

Biotechnology

KAPA – NYSE American August 13, 2025

Intraday Price 8/13/25 **\$1.12**

Rating: Buy

12-Month Target Price: \$4.00

52-Week Range: \$0.40 - \$4.00

Market Cap (M): \$22.9

Shares O/S (M): 20.5

Float: 42.3%

Avg. Daily Volume (000): 5,062.6

Debt (M): \$0.1

Dividend: \$0.00

Dividend Yield: 0.0%

Risk Profile: Speculative

Fiscal Year End: December

Total Expenses ('000)

	2025E	2026E	2027E
1Q	1,226A	1,661	2,374
2Q	1,456A	1,733	2,477
3Q	946	1,877	2,684
4Q	982	1,949	2,787
CY	3,693	7,220	10,323
Prior	2,770	6,918	—



Company description: Kairos Pharma is a clinical-stage biopharmaceutical company focused on overcoming drug resistance and immune suppression in cancer patients. Its lead candidate, ENV-105, targets CD105 to reverse resistance and enhance the efficacy of standard therapies across multiple cancer types.

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Kairos Pharma, Ltd.

Buy

2Q25 Review & Outlook: Catalyst Approaches with Interim Efficacy Data from P2 Prostate Cancer Study Expected in September

Summary

- Yesterday (8/12), Kairos filed its 10-Q and reported 2Q25 results with a net loss of (\$1.4M) and ended the period with \$3.1M in cash, which management expects to provide runway into 2026. The next key event is the prostate cancer data expected in September, which if positive should be a catalyst for shares and position Kairos to raise additional capital.
- The P2 trial is evaluating ENV-105 + Erleada in metastatic castration-resistant prostate cancer (mCRPC) patients. As a reminder, the mechanism of action in targeting CD105 with EN-105 antibody is to resensitize tumor cells for continued treatment with currently approved and effective therapies. CD105 expression is increased on tumor cells in response to standard of care treatments; it is a resistance mechanism. So, in mCRPC, if ENV-105 can extend the response time to the anti-androgens like Erleada, in the P2 study, we believe it should capture investor attention.
- We also continue to watch the ongoing P1 study evaluating ENV-105 + Tagrisso in EGFR-mutated non-small cell lung cancer (NSCLC) in 2L patients with resistance to anti-EGFR drugs. Initial data is expected by YE25, which could provide additional upside.

Details

ENV-105 – targeting cancer drug resistance

- ENV-105 is a novel neutralizing antibody targeting CD105 (Endolgin) designed to reverse cancer drug resistance.
- CD105 (Endolgin), a transmembrane protein, expressed on endothelial cells, plays a critical role in tumor angiogenesis.
- Target identified by Kairos as key driver of cancer resistance, upregulated in response to anti-androgen drugs (mCRPC) and anti-EGFR drugs (EGFR-mutant NSCLC).
- Blocking CD105 has potential to re-sensitize tumors to SOC therapies, making resistant tumors responsive again.

Ongoing P2 study in mCRPC – interim efficacy data due in September

- Ongoing P2 study (N=100) ENV-105 + Erleada (SOC) vs. Erleada alone in mCRPC patients who have failed anti-androgen therapy.
- First-line therapy in mCRPC includes anti-androgen drugs like Xtandi, but patients eventually become resistant.
- Prior P2 trial of ENV-105 + Xtandi (n=9) in resistant patients was positive, showing a 62% clinical benefit rate (CBR) vs. 0% expected.
- The primary endpoint of the study is progression-free survival (PFS).
- We view a 4-month PFS as a benchmark for success, doubling the current PFS in this setting.
- On 7/15/25, Kairos announced positive interim P2 safety data for the first 10 patients enrolled.
- Interim efficacy data from the P2 is expected in September; this would represent definitive proof of concept.

Ongoing P1 trial in EGFR-mutated NSCLC – initial data due by YE25

- EGFR mutations occur in ~20% of NSCLC patients, 45K patients in the US.
- Tagrisso has emerged as first-line therapy (generated \$6.5B in 2024).
- All EGFR-mutant NSCLC patients eventually develop resistance to anti-EGFR drugs.
- Preclinical data demonstrate re-sensitization to Tagrisso in resistant tumor

models.

- P1 is ongoing for ENV-105 + Tagrisso, initial data is due by YE25.

Model update. Based on the current stage of development, we increase our 2025 expense estimate to \$3.7M, from \$2.8M, and our 2026 expense estimate to \$7.2M, from \$6.9M.

Valuation. We model commercialization of ENV-105 in mCRPC in 2030 and EFGR-mutated NSCLC in 2031 in the US. An 80% revenue risk adjustment is factored in based on stage of development and clinical trial risk. A 30% discount rate is then applied to our free cash flow, discounted EPS, and sum-of-the-parts models, which are equally weighted to derive a 12-month price target of \$4.00.

Kairos Pharma, Ltd. (KAPA) Income Statement (\$000)																							
YE December 31	1Q25A	2Q25A	3Q25E	4Q25E	2025E	1Q26E	2Q26E	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Revenue:																							
ENV-105, 2L mCRPC																		55,578	144,558	240,638	312,949	390,711	508,120
ENV-105 + osimertinib, 2L EGFR mutated NSCLC																		-	-	-	119,012	154,775	193,233
Net revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,578	190,370	335,963	431,961	545,486	701,353
Collaborative revenue:																							
Revenues					-					-					-	-	-	-	-	-	-	-	-
Other Income					-					-					-	-	-	-	-	-	-	-	-
Total Collaborative Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,578	190,370	335,963	431,961	545,486	701,353
Gross Margins:																							
Cost of Goods Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,231	76,148	134,385	172,784	218,194	280,541
%Gross Margin																		70%	70%	70%	70%	70%	70%
Gross Profit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,347	114,222	201,578	259,177	327,291	420,812
Operating Expenses:																							
Research and Development	493	496	194	201	745	463	483	523	543	2,012	823	859	931	966	3,579	4,653	5,118	5,630	5,912	6,207	6,518	6,843	7,186
Selling, General and Administrative	733	960	752	781	2,894	1,198	1,250	1,354	1,406	5,208	1,551	1,619	1,753	1,821	6,744	8,430	10,116	12,140	12,747	13,384	14,053	14,756	15,494
%R&D																							
%SG&A																							
Total Expenses	1,226	1,456	946	982	3,639	1,661	1,733	1,877	1,949	7,220	2,374	2,478	2,684	2,787	10,323	13,083	15,235	40,001	94,806	153,976	193,355	239,794	303,220
Operating Income (Loss)	(1,226)	(1,456)	(946)	(982)	(3,639)	(1,661)	(1,733)	(1,877)	(1,949)	(7,220)	(2,374)	(2,478)	(2,684)	(2,787)	(10,323)	(13,083)	(15,235)	15,577	95,564	181,987	238,606	305,692	398,133
Interest income	4	34			38													-	-	-	-	-	-
Financing costs																		-	-	-	-	-	-
Debt discount amortization																		-	-	-	-	-	-
Gain on settlement of accounts payable																		-	-	-	-	-	-
Total Other Income	4	34	-	-	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Income	(1,222)	(1,422)	(946)	(982)	(3,601)	(1,661)	(1,733)	(1,877)	(1,949)	(7,220)	(2,374)	(2,478)	(2,684)	(2,787)	(10,323)	(13,083)	(15,235)	15,577	95,564	181,987	238,606	305,692	398,133
Taxes on income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,640	11,930	24,455	39,813
Tax Rate																				2%	5%	8%	10%
GAAP Net Income (Loss)	(1,222)	(1,422)	(946)	(982)	(3,601)	(1,661)	(1,733)	(1,877)	(1,949)	(7,220)	(2,374)	(2,478)	(2,684)	(2,787)	(10,323)	(13,083)	(15,235)	15,577	95,564	178,347	226,676	281,237	358,319
Foreign currency translation loss																							
Total comprehensive loss	(1,222)	(1,422)	(946)	(982)	(3,601)	(1,661)	(1,733)	(1,877)	(1,949)	(7,220)	(2,374)	(2,478)	(2,684)	(2,787)	(10,323)	(13,083)	(15,235)	15,577	95,564	178,347	226,676	281,237	358,319
GAAP-EPS	(0.08)	(0.08)	(0.05)	(0.06)	(0.21)	(0.10)	(0.09)	(0.09)	(0.10)	(0.38)	(0.12)	(0.11)	(0.12)	(0.12)	(0.47)	(0.52)	(0.51)	0.46	2.63	4.89	6.19	7.65	9.70
GAAP-EPS (Dil)	(0.08)	(0.08)	(0.05)	(0.06)	(0.21)	(0.10)	(0.09)	(0.09)	(0.10)	(0.38)	(0.12)	(0.11)	(0.12)	(0.12)	(0.47)	(0.52)	(0.51)	0.46	2.63	4.89	6.19	7.65	9.70
Wgtd Avg Shrs (Bas) - '000s	15,875	17,213	17,230	17,247	16,892	17,265	19,782	19,802	19,822	19,167	19,841	22,361	22,384	22,406	21,748	24,963	30,071	33,573	36,337	36,483	36,629	36,776	36,923
Wgtd Avg Shrs (Dil) - '000s	15,875	17,213	17,230	17,247	16,892	17,265	19,782	19,802	19,822	19,167	19,841	22,361	22,384	22,406	21,748	24,963	30,071	33,573	36,337	36,483	36,629	36,776	36,923

Source: Company reports and Maxim

DISCLOSURES

Kairos Pharma, Ltd. Rating History as of 08/12/2025

powered by: BlueMatrix



Maxim Group LLC Ratings Distribution		As of: 08/12/25	
		% of Coverage Universe with Rating	% of Rating for which Firm Provided Banking Services in the Last 12 months
Buy	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to outperform its relevant index over the next 12 months.	83%	48%
Hold	Fundamental metrics are currently at, or approaching, industry averages. Therefore, we expect this stock to neither outperform nor underperform its relevant index over the next 12 months.	17%	54%
Sell	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to underperform its relevant index over the next 12 months.	0%	0%

**See valuation section for company specific relevant indices*

I, **Jason McCarthy, Ph.D.**, attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report.

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The research analyst(s) primarily responsible for the preparation of this research report have received compensation based upon various factors, including the firm's total revenues, a portion of which is generated by investment banking activities.

Maxim Group makes a market in Kairos Pharma, Ltd.

Maxim Group received compensation for investment banking services from Kairos Pharma, Ltd. in the past 12 months.

Maxim Group expects to receive or intends to seek compensation for investment banking services from Kairos Pharma, Ltd. in the next 3 months.

KAPA: For Kairos Pharma, Ltd., we use the BTK (Biotechnology Index) as the relevant index.

Valuation Methods

KAPA: We model commercialization of ENV-105 in metastatic castration-resistant prostate cancer (mCRPC) and EGFR-mutated non-small cell lung cancer (NSCLC). We apply a revenue risk adjustment based primarily on the stage of development and clinical trial

risk. A discount rate is then applied to the free cash flow, discounted EPS, and sum-of-the-parts models, which are equally weighted to derive a 12-month price target.

Price Target and Investment Risks

KAPA: Aside from general market and other economic risks, risks particular to our price target and rating for Kairos Pharma, Ltd. include: (1) the regulatory and clinical risk associated with product development; (2) the rate and degree of progress of product development; (3) the rate of regulatory approval and timelines to potential commercialization of products; (4) the level of success achieved in clinical trials; (5) the requirements for marketing authorization from regulatory bodies in the United States and other countries; (6) the liquidity and market volatility of the company's equity securities; (7) regulatory and manufacturing requirements and uncertainties; (8) product and technology developments by competitors, potentially with more resources and commercial infrastructure; (9) inability, of product(s), if approved, to gain adequate market share and maintain adequate revenue growth; (10) the ability of the company to maintain its exchange listing; (11) the ability to access capital to fund operations, if the company cannot secure sufficient capital, the company could cease operations; (12) Kairos is a controlled company, with insiders controlling over 50% of the voting rights; (13) recent changes to NYSE Section 802.01C limit listed issuers' ability to use multiple reverse stock splits to remedy listing requirements, thereby putting the stock at a higher risk of being delisted in the future.

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Risk ratings take into account both fundamental criteria and price volatility.

Speculative – Fundamental Criteria: This is a risk rating assigned to early-stage companies with minimal to no revenues, lack of earnings, balance sheet concerns, and/or a short operating history. Accordingly, fundamental risk is expected to be significantly above the industry. Price Volatility: Because of the inherent fundamental criteria of the companies falling within this risk category, the price volatility is expected to be significant with the possibility that the investment could eventually be worthless. Speculative stocks may not be suitable for a significant class of individual investors.

High – Fundamental Criteria: This is a risk rating assigned to companies having below-average revenue and earnings visibility, negative cash flow, and low market cap or public float. Accordingly, fundamental risk is expected to be above the industry. Price Volatility: The price volatility of companies falling within this category is expected to be above the industry. High-risk stocks may not be suitable for a significant class of individual investors.

Medium – Fundamental Criteria: This is a risk rating assigned to companies that may have average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to approximate the industry average.

Low – Fundamental Criteria: This is a risk rating assigned to companies that may have above-average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to be below the industry.

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