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SenesTech, Inc. (SNES-NASDAQ)

SNES: **Record Revenue as Subscriber Base & Evolve Adoption Continue to Grow**

3Q26 saw rising subscription revenue (+234% y/y), Evolve® adoption (+67% y/y) & record municipalities revenue. SNES intends to work with advisor Sandstrom Ptnrs. to accelerate sales growth & determine optimal pricing strategies to boost subscriber growth, customer retention & customer long-term value. Education is important as rodent fertility control is a new pest management category & SNES is investing in customer education to communicate that the product must be applied on a regular basis to produce long-term sustainable containment of rodent populations.

Current Price (11/12/26)	$0.88
Valuation	**$5.00**

OUTLOOK

An Evolve pilot in Chicago showed an 88% reduction in avg rat activity & contributed to expanded Evolve use in six nearby areas. In Swampscott, MA, Evolve, combined with sanitation improvements, contributed to a 43% reduction. SNES is optimistic that the sales team can leverage these successes as it builds the sales pipeline. In 4Q26, SNES raised $1.2m from its ATM (although net cash used in operating activities was lower in each sequential '26 quarter). To minimize equity dilution, 40.5+% SNES shareholder Glenbrook advocates that SNES reduce reliance on equity issuance to support operations. This can be difficult to achieve at this stage but we are optimistic that increased institutional investor participation, along with ongoing operating improvements, could lead to improved access to the capital markets for SNES & better funding options and enable SNES to become more opportunistic with its ATM.

SUMMARY DATA

52-Week High	**$3.03**
52-Week Low	**$0.55**
One-Year Return (%)	**-67**
Beta	**0.11**
Average Daily Volume (sh)	**1,057,556**
Shares Outstanding (mil)	**5.4**
Market Capitalization ($mil)	**$5**
Short Interest Ratio (days)	**NA**
Institutional Ownership (%)	**40+**
Insider Ownership (%)	**NA**
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	**Above Avg**
Type of Stock	**Small-Value**

ZACKS ESTIMATES

Revenue
(in Mns of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0.5 A	0.5 A	0.5 A	0.5 A	1.9 A
2025	0.5 A	0.6 A	0.7 A	0.4 A	2.2 A
2026	0.5 A	0.8 A	1.1 A	1.2 E	3.5 E
2027					5.0 E

Earnings / loss per share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-3.56 A	-3.08 A	-2.07 A	-1.22 A	-8.86 A
2025	-1.28 A	-0.87 A	-0.28 A	-0.35 A	-1.95 A
2026	-0.39 A	-0.35 A	-0.36 A	-0.30 E	-1.34 E
2027					-0.98 E

Quarters might not add to annual reflecting rounding, share counts

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RECORD REVENUE AS SUBSCRIBER BASE & EVOLVE® ADOPTION CONTINUE TO RISE

SNES brands effective non-lethal tools for sustainable rodent control

SenesTech, Inc. (NASDAQ: SNES), a leader in rodent birth control solutions, reported 3Q26 results last week, with total revenue of $1.097 million up 42% sequentially and 59% year-over-year. This represents a quarterly record. SNES had pre-announced 3Q26 $1.1 million, indicating that it was the first quarter above $1 million and the second consecutive quarterly revenue record.

SNES's subscriber base and adoption of Evolve® continue to rise. Subscription revenue grew 53% sequentially and 234% year-over-year in 3Q26. Importantly, e-commerce revenue increased 52% quarter-over-quarter and 337% year-over-year and represented about 71% of total 3Q26 revenue. The combined subscriber base across Amazon and the company's proprietary website advanced 72% sequentially, which strengthened SNES's recurring revenue base. Evolve® revenue increased 67% year-over-year to $979,000, accounting for 89% of total product revenue. ContraPest® revenue grew 13% year-over-year to $118,000 on higher refill sales.

The price of SenesTech products on Amazon is higher than its B2B prices. While this boosts gross margins through this channel, much of that is offset by Amazon fees and other selling expenses. The company intends to work with newly hired advisor Sandstrom (see below) to determine optimal pricing strategies to boost subscriber growth, customer retention and customer long-term value (LTV). The goal is improved communications, as well as educating existing and prospective customers about optimal use of SNES products.



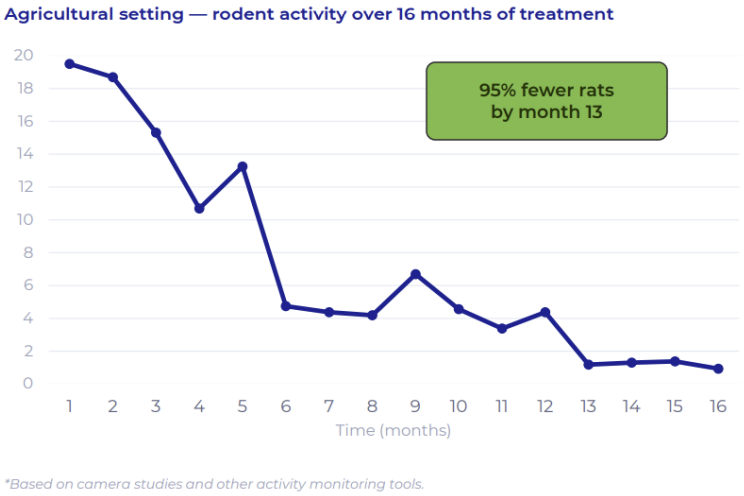
Source: Company presentation

Important to raise customer awareness & understanding of the products…

As rodent fertility control represents a new pest management category, it is important for SNES to raise awareness and understanding of the products. SNES is investing in customer education, acquisition and retention with that long-term relationship in mind to build awareness and brand affinity, improve customer retention and acquisition, among other benefits.

… including that it requires a number of cycles to see meaningful sustainable results

An important component of product usage is that it requires a number of cycles to see meaningful and sustainable results. The product must be applied on a regular basis to produce long-term containment of rodent populations. Many, if not all, B2B customers likely understand this. For example, in an agricultural setting illustrated below, the product was measured over a medium-term period. SNES communications measures are designed to ensure that B2C customers understand that it requires a number of cycles and regular application for long-term containment results, among other factors.



Source: Company presentation

As SNES prioritizes sales and marketing spending to drive customer growth and develop the B2B business, sales and marketing represented a higher percentage of operating expenses. B2B revenue advanced 2% year-over-year and 19% sequentially, driven by growth in the pest management, government and commercial verticals. SNES attributes the strong grow to improving brand awareness and focused sales activities. Management expects e-commerce to play an important role in supporting future direct B2B growth.

SNES added two salespeople and expects to hire two more by year-end 2026, which would bring the sales team focused on building repeat business across targeted domestic verticals to six. SNES views B2B as the next key driver of growth along with its growing e-commerce business.

On the higher revenue, in 3Q26 gross profit grew 84% y/y and 40% q/q to a record $796,000, representing gross margin of 72.6% compared to 73.6% in 2Q26 and 62.8% in 3Q25. The company recorded a wider 3Q26 net loss of ($2.0) million, compared to net losses of ($1.8) million in 2Q26 and ($1.3) million in 3Q25. The adjusted EBITDA loss was ($1.4) million, compared to ($1.4) million in 2Q26 and ($1.1) million in 3Q25.

Highest municipalities revenue SNES history in 3Q26

In 3Q26, SNES registered the highest municipalities revenue in its history. Results from a pilot of Evolve® Rat Birth Control™ in Chicago's Wicker Park Bucktown Special Service Area over a 12-month monitoring period showed significant success. Tracking-tunnel surveys documented an 88% reduction in average rat activity intensity and an 82% reduction in the proportion of monitoring locations with detectable rat activity, providing measurable evidence of Evolve's effectiveness, according to SNES. On the positive momentum this deployment generated, SNES has expanded Evolve to six Chicago special service areas and wards.

In Swampscott, Massachusetts, Evolve Rat, combined with sanitation and waste management improvements, contributed to a 43% reduction in measured rodent activity over a 6-month period. The company is optimistic about the benefits these successes illustrate as the new sales team engages in building the sales pipeline, pursuing additional municipal, professional and commercial opportunities.

The company expects to work with Sandstrom Partners to accelerate sales growth. Following the commission of a strategic study of the rodent control market commissioned by longtime SNES shareholder Glenbrook Capital Management, SNES engaged Portland, Oregon-based Sandstrom Partners as a strategic advisor. The company expects Sandstrom to help communicate and educate

consumers and businesses on how to use its brands as non-lethal tools in strategies for rodent control. Sandstrom clients have included Nike, Target and Coca-Cola, among others.

The company expects to leverage Sandstrom's brand development services, including market research, strategy, brand identity, package design, advertising and digital design and development. SNES expects Sandstrom can help it improve its communications with potential and existing customers about the effectiveness of SenesTech's solutions and boost sustainable sales growth.

Key SNES aim is path to profitability, growing revenues while concurrently lowering cash burn

Cash and cash equivalents were $4.0 million at the end of the quarter. Net cash used in operating activities was lower in each sequential 2026 quarter, at ($1.3) million in 3Q26, ($1.7) million in 2Q26 and ($1.9) million in 1Q26. We view this trend as a positive and would like to see the company accelerate reduction in cash burn.

Subsequent to quarter-end, the company raised gross proceeds of $1.2 million from its ATM. To more closely align management's and the board's interests with those of public shareholders and to minimize equity dilution, shareholder Glenbrook, which hold more than 40.5% of SNES shares, has stated its goal that SNES minimize equity dilution and reliance on equity issuance to support operations. Glenbrook calls for "a sharpened focus on capital discipline" to benefit SenesTech and all of its shareholders and encourages SNES "to consider selective use of equity-based compensation in place of cash compensation," which "could conserve cash while more closely aligning the interests of the Board with shareholders."

These can be difficult goals to achieve at this stage of the company's B2B strategy but it also aligns with the company's goal of developing a clear path to profitability and growing revenues while concurrently lowering cash burn as a key objective. The company's strategy is to build a commercial model around direct consumer relationships, recurring revenue, greater control of brands and channels and data analytics. Moreover, with the shares above the $1 level in multiple recent trading sessions, we are optimistic that the company can become more opportunistic about using its ATM in the near to medium term. We are also optimistic that the increased institutional investor participation, along with the company's ongoing operating improvements, could also lead to improved access to the capital markets for SNES.

Separately, SNES recently received a letter from Nasdaq as the closing price of SNES shares fell below $1.00 for 30 consecutive business days and the company therefore does not currently meet the minimum bid price requirement for continued Nasdaq listing. The company has 180 calendar days, or until April 19, 2027, to regain compliance and can also request an extension for an additional 180 days if necessary. Management noted that it intends to take a disciplined approach to financial management and to regaining compliance with the Nasdaq listing rules. We are optimistic that increased institutional investor participation with Glenbrook, along with the company's ongoing operating improvements, could also lead to improved access to the capital markets for SNES and contribute to share price appreciation that could regain Nasdaq compliance. Notably, SNES shares have reached/exceeded the $1.00 threshold in multiple recent trading sessions.



Source: Company presentation

SNES has implemented many growth measures over the past several quarters. With a growing portfolio of products and services, SNES believes the market opportunity for its products is significant and

growing. SNES recently hired a new Executive Vice President of Sales, as well as a new Director of Marketing and believes it is well positioned to expand its digital marketing efforts this month, strengthening the platform to attract new customers, improve conversion rates and support long-term e-commerce growth to drive revenue growth. Enhanced promotional support is expected to boost awareness of SenesTech products and support both online and in-store retail sales. To best reflect its current commercial strategy across both consumer and B2B markets, the company's strategy regarding marketing is to place greater emphasis on:

- Sustainable rodent management –growing database lasting results of obtained
- Environmentally responsible solutions
- Long-term population management
- Integrated Pest Management (IPM)
- Effective, science-based alternatives that complement existing pest management programs

Chicago's Wicker Park Bucktown program also incorporated SenesTech's assessment services and promoted Evolve® as part of an integrated pest management approach. The success of the program supported management's view that adding Evolve to an integrated pest management (IPM) program can optimize the efforts and goals of managing long-term rodent population reduction while helping reduce reliance on poisons and their risks to the environment and non-target animal populations.

Chicago results also underscore the benefits of and prospects of SNES' emerging assessment services offering, according to management. Beginning in August 2025, tracking-tunnel surveys were conducted every two to three months to measure the intensity of rat activity and how widely activity was distributed across monitoring locations. SNES believes this helps municipalities identify the scope of the problem and effectiveness of its offerings and also is expected to generate positive word of mouth that can lead to expanded deployment.

The success of the Chicago deployment follows the recent successful results from the use of Evolve® Rat Birth Control™ at a 400-acre farming operation in Dalhart, Texas. Rodents had been causing damage to underground irrigation infrastructure the farm uses for sustainable water management but rodents had been chewing through and damaging underground irrigation tape, which caused damage and higher spending for repairs and monitoring. Following deployment of Evolve, the farm experienced a substantial reduction in rodent activity and irrigation tape damage. During the most recent reporting period, onsite observations indicated rodent activity.

SenesTech has also initiated conversations with other agriculture companies and is optimistic about the opportunities. The domestic agricultural irrigation market represents a multi-billion-dollar sector across millions of acres of crop production, particularly in water-sensitive regions in the Southwest, Texas, California, and the Great Plains, according to SNES.

SNES B2B goal to target key customer verticals & develop relationships with large players

SNES's B2B strategy encompasses increased focus on large-scale opportunities across targeted verticals as SNES now begins to accelerate the expansion of its B2B business through a professional sales organization focused on the eight key verticals where it believes Evolve™ and ContraPest® provide differentiated value.

These are among several important verticals where rodent infestations cause severe challenges that often drive up costs and can damage outputs and sales. For example, demand for control solutions from agricultural companies is generally expected to increase, reflecting substantial economic losses rodent infestations cause, including crop damage, grain silo and other food contamination, among other challenges. In terms of SNES's initial focus, the company intends to target:

Strategic Verticals SNES Has Identified as Initial Targets for B2B Development Activities

- Third Party eCommerce
- Pest Management
- Commercial
- Agribusiness
- Zoo and Sanctuary
- Government
- Retail
- International

SenesTech also expanded its 3rd-party e-commerce distribution with Grove Collaborative. As SNES products generally do not produce the negative side effects that cause rats to become bait averse, according to SNES, and are aligned with environmental, regulatory and humane factors, using a combination of tools together – IPM programs – is generally considered to be the most effective and sustainable way to contain rodent populations on a sustainable and long-term basis. Grove Collaborative will make Evolve products available to its sustainability-focused consumers. Used alone, rodenticides and other lethal tools of long-term rodent population management generally are not sustainable because rodent populations rebound and rodents develop a resistance to these pest control methods.

Strategic assessment services to improve B2B customers' understanding of infestations

As noted, the company recently introduced assessment services designed to help B2B customers better understand the scope of rodent infestations and develop more effective long-term strategies. The new assessment services enable SNES to offer a more comprehensive solution and complement existing implementation and deployment services. SenesTech can help customers identify the most effective strategy for their situations, particularly as many organizations underestimate the scope and complexity of the problem.

SNES also expects to build an expanding database around successful deployments of its products and that, in turn, will enable the company to perform data analytics and support the launch new strategic services. The company has expanded its offerings to include professional rodent population assessment services using trained field personnel, tracking technologies, and AI-supported analysis to better understand rodent activity and measure treatment effectiveness.

By building a broad offering platform, SNES expects to position SenesTech as a trusted partner in rodent population management and develop additional recurring revenue opportunities. The company expects customers eventually to engage SenesTech for implementation services that include deployment planning, product placement recommendations, ongoing monitoring, and optimization.

International market recent expansions

The company's focus is the domestic market. SNES also has some international sales at this early stage in its development. Evolve secured regulatory approval in New Zealand (with the initial stocking order shipped to exclusive partner Evicom) and expanded international footprint in Belize by adding the Belize Raptor Center as an official distributor. SNES recently expanded the Evolve Rodent Birth Control™ product line into Bermuda through a distribution agreement with Animal and Garden House. Bermuda is a small island and urban areas and surrounding marine ecosystems are in close proximity, making the use of traditional rodenticides challenging, reflecting concerns regarding runoff, non-target exposure, and impacts on wildlife, among other factors. SNES continues to support its international distribution partners as they introduce the company's fertility products to new markets. The focus will be on international markets where the regulatory process would be expected to be cost efficient.

VALUATION

SNES has a business model that is unlike those of the handful of pest control companies that trade publicly and which rely on traditional methods of management and/or focus on multiple pest populations. Many companies that offer pest control solutions such as rodenticides are subsidiaries of larger chemical companies. Others, such as Rollins, Inc. (ROL-nr), target multiple pest populations and generally rely on traditional pest control methods. Rollins also provides pest control services.

We are encouraged by the revenue advances SNES has recorded at this early stage in launching recent growth measures and believe the benefits of recent and pending initiatives could further enhance growth in the coming quarters. In addition, the company continues to emphasize operational improvements, manufacturing cost reductions, and optimizing its sales channels in order to reach breakeven and profitability.

While there does not seem to be a direct competitor to SenesTech, we believe, making it somewhat difficult to compare SNES shares to those of other publicly traded companies, we believe, however, that using Rollins as a general benchmark can help derive a near-term valuation on SNES shares as SenesTech continues to pursue and potentially deliver proof-of-concept.

At this point, we use a P/S multiple at a slight discount to Rollins even though, as noted, we expect SNES to enjoy stronger growth at this stage. We also believe applying a confidence factor is appropriate and assign a 90% risk adjustment confidence multiple to our 2026 forecast. On this basis, we derive a near-term valuation of about $5.00 per SNES share. If the company delivers milestones earlier than anticipated, it could impact these multiples and adjustments. If revenue ramps faster than we anticipate, our confidence multiple might prove conservative.

If/when revenue increases profitability and profitability improves, we would expect this to lead to multiple expansion and share price appreciation over time. In success, we believe there is a substantial opportunity within the sector as the company maintains its growth strategy.

We believe improvements in operating results, along with its growth measures, can be catalysts for share price appreciation over time. We would also expect SNES to enjoy better growth rates than many other companies in the pest management space at this point in its development. Rollins trades at over 6x to nearly 8x on a price-to-sales (P/S) basis based on Yahoo Finance data.

Any delay or failure in successful execution of the strategy could represent a potential risk to the company's valuation and cause the share price to decline. Nevertheless, given the industry backdrop and company measures, we believe the risk / reward ratio could be attractive for investors who have a higher than average risk tolerance and longer time horizon.

RECENT NEWS

- On October 28, 2026, SNES engaged Sandstrom Partners ss strategic advisor.
- SNES received Nasdaq minimum bid price notification on October 22, 2026.
- On October 19, 2026, SenesTech reported an 88% reduction in rat activity in the Chicago pilot.
- On October 15, 2026, SNES reported record preliminary 3Q revenue exceeded $1 million.
- SenesTech Expanded 3rd-Party E-commerce Distribution with Grove Collaborative on September 23, 2026.
- The company added assessment services to improve B2B customers understanding of infestations, on August 5, 2026.
- SNES announced on August 3, 2026, that its active subscriber base more than doubled as its e-commerce strategy gains momentum.
- On July 9, 2026, SNES announced that Evolve® delivered significant reduction in rodent damage at a Texas Agricultural operation.
- SenesTech appointed Jack Karabees as EVP of Sales on June 29, 2026.
- SenesTech appointed Michael Edell as President and Chief Executive Officer on May 07, 2026.
- On February 18, 2026, SenesTech reported significant reductions in rodent activity following in urban Evolve® deployments.
- On February 10, 2026, SenesTech took direct management of Amazon sales of Evolve.
- On February 2, 2026, SenesTech's Evolve® was approved in New Zealand.

RISKS

We believe risks to SenesTech achieving its goals and to our valuation include, among other risks:

- SNES might not gain market share in new categories or distribution channels as quickly as the company expects, which could lead to slower than anticipated revenue growth.
- The company could incur unanticipated costs associated with its initiatives.
- Competition could increase.
- The company might need to raise capital to support its strategy that might be dilutive to current shareholders.
- The launch of new products or brand extensions could cannibalize existing product lines more significantly than expected.

FINANCIAL MODEL

SenesTech

SenesTech Inc. ($000s except per share amounts)

	1Q25	2Q25	3Q25	4Q25	2025	1Q26A	2Q26A	3Q26A	4Q26E	2026E	2027E
Revenues	$485	$625	$690	$421	$2,221	$493	$770	$1,097	$1,156	$3,516	$5,027
Cost of sales	172	216	257	188	833	155	203	301	324	983	1,609
Gross profit	313	409	433	233	1,388	338	567	796	832	2,533	3,419
Operating expenses:											
R&D	418	427	400	453	1,698	422	377	418	418	1,635	1,766
S.G&A	1,558	1,596	1,380	1,661	6,195	2,035	2,052	2,369	2,397	8,853	9,562
Total operating expenses	1,976	2,023	1,780	2,114	7,893	2,457	2,429	2,787	2,816	10,489	11,328
Loss from operations	(1,663)	(1,614)	(1,347)	(1,881)	(6,505)	(2,119)	(1,862)	(1,991)	(1,984)	(7,956)	(7,909)
Interest income (expense):											
Interest income	3	4	55	82	144	60	35	35	28	158	
Interest expense	(5)	(6)	(6)	(5)	(22)	(4)	(5)	-	(5)	(14)	-
Interest income (expense),	(2)	(2)	49	77	122	56	30	35	23	144	135
Net loss and comprehensi	(1,665)	(1,616)	(1,298)	(1,804)	(6,383)	(2,063)	(1,832)	(1,956)	(1,961)	(7,812)	(7,775)
Net loss per share	($1.28)	($0.87)	($0.28)	($0.35)	($1.95)	($0.39)	($0.35)	($0.36)	($0.34)	($1.44)	($0.98)
Weighted avg shares out	1,300.0	1,854.5	4,668.0	5,223.0	3,276.0	5,263.7	5,303	5,421	5,754	5,436	7,954

Source: Company reports, Zacks estimates

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HISTORICAL STOCK PRICE



Source: Yahoo Finance

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