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Aethlon Medical (AEMD-NASDAQ)

AEMD: *Oncology Trial Advances as Early Data Looks Promising*

Preliminary data from AEMD's oncology clinical trial of lead asset the Hemopurifier is encouraging & appears to support AEMD's hypothesis that the Hemopurifier, in conjunction with standard of care treatment, can increase the percent of patients who benefit. Thus far, the data suggests the Hemopurifier decreases the levels of particles in the body associated with the spread – or metastasis – of cancer and suppressing the immune system.

OUTLOOK

Levels of certain harmful particles typically returned to pre-treatment levels 1-3 weeks after treatment ended, suggesting a potential benefit to patients while being treated; the study is designed to examine whether an increased number of Hemopurifier treatments can help extend positive patient responses. The company's goal is to build its database supporting development of the Hemopurifier as an oncology treatment and this data appears to support that goal. It will be important to monitor whether these observations are reproducible as the study progresses, as it is early in the clinical trial to draw definitive conclusions and the data from Cohort 1 is not statistically significant.

Current Price (10/9/25)	$0.74
Valuation	**$1.75**

SUMMARY DATA

52-Week High	**$8.48**
52-Week Low	**$0.60**
One-Year Return (%)	**NA**
Beta	**1.83**
Average Daily Volume (sh)	**3,013,164**
Shares Outstanding (mil)	**7**
Market Capitalization ($mil)	**$5**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**11**
Insider Ownership (%)	**3**
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 2026 Estimate	**N/A**
P/E using 2027 Estimate	**N/A**

Risk Level	**High,**
Type of Stock	**Small-Blend**
Industry	**Med Products**

ZACKS ESTIMATES

Revenue
(in '000 of $)

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2023	0.0 A	0.0 A	0.0 A	0.6 A	0.6 A
2024	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2025	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2026	0.0 A	0.0 E	0.0 E	0.0 E	0.0 E

Earnings / loss per share

	Q1 (Jun)	Q2 (Sep)	Q3 (Dec)	Q4 (Mar)	Year (Mar)
2023	-$1.88 A	-$1.84 A	-$1.24 A	-$1.07 A	-$5.86 A
2024	-$10.80 A	-$9.77 A	-$10.99 A	-$7.71 A	-$38.87A
2025	-$2.76 A	-$1.61 A	-$1.01 A	-$3.10 A	-$8.58 A
2026	-$0.85 A	-$0.70 E	-$0.72 E	-$0.81 E	-$3.05 E

Quarters might not add to annual reflecting rounding, share counts

Disclosures on page 8 Not PF

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ONCOLOGY TRIAL ADVANCES AS EARLY DATA LOOKS PROMISING

Cohort 1 preliminary data looks promising regarding Hemopurifier's potential as an oncology treatment but it is early in the study

Aethlon Medical (NASDAQ: AEMD) is conducting a basket oncology trial to study the impact of the Hemopurifier® therapeutic blood filtration system as a potential treatment in patients with various solid tumors who have stable or progressive disease during anti-PD-1 monotherapy treatment. Unfortunately, only about 30% of cancer patients who receive pembrolizumab (Keytruda®) or nivolumab (Opdivo®) treatment for solid tumors have lasting clinical responses. The company's hypothesis is that using the Hemopurifier in conjunction with treatment of checkpoint inhibitors and / or combination therapy can increase the percent of patients who can benefit. The trial is intended to assess the Hemopurifier's safety, feasibility, and optimal dosing.

The company reported early preliminary data from Cohort 1 this week. Our takeaways are:

- **Preliminary data is encouraging. It** appears that the study is on track to support AEMD's hypothesis that the Hemopurifier, in conjunction with standard of care treatment, can increase the percent of patients who benefit.
- Thus far, the data suggests the Hemopurifier decreases the levels of particles in the body that are associated with the spread – or metastasis – of cancer and suppressing the immune system.
- Levels of certain of these harmful particles typically returned to pre-treatment levels 1-3 weeks after treatment ended, suggesting a potential benefit to patients while being treated.
- The study is designed to examine whether an increased number of Hemopurifier treatments can help extend positive patient responses.
- The company's goal is to build its database supporting development of the Hemopurifier as an oncology treatment and this data appears to support that goal.
- It will be important to monitor whether these observations are reproducible as the study progresses, as it is early in the clinical trial to draw definitive conclusions and the data from Cohort 1 is not statistically significant.

The Aethlon Hemopurifier



Source: Aethlon Medical

The first three patients (Cohort 1) have been treated, completing a single 4-hour Hemopurifier treatment without device deficiencies or immediate complications. All participants also completed a 7-day safety follow-up. **No serious adverse events (SAEs) or Dose-Limiting Toxicities (DLTs) related to the Hemopurifier have been reported to date.**

The independent Data Safety Monitoring Board (DSMB) overseeing the clinical trial reviewed Cohort 1 data and recommended that the company progress the trial to the next patient cohort without modification. The DSMB found no safety concerns related to the Hemopurifier and that the device continues to show a favorable safety and tolerability profile.

Moreover, reflecting preliminary data analysis, AEMD is encouraged that the study is on track to support its above noted hypothesis that the Hemopurifier, in conjunction with checkpoint inhibitor or combined therapy treatment, can increase the percent of patients who can benefit from standard of care treatment and improve overall patient outcomes. Thus far, the trial data suggests that the Hemopurifier does, in fact, improve extracellular vesicles (EVs), extracellular MicroRNAs, and T cell counts. EVs are nanoparticles that are involved in cell-to-cell communication and associated with the spread or metastasis of cancer, as well as with the growth of new blood vessels to the tumor, cell death and inhibition of T cells. T cells are critical for killing tumor cells.

Decrease in EVs, which are seen to contribute to metastasis & to suppressing immune system

EVs have been shown to contribute to metastasis of the malignancy and to suppressing body's immune system from helping the body fight disease. Excessive levels of PD-EVs (platelet-derived EVs) have been implicated in many diseases, including cancer, lupus, systemic sclerosis, multiple sclerosis, Alzheimer's disease, sepsis, acute and Long COVID.

Of the three Cohort 1 patients treated thus far, two showed decreases in large PD-EVs. All three exhibited decreases in large EVs carrying PD-L1 during Hemopurifier treatment. If this result continues as the trial progresses, it would likely be important data to support further study of the device for oncology, as persistently elevated counts of EVs with PD-L1 have been associated with lack of response to anti PD-1 agents. As noted earlier, only ~30% of cancer patients who receive pembrolizumab (Keytruda®) or nivolumab (Opdivo®) treatment for solid tumors have lasting clinical responses. In two of the three participants, decreases were observed in seven out of ten miRNAs examined following treatment. MicroRNAs are also implicated in the promotion of cancer growth and metastasis.

EV and microRNA levels typically returned to pre-treatment levels one to three weeks after treatment ended, suggesting a potential benefit to patients while being treated. The company's goal is to build its database to help with the development of the Hemopurifier as an oncology treatment and this data appears to support that goal. While the data supports the potential of the Hemopurifier as an oncology treatment, it is early to draw definitive conclusions and the data from Cohort 1 is not statistically significant. **It will be important to monitor whether these observations are reproducible as the study progresses.**

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The Hemopurifier has received FDA *Breakthrough Device* designation for the treatment of people with advanced or metastatic cancer who are either unresponsive to or cannot tolerate standard of care therapy, and with cancer types in which exosomes are indicated in the development or severity of the disease and also for life-threatening viruses that are not addressed with approved therapies.

Study examining number of Hemopurifier treatments needed to decrease EV concentration

In addition to monitoring safety, the study is designed to examine the number of Hemopurifier treatments needed to decrease EV concentrations and if reduced EV concentrations improve the body's ability to fight tumors. The study design is for Cohort 2 participants to receive two Hemopurifier treatments over

one week to help determine whether there is a dose response with additional Hemopurifier treatments in terms of the magnitude and duration of the changes.

In ex vivo study Hemopurifier removed 98.5% of platelet -derived extracellular vesicles

Results from Aethlon's preclinical ex vivo study were published in bioRxiv on May 12, 2025, and the manuscript has been submitted for publication in a peer-reviewed journal. The results demonstrate that, using proprietary Galanthus nivalis agglutin (GNA) affinity resin, the Hemopurifier removed 98.5% of platelet -derived extracellular vesicles (PD-EVs) from human plasma during a time period equivalent to a 4-hour treatment with the device. The results also support the company move forward with its ongoing oncology study in Australia and point to other potential applications of the Hemopurifier in EV-associated diseases.

VALUATION

Given the lack of truly effective cancer therapies, we think that there is reason to believe that a cancer indication for the Hemopurifier is an eventual realistic outcome, depending on the data from the company's ongoing study. While we believe there could be a meaningful revenue opportunity associated with the Hemopurifier within the oncology space, we do not expect the shares to begin to reflect this at this early stage. In our view, uncertainty around the company's clinical / commercialization timeline and market / economic uncertainty could continue to overhang the shares in the near-term. Depending on results, initial observations from Cohort 1 data analysis – expected next month – could be a catalyst, in our view.

Nevertheless, clinical evidence supports the role of exosomes in the progression of cancer and, similarly, that removing tumor-derived exosomes from circulation might inhibit tumor growth and/or potentially improve the effectiveness of immunotherapies. As Aethlon pursues studies of the Hemopurifier in a potential cancer indication, we think a growing database of evidence could have important consequences, including potentially influencing key opinion leaders and regulators.

We believe the potential utility of the Hemopurifier could be in a broad range of oncology and other treatments. As the company continues to advance the Hemopurifier through clinical efforts towards regulatory approval and hit certain milestones, in turn likely leading to greater awareness and investor interest in the company, we would anticipate multiple expansion on AEMD shares.

As noted, the cancer treatment market unfortunately is large and growing and if clinical testing of the Hemopurifier supports its potential role as an oncology treatment, we would anticipate significant commercial potential. For instance, sales of Keytruda exceeded $20 billion in 2022, according to Merck.

If Aethlon's oncology trials warrants continuing to advance the Hemopurifier for treatment in this area, as management expects, we believe it would not be unreasonable to expect that the company could reach the $90 million revenue range by the 2028-2030 timeframe. Discounting back at about 12%-13% per annum and applying a confidence factor regarding timing and potential further share dilution from of about 25% to 30% leads to a current valuation of about $1.75 per share pro forma for the recent offering.

We reiterate that our valuation is based on the company's current preliminary development state. It does not incorporate potential from treatment of viruses or in organ transplant or other applications. Moreover, AEMD shares have come under pressure reflecting, we believe, general market and economic uncertainty and the rising interest rate environment. We believe uncertainty could continue to overhang the shares in the near-term, similar to many other early stage pre-revenue life sciences companies, particularly as it is difficult to know the company's revenue arc at this early stage in the development of the Hemopurifier.

RECENT NEWS

- Aethlon announced positive data regarding Hemopurifier® changes in Extracellular Vesicles, Extracellular MicroRNAs, and T Cell Numbers on October 7, 2025.
- On September 4, 2025, Aethlon priced $4.5 million offering.
- On September 3, 2025, Aethlon announced the Issuance of Hemopurifier® patents for the treatment of Long COVID and COVID-19-associated Coagulopathy (CAC).
- AEMD announced 1Q results on August 13, 2025.
- On July 15, 2025, Aethlon announced that enrollment for Cohort 2 has opened.
- Aethlon announced on June 9, 2025, its upcoming presentation of new pre-clinical data at the Keystone Symposium on Long COVID and Other Post-Acute Infection Syndromes.
- Aethlon announced publication of preclinical data showing Hemopurifier®'s ability to remove platelet-derived EVs from plasma on May 14, 2025.
- On March 10, 2025, AEMD published preclinical data on the Hemopurifier® in Transplant Immunology Journal.
- On Jan 29, 2025, AEMD treated the first patient in its Hemopurifier® cancer trial in Australia.
- On November 11, 2024, AEMD enrolled the first patient in (FPI) in its Hemopurifier® cancer trial in Australia.

RISKS

Risks to Aethlon achieving its objectives, and to our valuation, include the following.

- AEMD might need to raise additional capital earlier than or at rates that are more dilutive than expected.
- There might be delays in the company's clinical and subsequent commercialization timelines.
- The clinical trials might not produce the results that management anticipates.
- Despite receiving two FDA Breakthrough Device designations, the FDA approval might take longer than expected or might not come at all.
- The company might not be able to advance the Hemopurifier in various programs.
- Other competing therapies might advance faster in clinical research than the Hemopurifier.

FINANCIAL MODEL

Aethlon Medical Inc.

AEMD ($000s)	1Q25 A	2Q25 A	3Q25 A	4Q25 A	2025 A	1Q26 A	2Q26 E	3Q26 E	4Q26 E	2026 E
Revenue	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
YOY Growth					*NM*					
Cost of Goods Sold	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Gross Income	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Gross Margin					*NM*					
OpEx	$2,206.2	$2,640.6	$1,574.5	$708.0	$7,129.4	$1,268.0	$1,287.9	$1,313.7	$1,548.7	$5,418.3
SG&A % of Prod Sales					*NM*					
R&D	$414.7	$261.5	$240.2	$1,295.7	$2,212.0	$524.4	$576.8	$605.1	$616.4	$2,322.6
R&D % Tot Sales										
Operating Income	($2,620.9)	($2,902.1)	($1,814.7)	($2,003.6)	($9,341.4)	($1,792.4)	($1,864.7)	($1,918.8)	($2,165.0)	($7,740.9)
Operating Margin										
Total Other Expense	($49.4)	($95.1)	($60.0)	$4,251.3	$4,046.7	($60.0)	($57.0)	($59.2)	($61.6)	($237.8)
Pre-Tax Income	($2,571.4)	($2,807.0)	($1,754.8)	($6,255)	($13,388)	($1,732.4)	($1,807.8)	($1,859.5)	($2,103)	($7,503)
Other comprehensive inc		$3.8	($13.1)	($0.9)	($10.2)	($13.1)	($12.4)	($12.9)	($13.4)	($51.8)
Taxes (benefit)	$0.0	$0.0	$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%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Minority interest	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Net Income	($2,571.4)	($2,803.2)	($1,767.8)	($6,255.8)	($13,398)	($1,745.5)	($1,820.2)	($1,872.4)	($2,116.8)	($7,554.9)
Net Margin										
EPS	($2.76)	($1.61)	($1.01)	($3.10)	($8.58)	($0.85)	($0.70)	($0.72)	($0.81)	($3.05)
Diluted Shares O/S	932	1,742	1,745	2,020	1,561	2,076	2,599	2,614	2,629	2,479

Source: Zacks *Pro forma for reverse stock split*
Not pro forma for recent offering

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HISTORICAL STOCK PRICE



Source: Yahoo Finance

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