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Rani Therapeutics Holdings, Inc. (RANI: NASDAQ)

RANI: Third Quarter Results

Rani's valuation relies on a DCF model and a 15% discount rate applied to our cash flow estimates. We apply various success probabilities to the portfolio programs based on their stage of development and program risk. We apply a declining scale of probabilities over the life of the arrangement. The model includes contributions from the United States and rest of world.

Current Price (11/10/2025)	$1.86
Valuation	**$7.00**

OUTLOOK

Rani is a clinical-stage biotherapeutics company developing the ingestible robotic RaniPill (RP) that enables oral delivery of biologics & other large molecules. Its pipeline features clinical assets RT-102 (teriparatide for osteoporosis) & RT-111 (ustekinumab for psoriasis). Both programs have completed Ph1 trials characterizing safety tolerability & pharmacokinetics. Adalimumab for psoriasis (RT-105) & teriparatide for hypo-parathyroidism (RT-110) are in preclinical development. Partnership deals were recently signed with ProGen & Chugai for development of selected assets.

Other Rani initiatives include development of larger capacity pills & collaborations with biopharmaceutical companies. It plans to start a Phase II for RT-102 and a combined dose finding/Phase II for RT-111.

RP expands delivery options for biologics that now require parenteral administration. An oral option would provide product life cycle management, improved comfort of administration, greater compliance and im-proved dosing regimens which would improve efficacy and reduce side effects.

We expect clinical trials will be completed and approval granted for the various assets in Rani's portfolio over the succeeding years. If RP proves successful in delivering biologics for these initial indications, we see material penetration opportunity into the biologics market.

SUMMARY DATA

52-Week High	**3.87**
52-Week Low	**0.39**
One-Year Return (%)	**-22.6**
Beta	**0.0**
Average Daily Volume (sh)	**17,084,914**
Shares Outstanding (mil)	**205.0**
Market Capitalization ($mil)	**379.3**
Short Interest Ratio (days)	**0.4**
Institutional Ownership (%)	**27.7**
Insider Ownership (%)	**5.9**
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 2025 Estimate	**N/A**
P/E using 2026 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 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	$0.0 A	$0.0 A	$0.0 A	$1.0 A	$1.0 A
2025	$0.1 A	$0.0 A	$0.0 A	$10.0 E	$10.2 E
2026					$9.0 E
2027					$12.8 E

Earnings per Share

	Q1	Q2	Q3	Q4	Year
2024	-$0.29 A	-$0.26 A	-$0.24 A	-$0.27 A	-$1.05 A
2025	-$0.22 A	-$0.18 A	-$0.12 A	-$0.01 E	-$0.35 E
2026					-$0.18 E
2027					-$0.17 E

WHAT'S NEW

On November 6th, Rani Therapeutics Holdings, Inc. (NASDAQ: RANI) reported third quarter 2025 results. Since our last update following the announcement of the Chugai deal and the $60 million private placement, Rani has closed the capital raise, added new board members and announced participation in ObesityWeek 2025. The recent collaboration with Chugai, the associated upfront payment and the follow-on capital raise provide a substantial boost and vote of confidence for the RaniPill, which have in part been reflected in the share price move. In this report, we update our model to reflect third quarter earnings and update investors on news since the start of the third quarter.

3Q:25 Operational and Financial Results

Rani reported third quarter results in a press release and Form 10-Q filing with the SEC on November 6th. For the quarter ending September 30th, 2025, revenues were zero and operating expense was $7.9 million. Net loss per share for Class A shareholders was ($0.12).

- Research and development expenses totaled $3.2 million, down 48% from $6.2 million due to lower compensation costs, a smaller team and reduced spending on facilities;
- General & administrative expenses were $4.0 million, falling 28% from $5.6 million on lower compensation costs and a fall in third party services;
- Net interest expense was ($657,000) vs. ($923,000) due to lower cash balances;
- Non-controlling interest was ($2.5) million vs. ($5.9) million;
- Net loss for Class A shareholders was ($5.4) million vs. ($6.8) million or ($0.12) and ($0.24) per share.

As of September 30th, 2025, cash and marketable securities totaled $4.1 million. This amount compares to the $27.6 million balance held at the end of 2024. Long-term debt was held on the balance sheet at $13.5 million. Cash used in operations and for capital expenditures for the first nine months of 2025 was ($19.1) million versus ($27.1) million in the same prior year period. During the third quarter, Rani repaid $3.8 million in debt bringing the carrying value of this debt to $13.5 million. Offsetting this outflow was a $2.8 million inflow from the July securities purchase agreement. Following the end of the third quarter, Rani announced a deal with Chugai that provided a $10 million upfront payment and spurred a $60.3 million capital raise. After accounting for another $3.8 million repayment of the debt in early October, Rani believes that it has a cash runway extending to 2028.

Exhibit I – Rani Therapeutic Pipeline

	INDICATION(S)	PRE-CLINICAL	PHASE 1	PHASE 2	PHASE 3	NEXT EXPECTED KEY MILESTONE*
CORE PROGRAMS						
RT-114	Obesity	GLP-1/GLP-2**				Initiate Phase 1 in 2025
RT-111	Psoriasis	Ustekinumab***				Advance Clinical Development at Higher Doses
RT-102	Osteoporosis	PTH-OP				Initiate Phase 2
RT-105	Psoriatic Arthritis	Adalimumab***				Initiate Phase 1
RT-110	Hypo-parathyroidism	PTH-Hypo				Initiate Phase 1

Source: Rani Therapeutics September 2025 Corporate Slide Deck (Excludes Chugai asset)

Collaboration with Chugai Pharmaceuticals

Rani announced a collaboration agreement with Chugai Pharmaceuticals in an October 17th press release[1] and Form 8-K filing. The deal provides Rani with a $10 million upfront payment and the potential for $57 million in development, $18 million in technology transfer and $100 million in sales milestones along with a single digit royalty on sales. The arrangement was preceded by a research agreement signed between the two in August 2024.

[1] See link here for Chugai press release.

The primary biologic to be combined with RaniPill (RP) High Capacity (HC) will treat hemophilia A and will be the successor to Hemlibra.[2] While similar in structure to Hemlibra, the molecule in question will be a new biologic entity and have all of the associated costs and benefits related to that status with respect to clinical trial requirements and patent protection. The new product is expected to allow for longer dosing intervals and, of course, oral administration, improving patient convenience. The two parties will share development responsibilities for the product, allocating preclinical, CMC, manufacturing and supply responsibilities between each other. Chugai will be solely responsible for clinical, regulatory and commercial efforts and its drug. Rani will focus on the device.

The collaboration and license agreement includes a $10 million upfront payment, the potential for $75 million in technology transfer and development milestones, $100 million in sales milestones and single digit royalties on product sales. The agreement grants Chugai an exclusive, worldwide right and license to RP HC intellectual property to research, develop, manufacture, commercialize and market the drug-device combination. Rani has the right to manufacture and supply the device and will receive payment from Chugai to do so. Chugai retains the right to replace the identified compound with another, a time-limited right of first refusal for a select group of additional targets and an option to extend its rights to five additional drug targets.

Background on the Research Agreement with Chugai

Last May, a press release informed investors that Rani had signed a research agreement with Chugai Pharmaceutical Co. on August 13th, 2024. The agreement granted Chugai rights to develop two molecules with undisclosed targets. Since the signing, the partner had demonstrated bioavailability comparable with delivery via the subcutaneous route for both molecules. The partners then evaluated feasibility of applying Rani's technology to these antibodies. Feasibility success led to the agreement.

Chugai Pharmaceutical is a research and development-oriented pharmaceutical company based in Tokyo, Japan established in 1925. It operates as a subsidiary of Hoffmann-La Roche which owns a 62% stake and trades on multiple exchanges including the OTC under the ticker CHGCY. Chugai has developed and marketed several globally recognized pharmaceuticals, often in partnership with Roche. This includes Hemlibra, Actemra and Alecensa among other products. Chugai also discovered orforglipron and licensed it to Eli Lilly in 2018.

Concurrent Financings

Concurrent with the Chugai collaboration announcement, Rani priced a $60.3 million private placement of 42,633,337 Class A common shares and 82,366,667 pre-funded warrants to close on October 21st, 2025. Each Class A share or pre-funded warrant has a warrant attached with an exercise price of $0.48 and a five-year life. H.C. Wainwright and Maxim Group acted as placement agents. Gross proceeds were $60.3 million, prior to deducting related fees and expenses. Based on information provided, we estimate that net proceeds will be approximately $57.3 million after expenses are recognized. The private placement closed on October 23rd.

Private placement investors include Samsara BioCapital, RA Capital Management, Anomaly, Special Situation Funds, Invus and founder Mir Imran. Each of the investors has a specialty in life sciences investing with longer term investment horizons compared to the average generalist capital provider. After the financing closed, Samsara and Anomaly each designated a member to Rani's board. The appointees include Abe Bassan from Samsara and Dr. Vasudev Bailey of Anomaly Ventures. Each has a deep investment background. Mr. Bassan as an operator supporting therapeutic programs and Dr. Vasudev with biomedical engineering and emerging healthcare technology.

The number of board members will not change. Samsara and Anomaly will maintain their right to a board seat as long as they continue to own 25% of the securities issued to them as part of the capital raise.

In 2022, Rani entered into a loan agreement with Avenue Venture Opportunities Fund and as of June 30th, 2025 carried long term debt of $17.2 million on its balance sheet. Along with the equity capital raise, Rani converted $6 million of this obligation for 12.5 million shares of Class A Rani stock. This is equivalent to $0.48 per share. Each share includes an attached warrant with an exercise price of $0.48.

[2] Hemlibra is expected to generate $5.7 billion in revenues in 2025 with sales by Roche and Chugai based on analyst data compiled by Evaluate Inc. It is a subcutaneous injection dosed at varying intervals from once per week to once per month. It is a prescription medicine used to prevent or reduce bleeding episodes in adults and children with hemophilia A. It is an antibody that mimics the function of coagulation factor VIII, allowing blood to clot properly. The drug is administered via subcutaneous injection, typically once a week, every other week, or once a month.

Milestones

- Research agreement with Chugai Pharmaceutical – August 2024
- Launch of Phase I trial for RT-114 – 4Q:25
- End of NASDAQ minimum market value requirement resolution period – October 2025
- Collaboration with Chugai Pharmaceutical – October 2025
- $60 million capital raise and debt conversion – October 2025
- Addition of new board members Mr. Bassan and Dr. Bailey – October 2025
- Preclinical data presentation at ObesityWeek (RT-116) – November 2025
- PG-102 Phase II readout from ProGen – 1H:26

Summary

Rani reported third quarter results shortly following its agreement with Chugai and a $60 million capital raise. Expenses and cash burn were lower than previous quarters on account of cost containment. However, with new funds and a deal with an established biopharma, Rani is able to accelerate its efforts to advance RT-114 in partnership with ProGen and other assets in its pipeline. The company is conducting other advanced discussions with established biopharmaceutical companies that may yield future deals and accrue additional value.

We note that other oral delivery platforms using robotic or smart pills have faded and Rani's primary competitor has filed for bankruptcy. There is little press showing development of other devices in this class since our initiation last year. With two deals signed and limited exclusivity granted to partners, we think an acquisition could take place at a premium to the value of the arrangements signed with ProGen and Chugai. We maintain our valuation of $7.00 per share.

PROJECTED FINANCIALS

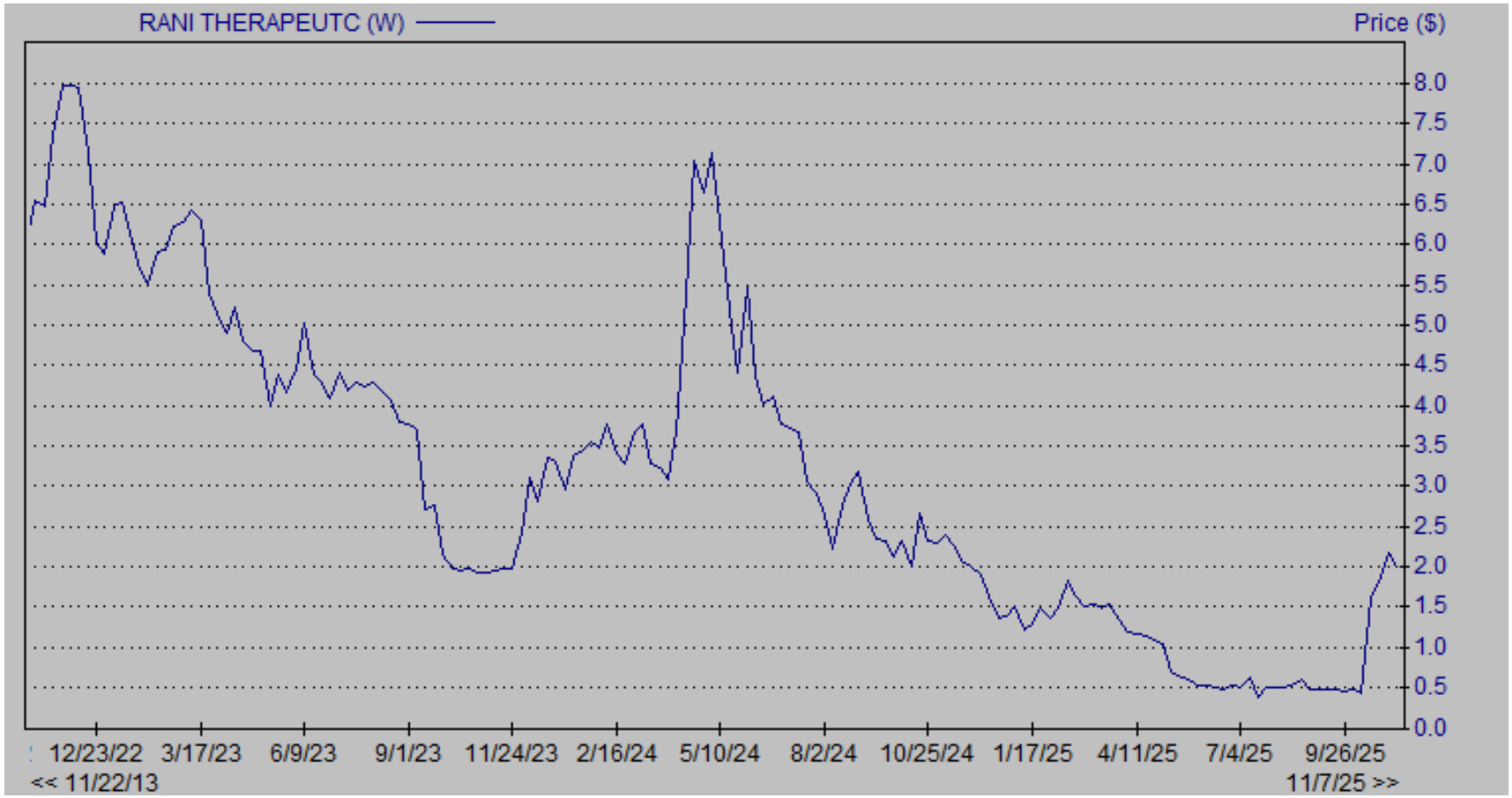
Rani Therapeutics Holdings, Inc. - Income Statement

RANI Therapeutics, Inc.	2024 A	Q1 A	Q2 A	Q3 A	Q4 E	2025 E	2026 E	2027 E
Revenues	**$1,028**	**$172**	**$0**	**$0**	**$10,000**	**$10,172**	**$9,000**	**$12,750**
Research & Development	$26,682	$6,570	$5,505	$3,221	$6,225	$21,521	$22,382	$25,000
General & Administrative	$23,946	$5,615	$5,000	$4,036	$5,100	$19,751	$20,344	$23,000
Other Items	$3,714	$0	$0	$0	$0	$0	$0	$0
Operating Income	($53,314)	($12,013)	($10,505)	($7,257)	($1,325)	($31,100)	($33,725)	($35,250)
Operating Margin								
Interest Income, net	$1,763	$218	$158	$68	$550	$1,000	$950	$1,000
Other Income (Loss)	($5,033)	($943)	($877)	($725)	($920)	($3,465)	($3,600)	($3,600)
Loss Before Income Taxes	($56,584)	($12,738)	($11,224)	($7,914)	($1,695)	($33,565)	($36,375)	($37,850)
Income Tax	$0	$0	$0	$0	$0	$0	$0	$0
Non-Controlling Interest	($26,566)	($5,474)	($4,532)	($2,502)	($492)	($13,000)	($4,729)	($4,921)
Net Loss	**($30,018)**	**($7,264)**	**($6,692)**	**($5,412)**	**($1,203)**	**($20,565)**	**($31,647)**	**($32,930)**
Net Loss Per Share	**($1.05)**	**($0.22)**	**($0.18)**	**($0.12)**	**($0.01)**	**($0.35)**	**($0.18)**	**($0.17)**
Weighted Average Shares	28,476	33,440	36,542	46,444	120,000	59,107	173,000	190,000

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

HISTORICAL STOCK PRICE

Rani Therapeutics Holdings, Inc. – Share Price Chart[3]



[3] Source: Zacks Research System

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