Zacks Small-Cap Research
Sponsored – Impartial – Comprehensive

December 8, 2023
John D. Vandermosten, CFA
312-265-9588 / jvandermosten@zacks.com

scr.zacks.com
10 S. Riverside Plaza, Suite 1600, Chicago, IL 60606

CEL-SCI Corporation (CVM: NYSE)

CVM: NICE To Have Your Support

We use a DCF model and apply a 15% discount rate to CEL-SCI's forecasted cash flows to generate our valuation. Our model applies an 75% probability of ultimate approval and commercialization for Multikine in head and neck cancer in lower severity patients that do not need chemotherapy. The model includes contributions from the EU, UK and Canada.

Current Price (11/7/2023)	$2.60
Valuation	**$7.00**

OUTLOOK

CEL-SCI is developing two platforms: Multikine and LEAPS. Multikine has completed a Phase 3 trial for head and neck cancer while LEAPS is conducting preclinical studies for RA, Pandemic Flu and breast cancer. In June 2021, CEL-SCI reported selected data from its IT-MATTERS trial demonstrating a benefit in the non-chemotherapy population. CEL-SCI plans to submit applications in the EU, UK and Canada.

Multikine is an immuno-oncology biologic that contains human blood-derived cytokines that are thought to enhance the body's natural defenses against cancer. For the lead indication, SCCHN, it is used prior to and in conjunction with SoC, which includes surgery, radiation and chemotherapy. LEAPS is a peptide epitope delivery technology that can direct immune response. It is appropriate for diseases where antigenic epitope sequences have been identified.

Our valuation assumes provisional approvals around the globe over the next several years for Multikine. We anticipate a partnership or buyout of the company by a large competitor that will begin and carry through with the commercialization process.

SUMMARY DATA

52-Week High	**3.33**
52-Week Low	**1.04**
One-Year Return (%)	**4.4**
Beta	**1.3**
Average Daily Volume (sh)	**1,302,288**
Shares Outstanding (mil)	**49.8**
Market Capitalization ($mil)	**129.5**
Short Interest Ratio (days)	**2.4**
Institutional Ownership (%)	**11.9**
Insider Ownership (%)	**3.6**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue

(In millions of USD)

	Q1 (Dec)	Q2 (Mar)	Q3 (Jun)	Q4 (Sep)	Year (Sep)
2022	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2023	$0.0 A	$0.0 A	$0.0 A	$0.0 E	$0.0 E
2024					$0.0 E
2025					$0.0 E

Earnings per Share

	Q1	Q2	Q3	Q4	Year
2022	-$0.20 A	-$0.23 A	-$0.23 A	-$0.21 A	-$0.87 A
2023	-$0.18 A	-$0.18 A	-$0.19 A	-$0.16 E	-$0.71 E
2024					-$0.48 E
2025					-$0.38 E

© Copyright 2023, Zacks Investment Research. All Rights Reserved.

WHAT'S NEW

Multikine Selected as Potential New Standard of Care

CEL-SCI Corporation (NYSE: CVM) provided a pleasant surprise earlier this week highlighting an announcement by the British National Institute for Health and Care Excellence (NICE). The Institute has selected Multikineto to be evaluated as the potential new standard of care for squamous cell carcinoma of the head and neck (SCCHN) in the UK. NICE is an executive non-departmental public body in England, attached to the Department of Health and Social Care which publishes guidelines for health technology and practice. It plays a key role in determining what new medicines, treatments and devices are funded by the National Health Services (NHS) in England.

Details of the selection were provided in a press release by CEL-SCI and a briefing developed by the National Institute for Health and Care Research Innovation Observatory.

NICE selected Multikine due to the lack of other effective therapies, high levels of disease recurrence For SCCHN and favorable safety profile for CEL-SCI's product. The institute noted that five year survival rates are poor for SCCHN and that metastases are common with approved therapies. The associated briefing noted the "statistically significant 5-year survival benefit" with Multikine.

The selection is a feather in the cap for CEL-SCI and may presage a favorable review by the UK's Medicines and Healthcare products Regulatory Agency (MHRA). As a reminder, CEL-SCI made an October 5th announcement regarding its interaction with the agency to discuss a pathway for approval of Multikine for the treatment of head and neck cancer. The MHRA is an executive agency of the Department of Health and Social Care in the United Kingdom and responsible for ensuring that medicines and medical devices work and are acceptably safe. In addition to efforts with the MHRA, the company is also pursuing a pathway to approval with the FDA, EMA and Health Canada.

Capital Raise

A $5 million public offering of stock was closed on November 20th at an offering price of $2.00. 2,490,000 shares and no warrants were issued. The funds will be used to continue to develop Multikine and advance the regulatory submissions to multiple agencies as we have outlined in previous reports. ThinkEquity served as the sole book-runner for the offering.

CEL-SCI Milestones

- Presentation of poster at ECHNO – March 2023
- Pre-submission meeting with Health Canada – April 2023
- Presentation of poster at ESTRO – May 2023
- Presentation at AHNS – June 2022
- Public offering of common stock – July 2023
- Presentation at ESMO – October 2023
- Development of clinical study report – 2023
- Development of paper(s) for publication in peer reviewed journal – 2023
- NICE selection of Multikine for potential standard of care in SCCHN
- Feedback from various regulatory agencies - 2024
- Submission of license application to various agencies – 2024+

PROJECTED FINANCIALS

CEL-SCI Corporation - Income Statement

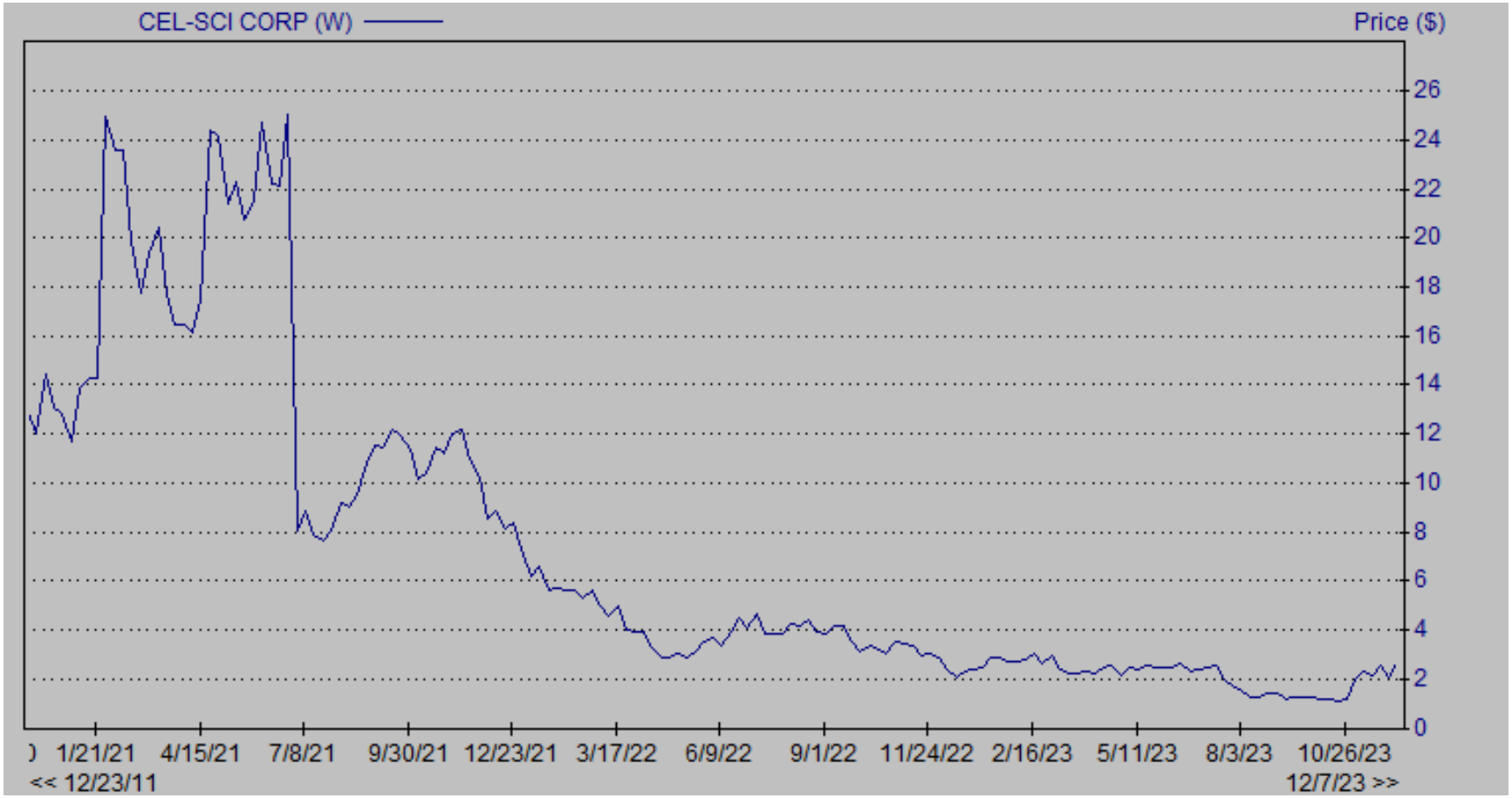
CEL SCI Corporation	2022 A	Q1 A	Q2 A	Q3 A	Q4 E	2023 E	2024 E	2025 E
Total Revenues	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**
Research & Development	$25.4	$5.4	$6.1	$5.7	$5.0	$22.2	$18.0	$12.0
General & Administrative	$10.7	$2.3	$2.1	$2.5	$2.5	$9.3	$10.0	$10.0
Income from operations	($36.1)	($7.7)	($8.2)	($8.2)	($7.5)	($31.5)	($28.0)	($22.0)
Other Income	($0.5)	($0.2)	($0.0)	($0.0)	$0.0	($0.2)	$0.0	$0.0
Interest Expense	($1.1)	($0.2)	($0.2)	($0.2)	($0.2)	($0.7)	($0.8)	($0.8)
Pre-Tax Income	($37.6)	($8.0)	($8.3)	($8.4)	($7.7)	($32.4)	($28.8)	($22.8)
Provision for Income Tax	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	29.0%	29.0%	29.0%
Net Income	**($37.6)**	**($8.0)**	**($8.3)**	**($8.4)**	**($7.7)**	**($32.4)**	**($28.8)**	**($22.8)**
Reported EPS	**($0.87)**	**($0.18)**	**($0.18)**	**($0.19)**	**($0.16)**	**($0.71)**	**($0.48)**	**($0.38)**
Basic Shares Outstanding	43.15	44.44	45.59	44.25	49.00	45.82	60.00	60.00

Source: Company Filing // Zacks Investment Research, Inc. Estimates

© Copyright 2023, Zacks Investment Research. All Rights Reserved.

HISTORICAL STOCK PRICE

CEL-SCI Corporation – Share Price Chart



DISCLOSURES

The following disclosures relate to relationships between Zacks Small-Cap Research ("Zacks SCR"), a division of Zacks Investment Research ("ZIR"), and the issuers covered by the Zacks SCR Analysts in the Small-Cap Universe.

ANALYST DISCLOSURES

I, John Vandermosten, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report. I believe the information used for the creation of this report has been obtained from sources I considered to be reliable, but I can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice.

INVESTMENT BANKING AND FEES FOR SERVICES

Zacks SCR does not provide investment banking services nor has it received compensation for investment banking services from the issuers of the securities covered in this report or article.

Zacks SCR has received compensation from the issuer directly, from an investment manager or from an investor relations consulting firm engaged by the issuer for providing non-investment banking services to this issuer and expects to receive additional compensation for such non-investment banking services provided to this issuer. The non-investment banking services provided to the issuer includes the preparation of this report, investor relations services, investment software, financial database analysis, organization of non-deal road shows, and attendance fees for conferences sponsored or co-sponsored by Zacks SCR. The fees for these services vary on a per-client basis and are subject to the number and types of services contracted.

POLICY DISCLOSURES

This report provides an objective valuation of the issuer today and expected valuations of the issuer at various future dates based on applying standard investment valuation methodologies to the revenue and EPS forecasts made by the SCR Analyst of the issuer's business.
SCR Analysts are restricted from holding or trading securities in the issuers that they cover. ZIR and Zacks SCR do not make a market in any security followed by SCR nor do they act as dealers in these securities. Each Zacks SCR Analyst has full discretion over the valuation of the issuer included in this report based on his or her own due diligence. SCR Analysts are paid based on the number of companies they cover. SCR Analyst compensation is not, was not, nor will be, directly or indirectly, related to the specific valuations or views expressed in any report or article.

ADDITIONAL INFORMATION

Additional information is available upon request. Zacks SCR reports and articles are based on data obtained from sources that it believes to be reliable, but are not guaranteed to be accurate nor do they purport to be complete. Because of individual financial or investment objectives and/or financial circumstances, this report or article should not be construed as advice designed to meet the particular investment needs of any investor. Investing involves risk. Any opinions expressed by Zacks SCR Analysts are subject to change without notice. Reports or articles or tweets are not to be construed as an offer or solicitation of an offer to buy or sell the securities herein mentioned.

© Copyright 2023, Zacks Investment Research. All Rights Reserved.