Zacks Small-Cap Research
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# Atossa Therapeutics, Inc.

**(ATOS-NASDAQ)**

## *ATOS: Raises up to $16.5 Million in Registered Direct Offering*

Based on our probability adjusted DCF model that takes into account potential future revenues from endoxifen, ATOS is valued at $22.00/share. This model is highly dependent upon continued clinical success of endoxifen and will be adjusted accordingly based upon future clinical results.

| | |
|---|---|
| Current Price (07/01/26) | $1.93 |
| **Valuation** | **$22.00** |

## OUTLOOK

In June 2026, Atossa Therapeutics, Inc. (ATOS) announced the closing of a registered direct offering of 1,363,637 shares of its common stock and Series A and B warrants to purchase up to 1,363,637 shares of common stock each. Gross proceeds from the offering were approximately $4.5 million, with the potential for approximately $12 million if all warrants were fully exercised on a cash basis.

In June 2026, the company presented two abstracts featuring (Z)-endoxifen at the 2026 American Society of Clinical Oncology (ASCO) annual meeting. One abstract highlighted new preclinical data showing (Z)-endoxifen delivers strong ER inhibition even with estrogen receptor alpha gene (ESR1) mutations. The second abstract provided an overview of the EVANGELINE trial of (Z)-endoxifen plus goserelin as neoadjuvant therapy in premenopausal women with ER+/HER2-negative breast cancer. Enrollment is ongoing.

## SUMMARY DATA

| | |
|---|---|
| **52-Week High** | **$17.69** |
| **52-Week Low** | **$1.75** |
| **One-Year Return (%)** | **-84.38** |
| **Beta** | **1.25** |
| **Average Daily Volume (sh)** | **306,076** |
| **Shares Outstanding (mil)** | **10** |
| **Market Capitalization ($mil)** | **$19** |
| **Short Interest Ratio (days)** | **N/A** |
| **Institutional Ownership (%)** | **13** |
| **Insider Ownership (%)** | **10** |
| **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** | **-0.4** |
| **P/E using 2027 Estimate** | **-0.5** |

| | |
|---|---|
| **Risk Level** | **Above Avg.** |
| **Type of Stock** | **Small-Value** |
| **Industry** | **Med/Biomed-Gene** |

## ZACKS ESTIMATES

**Revenue**
(in millions of $)

| | Q1 (Mar) | Q2 (Jun) | Q3 (Sep) | Q4 (Dec) | Year (Dec) |
|---|---|---|---|---|---|
| 2025 | 0 A | 0 A | 0 A | 0 A | 0 A |
| 2026 | 0 A | 0 E | 0 E | 0 E | 0 E |
| 2027 | | | | | 0 E |
| 2028 | | | | | 0 E |

**Earnings per Share**

| | Q1 (Mar) | Q2 (Jun) | Q3 (Sep) | Q4 (Dec) | Year (Dec) |
|---|---|---|---|---|---|
| 2025 | -$0.78 A | -$0.98 A | -$1.01 A | -$1.27 A | -$4.04 A |
| 2026 | -$1.11 A | -$0.98 E | -$1.02 E | -$1.08 E | -$4.19 E |
| 2027 | | | | | -$3.59 E |
| 2028 | | | | | -$3.00 E |

## WHAT'S NEW

### Business Update

*Abstracts Presented at ASCO 2026*

In June 2026, Atossa Therapeutics, Inc. (ATOS) announced that two abstracts were presented at the 2026 American Society of Clinical Oncology (ASCO) annual meeting. Both abstracts focused on (Z)-endoxifen and its ongoing clinical development in ER-positive breast cancer.

**Effect of (Z)-endoxifen Demonstrates Robust Estrogen Receptor Signaling Inhibition Across Clinically Relevant ESR1 Mutations**
This abstract described preclinical data regarding (Z)-endoxifen activity in models with estrogen receptor alpha gene (ESR1) mutations. The results showed that (Z)-endoxifen had consistent ER inhibition across key ESR1 mutations (Y537N, Y537S, D538G) ($P$<0.01). Compared to (Z)-endoxifen, comparator Selective Estrogen Receptor Degraders (SERDs, such as elacestrant and imlunestrant) showed reduced efficacy in ESR1-mutant settings.

**A Phase 2 Clinical Trial in Progress of (Z)-Endoxifen Plus Goserelin as Neoadjuvant Therapy in Premenopausal Women With ER+/HER2- Breast Cancer (EVANGELINE)**
This abstract described EVANGELINE (NCT05607004), which is an ongoing, open label Phase 2 study evaluating daily 40 mg (Z)-endoxifen plus goserelin administered every 28 days as neoadjuvant therapy in premenopausal women with ER+/HER2-negative breast cancer. The primary objective is to determine the proportion of patients with baseline Ki-67 >10% who achieve Ki-67 of 10% or less after four weeks of therapy. Cohort A consists of a Simon two-stage design that is designed to study whether 65% of patients treated achieve a Ki-67 of 10% or less, with 20 patients enrolled in the first stage and the potential for another 25 patients enrolled in the second stage. Cohort B consists of a parallel cohort of 20 patients with baseline Ki-67 of 10% or less to assess objective response rate at 24 weeks per RECIST v1.1. A pharmacokinetic run-in phase was completed and resulted in the selection of 40 mg daily (Z)-endoxifen for Phase 2 evaluation. Enrollment for the Phase 2 study opened in May 2025.

While the company has shifted its focus toward rare disease indications, breast cancer remains an important component of the pipeline and the preceding presentations help to solidify the potential for (Z)-endoxifen in that indication.

*Review Article on (Z)-Endoxifen in DMD Published*

In May 2026, Atossa announced that a manuscript titled "(Z)-Endoxifen as a Potential Modulator of Utrophin Pathways in Duchenne Muscular Dystrophy: A Mechanistic and Transcriptomic Perspective" was published in *Degenerative Neurological and Neuromuscular Disease* (Remmel *et al.*, 2026). The review focuses on how (Z)-endoxifen interacts with utrophin, which is a structural and functional homolog of dystrophin (Love *et al.*, 1989). When dystrophin is absent, as in the case of patients with Duchenne Muscular Dystrophy (DMD), utrophin may partially compensate for that deficiency by supporting sarcolemmal and muscle-cell membrane stability (Wu *et al.*, 2022). (Z)-endoxifen may promote the expression of utrophin, which has the potential to positively affect different disease processes, such as protein kinase C beta-1 signaling, estrogen receptor signaling, calcium homeostasis, inflammation, fibrosis, mitochondrial function, and muscle regeneration. This article builds on the previously published review article on the potential for (Z)-endoxifen in treating DMD (Remmel *et al.*, 2025) while focusing on utrophin as a unifying feature of (Z)-endoxifen's effects.

## Financial Update

In June 2026, Atossa announced the closing of a registered direct offering that resulted in up to $16.5 million in gross proceeds. The company sold 1,363,637 shares along with Series A and Series B warrants to purchase up to 1,363,637 shares of common stock each. The Series warrants are exercisable six months following the data of issuance and expire 5.5 years (Series A) or 2 years (Series B) following the date of issuance. The aggregate gross proceeds to the company were $4.5 million with the potential for an additional approximately $12 million if the Series warrants were fully exercised on a cash basis. Following the offering, we estimate that the company has approximately 9.98 million shares outstanding and a fully diluted share count of approximately 14.4 million.

## Conclusion

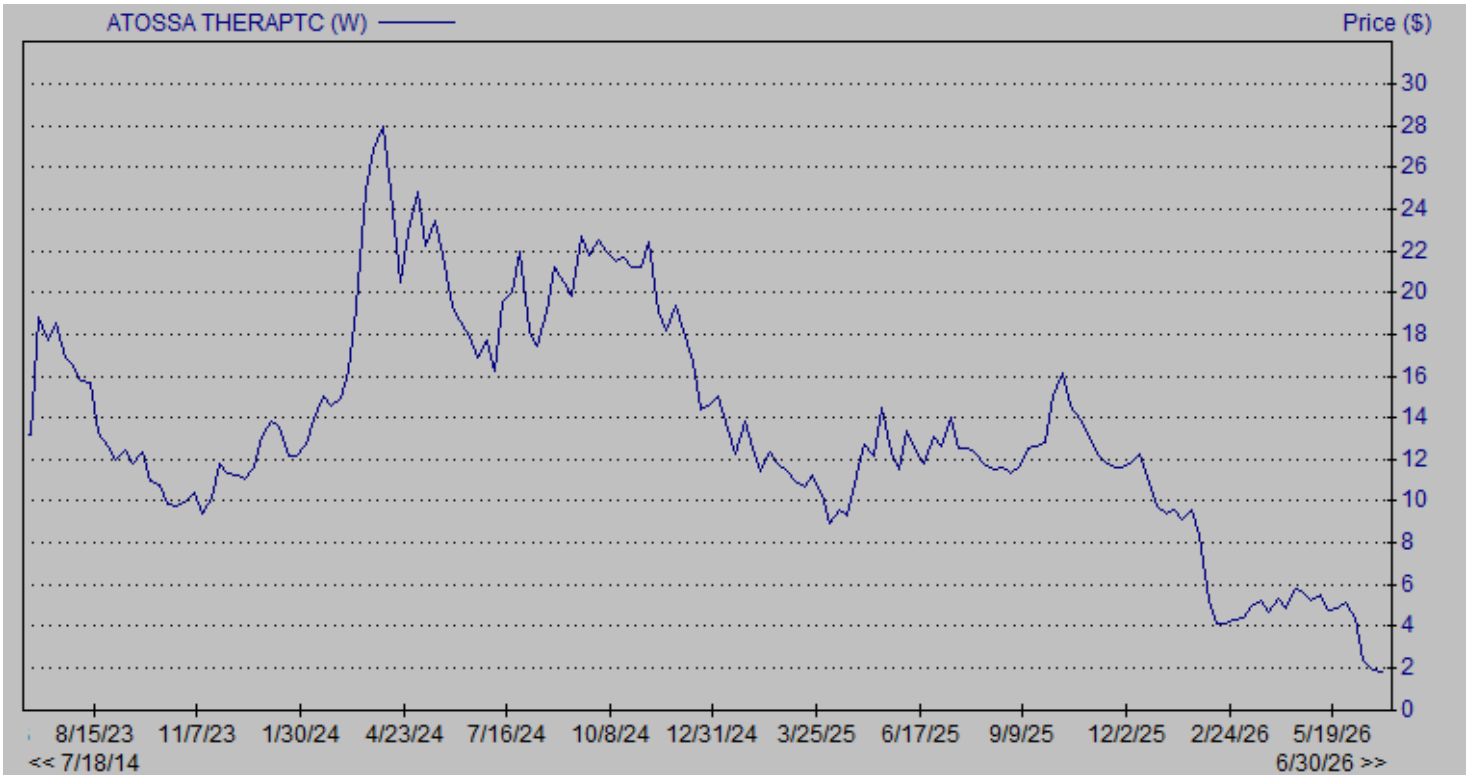
While the company is turning its focus to rare disease indications, the abstracts presented at ASCO support the continued development of (Z)-endoxifen in breast cancer and we look forward to updates from both the EVANGLINE and the I-SPY2 studies. We also anticipate updates from the company regarding its rare disease pipeline in the second half of the year. We had accounted for additional financings in our model, thus our valuation remains at $22 per share.

## PROJECTED FINANCIALS

| Atossa Therapeutics, Inc. | 2025 A | Q1 A | Q2 E | Q3 E | Q4 E | 2026 E | 2027 E | 2028 E |
|---|---|---|---|---|---|---|---|---|
| (Z)-Endoxifen | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 |
| License and other revenues | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 |
| **Total Revenues** | **$0.0** | **$0.0** | **$0.0** | **$0.0** | **$0.0** | **$0.0** | **$0.0** | **$0.0** |
| Cost of revenues | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 |
| Research & development | $21.2 | $4.8 | $5.0 | $5.3 | $5.7 | $20.8 | $22.0 | $24.0 |
| General & administrative | $16.0 | $5.1 | $3.9 | $4.0 | $4.1 | $17.1 | $17.5 | $18.0 |
| Operating Income | ($37.1) | ($9.9) | ($8.9) | ($9.3) | ($9.8) | ($37.9) | ($39.5) | ($42.0) |
| Non-Operating Expenses (Net) | $2.4 | $0.3 | $0.5 | $0.5 | $0.5 | $1.8 | $0.0 | $0.0 |
| Pre-Tax Income | ($34.8) | ($9.6) | ($8.4) | ($8.8) | ($9.3) | ($36.1) | ($39.5) | ($42.0) |
| Income Taxes | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 |
| **Net Income** | **($34.8)** | **($9.6)** | **($8.4)** | **($8.8)** | **($9.3)** | **($36.1)** | **($39.5)** | **($42.0)** |
| *Net Margin* | - | - | - | - | - | - | - | - |
| **Reported EPS** | **($4.04)** | **($1.11)** | **($0.98)** | **($1.02)** | **($1.08)** | **($4.19)** | **($3.59)** | **($3.00)** |
| *YOY Growth* | - | - | - | - | - | - | - | - |
| Basic Shares Outstanding | 8.6 | 8.6 | 8.6 | 8.6 | 8.6 | 8.6 | 11.0 | 14.0 |

*Source: Zacks Investment Research, Inc.* *David Bautz, PhD*

## HISTORICAL STOCK PRICE



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