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BioCardia Inc. (BCDA-NASDAQ) – Neutral Rated

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Fourth Quarter Results: \$7.4M in Cash Remaining

In 2022 the company spent \$9M in R&D and \$4M in SG&A and reported a net loss \$11.9M. The company closed the year with \$7.4M in cash and equivalents on the balance sheet. Given the tight balance sheet and the depressed stock price, we expect the company will face dilutive conditions around the next capital raise, expected soon.

Investment Highlights:

MILESTONES AND EVENTS (press release):

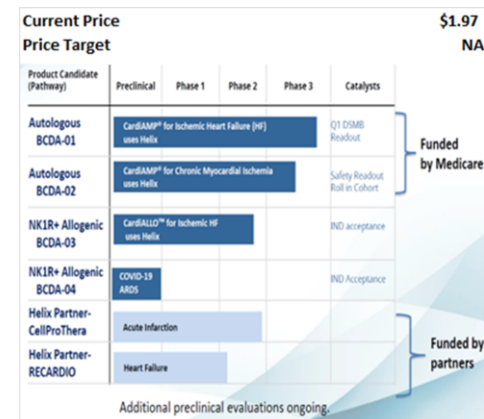
- **BCDA-01: CardiAMP Cells Therapy in ischemic HFrEF Phase III Trial**
 - Q2 2023: DSMB review in the CardiAMP Cell Therapy Heart Failure Trial, potentially utilizing an Adaptive SAP, which could enable an early efficacy readout
 - Q2 2023: Submission for approval to Japan's Pharmaceutical and Medical Device Agency
- **BCDA-02: CardiAMP Cell Therapy in Chronic Myocardial Ischemia Phase III trial**
 - Q4: 2023: Roll-in cohort top line safety data presentation
- **BCDA-03: NK1R+ MSC Allogeneic Cell Therapy in ischemic HFrEF Phase I/II Trial**
 - Q2 2023: First patient enrolled
- **BCDA-04: NK1R+ MSC Allogeneic Cell Therapy in ARDS Phase I/II Trial**
 - Q4 2023: First patient enrolled

BCDA-01: The CardiAMP Heart Failure Trial (BCDA-01): The ongoing multi-center, double-blinded, randomized (3:2), controlled pivotal CardiAMP Heart Failure Trial is expected to enroll 260 patients at up to 40 centers nationwide. The trial's primary endpoint is an outcomes composite score based on a three-tiered Finkelstein-Schoenfeld (FS) hierarchical analysis, an established outcomes design that has been used in other leading heart failure programs. We are hopeful to see this trial complete enrollment with the potential for top-line data next year.

BCDA-02: This is the CardiAMP Chronic Myocardial Ischemia Trial. It is a P3, multi-center, randomized, double-blinded, controlled study of up to 343 patients at up to 40 clinical sites. The trial is designed to provide the primary support for the safety and efficacy of the CardiAMP Cell Therapy System for the indication of chronic myocardial ischemia. This program benefits from the 2022 CMS reimbursement at up to \$20,000. The trial has been activated at two centers and the Company is working to activate additional centers. It is anticipated that this trial will report out the open label roll-in cohort results in 2023.

Valuation: We model to 2030 with probability of success factors in our models. In addition, in our free cash flow (FCFF), discounted EPS (EPS), and sum-of-the-parts (SOP) models, we apply a risk rate (r) of 30%. Our models are equal-weighted, averaged, and rounded to the nearest whole number to derive a fair-value target.

Risks: Partnership risks, Commercialization risks, financial risks, Clinical and Regulatory risks, and Legal and Intellectual Property risks.



Source: Biocardia

Stock Data			
52-Week Range	\$1.10	-	\$2.60
Shares Outstanding (mil.)	20.2		
Market Capitalization (mil.)	\$40		
Enterprise Value (mil.)	\$39		
Debt to Capital	0%		
Book Value/Share	\$2.62		
Price/Book	0.8		
Average Three Months Trading Volume (K)	13		
Insider Ownership	26.7%		
Institutional Ownership	17.3%		
Short interest (mil.)	0.1%		
Dividend / Yield	\$0.00/0.0%		



Exhibit 1. Income Statement

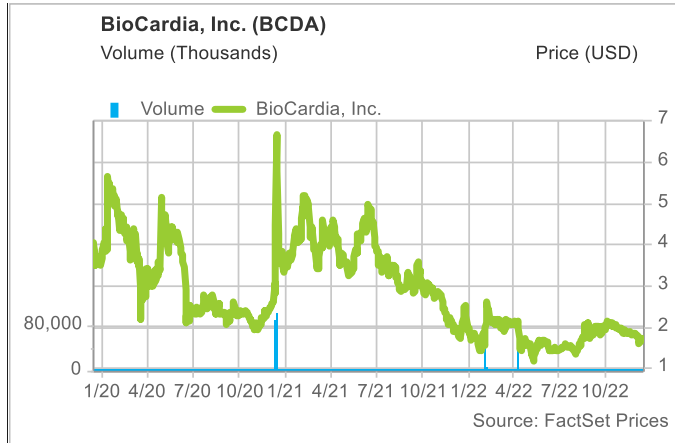
BioCardia Inc: Income Statement (\$000)																	
BCDA: YE December	2018A	2019A	2020A	2021A	2022A	1Q23E	2Q23E	3Q23E	4Q23E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Net product revenue	282	300	23	1													
Collaboration agreement revenue	343	382	122	1,014													
BCDA-01 CardiaAMP Cell Therapy revenues US		0	0	0	0	0	0	0	0	0	0	3,054	6,127	7,170	8,219	10,304	14,469
BCDA-01 CardiaAMP Cell Therapy revenues EU					0	0	0	0	0	0	0	0	2,757	8,297	13,869	27,822	33,486
BCDA-02 CardiaAMP Cell Therapy revenues US						0	0	0	0	-	-	-	4,502	68,679	93,131	94,717	96,330
BCDA-02 CardiaAMP Cell Therapy revenues EU						0	0	0	0	-	-	-	-	-	64,974	98,437	165,706
BCDA-03 CardALLO Cell Therapy revenues US														680	1,706	3,423	5,149
BCDA-03 CardALLO Cell Therapy revenues EU														1,606	4,027	8,077	12,152
Total Product Sales	625	599	145	1,015	1,352	-	-	-	-	-	-	3,054	13,386	86,431	185,926	242,780	327,292
Product Sales & Royalties & Milestones	-	-	-	-	212	-	-	-	-	-	-	3,054	10,629	78,135	107,082	116,521	128,101
Expenses																	
Cost of goods sold	517	543	4	24		0	0	0	0	0	0	733	3,079	19,015	39,044	48,556	65,458
			3%	2%	0%	25%	25%	25%	25%	#DIV/0!	#DIV/0!	24%	23%	22%	21%	20%	20%
Research and Development	8,453	8,876	9,809	8,558	8,834	2,133	2,226	2,319	2,412	9,276	9,739	10,226	10,738	11,275	11,838	12,430	13,052
				4%													
Selling, general and administrative	5,757	6,045	5,861	5,087	4,419	1,265	1,320	1,375	1,430	5,500	10,000	20,000	21,000	22,050	23,153	24,310	25,526
Total expenses	14,727	15,192	15,674	13,645	13,253	3,398	3,546	3,694	3,842	14,480	19,345	30,355	34,182	51,673	73,335	84,562	103,264
Operating income (Loss)	(14,102)	(14,593)	(15,529)	(12,630)	(11,901)	(3,398)	(3,546)	(3,694)	(3,842)	(14,480)	(19,345)	(27,301)	(20,796)	34,758	112,590	158,218	224,028
Interest expense																	
Interest Income	118	23	21	9													
Other expense	(3)	(1)	504	(2)	6												
Total other income	115	(1)	504	(2)	6	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Income	(13,987)	(14,571)	(15,004)	(12,623)	(11,907)	(3,398)	(3,546)	(3,694)	(3,842)	(14,480)	(19,345)	(27,301)	(20,796)	34,758	112,590	158,218	224,028
Income Tax Benefit (Provision)														8,342	31,525	47,466	76,170
Tax Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	24%	28%	30%	34%
GAAP Net Income (loss)	(13,987)	(14,571)	(15,004)	(12,623)	(11,907)	(3,398)	(3,546)	(3,694)	(3,842)	(14,480)	(19,345)	(27,301)	(20,796)	26,416	81,065	110,753	147,859
Deemed Dividend on Preferred Stock																	
GAAP-EPS	(0.37)	(0.92)	(1.48)	(0.75)	(0.67)	(0.13)	(0.13)	(0.14)	(0.14)	(0.53)	(0.71)	(1.00)	(0.76)	0.96	2.92	3.97	5.28
GAAP EPS (dil)	(0.37)	(2.13)	(1.55)	(0.29)	(0.33)	(0.06)	(0.06)	(0.06)	(0.07)	(0.25)	(0.34)	(0.47)	(0.36)	0.46	1.39	1.89	2.52
Weighted shares basic	38,285	15,761	10,118	16,917	17,721	27,164	27,191	27,219	27,246	27,205	27,314	27,423	27,533	27,644	27,754	27,866	27,977
Weighted shares dil	38,285	15,136	13,445	44,209	36,000	57,041	57,098	57,155	57,212	57,127	57,355	57,585	57,816	58,047	58,280	58,513	58,748

Source: Dawson James estimates, company reports

Companies mentioned in this report:

Important Disclosures:

Price Chart:



Price target and ratings changes over the past three years:

- Initiated – Buy – September 17, 2019 – Price Target \$24.00
- Update – Buy – November 20, 2019 – Price Target \$24.00
- Update – Buy – February 18, 2020 – Price Target \$24.00
- Update – Buy – May 5, 2020 – Price Target \$24.00
- Update – Buy – July 7, 2020 – Price Target \$24.00
- Update – Buy – August 13, 2020 – Price Target \$24.00
- Update – Buy – October 9, 2020 – Price Target \$24.00
- Price Target Change – Buy – November 11, 2020 – Price Target \$14.00
- Price Target Change – Buy – March 2, 2021 – Price Target \$5.00
- Rating Change – Buy to Neutral – April 15, 2021 – Price Target NA
- Update - Neutral – June 24, 2021 – Price Target NA
- Update - Neutral – December 14, 2021 – Price Target NA
- Rating Change – Buy – January 24, 2022 – Price Target \$4.0
- Update – Buy – February 3, 2022 – Price Target \$4.0
- Update – Buy – February 14, 2022 – Price Target \$4.0
- Update – Buy – March 3, 2022 – Price Target \$4.0
- Update – Buy – March 30, 2022 – Price Target \$4.0
- Update Price Target Change – Buy – April 19, 2022 – Price Target \$3.0
- Update – Buy – May 18, 2022 – Price Target \$3.0
- Update – Buy – August 31, 2022 – Price Target \$3.0
- Update – Buy – October 3, 2022 – Price Target \$3.0
- Rating Change – Buy to Neutral – November 10, 2022 – Price Target \$NA
- Update – Neutral – December 16, 2022 – Price Target \$NA
- Update – Neutral – March 7, 2023 – Price Target \$NA
- Update – Neutral – April 21, 2023 – Price Target \$NA

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- 1) **Buy:** The analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months;
- 2) **Neutral:** The analyst believes the price of the stock is fairly valued for the next 12-18 months;
- 3) **Sell:** The analyst believes the price of the stock will decline by at least 20% over the next 12-18 months and should be sold.

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Current as of 17-Apr-23

	Company Coverage		Investment Banking	
Ratings Distribution	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	25	69%	2	6%
Market Perform (Neutral)	11	31%	1	3%
Market Underperform (Sell)	0	0%	0	0%
Total	36	100%	3	9%

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