd party
³ <https://pubmed.ncbi.nlm.nih.gov/20223408/>

Competitive landscape



Source: Company Presentation

Market Overview

The addressable markets Medicus is targeting are both large and growing, with limited effective non-surgical or next-generation therapeutic options. Non-melanoma skin cancer is the most common malignancy in the U.S., with over 5 million BCC cases annually. Industry assessments project BCC procedures growing at ~4% annually to 6 million procedures by 2030, representing a treatment market of >\$15 billion. While surgery remains standard-of-care, its high cost (\$2,000–\$15,000 per procedure) and associated morbidity create strong demand for less invasive alternatives such as SkinJect’s D-MNA patch, which could be priced at ~\$1,000 per treatment course.

In men’s health, prostate cancer is the second most common cancer in men globally, and the market for androgen deprivation therapies (ADT) is projected to grow from ~\$6.5B in 2025 to >\$8.5B by 2030.

Teverelix is designed to address critical shortcomings of current therapies: daily compliance challenges with Relugolix, monthly injection burden with Degarelix, and cardiovascular safety concerns with GnRH agonists. By offering longer-acting suppression without testosterone flare, Teverelix could capture share from existing therapies and potentially open a new indication in AUR prevention, estimated as a \$2B opportunity globally. Additionally, Therapeutic nuance creates room for differentiation.

Recent clinical literature around GnRH antagonists (e.g., relugolix) underscores rapid testosterone suppression and signals of reduced major adverse cardiovascular events versus agonists, features particularly relevant for high-CV-risk patients commonly seen in urology/oncology clinics. A long-acting antagonist with convenient dosing and favorable tolerability could therefore address adherence and CV-risk considerations that remain pain points in real-world practice.

Exhibit 7: Teverelix Next Steps and Outlook



Source: Company Presentation

Beyond these two core areas, Medicus' microneedle platform has broader application potential, including actinic keratosis and squamous cell carcinoma in situ, as well as in infectious disease vaccines via the HelixNano collaboration. These adjacencies represent long-term optionality that could diversify revenue streams and increase the company's overall total addressable market.

From an investment perspective, Medicus is attractive because it operates at the intersection of high-prevalence conditions (skin cancer, prostate cancer) and treatment modalities with high patient dissatisfaction (surgery, injection burden, cardiovascular safety). Each market is supported by strong epidemiological drivers such as aging populations, rising incidence rates, and increasing global treatment demand. Investors gain exposure to both oncology and specialty therapeutics with near-term clinical catalysts and long-term platform optionality.

Taken together, the Company's dual de-risked assets, extensive intellectual property protection (patents through 2039–2045), and expanding clinical footprint position Medicus Pharma as a unique small-cap biotech opportunity. With multiple data readouts, regulatory interactions, and trial initiations expected over the next 18–24 months, the setup offers investors multiple shots on goal in multi-billion-dollar markets.

Risks

As with any investment, there are certain risks associated with Medicus Pharma's operations as well as with the surrounding economic and regulatory environments common to the pharmaceutical industry.

- The Company has no history of net income, dividends, or cash flow and there can be no assurance that the Company will be profitable going forward. In the case that the Company cannot create enough revenue to sustain on-going business activities, the Company's most likely source of financing will be through the sale of existing securities or high-cost borrowing.
- Currently the Company has enough funds to sustain it through the foreseeable future and does not pose a going concern risk. We do however recognize that at some point the Company may need to raise more funds to sustain its operations until it begins revenue generation. Should the Company be unable to raise the necessary funds this would create a going concern risk.
- The Company is subject to regulatory risk as pharmaceutical activities are subject to laws and regulations imposed by local and state government authorities. Any future changes in the laws, regulations, agreements, or judicial rulings could impact or stop the Company from generating a profit on portions or all of its asset portfolio.
- The Company has several patents for intellectual property. The Company is constantly on guard and ready to defend its intellectual property using litigation if necessary. Should judgements go against the Company this could materially weaken its edge among peers. Additionally, having to pursue litigation as mediation for any infringement could be costly for the Company, regardless of the outcome.

Valuation Summary

We use a probability-adjusted Discounted Cash Flow Model when valuing MDCX. Our valuation model returns a valuation range of \$14.91 to \$29.35 with a midpoint of \$21.13 based on a discount rate range of 17.50% to 22.50% and a current risk adjustment range of 50% to 40%. Key assumptions in this valuation include the operating expense growth rate remaining at 2.5%, a combined current total market size of approximately \$5.5B, a combined total market size CAGR of 3% over the foreseeable future, and a steadily increasing market capture percentage. Uncertainties that would have a significant impact on this model would be variances in the time to market for any of the two leading drug candidates which would impact the risk rating, the capital needs of MDCX going forward which would impact the shares outstanding, and any changes to market capture due to a number of variables that would influence the Company's revenue potential. We note that this model is highly levered to the out years due to the long-term nature of MDCX's industry, leading to the potential for dramatic re-ratings as new information becomes available. We do not model additional asset acquisitions, though we expect that the Company could navigate several additional assets leading to significant potential growth. Currently we believe the assets will begin revenue generation as early as FY28, leading to strong near-term interest from potential purchasers.

BALANCE SHEET

Medicus Pharma Ltd.
Consolidated Balance Sheets (\$M)
Fiscal Year End: December

ASSETS	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Cash and Cash Equivalents	0.3	1.7	0.5	8.4	5.3	4.2	4.2	4.0	9.7
Prepaid Expenses and Other	0.0	0.2	0.1	0.1	0.1	1.2	1.2	1.1	1.3
Total Current Assets	0.3	1.9	0.7	8.5	5.4	5.4	5.4	5.1	11.0
Operating Lease ROU	-	-	0.3	0.3	0.3	0.3	0.3	0.2	0.2
Deferred Issuance Costs	-	-	-	-	-	-	-	0.3	0.7
Total Assets	0.3	1.9	1.0	8.8	5.7	5.6	5.6	5.7	11.9
LIABILITIES AND SHAREHOLDERS' EQUITY									
Accounts Payable	0.1	0.8	1.2	2.0	1.9	1.3	1.3	2.0	1.8
Accrued Expenses and Other Current	-	-	-	-	-	0.8	0.8	1.1	1.8
Related Party Payable	10.8	-	-	-	-	0.1	0.1	0.1	0.1
Operating Lease Liability	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Debentures	1.5	-	-	-	-	-	-	-	4.7
Total Current Liabilities	12.5	0.8	1.3	2.1	2.0	2.3	2.3	3.3	8.5
Operating Lease Liability	-	-	0.3	0.3	0.2	0.2	0.2	0.2	0.1
Total Liabilities	12.5	0.8	1.6	2.3	2.2	2.5	2.5	3.5	8.7
Common Shares	0.2	19.8	19.8	30.5	30.5	30.5	30.5	32.9	37.8
Additional Paid In Capital	-	0.1	0.2	0.7	0.7	1.5	1.5	3.2	5.6
Accumulated Deficit	(12.4)	(18.9)	(20.7)	(24.8)	(27.8)	(28.9)	(28.9)	(34.0)	(40.2)
Total Parent Net Equity	(12.2)	1.1	(0.6)	6.5	3.5	3.1	3.1	2.1	3.2
Total Liabilities and Shareholders' Equity	0.3	1.9	1.0	8.8	5.7	5.6	5.6	5.7	11.9

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Medicus Pharma Ltd.

Consolidated Statements of Income (in \$M)

Fiscal Year End: December

	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 E Sep-25	Q4 E Dec-25	FY 2025E	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E
General and Administrative	0.3	4.5	1.4	2.3	2.2	1.8	7.7	3.1	4.6	4.6	4.6	16.8	4.6	4.6	4.6	4.6	18.3
Research and Development	0.6	0.2	0.3	1.3	0.8	1.2	3.5	2.0	1.4	1.5	1.5	6.4	1.5	1.5	1.5	1.5	6.0
Depreciation	-	-	-	-	0.0	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Operating Income	(1.0)	(4.7)	(1.7)	(3.6)	(3.0)	(2.9)	(11.2)	(5.1)	(6.0)	(6.1)	(6.1)	(23.3)	(6.1)	(6.1)	(6.1)	(6.1)	(24.3)
Interest Income (Expense)	0.7	0.6	-	(0.1)	(0.0)	0.1	(0.0)	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.2
Change in FV of Debt	-	-	-	-	-	-	-	-	(0.2)	-	-	(0.2)	-	-	-	-	-
Profit Before Taxes	(1.7)	(5.3)	(1.7)	(3.6)	(3.0)	(3.0)	(11.2)	(5.1)	(6.2)	(6.0)	(6.0)	(23.3)	(6.0)	(6.0)	(6.0)	(6.0)	(24.1)
Provision for Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income	(1.7)	(5.3)	(1.7)	(3.6)	(3.0)	(3.0)	(11.2)	(5.1)	(6.2)	(6.0)	(6.0)	(23.3)	(6.0)	(6.0)	(6.0)	(6.0)	(24.1)
Basic EPS	\$ (0.45)	\$ (1.53)	\$ (0.21)	\$ (0.44)	\$ (0.31)	\$ (0.24)	\$ (1.16)	\$ (0.42)	\$ (0.43)	\$ (0.42)	\$ (0.42)	\$ (1.69)	\$ (0.44)	\$ (0.44)	\$ (0.44)	\$ (0.44)	\$ (1.75)
Diluted EPS	\$ (0.45)	\$ (1.53)	\$ (0.21)	\$ (0.44)	\$ (0.31)	\$ (0.24)	\$ (1.16)	\$ (0.42)	\$ (0.43)	\$ (0.42)	\$ (0.42)	\$ (1.69)	\$ (0.44)	\$ (0.44)	\$ (0.44)	\$ (0.44)	\$ (1.75)
WTD Shares Out - Basic	3.8	3.5	8.1	8.2	9.5	12.7	9.6	12.2	14.3	14.3	14.3	13.8	13.8	13.8	13.8	13.8	13.8
WTD Shares Out - Diluted	3.8	3.5	8.1	8.2	9.5	12.7	9.6	12.2	14.3	14.3	14.3	13.8	13.8	13.8	13.8	13.8	13.8

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

Medicus Pharma Ltd.

Consolidated Cash Flow Statements (\$M)

Fiscal Year End: December

CASH FLOW	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Operating Activities									
Net Loss	(1.7)	(5.3)	(1.7)	(3.6)	(3.5)	(2.3)	(11.2)	(5.1)	(6.2)
Stock Based Compensation	-	0.1	0.0	0.6	(0.0)	0.1	0.7	0.1	0.1
Change in Operating Lease ROU Assets	-	-	0.0	0.0	(0.0)	0.1	0.1	0.0	0.0
Change in FV of Debentures	-	-	-	-	-	-	-	-	0.2
Cost to Issue Debentures	-	-	-	-	-	-	-	-	0.1
Non-Cash Interest Expense	0.7	0.6	-	0.1	0.1	(0.1)	0.1	-	-
Cash Flow from operating activities before working capital changes	(1.0)	(4.6)	(1.6)	(2.9)	(3.5)	(2.2)	(10.3)	(5.0)	(5.7)
Prepaid Expenses	(0.0)	(0.2)	0.1	0.0	(0.1)	(1.1)	(1.0)	0.1	(0.2)
Deferred Issuance Costs	-	-	-	(0.3)	0.3	-	-	-	-
Accounts Payable	(0.1)	0.1	0.4	0.3	0.4	(0.3)	0.8	0.7	(0.3)
Accrued Expenses and Other Current Liabilities	-	0.4	(0.0)	0.2	(0.2)	0.4	0.4	0.3	0.8
Operating Lease Liability	-	-	-	(0.0)	0.0	(0.0)	(0.1)	(0.0)	(0.0)
Related Party Payable	-	0.2	0.0	(0.1)	(0.0)	0.0	(0.0)	(0.0)	0.0
Cash flow generated/(absorbed) from operating Activities	(1.1)	(4.2)	(1.2)	(2.8)	(3.1)	(3.2)	(10.2)	(3.9)	(5.5)
Financing Activities									
Net Proceeds from Issuance of Common Shares and Warrants	-	-	-	5.5	-	-	5.5	3.8	6.0
Proceeds from Issuance of Debentures	0.2	-	-	-	-	-	-	-	4.5
Proceeds from Issuance of Convertible Notes	1.1	0.5	-	5.2	-	-	5.2	-	-
Proceeds from Initial Public Offering	-	-	-	-	-	2.0	2.0	-	-
Proceeds from Issuance of Warrants	-	-	-	-	-	-	-	-	1.0
Proceeds from Concurrent Financing	-	5.1	-	-	-	-	-	-	-
Cost to Issue Debentures	-	-	-	-	-	-	-	-	(0.1)
Cash Paid for Financing Costs in Connection with SEPA	-	-	-	-	-	-	-	(0.0)	(0.3)
Cash flow generated/(absorbed) by financing Activities	1.2	5.6	-	10.6	-	2.0	12.7	3.8	11.2
Net Cash flow in the year	0.2	1.5	(1.2)	7.9	(3.1)	(1.1)	2.5	(0.2)	5.7
Cash and Cash Equivalents									
Beginning Cash balance	0.1	0.3	1.7	0.5	8.4	5.3	1.7	4.2	4.0
Ending Cash balance	0.3	1.7	0.5	8.4	5.3	4.2	4.2	4.0	9.7

Source: Company Reports, Stonegate Capital Partners

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