

NurExone Biologic, Inc.

NRX: Initiating Coverage; A Novel Exosome Platform at the Frontier of CNS Regeneration

May 21, 2026

Robert Sassoon

robert.sassoon@watertowerresearch.com

516-668-3632

KEY POINTS

- Pioneering exosome platform with a differentiated approach.** NurExone is built around a proprietary platform that addresses a profound medical need. Lead asset ExoPTEN targets multi-billion-dollar markets in central nervous system (CNS) injury—including acute spinal cord injury (SCI) and optic nerve damage—using naturally targeting exosomes loaded with PTEN-silencing siRNA via a dual-action mechanism. Mesenchymal stem cell (MSC) exosomes reduce inflammation and home to the injury site, while the siRNA payload downregulates PTEN locally to actively drive nerve regeneration. Delivery is minimally invasive even for CNS indications, reaching the injury site without surgical intervention—a key point of accessibility and differentiation.
- Compelling preclinical results across two major CNS indications.** In rat models of complete spinal cord transection, 75-100% of ExoPTEN-treated animals recovered hindlimb function versus 0% in saline controls. A follow-on dose-ranging study in a spinal cord compression model, using CatWalk XT gait analysis, confirmed a clear dose-response: 100% of high-dose and 50% of medium-dose animals regained bilateral hindlimb walking versus one of six in the untreated control group, alongside measurable gains in paw print area, base of support, and weight bearing. Optic nerve studies show a parallel dose-dependent signal—recovery of retinal electrical activity and improved retinal ganglion cell survival. FDA and EMA Orphan Drug Designations for acute SCI provide meaningful early regulatory validation.
- Dual-pronged development and revenue strategy.** While ExoPTEN advances toward Phase 1/2a, with IND submission and trial initiation targeted in 1H27, NurExone’s wholly owned US subsidiary Exo-Top Inc. is positioned to generate near-term revenue by supplying GMP-grade naïve MSC exosomes, sourced from a proprietary human bone marrow-derived master cell bank, (MCB) to third-party pharma and biotech researchers and to the fast-growing regenerative aesthetics and longevity markets, projected to exceed \$1.6 billion by 2034. The commercial pathway is supported by a recently signed non-binding LOI with Florida-based BioXtek covering US GMP manufacturing, clinical supply, and commercialization. We project Exo-Top commercial sales to begin in 1H27 and forecast revenue of more than \$12 million in 2028.
- Disciplined funding strategy.** NurExone has been funding operations through small, frequent private placements, supported by a warrant-acceleration mechanism that has led to the exercise of more than 90% of issued warrants. This approach, combined with a loyal shareholder base, has enabled the company to raise capital as needed while limiting dilution. As NurExone advances from preclinical to clinical stage, it is increasingly focused on diversifying its funding sources, led by anticipated Exo-Top commercialization and its evaluation of a potential US mainboard listing to expand institutional investor access.
- Micro-cap valuation with catalysts ahead.** With a ~US\$43 million market cap, NurExone is among the lowest-valued companies in its selected peer group, supporting its microcap valuation. WTR’s comparable valuation analysis (Figure 19) highlights the substantial valuation uplift that typically follows clinical progression. Furthermore, NurExone’s shift toward becoming a revenue-generating, clinical-stage company even before any clinical milestones for its lead asset, ExoPTEN, are met, combined with the prospect of a major US exchange listing, creates a set of meaningful near- to- medium-term catalysts.

KEY STATISTICS

Ticker:Exchange	NRX:TSXV
Current Price	C\$0.64
52 Week Range	C\$0.54-C\$1.14
Average Volume (30-Day)	18,864
Enterprise Value (\$MM)	C\$57.1
Shares Outstanding (MM)	73.4
Market Cap (\$MM)	C\$47.0
Fiscal Year-End	December

PRICE PERFORMANCE



COMPANY OVERVIEW

NurExone Biologic, Inc. is an Israeli Canadian biopharmaceutical company that is developing novel regenerative, exosome-based therapies for CNS damage. Its lead program, ExoPTEN, has shown compelling preclinical results supporting its potential to treat acute SCI and optic nerve damage, both multi-billion-dollar potential markets. ExoPTEN, which has received Orphan Drug Designation for acute SCI from both the FDA and EMA, is now advancing toward its first human clinical trial that is expected to begin in 1H27, in either acute SCI, or in optic nerve damage (glaucoma and [NAION](#)) should the FDA grant the program compassionate use status.

The company also operates a US fully owned subsidiary, Exo-Top Inc., through which it expects to establish a first American commercial exosome manufacturing facility, supported by the recently signed strategic LOI between Exo-Top and Florida-based BioXtek to advance US GMP manufacturing. This will enable Exo-Top to produce clinical-grade exosomes for NurExone's internal pipeline as well as for third parties through sales and out-licensing agreements. These activities position the company to generate revenue prior to reaching clinical milestones for ExoPTEN. NurExone is publicly traded on the TSX Venture Exchange under the ticker NRX and on the OTCQB under NRXBF, with plans to uplist to a major US exchange board.

INDUSTRY OVERVIEW

The Growing Focus on Exosomes in Hard-to-Treat Conditions

What Are Exosomes and Why They Are Important?

At the center of NurExone's novel platform-based approach to CNS regeneration are exosomes—tiny, membrane-bound extracellular vesicles measuring 30 to 150 nanometers in diameter (a nanometer is one-billionth of a meter). These particles are naturally secreted by nearly all cell types in the body and can be derived from multiple sources—MSCs, iPSCs, immune cells, or even artificial/hybrid constructs.

When microbiologists first identified exosomes in the 1980s, they were thought to function primarily as a kind of cellular trash bag, providing a mechanism for cells to expel unwanted molecular material. However, research in the past decade has found exosomes to be sophisticated tools for cell-to-cell communication, specifically from healthy tissue to damaged tissue.

The Therapeutic Value of Exosomes

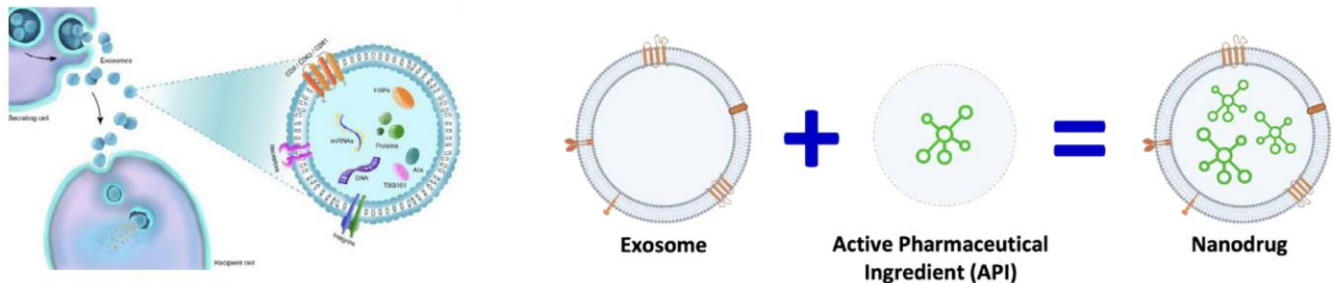
Exosomes are becoming increasingly viewed as attractive therapeutic modalities, either as active biologic agents or as delivery vehicles, due to a combination of their physicochemical properties, biological functions, and engineering flexibility. Critically, exosomes are not cells but rather cell-derived nanovesicles that confer a meaningful set of practical and clinical advantages over cell therapies, including minimally invasive drug administration and targeted delivery of therapeutic molecules; off-the-shelf manufacturing and distribution accessible for immediate intervention when necessary; cell-free with no requirement for patient personalization minimal immunogenicity, and the absence of tumorigenic risk associated with proliferative cell products; nano-size that can penetrate the brain without any specific treatment or other molecules in the drug itself.

Physicochemical properties. Exosomes possess several physicochemical features that enhance their therapeutic potential. Their nanoscale dimensions enable efficient tissue penetration, cellular uptake, and, in some cases, traversal of biological barriers such as the blood-brain barrier (BBB). Exosomes inherently transport selective molecular cargo derived from their parent cells, contributing to their overall therapeutic activity. The lipid bilayer membrane shields their encapsulated proteins and nucleic acids—such as mRNA, miRNA, other non-coding RNAs, and DNA fragments—from enzymatic degradation, giving exosomes greater stability in circulation than unprotected biomolecules. Additionally, their membranes are enriched with characteristic surface proteins, including tetraspanins (CD9, CD63, CD81), integrins, and other cell-type-specific markers that influence their biodistribution and guide their homing to target tissues.

Delivery capabilities. Naïve exosomes naturally home to specific tissues based on their surface ligands—such as integrins—and the characteristics of their parent cells. This intrinsic tropism can be further enhanced through engineering strategies including peptide display or antibody/aptamer conjugation. Surface modifications can also be used to load exosomes with allogeneic materials, improving their accumulation within tumors or target tissues and facilitating their passage across biological barriers, including the BBB, which is especially advantageous for CNS-focused therapies. Beyond surface engineering, exosomes can be internally loaded or externally functionalized (e.g., through chemical conjugation) with small molecules, siRNA or antisense oligonucleotides, mRNA, proteins, or vaccine antigens. These capabilities make exosomes highly adaptable and potent delivery vehicles for both pharmacologic and genetic therapies.

Biological and therapeutic qualities. Exosomes can carry siRNA/ASOs, miRNAs, mRNAs, proteins, lipids, and metabolites that can reprogram recipient cells, mediating effects such as anti-inflammation, immunomodulation, angiogenesis, and tissue regeneration, especially for MSC-derived exosomes. Because exosomes are produced naturally within the human body, they generally show low immunogenicity, low infusion toxicity, and lack the tumorigenic risks associated with proliferative cell therapies. Being cell-derived vesicles, exosomes are naturally biodegradable and integrate into physiological clearance pathways.

Figure 1: Exosomes – From Cell-Secreted Vesicles to Therapeutic Nanodrugs



Source: NurExone Biologic

A Surge in Exosome-Based Clinical Research in the Past Five Years

As recognition of the targeting and therapeutic capabilities of exosomes has grown, exosome-based clinical research has expanded in the last five years. ClinicalTrials.gov lists 97 interventional exosome-related studies initiated since the start of 2021, of which 63 or 65% remain active. Exosomes used in these trials are primarily derived from MSCs, which are found in various tissues including bone marrow, umbilical cord tissue, umbilical cord blood, placental tissue, adipose tissue, and menstrual blood. MSCs dominate in clinical trials because they offer an advantageous mix of safety, biological activity, and manufacturability. Their long clinical track record supports regulatory acceptance, and their exosomes inherit strong immunomodulatory and anti-inflammatory functions suited for autoimmune disease, tissue injury, and conditions like ARDS and GVHD. MSC-derived exosomes are highly potent, promoting repair, angiogenesis, and regeneration across multiple tissues, as shown in preclinical studies and early trials. MSCs expand readily in culture, enabling scalable, reproducible exosome production, and their low immunogenicity supports allogeneic use. Combined with a mature MSC research and regulatory framework, these strengths make MSC-derived exosomes the preferred clinical source.

By far, the largest segment of these active studies, approaching 80%, is being directed to regenerative therapies, underscoring the strong tissue-repair and pro-healing signals particularly associated with MSC-derived exosomes. Within the regenerative category, CNS and dermatology represent the largest application areas within this group. Importantly, these trials operate under FDA oversight and should not be conflated with today's commercially marketed exosome-based skincare products or spa treatments, which are not FDA-approved as therapeutic products.

Figure 2: Exosome-Based Clinical Studies by Therapeutic Area

Indication	# Active Interventional Clinical Studies	%
Regenerative Therapy	49	78%
<i>CNS (stroke, Alzheimer's, Parkinson's, MS, ALS, autism)</i>	18	29%
<i>Dermatology/Wound/Hair</i>	10	16%
<i>Musculoskeletal/Joints</i>	6	10%
<i>Reproductive</i>	6	10%
<i>Other (liver, lung, ophthalmic, GI, metabolic)</i>	9	14%
Oncology Therapies	7	11%
Inflammation	5	8%
Biomarkers oncological)	1	2%
Other (COVID)	1	2%
Total	63	100%

Source: ClinicalTrials.gov

The global exosome IP landscape supports growing clinical interest in the modality. Filing activity has accelerated since the late 2010s, led by China and the US, with South Korea, Japan, and the European Patent Office also contributing meaningfully—a footprint that broadly parallels clinical trial activity. Corporate portfolios have expanded accordingly: Evox Therapeutics holds dozens of patent families across hundreds of global filings, while Lonza’s 2023 acquisition of Codiak BioSciences’ assets added engineered exosome platform IP built on foundational academic work (e.g., Lötvall/Valadi). ExoCoBio and Capricor have also built meaningful estates, with adjacent IP held by device-oriented players like Aethlon Medical. Meanwhile, NurExone has built up five patent families since 2020.

Filing themes closely track the clinical pipeline including isolation methods, therapeutic applications (with oncology and CNS leading), biomarkers, and increasingly contested manufacturing technologies suggesting that commercial leverage may concentrate at the production layer. That this expansion predates any FDA-approved exosome therapeutic indicates the IP race is being driven in anticipation of clinical validation rather than in response to it. Taken together with the 63 active interventional trials and a concentration around MSC-derived sources, the IP landscape supports the view that exosomes are transitioning from academic research into a modality that strategic and financial capital increasingly expect to matter.

Hurdles to Successful Exosome Therapeutic Developments

Despite the scientifically demonstrated therapeutic attributes of exosomes and the growing clinical interest in recent years, exosome-based trials face significant challenges. Of the 63 active interventional trials, virtually all are in early phase studies (Phases 1 and 2). Relatively few studies have advanced to late-stage development, and no exosome-based development has yet been clinically approved. Exosome-based clinical trials face persistent challenges rooted in biology, manufacturing, delivery, and regulation, which have slowed clinical translation despite promising preclinical data.

Biological complexity. Exosomes are cleared rapidly from circulation, often accumulating in the liver and spleen. Their uptake via endocytosis, membrane fusion, or other pathways varies by both target cell and exosome origin. Their cargo of proteins, lipids, and miRNAs is heterogeneous and shaped by the parent cell and culture conditions, influencing biological effects. The precise mechanisms underlying their activity remain an active area of investigation.

Manufacturing challenges. Producing clinical-grade exosomes at scale is technically demanding. Yields from conventional culture systems are limited, and there is no universally standardized isolation or purification method. Downstream processes, including concentration, storage, and drug loading, require careful optimization. Additionally, reliable potency and release assays are still being established, making consistent batch-to-batch production a key translational hurdle.

Delivery and dosing. Optimal dosing strategies, administration routes, and pharmacokinetics are not yet fully defined. While early studies suggest MSC-derived exosomes are generally well tolerated, long-term effects and immune interactions require further characterization.

Regulatory considerations. Exosome therapies are regulated as biologics under standard IND/BLA pathways. Regulatory review emphasizes product characterization, safety, and batch consistency. To date, no exosome therapy has received FDA approval, reflecting the early stage of clinical development, manufacturing hurdles, and rigorous evidence requirements rather than inherent safety or efficacy issues.

Exosome-Based Strategies

The therapeutic research landscape of exosome technology can be broadly defined by three strategies ranging from relying on nature's inherent signals to creating highly programmed molecular machines.

The naive exosome strategy is a straightforward clinical approach, harvesting unmodified exosomes from therapeutic donor cells like MSCs. These exosomes rely on their native cargo—proteins, RNA, and lipids—to promote regenerative or anti-inflammatory effects. This method offers high biocompatibility and a relatively clear regulatory path, but it contends with batch-to-batch variability and limited tissue targeting. Companies advancing this strategy in clinical trials include **Direct Biologics** (ExoFlo, in Phase 3 for ARDS and earlier-stage work in other inflammatory conditions) and Aegle Therapeutics (AGLE-102, in Phase 1/2a for dystrophic epidermolysis bullosa with parallel work in burns). NurExone's wholly owned US subsidiary, **Exo-Top**, supplies naïve MSC exosomes through its proprietary MCB, supporting both NurExone's own clinical programs and external partners.

The naive exosome-loaded strategy builds on the natural vesicle, using post-isolation techniques to load therapeutic cargo for delivery to a targeted site. Healthy exosomes are harvested and then actively loaded with pharmaceutical agents—small-molecule chemotherapies or siRNA—through physical or chemical methods such as electroporation or sonication. The vesicle's endogenous membrane shields cargo from nuclease degradation and immune clearance, enabling systemic delivery of concentrated payloads that would otherwise be rapidly broken down or cleared. Few companies operate purely in this naïve, post-isolation loading model, in which unmodified exosomes are isolated and then loaded without any genetic engineering of the producer cells. Clinical-stage examples are rare, as these approaches typically suffer from low loading efficiency, cargo aggregation (therapeutic molecules clumping rather than dispersing evenly), and manufacturing scalability challenges. As a result, many programs marketed as post-isolation loading in practice combine it with upstream producer-cell engineering to improve loading or confer targeting. As discussed below, **NurExone**, a preclinical company in transition to its first human trials, is differentiated within this category, leveraging its proprietary post-production loading ExoTherapy platform and its lead asset, ExoPTEN.

Engineered exosome strategies genetically modify producer cells to bias incorporation of therapeutic proteins, nucleic acids, or targeting ligands during vesicle biogenesis, enabling improved (though still variable) cargo loading and the potential for tissue-specific targeting—particularly relevant for CNS, oncology, and rare monogenic indications. The tradeoff is increased manufacturing and CMC complexity, along with greater regulatory scrutiny tied to engineered cell lines, product heterogeneity, cargo control, and potency assay development. Platforms such as **Evox Therapeutics'** ExoEdit® (nucleic acid and gene editing delivery) and **ILIAS Biologics'** EXPLOR® (intracellular protein cargo) exemplify this approach. Surface modifications intended to direct biodistribution can also introduce off-target binding, immunogenicity, aggregation, or toxicity risks, requiring careful preclinical characterization and clinical validation given imperfect translational predictability from animal models.

Figure 3: Exosome Strategies Comparison

Strategy	Description & Loading Method	Pros	Cons	Key Companies & Examples
Naïve–Passive	Unmodified exosomes from donor cells (e.g., MSCs) carrying native proteins, RNA, and lipids.	High biocompatibility; simpler regulatory path; well-characterized biology.	Batch variability; limited targeting; payload restricted to endogenous cargo.	Direct Biologics: ExoFlo (Phase 3 ARDS); Aegle Therapeutics: AGLE-102 (Phase 1/2a dystrophic EB, parallel work in burns); NurExone/Exo-Top (naïve MSC exosome supply via proprietary Master Cell Bank).
Naïve–Active	Unmodified exosomes loaded post-isolation with therapeutic molecules (e.g., siRNA, small molecules) via electroporation, sonication, or chemical transfection.	Payload customization; maintains native vesicle properties, enables other therapeutic molecules to be delivered by exosomes to damaged cells.	Low loading efficiency; membrane damage; cargo aggregation; scalability challenges.	Pure-play clinical examples are rare; many programs marketed as post-isolation loading combine with upstream producer-cell engineering. NurExone is differentiated in this category via a proprietary post-production loading platform (ExoPTEN, siRNA) which may address some of the limitations cited.
Engineered (Producer-Cell Modification)	Genetic modification of producer cells so that therapeutic RNAs, proteins, or targeting ligands are incorporated during biogenesis.	Improved cargo control; potential for tissue-specific targeting; reproducible loading per batch.	Increased manufacturing complexity; higher regulatory scrutiny; higher costs.	Evox Therapeutics: ExoEdit® (nucleic acid and gene editor delivery); ILIAS Biologics: EXPLOR® (intracellular protein cargo).

Source: Water Tower Research

There are various hybrid approaches, but NureXone’s platform involves the least amount of engineering of the exosomes.

Figure 4: Exosome Therapeutics – Spectrum of Platform Approaches

Intervention Level	Platform	Company	Method	Key Features	Target Indications
Cargo loading (naive vesicle)	ExoPTEN	NurExone Biologic	Proprietary post-isolation siRNA loading into unmodified MSC exosomes	Preserves native homing and BBB crossing; no producer-cell engineering or viral vectors; uses standard MSCs	Acute spinal cord injury (preclinical, transitioning to Phase 1); optic nerve damage (glaucoma+ NAION)
Producer-cell engineering (surface display + cargo)	StealthX™	Capricor Therapeutics	Genetic fusion of antigens or cargo to exosomal membrane-anchoring domains during biogenesis	Multivalent antigen display; strong immunogenicity observed in early studies without traditional adjuvants; potential extensibility to nucleic acid and protein delivery; performance dependent on construct design	Phase 1: SARS-CoV-2 vaccine (Project NextGen); preclinical: oligonucleotide and protein delivery
Producer-cell engineering (nucleic acid cargo)	ExoEdit®	Evox Therapeutics	Engineering of exosomal sorting and targeting domains to enhance nucleic acid loading and delivery	Improved nucleic acid delivery and tissue targeting potential; increased CMC complexity and regulatory burden	Preclinical: Rett syndrome gene editing (RSRT); RNAi/ASO neurological disorders (Lilly collaboration)
Producer-cell engineering (luminal protein cargo)	EXPLOR®	ILIAS Biologics	Optically reversible protein–protein interaction enables luminal protein loading during vesicle biogenesis	Enables intracellular delivery of functional proteins; access to intracellular targets; increased CMC complexity	Phase 1: cardiac surgery-associated AKI (ILB-202); preclinical: inflammatory indications
Hybrid biologic/synthetic construct	Exosome-liposome hybrids	Academic/Preclinical	Membrane fusion of natural exosomes with synthetic liposomes	Improved cargo capacity and stability; partial loss of native vesicle biology; complex and variable manufacturing	Preclinical: oncology, targeted drug delivery

Source: Water Tower Research

COMPANY DESCRIPTION

NurExone's Differentiated Approach to Exosomes and Nerve Repair

A Differentiated Regenerative Platform with a Value-Creating Strategy

Founded in 2020, NurExone's therapeutic and core technology is focused on its proprietary ExoTherapy platform culminating in the development of the platform's first product and lead exosome-based development, ExoPTEN, targeting acute SCI and optic nerve damage. The ExoTherapy platform originated from foundational research at the Technion-Israel Institute of Technology and Tel Aviv University, where animal studies with complete spinal cord transection demonstrated the concept of using exosomes for intranasal delivery to promote spinal cord regeneration and recover motor and sensory function, leading to an exclusive worldwide license granted to NurExone to develop and commercialize the platform for human use. Its development accelerated post-2021 with the establishment of proprietary processes for three core components: large-scale exosome production in dedicated bioreactors from MSCs; synthesis of therapeutic cargos starting with [siRNA](#) sequences; and innovative, patented loading technologies to load these molecules efficiently into exosomes forming nanodrugs

The ExoTherapy platform employs a modular exosome-based architecture designed to address key challenges in CNS treatment, including accessibility to enable specific targeting, scalability, biological properties and mechanisms that may be suitable to multiple indications, all of which are factors that distinguish the platform from other regenerative approaches. Below we delve into NurExone's key differentiators and the de-risked structure of the company.

Minimally invasive administration. ExoTherapy was initially developed using intranasal delivery, a non-invasive delivery method, leveraging olfactory and trigeminal nerve pathways to access CNS structures while bypassing the BBB. However, NurExone has since shifted toward intrathecal administration, which is minimally invasive, for its lead SCI program, prioritizing direct CNS access and more consistent biodistribution to the injury site to ensure a quicker path to humans.

Proprietary loading technology. A key differentiator for NurExone is its post-production exosome-loading technology. While the platform remains in the preclinical stage, current evidence indicates that its advantages stem less from dramatically higher loading efficiency and more from its superior chemistry, intellectual property position, and scalable manufacturing design. The company's value proposition lies in a smarter, more potent, and more manufacturable system rather than simply increasing the amount of therapeutic cargo per vesicle.

Conventional loading approaches generally use a lipid-based "hook", such as cholesterol, relying on hydrophobic conjugation to tether therapeutic molecules to exosomes. This method can cause vesicles to aggregate or inadvertently trigger immune responses due to the introduction of fatty components. In contrast, NurExone utilizes a proprietary water-based hook through hydrophilic conjugation. This gentler chemistry allows exosomes to disperse naturally in biological fluids, reducing both clumping and the risk of immune activation. NurExone's approach is intended to maintain the native structural and biological properties of the exosomes.

Moreover, survey data indicate that NurExone's proprietary siRNA sequences deliver superior potency. These sequences reduce PTEN expression to 20–29% of baseline levels, compared with ~66% residual expression achieved by commercially available, synthetically modified siRNA. In practical terms, this suggests that NurExone's siRNA cargo is roughly twice as potent as standard alternatives while maintaining high specificity and minimal off-target effects.

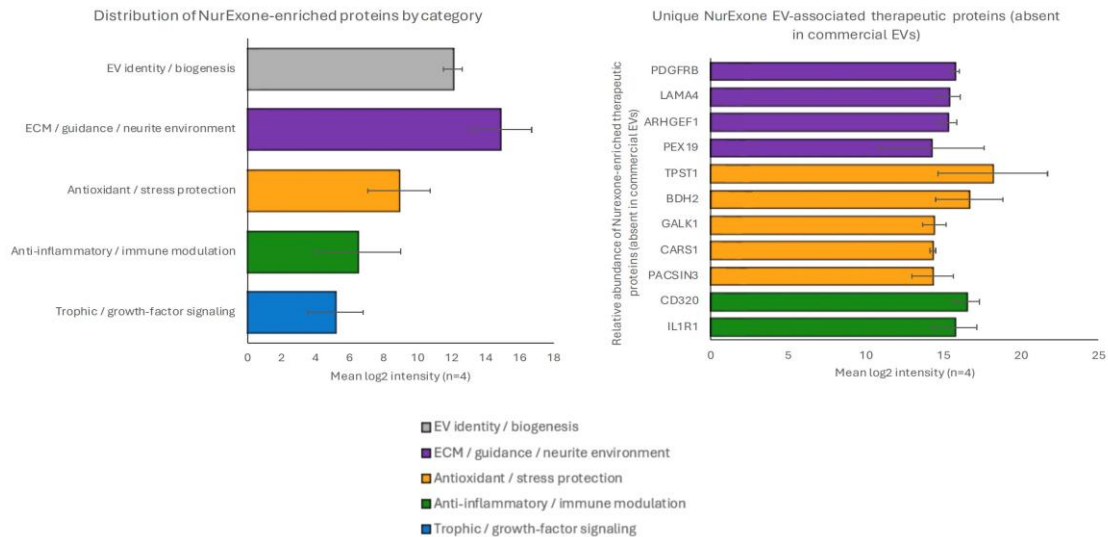
Proprietary 3D bioreactor manufacturing. NurExone employs proprietary 3D bioreactor systems for large-scale exosome production from MSCs, designed to support consistent batch characteristics from an MCB. The 3D approach mimics physiological culture conditions to address the yield and reproducibility limitations of traditional 2D cultures, with batch-to-batch consistency as a core requirement for clinical-grade biological manufacturing.

NurExone's manufacturing model offers structural scalability advantages over traditional gene/cell therapies because the cells function as the production system, not the product. MSCs continuously secrete exosomes into the culture medium, which are harvested cyclically from the conditioned media. This decouples production scale from cell mass, yielding many doses from a comparatively small cell culture, rather than requiring the thousands-of-liter fermentation infrastructure required when cells are themselves the therapeutic. The result is a materially smaller bioreactor footprint, lower capex and operating cost per dose, batch economics from an MCB rather than per-patient processing, and a process closer to conventional biologic manufacturing than to personalized cell therapy logistics.

Independent proteomic analysis at the Technion supports the consistency claim. Four separate production lots displayed highly similar protein signatures, including molecules linked to axon guidance, antioxidant defense, inflammation regulation, and growth-factor signaling—all relevant to therapeutic platforms such as ExoPTEN. Relative

to commercial reference exosomes, NurExone’s preparations contain several proteins not detected in the comparator material, including PDGFRB, LAMA4, and IL1R1, which may contribute to tissue support and immune modulation. The consistency and defined cargo profile underscore a reproducible manufacturing process and offer potential advantages over less-characterized exosome sources, strengthening the platform’s readiness for clinical translation.

Figure 5: NurExone’s Uniquely Enriched Batch-to-Batch Exosomes Production Consistency



Source: NurExone Biologic

Exosome supply chain independence. While NurExone continues to evaluate Israeli manufacturing partners for small-scale, GMP-grade production of its lead candidate, ExoPTEN, a more significant milestone was achieved with the December 2024 acquisition of a US-based MCB. The MCB is managed by Exo-Top, a subsidiary established by NurExone in February 2025 to focus primarily on the production and supply of high-quality, GMP exosomes. This vertical integration is intended not only to support NurExone’s R&D pipeline, but also to unlock expanded commercial opportunities and bring forward revenue ahead of clinical events.

The MCB places NurExone in a uniquely advantageous position by granting exclusive access to a substantial GMP-grade inventory of human bone-marrow-derived MSCs at their earliest and most potent stage. These MSCs are preserved at Passage Zero—before any passaging or splitting, a process that normally uses the enzyme trypsin to detach cells prior to re-plating and expansion—thereby retaining their native potency, genetic stability, and full therapeutic potential. With ownership of this MCB, NurExone secures a long-term, high-quality supply of raw material for its exosome production and significantly enhances its strategic manufacturing independence. Equally important, the cell bank opens new commercial channels for NurExone even ahead of clinical milestones for its lead asset, ExoPTEN, by enabling the sale or licensing of these materials to third parties across both clinical, therapeutics, and aesthetics/longevity markets, a financial benefit we discuss further later in this report.

To accelerate this strategy, in April 2026, Exo-Top signed a non-binding LOI with Florida-based BioXtek Inc. to explore a strategic partnership for exosome manufacturing and commercialization. The LOI establishes a framework to negotiate US-based GMP manufacturing, clinical supply, and potential commercialization of naïve bone marrow-derived MSC exosomes, combining Exo-Top’s MCB and production expertise with BioXtek’s GMP manufacturing infrastructure. Florida is a strategically attractive jurisdiction for this buildout as the state’s [Senate Bill 1768](#), effective July 1, 2025, authorizes Florida-licensed physicians to administer non-FDA-approved stem cell therapies for orthopedic, wound care, and pain management indications—the same indication set the BioXtek collaboration is positioned to supply, subject to applicable federal regulatory requirements—alongside a separately addressable regenerative aesthetics opportunity.

Biological homing properties. Derived from MSCs, the exosomes exhibit natural tropism toward inflamed or damaged tissues, including in the CNS. They provide inherent anti-inflammatory and neuroprotective effects alongside the delivered cargo. Unlike many synthetic nanoparticles that rely primarily on engineered targeting, the platform’s nano-sized exosomes can naturally penetrate the brain without requiring additional modification or auxiliary molecules.

Low rejection risk. As NurExone’s ExoTherapy platform is not a cell-based therapy, it avoids the immune-rejection risks often associated with current regenerative treatments.

Figure 6: ExoTherapy vs. Other Regenerative Approaches

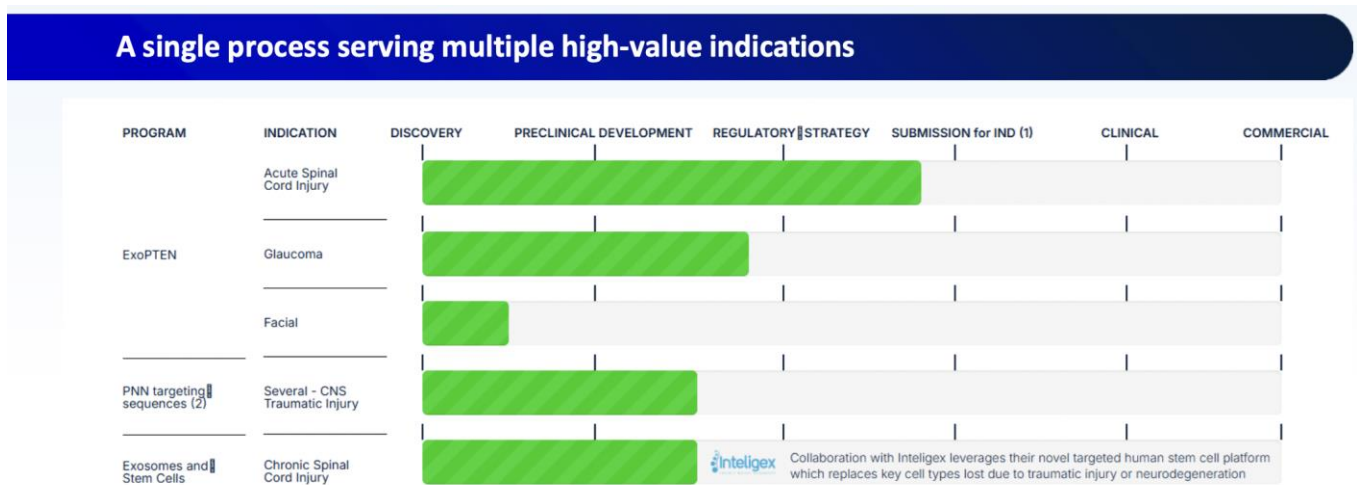
Feature	Traditional Gene/Cell Therapy	NurExone ExoTherapy Platform
Delivery	Often invasive (surgery/injection)	Minimally-invasive (intrathecal/intravitreal)
BBB Access	Limited without specialized methods	Via neural pathways
Storage	Complex (e.g., cryopreservation)	Cell-free/Off-the-shelf biologic
Immune Risk	Higher with cells	Lower with cell-free vesicles
Scalability	Challenging to standardize	Enhanced via 3D bioreactors

		EXOTHERAPY PLATFORM PROVIDES SEVERAL BENEFITS			
Comparison	ExoPTEN Technology	Autologous Stem Cell	Allologous Stem Cell	Epidural Electrical Stimulation	Monoclonal antibody, growth factors
Potential to repair full transection	✓	✓	✓	✗	✗
Non immunogenic	✓	✓	✗	✓	✓
Off the shelf use	✓	✗	✓	✓	✓
Minimally invasive	✓	✗	✗	✗	✗

Source: Water Tower Research, NurExone Biologic

Modular platform, multiple cargoes and indications. While siRNA loaded ExoPTEN is a platform drug targeting multiple CNS indications—acute SCI, optic nerve damage (with an initial emphasis on glaucoma and NIAON) and facial nerve damage—another key advantage of the platform’s modular design is that it has the potential to allow the same exosome backbone to be loaded with different therapeutic molecules. This flexibility enables potential expansion across an even broader range of CNS disorders.

Figure 7: NurExone’s Development Pipeline

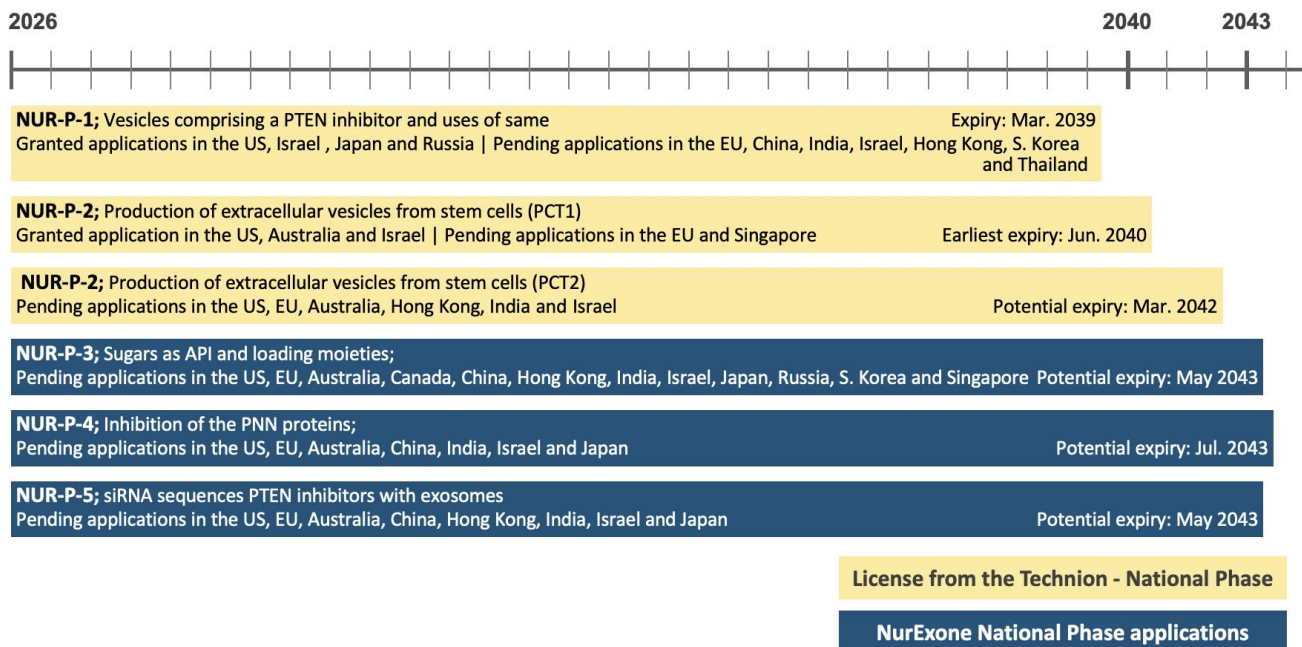


Source: NurExone Biologic

Building up robust IP. The ExoTherapy platform is currently protected by the following five patent families, including one granted US, Japanese, Israeli, Russian, Australian and South Korean (announced on May 19, 2026) patent and second US and Israeli granted patents with additional applications pending in various jurisdictions.

NurExone’s IP strategy focuses on a broad portfolio protecting its ExoTherapy platform for exosome-based regenerative medicines like ExoPTEN. The company pursues PCT applications in five areas: intranasal delivery (granted in the US, Japan, and Russia); scalable 2D/3D bioreactor production; siRNA APIs such as PTEN inhibitors; loading technology; and peri-neural network (PNN) proteins inhibition. This builds on exclusive Technion licenses for 3D scaffold/shear-stress bioreactors, with recent US and Israel patents extending protection to 2042. The goal is to license the tech to pharma/biotech for various nanodrugs, generating revenue while advancing NurExone’s CNS therapies and Exo-Top’s manufacturing.

Figure 8: NurExone’s Granted and Pending Patents (as of May 18, 2026) and Expiry Dates



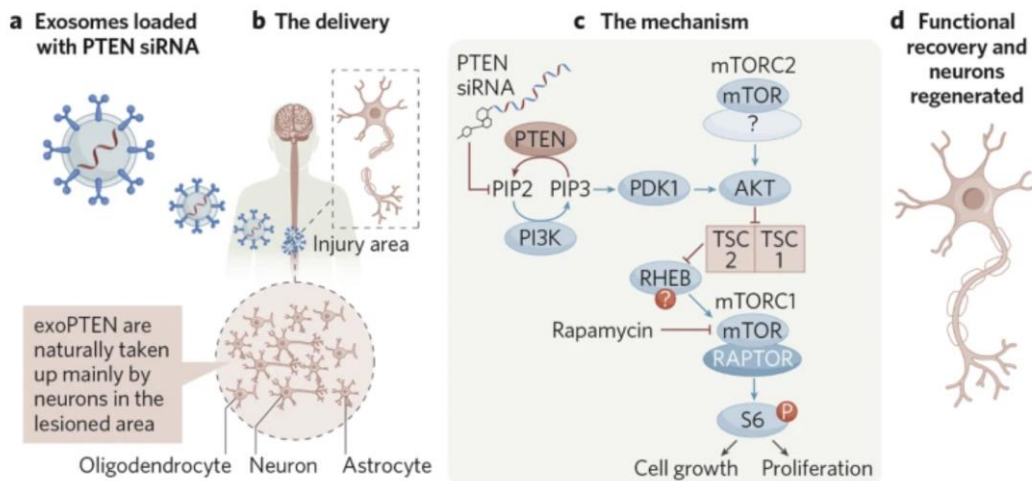
Source: NurExone Biologic

Spotlight on NurExone’s Flagship Drug Candidate – ExoPTEN

In late 2022, NurExone established the platform’s first therapeutic candidate, ExoPTEN, to initially target acute SCI, a high unmet medical need affecting up to 500,000 people globally annually and approaching 20,000 new cases in the US and 25,000 in Europe each year. The therapy leverages MSC-derived exosomes as targeted delivery vehicles, essentially biological “guided missiles”, to transport a siRNA payload that inhibits PTEN directly to the injury site. Because these exosomes are nanoscale, ExoPTEN can be administered minimally invasively, passing the BBB, enabling efficient access to the CNS without the need for surgical intervention.

The therapeutic mechanism focuses on **PTEN**, which is a widely expressed enzyme that normally functions as a molecular brake to prevent uncontrolled cellular proliferation. However, as a protein found in neurons and in axons that are attempting to regenerate, it also acts as a key regulator of nerve repair because it suppresses the activity of mTOR, a signaling pathway in the cytoplasm that is essential for cell growth and axon regeneration. When PTEN is active, it essentially limits the ability of corticospinal neurons to regrow after injury. Once ExoPTEN exosomes reach the damaged spinal cord, they release their siRNA cargo to temporarily knock down PTEN expression, effectively removing this inhibitory signal and allowing axons to regenerate across the lesion. Preclinical studies have demonstrated striking improvements in neural repair and functional recovery using this approach.

Figure 9: ExoPTEN’s Therapeutic Solution for SCI



Source: NurExone Biologic

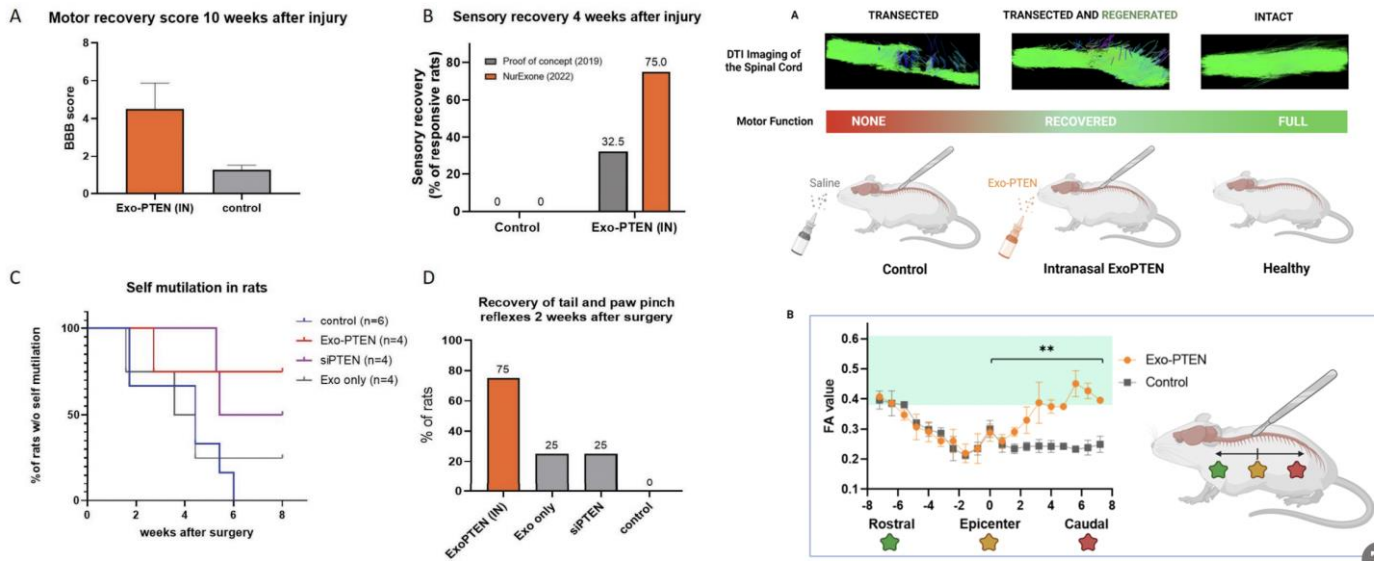
Preclinical Data Demonstrate ExoPTEN’s Neuron Repair and Motor Restoration Potential

Acute SCI. ExoPTEN was tested in rat models of full spinal cord transection (complete severing) effectively to demonstrate whether the therapy works or not. In this study, a brief cycle of ExoPTEN was administered intranasally to assess motor, reflex, sensory recovery, and structural repair. The primary internal in vivo study (reported in 2023) tracked outcomes at four and 10 weeks post-injury across four groups: ExoPTEN (n=4), exosomes-only (n=4), siRNA-only (n=4), and saline control (n=6). At 10 weeks, 75% of ExoPTEN-treated paralyzed rats recovered hindlimb reflex, demonstrated motor rehabilitation, regained sensory control, and showed no self-harm (indicating reduced stress). In contrast, exosomes-only and siRNA-only groups each achieved 25% recovery across these measures, while the saline control group had 0% recovery and universal self-harm behavior. These results replicated the outcomes at four weeks.

Diffusion tensor imaging (DTI) and histological analyses in treated rats showed clear evidence of nerve regeneration, reinnervation, and structural bridging across the transection site in animals that responded to ExoPTEN. These anatomical improvements aligned with the functional recovery observed at the 10-week mark. Quantitative assessment using fractional anisotropy (FA) further supported these findings: ExoPTEN-treated rats displayed higher FA values in the caudal spinal cord, indicating better tissue integrity and reduced microstructural damage compared with untreated SCI control group.

These encouraging results have helped propel NurExone’s program toward clinical development. ExoPTEN subsequently received Orphan Drug Designation for acute SCI from the FDA in October 2023, followed by a similar designation for SCI from the EMA in November 2024.

Figure 10: ExoPTEN – Primary Preclinical Study Outcomes in SCI



Source: NurExone Biologic

There have been a series of follow-up preclinical rat studies of ExoPTEN as part of its preparations for an IND submission to the FDA, which will allow it to begin the first human trials for ExoPTEN, initially for the treatment of acute SCI. These studies have reaffirmed the safety and efficacy of NurExone’s lead candidate.

Figure 11: Follow-Up Preclinical Studies of ExoPTEN in SCI

Data Readout Timeline	Model & Design	Rat Population Tested	Efficacy Outcomes	Safety Outcomes
Mar-25	Dosing regimen evaluation; single high dose vs low dose administered over 5 consecutive days	n=10-12/arm	Significant BBB* motor score gains vs. control arm; increased blood vessel size/circulation for tissue repair	Well-tolerated; no side effects noted
Jul-25	Dose-ranging study	n=8-10/arm	Dose-dependent hindlimb walking recovery (100% high-dose via CatWalk XT*)	No adverse events; good tolerability
Aug-25	Transection; MRI-DTI imaging of Jul-25 study	n=10/arm	Preserved tissue integrity, fiber tracts; 100% motor recovery (high-dose)	Biocompatible; no immunogenicity signals

*Basso, Beattie & Bresnahan CatWalk XT

Source: Water Tower Research, NurExone Biologic

In a July 2025 dose-ranging preclinical study using the spinal cord compression model, the second rat SCI model evaluated for ExoPTEN, complementing earlier work in the more severe full-transection model, ExoPTEN demonstrated dose-dependent recovery of motor function, with 100% of the high-dose group regaining walking ability in both hindlimbs versus 50% in the medium-dose group and one of six in the untreated controls. The compression model is a more physiologically representative proxy for most human spinal cord injuries, which typically involve contusion or compression rather than complete transection. Gait recovery was confirmed using the CatWalk XT system, with high-dose animals showing larger paw print area, greater maximum hindlimb contact area, wider base of support, and extended stand duration—measures reflecting improved balance, strength, coordination, and weight-bearing. ExoPTEN was administered minimally invasively on the day of compression surgery, and the high dose was well tolerated with no observed side effects. The study supports continued dose optimization, manufacturing process refinement, and engagement with regulatory authorities ahead of first-in-human trials.

Optical nerve damage. NurExone has also carried out three preclinical studies of ExoPTEN in optic nerve damage in 2024-2025, initially targeting glaucoma, a leading cause of irreversible blindness with no curative solution and a much bigger indication than SCI affecting 80 million people globally. The preclinical studies utilized a rat optic nerve crush model to simulate the degenerative nerve damage characteristic of glaucoma, focusing on the efficacy of ExoPTEN.

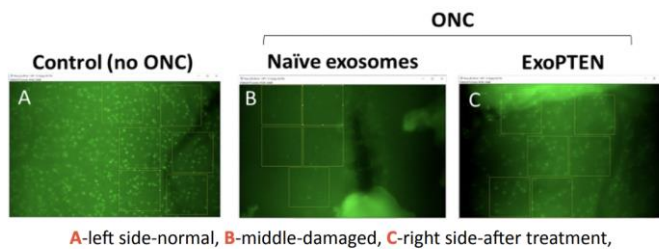
INITIATION OF COVERAGE REPORT

HEALTHCARE

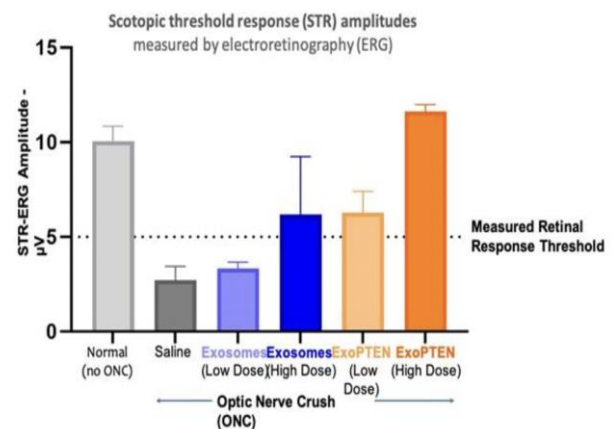
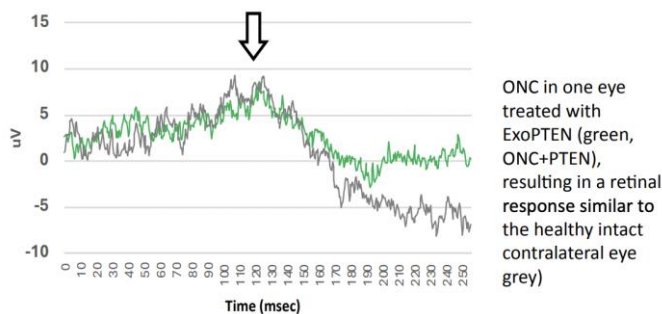
Across the three studies, ExoPTEN, administered through a minimally invasive injection into the injured eye, demonstrated consistent signs of functional and structural benefit compared with untreated or control groups. In these models, optic nerve injury typically resulted in severely reduced retinal electrical activity, while eyes treated with ExoPTEN demonstrated measurable recovery of retinal responses.

Functional improvement was observed through restoration of scotopic threshold response signals (the most sensitive electrical measurements used to assess the health of the inner retina, specifically the retinal ganglion cells- specialized neurons located in the retina’s ganglion cell layer that process and transmit visual information from photoreceptors), which remained minimal in untreated animals but increased in ExoPTEN-treated eyes. The most recent study also reported a dose-dependent effect, with higher doses producing stronger responses, supporting the reproducibility of the treatment effect. Meanwhile, structural analyses, including retinal imaging and flat-mount tissue studies, indicated increased survival of retinal ganglion cells in treated eyes compared with controls. Collectively, these early findings suggest that ExoPTEN may help protect injured neurons and support recovery of retinal function following optic nerve damage.

Figure 12: ExoPTEN – Preclinical Evidence of Optic Nerve Damage Repair and Dose-Dependent Recovery



- **Optical Nerve Crush (ONC)** - a standard animal model which mimic the glaucoma nerve damage by causing pressure leading to death of neurons at the optic nerve.



Source: NurExone Biologic

Taken together, the optic nerve and SCI studies suggest that ExoPTEN may do more than simply protect damaged neurons. In optic nerve crush models, treated animals show recovery of retinal electrical activity and improved survival of retinal ganglion cells compared with untreated or control groups. In the SCI studies, ExoPTEN treatment has been associated with improvements in motor function and evidence of tissue repair, including increased vascularization and improved neurological scores.

While these preclinical results do not yet definitively prove large-scale nerve regeneration, the combination of functional recovery, neuronal survival, and cross-model consistency present promising early evidence that ExoPTEN may promote both neuroprotection and elements of regenerative repair. This growing body of preclinical evidence supports continued development of the platform toward clinical studies targeting SCI, optic nerve damage, and other CNS conditions.

Strategic Objectives

A Two-Pronged Strategic Approach

NurExone’s strategy is built on a two-pronged, yet complementary, approach. The first prong focuses on advancing its proprietary drug development platform—led by its flagship candidate, ExoPTEN—toward commercialization. Although ExoPTEN is now progressing from strong preclinical results into its first human trials, the path to market and to addressing significant unmet medical needs remains a long-term endeavor.

The second prong focuses on initiating commercial sales through Exo-Top’s exosome production. This operation not only supplies NurExone’s own clinical pipeline but also serves external B2B partners, creating a nearer-term revenue stream. Together, these two strategic pillars balance long-term therapeutic innovation with commercially actionable opportunities in the short to medium term.

First Prong – ExoPTEN’s Pathway to Clinical Trials Targeted for 1H27

The pathway for NurExone to begin human clinical trials for ExoPTEN has become increasingly defined, supported by strong preclinical results and regulatory momentum. The company has secured Orphan Drug Designation from both the FDA and EMA, providing financial incentives, enhanced regulatory guidance, support in clinical development planning, and—critically—seven years (US) to 10 years (EU) of market exclusivity upon drug approval.

Throughout 2025, NurExone focused on meeting the complex Chemistry, Manufacturing, and Controls (CMC) requirements needed for clinical-grade production. A major milestone was achieved in February 2026, when the company announced validation of its proprietary 3D shear-force manufacturing technology. Independent proteomic analysis conducted at Israel’s Technion confirmed consistent batch-to-batch reproducibility, a foundational requirement for advancing ExoPTEN into human studies.

Alongside accumulating supportive preclinical data, establishing manufacturing stability is a key prerequisite for NurExone’s IND application. As of this writing, the company has only a few remaining steps before submission, including finalizing certain analytical assays and completing required safety evaluations, such as toxicity studies. Subject to the completion of these final steps in the IND preparation process, the company’s latest guidance is that submission could occur in 1H27.

Once the IND, which is reviewed by the FDA within 30 days of the submission, is cleared, the company can initiate a Phase 1/2a clinical trial in patients with acute SCI. For early-stage trials, dosing typically commences within roughly three months of clearance. The latest guidance is that Phase 1 study in acute SCI will be initiated in 1H27. The trial is designed as a lean, efficient study enrolling 18–30 patients with traumatic injuries, specifically American Spinal Injury Association (ASIA) Grade A (complete injury) or Grade B (sensory function preserved with no motor function) at levels C5–T10 (from the lower cervical to mid-thoracic spine). This will represent the first clinical evaluation of the company’s “off-the-shelf” regenerative exosome platform, with a secondary program in optic nerve recovery potentially following soon after. It is also conceivable that the ophthalmology study could reach the clinic before the SCI trial prior to formal IND approval if conducted under a compassionate use or expanded access framework that allows treatment of specific patients before the IND is fully cleared.

Figure 13: Product Road Map – The Pathway to Clinical Trials



Source: NurExone Biologic (4Q25 Company Presentation)

Second Prong – Exo-Top’s Long-Term Strategic Value and Near-Term Commercial Upside

Exo-Top represents a high-value strategic asset for NurExone, creating both supply chain control for the company’s therapeutic pipeline and a meaningful opportunity for near-term commercial revenue generation. The US-based subsidiary is being established to manufacture GMP-grade MSC-derived exosomes from a proprietary, fully characterized MCB. This will provide a reliable, scalable supply of exosome delivery vehicles for NurExone’s programs, including its lead candidate, ExoPTEN, while reducing future CMC risk and enhancing long-term manufacturing economics.

Importantly, Exo-Top is positioned to generate revenue ahead of therapeutic commercialization by supplying other pharmaceutical companies, biotech, and clinical researchers worldwide as well as the rapidly growing regenerative therapeutic and aesthetics market projected to surge past \$1.6 billion within the next decade. This sector is commercializing well ahead of regulated therapeutics and, unusually for a preclinical biotech, potentially offers NurExone an early path to cash flow that will partially help to fund the advancement of ExoPTEN through clinical development. As we highlighted above, to accelerate the process, NurExone has entered into a non-binding LOI with BioXtek, a Florida-based company, to explore a strategic partnership in the field of regenerative therapies for exosome manufacturing and commercialization which we discuss further in our financials segment below.

Within the broader exosome industry, Exo-Top aims to differentiate itself as a clinically oriented, GMP-grade manufacturer with proven batch-to-batch consistency, unlike many current suppliers (e.g., Kimera Labs, ExoCoBio, Regenestem, Novastem) that primarily operate in cosmetic or wellness niches. A central competitive advantage lies in its manufacturing design and cell sourcing. US-based GMP production will provide regulatory credibility and proximity to key commercial customers, while the proprietary single-donor bone-marrow-derived MCB ensures consistency and high quality, addressing major industry challenges such as batch variability and unclear sourcing.

Figure 14: Commercial Exosome Manufacturers – Competitive Landscape

Company / Segment	Positioning	Manufacturing / Platform	Primary Markets	Key Strengths	Key Limitations
Exo-Top Inc. (US)	Planned MSC-derived naïve exosome producer for therapeutics and regenerative applications	US-based GMP production using proprietary MSC master cell bank (2026 target)	Targeting NurExone pipeline (ExoPTEN); third party pharma/biotechs/clinical research; regenerative aesthetics	Dual-use strategy; vertical integration with therapeutics; FDA-approved cell bank	Pre-commercial; scale-up and execution risks
ExoCoBio (South Korea)	Global leader in exosome cosmetics + GMP CDMO	ExoGMP facility (MFDS-licensed, large-scale)	Cosmetics/skincare (Asia-dominant), biopharma collaborations	Commercial scale (\$28M+ revenue); manufacturing expertise	Limited US therapeutic regulatory access
Kimera Labs (US)	MSC exosomes for aesthetics, clinics, and therapeutic development	US GMP-inspected facility for research/clinical	Regenerative clinics, research, Phase I/IIa trials	Domestic production; IND progress in therapeutics	Regulatory scrutiny on clinic use; modest scale
Direct Biologics (US)	Therapeutic exosomes for internal clinical programs (ExoFlo)	U.S. manufacturing for clinical-grade supply	Clinical trials (ARDS/IBD); limited B2B	Proven IND/clinical advancement	Internal focus, no broad commercial supply
Research Tool Providers (e.g., Thermo Fisher, QIAGEN)	Research-grade isolation kits/reagents	Non-GMP reagent/instrumentation platforms	Academic labs, early biotech R&D	Global scale; standardization	No therapeutic/clinical production
Regional Clinics (Regenestem, Novastem-LATAM)	Clinic-based, non-drug aesthetic/regenerative exosome treatments	Often undisclosed/non-GMP sourcing	Local aesthetics markets	Patient accessibility; regional networks	Transparency and regulatory oversight gaps

Source: Water Tower Research, NurExone Biologic

Exo-Top’s dual-use manufacturing strategy allows the company to participate in near-term commercial markets while simultaneously supporting the high-value therapeutic applications that will ultimately drive long-term shareholder value.

Market Opportunity

Targeting High Unmet Met Medical Needs with Multi-Billion-Dollar Opportunities

Traumatic SCI is defined as damage to the spinal cord caused by external physical trauma, such as falls, road traffic accidents, violence, or sports injuries, leading to temporary or permanent impairment of neurological function, including motor, sensory, and/or autonomic deficits like paralysis or weakness. Based on recent epidemiological data, the global annual incidence of acute SCI is estimated to be 250,000 to 500,000 new cases per year. In the US, it is estimated that 17,000 to 18,000 new cases are reported each year. Estimates for western Europe are 20,000 to

25,000 new cases reported annually. Based on figures from the [US-based National Spinal Cord Statistical Center](#), lifetime direct care costs often exceed \$1 million per patient, thus representing a multi-billion-dollar opportunity for therapies that can improve functional recovery and reduce long-term disability.

The current treatment landscape for traumatic or acute SCI offers no approved curative or actual regenerative solutions. All approved and standard-of-care interventions are at best neuroprotective or compensatory in that they may limit damage or work around it, but not through it. The most mature neuromodulation devices such as brain-spine interfaces and epidural stimulation can restore meaningful movement in complete injuries, but they are neural bypasses, not repairs or regeneration.

Figure 15 highlights several potentially exciting novel solutions, including regenerative candidates such as ExoPTEN, though all remain in early development. ExoPTEN occupies a genuinely distinctive position in the acute SCI pipeline, not because its preclinical data is necessarily superior to every rival, but because of the combination of its delivery route, mechanism, neuron-repair targeting, and the specific biological problem it addresses.

Figure 15: Traumatic/Acute SCI Treatment Landscape and Emerging Novel Solutions

Standard-of-Care	Therapy / Approach	Stage	Key Companies / Institutions	Invasiveness	Curative Status/Potential
	Surgical — Early decompression (< 24 h)	Current	Academic / hospital centers (global)	Invasive — open spinal surgery	✗ Non-disease modifying
	Pharmacology — Methylprednisolone	Current	Pfizer (US; generic)	Minimally invasive — IV infusion	✗ Non-disease modifying
	Rehabilitation — Multidisciplinary rehab	Current	Shirley Ryan AbilityLab (US); Hocoma / DIH (CH)	Non-invasive	✗ Non-disease modifying
Emerging Novel Solutions					
Neuromodulation & neuroprosthetics	Transcutaneous stimulation — ARC-EX Therapy	Approved (US/EU)	ONWARD Medical (NL; ONWD)	Non-invasive	✗ Non-disease modifying
	Implantable stimulation — ARC-IM + ARC-BCI	Clinical feasibility	ONWARD Medical / Cinatec (FR)	Invasive — epidural + cranial implant	● Partially restorative
	BCI implant — Neuralink N1 / Telepathy	Clinical	Neuralink (US; private)	Invasive — cranial robotic implant	● Assistive / partially restorative
	BCI, minimally invasive — Layer 7 Interface	Clinical	Precision Neuroscience (US)	Minimally invasive — thin-film sub-dural	● Assistive / partially restorative
Biologics & cell therapy	Spinal stimulation — Medtronic SCS systems	Commercial / Investigational	Medtronic (US; MDT)	Invasive — implanted leads	✗ Symptom modulation only
	Stem cells (autologous) — STEMIRAC	Approved (Japan)	Mitsubishi Tanabe Pharma (JP)	Minimally invasive — IV + harvest	● Partially disease-modifying
	Stem cells (autologous) — Neuro-Cells	Phase II / III preparation	Neuroplast (NL)	Minimally invasive — intrathecal	● Partially disease-modifying
	Stem cells (allogeneic) — OPC1 / AST-OPC1	Phase I/II	Lineage Cell Therapeutics (US; LCTX)	Minimally invasive — targeted spinal injection	● Potentially disease-modifying
	Stem cells (allogeneic) — Umbilical cord (UCB)	Clinical trials	StemCytex (US/TW)	Minimally invasive — IV or intrathecal	✗ Supportive / non-disease modifying
Pharmacological neurorepair	iPSC-derived neural grafts	Pre-clinical / IND preparation	Matricell (IL; MTLF); Cellino (US)	Invasive — surgical implant	● Potentially disease-modifying
	Peptide therapy — NVG-291	Phase 1b/2a	NervGen Pharma (CA; NGEN)	Minimally invasive — subcutaneous	● Potentially disease-modifying (combination)
	Growth factor — KP-100IT (HGF)	Phase III	Kringle Pharma (JP)	Minimally invasive — intrathecal	● Partially disease-modifying
Biomaterials & nanomedicine	Anti-RGMA antibody — Elexanumab / AXER-204	Phase II	ReNetX Bio / AbbVie (US)	Minimally invasive — IV / SC	● Partially disease-modifying
	Nanoscaffold — “Dancing molecules”	Pre-clinical / IND enabling studies	Amphix Bio (US; Northwestern)	Minimally invasive — spinal injection	● Potentially disease-modifying (combination)
Gene therapy & reprogramming	Exosome therapy — ExoPTEN	Pre-clinical / IND preparation	NurExone Biologic (IL/CA; NRX)	Non-invasive — intranasal	● Potentially disease-modifying (combination)
	Bioactive hydrogel scaffold	Pre-clinical	HistoCell (ES); academic groups (global)	Minimally invasive — spinal injection	● Partially disease-modifying support
	AAV gene delivery — BDNF / NT-3 / PTEN deletion	Pre-clinical	Academic labs (Harvard, UCSF); Pharmazz (US)	Minimally invasive — intrathecal / IM vector	● Potentially disease-modifying (combination)
	CRISPR / epigenetic reprogramming	Research	Harvard, Stanford, Salk Institutes	Minimally invasive — vector planned	● Speculative disease-modifying potential

Source: Water Tower Research, Company Filings

While everyone is at risk for glaucoma, it is predominantly an age-related disease, which is the leading cause of irreversible blindness in people aged over 60 years, and the second leading cause of blindness in people worldwide. It is estimated that four million adults in the US have glaucoma and ~80 million globally. Market research firms estimate the global glaucoma market at \$8-9 billion in 2025-2026, growing to \$14-16 billion by 2032-2034.

While open-angle glaucoma (OAG) is the most common form of the disease (~80% of glaucoma), NurExone’s ExoPTEN is primarily targeting the rarer form of the disease, angle-closure glaucoma (ACG), which is estimated to affect 17 million people globally. Whereas OAG is slow-progressing, chronic and symptom-free condition, which can lead to blindness over a decade or more, the onset of ACG is sudden, acute and with severe symptoms and is a medical emergency that can cause permanent vision loss or total blindness in just hours or a few days if left untreated.

Reducing intraocular pressure (IOP) remains the best-established modifiable risk factor in glaucoma care, and nearly all approved therapies are designed to lower IOP. Eye drop formulations have long been considered the first-line treatment for patients with OAG. Several classes of IOP-lowering eye drops are available, with prostaglandin analogues (PGAs) representing the most prescribed option. PGAs reduce IOP by increasing fluid outflow through the eye’s drainage pathways and typically achieve a 25–33% reduction—making them the most effective pharmacologic treatment and accounting for more than half of US glaucoma prescriptions. Beta blockers, although widely used for hypertension, are the second most common non-PGA option for glaucoma. While current solutions may slow progression, they are not disease-modifying, leaving glaucoma an irreversible condition. There is currently no FDA approved drug that is specifically dedicated to treating ACG. The standard of care is procedural, with pharmacotherapy used acutely to break the IOP spike before definitive intervention.

The emerging development pipeline represents a major shift in glaucoma research, moving beyond the century-long focus on IOP reduction. Most innovations are now directed toward therapies targeting retinal ganglion cells (RGCs), including neuroprotective and neuroregenerative strategies. The majority of programs focus on neuroprotection—preserving existing RGCs for longer than current standard-of-care treatments allow. However, these approaches cannot reverse previous damage or regenerate lost axons and therefore fall short of being curative.

Regenerative therapies remain comparatively rare due to significant scientific and development barriers. In this landscape, NurExone’s ExoPTEN stands out as the only potentially regenerative candidate in glaucoma among active industry-sponsored programs, as illustrated in Figure 16. To date, evidence of its regenerative potential comes solely from preclinical animal studies. Whether ExoPTEN can reverse glaucomatous damage in humans rather than merely slow it, will only be determined through clinical testing. A first-in-human trial could begin as early as 2027.

Figure 16: Emerging Novel Solutions to Treat Glaucoma (Industry-Sponsored Only)

Neuroprotection-RGC Preservation				
Therapy / Approach	Stage	Key Companies	Invasiveness	Curative Potential & Status
NT-501 (CNTF)	Phase II	Neurotech Pharmaceuticals (US, private)	Minimally invasive (intravitreal implant)	Not Disease Modifying – RGC survival + regeneration signal; structural improvements but no clinical reversal of damage
PER-001	Phase I/II	Perfuse Therapeutics (US, private)	Minimally invasive (intravitreal implant)	Not Disease Modifying – Neuroperfusion + RGC survival; vascular focus only
BL1107	Phase II	Bausch + Lomb / Visiox Pharma (US/IL)	Non-invasive (topical drop)	Not Disease Modifying – Neuroprotection + field preservation; no RGC reversal
ONL-1101	Phase I	ONL Therapeutics (US, private)	Minimally invasive (intravitreal injection)	Not Disease Modifying – Apoptosis blockade for surviving RGCs
ST266	Phase I	Noveome Biotherapeutics (US, private)	Non-invasive (topical/subconjunctival)	Not Disease Modifying – Multi-factor RGC resuscitation; broad protection
Exosome & Gene Therapy				
Therapy / Approach	Stage	Key Companies	Invasiveness	Curative Potential & Status
ExoPTEN	Preclinical/IND Enabling	NurExone Biologic (IL/CA, TSXV:NRX)	Minimally invasive (extrachoroidal)	Potentially Disease Modifying (preclinical) – RGC survival + axon regrowth; near-baseline ERG recovery
AAV-TM (GVB-2001)	Phase I/II	GeneVentiv Therapeutics (US, private)	Minimally invasive (intracameral)	Partially Disease Modifying (IOP only) – Disease-modifying IOP control; no RGC protection

Source: Water Tower Research

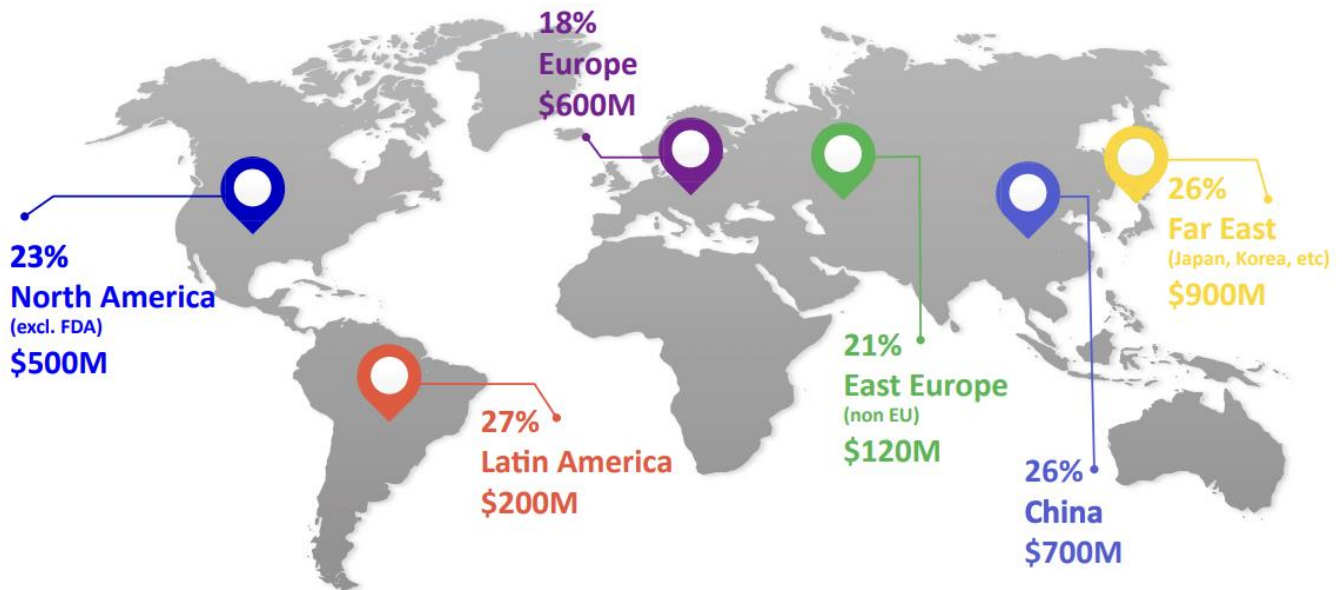
The Regenerative Aesthetics Market

As outlined above, NurExone’s ownership of a US-based MCB, operated through Exo-Top, will position the company to generate near-term revenue by enabling participation in the rapidly expanding regenerative aesthetics and longevity markets. This segment is experiencing explosive growth driven by a broad shift in consumer preference toward minimally invasive, biology-based treatments that promote natural rejuvenation rather than simply masking visible signs of aging. Patients are increasingly opting for non-surgical procedures that deliver long-term, natural-looking outcomes with minimal downtime. Demographic trends are reinforcing this momentum: social media amplification and rising aesthetic awareness are accelerating adoption across all age groups. Notably, the market is expanding at both ends of the age spectrum—older adults are seeking more sophisticated anti-aging solutions, while younger consumers are entering earlier than ever. Gen Z accounted for just 4% of US aesthetic patients in 2017 and by 2024, its share had climbed to 10%.

Although the exosome-based aesthetics market is still relatively small at ~\$80 million, rapid technological advancement is fueling demand for next-generation regenerative and skin-repair solutions. In the US, new state-level legislation in Utah and Florida is opening commercial pathways for exosome-based aesthetic treatments. This has already led to a surge of new aesthetic clinics in Utah, signaling the early formation of a scalable commercial ecosystem.

Looking ahead, the global exosome-based regenerative aesthetics market is projected to exceed \$1.6 billion by 2034. Within that, the North American market (excluding FDA-regulated therapeutic channels) is expected to represent a \$500 million opportunity (the cited figures only reflect a narrow definition of clinical regenerative aesthetic products and not exosome-based skincare products and cosmeceuticals). NurExone is well positioned to capture a meaningful share of this market, benefiting from geographic proximity as well as the heightened preference among US clinics and consumers for products backed by rigorous regulatory stewardship and quality oversight. MSC-derived exosomes are designed to operate at meaningful biological levels, offer a biological mechanism that does not rely on live cell transplantation and may therefore be more broadly accessible as an “off-the-shelf” solution.

Figure 17: Exosome-Based Aesthetic/Non-Drug Applications Market Size Potential by 2034



Source: Grand View Research (2024)

FINANCIAL OVERVIEW

NurExone's Evolving Financial Strategy and Financial Outlook

Raising Capital as Needed While Broadening its Funding Sources

NurExone funds operations through frequent small non-brokered private placements supplemented by warrant exercises, not an unusual model for early-stage, pre-revenue biotechnology companies. In 2025, it completed four placements raising net proceeds of \$2.9 million, followed by a further \$0.6 million placement in March 2026.

Warrants are a deliberate, structured capital-raising mechanism rather than a secondary feature. Each placement effectively becomes a two-tranche raise, with the second tranche contingent on share price performance. The key instrument is an acceleration clause embedded in each warrant agreement. If the TSXV daily VWAP meets or exceeds ~2.5x the original placement price for 20 consecutive trading days, NurExone can compress the 36-month exercise window to just 45 days. This converts latent contingent capital into cash on the company's timetable, while eliminating the share price overhang of long-dated warrants. NurExone has deployed this mechanism aggressively and fruitfully. Historically more than 90% of warrants have been exercised, and in 2025 two accelerated warrant events raised \$2.8 million.

Although NurExone tends to operate with a thin liquidity barrier, its financial strategy has thus far worked, enabling the company to successfully raise capital as needed. Smaller, frequent financings help mitigate the deep dilution typically associated with large block placements executed at distressed prices. The warrant structure further aligns capital raising with positive share price momentum, enabling the company to access additional funding when market conditions are more favorable. The high exercise rate also suggests a supportive and engaged shareholder base.

However, as NurExone starts to transition from a preclinical to a clinical-stage company, the company is increasingly focused on diversifying its funding sources, led by the commercialization of Exo-Top through third-party sales and out-licensing of naive exosomes produced by its MCB as discussed above. In parallel, the company has also made it known that it is considering a US main board listing to broaden and deepen its access to institutional capital,

INITIATION OF COVERAGE REPORT

HEALTHCARE

Financial Outlook

Our financial projections to 2028, set out in Figure 18, are based on a two-part model. One part is a scalable partner-led commercialization model via NurExone's fully owned US subsidiary Exo-Top's prospective collaboration with BioXtek. The other part reflects the clinical operations of NurExone, which is expected to initiate the first human trials for its flagship pipeline development candidate, ExoPTEN, in 2027.

Figure 18: NurExone/Exo-Top Projections to 2028

December Y/E,(\$K)	2025A	2026E	2027E	2028E	Comment
Exosome Research/Clinical/Therapeutic TAM (\$K)	460,000	654,000	930,000	1,322,000	Source: BCC Research, WTR
<i>Estimated Exo-Top Penetration</i>			0.2%	0.4%	WTR Estimates
Exosome Aesthetics/Cosmetics TAM (\$K)	110,215	149,800	203,500	276,600	Source: InsightAce Analytic, WTR
<i>Estimated Exo-Top Penetration</i>			1.0%	2.8%	WTR Estimates
Exo-Top					
Gross Wholesale Revenue-Research/Clinical/Therapeutic			2,232	5,288	Pricing ~\$19K-\$20K per 1 tr. Vial; market penetration assumptions above
Gross Wholesale Revenue-Aesthetics/Cosmetics			2,035	7,607	Pricing ~\$9K per 1 tr. Vial; market penetration assumptions above
Total Gross Wholesale Revenue			4,267	12,895	
<i>Gross Margin</i>			80%	80%	WTR Estimates
Gross Profit			3,414	10,316	
Exo-Top Profit Share			1,707	5,158	WTR assumes 50% profit share
Exo-Top Net Income (Tax@21%)			1,348	4,075	
NurExone					
R&D	(2,637)	(3,000)	(4,500)	(5,250)	IND submission, ExoPTEN trials (SCI, Optic Nerve) initiated in 1H27
G&A	(3,686)	(3,800)	(3,500)	(3,600)	
OPEX	(6,323)	(6,800)	(8,000)	(8,850)	
Other	(61)	-	-	-	
Consolidated Net Income (Exo-Top + NurExone)	(6,384)	(6,800)	(6,652)	(4,775)	
Share Count (M)	80.0	94.0	100.0	108.0	Still dependent on external fund raising
EPS (\$)	(0.08)	(0.07)	(0.07)	(0.04)	
D&A	185	215	230	240	
Other Non-Cash Items	1,316	1,000	1,000	1,000	Principally share-based compensation
Decrease/(Increase) in Working Capital	372	(91)	(375)	(188)	
Total Cash Burn	(4,511)	(5,676)	(5,797)	(3,723)	

Source: Water Tower Research

Exo-Top's Commercial Operations

Our model assumes that Exo-Top will be able to initiate commercial production of naïve exosomes in 1H27. The caveat is that the LOI agreement between NurExone and BioXtek is currently non-binding. Thus, any potential strategic partnership remains subject to customary conditions, including due diligence, completion of remediation and readiness milestones, negotiation and execution of a definitive agreement, board approvals, and receipt of all required regulatory approvals, including from the TSX Venture Exchange. There can be no assurance that the discussions will result in a completed transaction.

All assumptions underlying the projections in the model are based on WTR's assessment:

- Commercialization of naïve exosomes is projected to commence in 1H27, supplying research and aesthetics/cosmetics markets.
- Projected TAM figures for exosome markets are from third-party market research firms BCC Research and InsightAce Analytic. Exo-Top market penetration rates are WTR estimates.
- Expectation of gross margin of 80% on exosome sales, driven by proprietary manufacturing process and the avoidance of external royalties through Exo-Top's ownership of the MCB. By owning the MCB, Exo-Top avoids third-party cell-source royalties, maximizing the net profit available for distribution.
- Collaborating with a partner that has existing GMP production and distribution infrastructure substantially reduces the company's capital expenditure and fixed overheads.
- Profits taxed @21% (US federal corporate rate), with no international sales factored in.
- 50/50 profit share split arrangement.

NurExone's Clinical Operations

- IND submission and initiation of ExoPTEN Phase 1/2a trials in 2027 leading to ramp up of R&D expenses in 2027 and 2028.

Projections Summary

Our forecasts indicate that Exo-Top can scale rapidly, generating ~\$4 million in revenue in 2027, increasing to ~\$13 million in 2028, and can generate positive cash flow immediately. While Exo-Top will provide an important source of cash, we still estimate NurExone's net cash burn, after accounting for Exo-Top's contribution, to be in the \$4-6 million range as NurExone advances ExoPTEN through its upcoming Phase 1/2a trials. Attributable expenses related to ExoPTEN's could be reduced should NurExone license out ExoPTEN or enter into strategic partnerships. However, these options have not been factored into our projections.

Based on our projections, we expect NurExone to maintain its approach of periodic, small non-brokered private placements, supplemented by accelerated warrant exercises. The company has also indicated that it is evaluating a potential US main-board listing to broaden and deepen its access to institutional capital, although no definitive plans have been announced.

VALUATION

Comps Illustrate the Value of De-Risking Milestones

Valuing pre-revenue, early-stage biopharmaceutical companies in clinical trials is notoriously challenging. These businesses typically fall into the high-risk/high-reward category due to numerous variables at play. Unlike most industries where revenue and profit growth drive value creation, drug development companies derive value primarily from de-risking the product. As a drug advances through clinical trials, from Phase 1 to Phase 3, the probability of FDA approval and market entry increases, significantly enhancing its valuation. If the asset has a strong preclinical package and a plausible chance of an early signal, a well-designed Phase 1/2a usually strengthens the funding story by accelerating de-risking and concentrating value-inflection milestones. NurExone's ExoPTEN would appear to fit well into this perspective.

While the companies listed in Figure 19 are not direct comparables to NurExone given the uniqueness of its platform, they were selected because each share certain relevant characteristics with NurExone, whether through an exosome-based technology foundation, development stage, or therapeutic indication focus. The table places NurExone at a \$43 million market value, positioned closely alongside Israel's Matricelf (\$38 million) and Australia's IOVIQ (\$36 million), the only other preclinical companies (although INOVIQ does generate some revenue from its research and diagnostic products). This supports NurExone's current micro-cap valuation.

In contrast, clinical-stage exosome peers such as Capricor (\$1.6 billion, approaching BLA submission) and Coya (\$107 million, advancing toward Phase 2b) demonstrate the significant valuation expansion that typically accompanies program progression. Lineage Cell (\$299 million, Phase 2a SCI) and NervGen Pharma (\$294 million, Phase 2a completed) further highlight the uplift associated with advancing clinical programs in SCI indications.

Looking ahead, NurExone's transition into a revenue-generating, clinical-stage company, combined with the potential pursuit of a major US exchange listing, represents a set of meaningful upcoming catalysts for investors to consider. Should NurExone pursue a US listing, some parallels could be drawn with NervGen, which like NurExone is a clinical-stage biotech developing a nervous system repair therapy for SCI, which switched its listing from the TSXV to the NASDAQ in early January 2026. NervGen currently trades at almost twice its value at the time its intention to list in the US was first disclosed in November 2025. However, we would emphasize that if NurExone pursues the same path, a NervGen-like value trajectory cannot be assumed as an automatic outcome, but as was the experience for NervGen, a listing on the NASDAQ could be an amplifier of fundamental catalysts.

Figure 19: Valuation Comps

Company	Development Program	Lead Asset	Modality	Indication	Stage	Revenue Status	MV* \$M	Cash \$	Runway
Capricor (NASDAQ: CAPR)	Exosome regeneration + manufacturing	Deramiocecl	Cell-derived EVs	CNS-Neuromuscular & Infectious Diseases	BIA (PDUFA Aug '26)	Collaboration/Milestone Revenues	\$1,559	\$318M	>40 months
Solid Bio (NASDAQ: SLDB)	AAV gene therapy platform	SGT-003	Non-Exosome Gene Therapy	CNS-Neuromuscular	Phase 1/2, Phase 3 for lead asset	Pre-Revenue	\$598	\$381M	>24 months
Lineage Cell (NYSEAM: LCTX)	iPSC-derived cell therapies	OPCI/OpRegen	Cell Therapy	Retinal/SCI	Phase 2a	Collaboration/Milestone Revenues	\$299	\$53M	>24 months
NurGen Pharma (NASDAQ: NGEN)	PTPo-targeting peptide therapeutics	NVG-291	Synthetic Peptide Therapy	Chronic SCI	Phase 2a (Completed)	Pre-Revenue	\$288	\$12M	<12 months
Coya Therapeutics (NASDAQ:COYA)	Treg-exosome platform	Coya-302	Treg-derived Exosomes	Neurodegenerative	Phase 2b	Collaboration/Milestone Revenues	\$107	\$51M	>40 months
NurExone Biologic (TSXV: NRX)	Exosome CNS regeneration	ExoPTEN	Targeted Exosomes	CNS-Acute SCI / Optic Nerve Damage	Preclinical (IND Prep)	Pre-Revenue transitioning to Exo-Top Revenues	\$43	\$3M	<12 months
INOVIQ (IQLAX)	Exosome diagnostic + therapeutic platform	EXO-NET	Exosome Tools/CAR-Exosome Therapy	Oncology	Commercial/Preclinical	Research/Diagnostic Products Revenues	\$32	\$9M	>30 months
Matricelf (MTLETA)	Autologous neural tissue eng.	3D Neural	Tissue Eng.	Spinal Cord	Preclinical	Pre-Revenue	\$29	\$7M	>15 months

* Based on Prices on May 19, 2026; All Figures are in US\$

Source: Water Tower Research, FactSet

MANAGEMENT

Dr. Lior Shaltiel, PhD, CEO. Dr. Lior Shaltiel is an entrepreneur and an award-winning scientist with extensive multidisciplinary international experience, specializing in chemical engineering, molecular biology, electrophysiology, pharmacology and drug delivery systems. He has years of experience in accelerating Israeli start-ups. He has worked in several nano-drug delivery companies such as LipoCure and Ayana Pharma. Before joining NurExone, he was a VP and Partner at a boutique Chinese investment bank operating in Israel mapping the investment landscape and opportunities in the Israeli pharmaceutical industry. He is the initiator and head of the BioMed-MBA program at the Hebrew University.

Yoram Drucker, Co-Founder, VP Strategic Development & Chairman. Yoram Drucker is a serial entrepreneur who has been active in the Israeli biotech industry for 20+ years, founding several companies. His expertise is in management, start-ups, operations, business development, and product development. He is the co-founder of several technology companies, including Pluristem, Brainstorm, and InnoCan.

Eran Ovadya, MBA, CFO. Eran Ovadya brings nearly two decades of broad experience in corporate finance, accounting, M&A transactions, IPOs, and RTOs. He has a professional track record from first tier global corporations and significant expertise in public life science and publicly traded companies. Prior to joining NurExone, he provided outsourced CFO services to a variety of companies including Silenseed, VVT Medical, Procore, Forrest Innovations, Cannibale and more. Prior to that, he served for over a decade in a variety of finance roles for biotech companies including Gamida Cell, West Pharma Israel, Omrix Biopharmaceuticals, a division of Ethicon Biosurgery, a Johnson & Johnson company, Macrocare, and Leap Therapeutics. With these companies and others, he played an integral role in NASDAQ IPOs and RTO processes. He holds an MBA, specializing in financing, and a BA in accounting & economics from the Open University, Israel.

Dr. Tali Kizhner, PhD, R&D Director. Dr. Tali Kizhner has more than 15 years of diverse R&D and CMC industrial experience in the development of therapeutic proteins and dietary supplements. She joined NurExone from Biond Biologics, bringing high edge expertise in intracellular delivery of biologics. Her position of R&D Director in International Fragrance and Flavors (IFF) included leading local and global activities in the field of dietary supplements and functional foods. Prior to IFF, at Protalix Biotherapeutics she played a pivotal role in research and development of several biologics, including approved by EMEA and FDA pegunigalsidase alfa for Fabry disease. She holds a Ph.D. in Biotechnology and Food Engineering from the Technion Israel Institute of Technology, with postdoctoral specialization in mesenchymal progenitor cells.

Dr. Ina Sarel, PhD, Head of CMC, Quality and Regulation. Dr. Ina Sarel is a biotechnology executive with more than 20 years of experience in product development from discovery and proof of concept through pre-clinical and clinical stages. She has broad expertise in stem/progenitor cell therapy, CMC, and regulatory requirements and previously developed a stem cell research product commercialized by Lonza. Some of her recent positions prior to joining NurExone, include VP Product Development at Collect Biotechnology, VP R&D at Hemostemix, and Project Manager at Proneuron Biotechnologies. She holds a Ph.D. in Neuroendocrinology from Boston University, USA.

Dr. Ram Petter, PhD, MBA, Head of Operations. Dr. Ram Petter earned his PhD in Molecular Parasitology from the Weizmann Institute of Science before joining the National Institute of Health as a research fellow specializing in Molecular Mycology. Later, he broadened his expertise with an MBA from Bar-Ilan University. Over the past 28 years, he has taken on diverse managerial roles within the biotechnology and biopharmaceutical sectors. His extensive experience as a senior executive covers various areas, such as early development, process optimization, GMP manufacturing, alliance management (outsourcing), business development, and portfolio management. His contributions have been crucial in the submission, approval, and commercial supply of several biopharmaceutical

products, with a notable emphasis on recombinant proteins and monoclonal antibodies. His adaptable expertise and comprehensive understanding across multiple industry domains empower him to successfully guide strategy, development, and operational endeavors.

RISKS

Financial/liquidity. NurExone has an accumulated deficit of more than \$25 million, and management explicitly flags it may not have sufficient funds for the next 12 months to cover planned operations. In common, with most preclinical or early stage biotechs, the company has zero revenue and has been entirely dependent on frequent private placements creating ongoing dilution risk. However, with the expected commercialization of Exo-Top, the company is expected to start generating revenue from the sale or licensing of these exosomes to third parties within the next 12 months, which will help to at least partially fund NurExone’s clinical programs.

Exo-Top commercialization. There is no guarantee that the non-binding agreement between Exo-Top and BioXtek will lead to a definitive agreement.

Preclinical risk. ExoPTEN data to date comes from rat models. Alluring as NurExone’s preclinical animal study results have been with respect to SCI and optical nerve damage, there is no guarantee that these results will be replicated in humans. Indeed, the FDA is actively moving away from mandatory animal testing—backed by legislation and a stated goal to make animal studies the exception within three to five years—but the initial focus is on monoclonal antibodies, meaning NurExone will likely still need to complete its rat study program to satisfy IND requirements in the near term. It should be noted that NurExone’s programs have been de-risked by the grant of Orphan Drug Designations by the FDA and EMA.

Clinical & regulatory. The IND submission to the FDA is planned for 2H26 with a Phase 1/2a trial targeted for 4Q26 or early 2027. Any delays—from regulatory feedback, financing shortfalls, or CRO issues—push this timeline out significantly. It is not uncommon in the biotech industry for milestone timelines to slip and are typically subject to change from technical, regulatory, and resource factors.

IP & patent dependency. Some of ExoPTEN’s core patents are licensed from TRDF and Ramot, not owned outright. The company is exposed to inventorship disputes and litigation costs, all while having limited financial resources to defend itself.

Geopolitical factors. As Israeli headquartered company, its core R&D subsidiary is based in Haifa, Israel, a region vulnerable to conflict and geopolitical factors such as the current war with Iran.

ABOUT THE ANALYST



Robert Sassoon

Managing Director – Healthcare, Emerging Growth & Special Situations, Neurosciences

Robert Sassoon has been an equity analyst for more than three decades, focusing primarily on global special situations. During his career, Robert has worked for several sell-side institutions in London, Hong Kong, and New York, including Credit Suisse, NatWest Capital Markets, and Societe Generale. In 2017, Robert founded AlphaSituations, an independent idea-generating event driven/special situations investment research service, which produced comprehensive research on early stage/emerging publicly traded and privately owned companies with the goal of telling an underappreciated or unknown story to relevant investors.

Robert has developed a uniquely broad and deep knowledge base in multiple industries from a global perspective and has achieved top five rankings in various analyst surveys, including the Extel and Greenwich surveys. Robert holds an MSc in Economics from the London School of Economics and Political Science, and has held FINRA licenses Series 7, 63, 86, 87, and 24.

DISCLOSURES

Water Tower Research ("WTR") is a professional publisher of investment research reports on public companies and, to a lesser extent, private firms ("the Companies"). WTR provides investor-focused content and digital distribution strategies designed to help companies communicate with investors.

WTR is not a registered investment adviser or a broker/dealer and it does not provide investment banking services. WTR provides its research services pursuant to the so called "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940. WTR does not provide investment ratings / recommendations or price targets on the companies it reports on. Readers are advised that the research reports are published and provided solely for informational purposes and should not be construed as an offer to sell or the solicitation of an offer to buy securities or the rendering of investment advice. The information provided in this report should not be construed in any manner whatsoever as personalized advice. All users and readers of WTR's reports are cautioned to consult their own independent financial, tax and legal advisors prior to purchasing or selling securities.

The analyst who is principally responsible for the content of this report has represented that neither he/she nor members of his/her household have personal or business-related relationships with the subject company other than providing digital content and any ancillary services that WTR or its affiliates may offer.

Unless otherwise indicated, WTR intends to provide continuing coverage of the covered companies. WTR will notify its readers through website postings or other appropriate means if WTR determines to terminate coverage of any of the companies covered.

WTR is being compensated for its research by the company which is the subject of this report. In that regard, and as provided for in the specific engagement agreement with the company, WTR may receive up to \$15,000 per month for research services, as well as additional compensation to the extent the company has engaged WTR to provide other services ("Ancillary Services"). The covered company is required to have at least a 1-year commitment for research services, subject to the terms of the specific engagement agreement. None of the earned fees are contingent on, and WTR's client agreements are not cancellable based upon the content of its reports. WTR does not accept any compensation in the form of warrants or stock options or other equity instruments that could increase in value based on positive coverage in its reports. The companies that WTR covers in our research are not required to purchase or use Ancillary Services that WTR or an affiliate might offer to clients.

The manner of WTR's potential research compensation and Ancillary Services to covered companies raise actual and perceived conflicts of interest. WTR is committed to manage those conflicts to protect its reputation and the objectivity of employees/analysts by adhering to strictly-written compliance guidelines.

The views and analyses included in our research reports are based on current public information that we consider to be reliable, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness, timeliness, or correctness. Neither we nor our analysts, directors, officers, employees, representatives, independent contractors, agents or affiliate shall be liable for any omissions, errors or inaccuracies, regardless of cause, foreseeability or the lack of timeliness of, or any delay or interruptions in the transmission of our reports to content users. This lack of liability extends to direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, losses, lost income, lost profit or opportunity costs.

WTR may publish equity research with the aid of artificial intelligence tools for the purposes of report drafting, data analysis, financial modeling, transcription summaries and other report requirements. All AI-generated content receives appropriate supervision, oversight, and quality assurance.

All investment information contained herein should be independently verified by the reader or user of this report. For additional information, all readers of this report are encouraged to visit WTR's website www.watertowerresearch.com.