

Cardiol Therapeutics, Inc. (CRDL)

NASDAQ

Rating	Buy
Price (08/06/25)	\$1.11
12-Mo.Price Target	\$10.00

Stock Data

52-Week Range	\$0.81- \$2.48
Shares Out. (mil)	82.65
Mkt. Cap.(mil)	\$114.62
3-Mo. Avg. Vol.	283,191
Cash (mil)	C\$30.6
Tot. Debt (mil)	C\$0.0

Rev (C\$M)

Yr Dec	Q1	Q2	Q3	Q4	FY
2024A	0.0A	0.0A	0.0A	0.0A	0.0A
2025E	0.0E	0.0E	0.0E	0.0E	0.0E
2026E	0.0E	0.0E	0.0E	0.0E	0.0E

Non-GAAP EPS

Yr Dec	Q1	Q2	Q3	Q4	FY	P/E
2024A	(0.14)A	(0.10)A	(0.18)A	(0.10)A	(0.51)A	NM
2025E	(0.13)E	(0.13)E	(0.14)E	(0.12)E	(0.52)E	NM
2026E					(0.57)E	NM

CRDL: ARCHER Phase II Trial Results Announced

Top-line results for the ARCHER for Acute Myocarditis study were very encouraging. On the primary endpoint of left ventricular (LV) extracellular volume (ECV) it showed a notable improvement ($p = 0.0538$) favoring CardiolRx over placebo, but just missed statistical significance, which is encouraging for a larger trial as so far no other trial has shown improvement here.

The company did not meet the other independent primary endpoint of improvement in Global Longitudinal Strain, a measure of heart output, but this was as expected as it was a relatively high bar on patients that were relatively healthy with preserved left ventricle function. On the pre-specified exploratory endpoint of left ventricular mass they did show a significant reduction, which is a greater indication of efficacy in acute myocarditis patients, but also has major implications in heart failure. We think these results are good enough to attract a larger partner to run a much larger heart failure trial as well as support a larger pivotal trial for acute myocarditis. The full ARCHER trial data have been submitted for presentation at a major cardiology conference.

A full note with further commentary on trial results will soon follow.


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Valuation: Cardiol Therapeutics, Inc. (CRDL)

Our 12-month price target is \$10, based on a sum-of-the-parts valuation using 3x sales multiple on risk-adjusted peak sales and 9% WACC, consistent with industry norms. We attribute \$9 to CardiolRx for recurrent pericarditis (assumes \$609M sales in 2033, 60% probability of success), \$1 to CardiolRx (assumes \$132 million sales in 2033, 40% probability of success) for acute myocarditis, and ~\$0 to forward-year cash.

Product	Indication	Sales (M)	Probab. of Approval	Prob-ad]	Sales (M)	Year Sales	Multiple	Discount	Periods	Discount Rate	Total Value (M)	Shares	Value/Share
CardiolRx	Recurrent Pericarditis	\$ 592	60%	\$	355	2032	3		7	9%	\$ 660	78	\$ 9
CardiolRx	Acute Myocarditis	\$ 132	40%	\$	53	2033	3		8	9%	\$ 79	78	\$ 1
~FY1 cash											\$ (2.34)	78	\$ (0)
												Price Target: \$	10

Impediments to our price target include failure to reach clinical endpoints and delays in clinical progress or regulatory approval times, as well as slower potential revenues due to pricing, competitive pressures or adoption.

Risks: Cardiol Therapeutics, Inc. (CRDL)

Clinical risk. CRDL's clinical staged products could fail to deliver statistically significant results in clinical trials, substantially reducing the value of CRDL's product candidates and therefore our price target.

Regulatory risk. Even if successful in the clinic, CRDL's products could fail to be approved by domestic and/or foreign regulatory bodies, which would reduce CRDL's value and therefore our price target.

Financing risk. CRDL will need additional capital to fund its operations, and such financing may not occur, or it could be substantially dilutive to existing investors.

Competitive risk. For any current or future approved CRDL products, they may not be well adopted in a competitive marketplace, which would adversely affect CRDL's value and therefore our price target.

High stock price volatility. This issue is common among small-cap biotechnology companies with relatively low trading volumes.

Company Description: Cardiol Therapeutics, Inc. (CRDL)

Cardiol Therapeutics, Inc. is a clinical-stage life sciences company focused on the research and clinical of anti-inflammatory and anti-fibrotic therapies for the treatment of heart disease. Its lead product candidate, CardiolRx, is a pharmaceutically manufactured oral cannabidiol formulation that is being clinically developed for use in heart diseases. The firm is conducting clinical studies to evaluate the efficacy and safety of CardiolRx in diseases affecting the heart: a Phase II multi-national, randomized, double-blind, placebo-controlled trial (the "ARCHER" trial) in acute myocarditis; and a Phase II multi-center open-label pilot study in recurrent pericarditis. It is also involved in developing a novel subcutaneously administered drug formulation of cannabidiol intended for use in heart failure. The company was founded by David Elsley, Eldon Smith, and Anthony Bolton on January 19, 2017 and is headquartered in Oakville, Canada. (Source: FactSet)

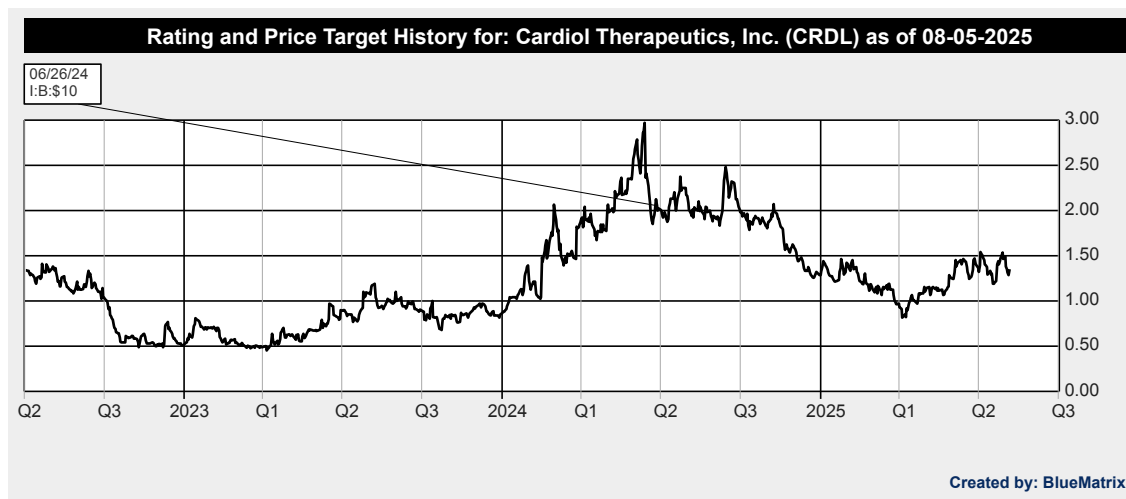
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Disclosures:

Within the last twelve months, ROTH Capital Partners, or an affiliate to ROTH Capital Partners, has received compensation for investment banking services from Cardiol Therapeutics, Inc..

Shares of Cardiol Therapeutics, Inc. may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities.

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Each box on the Rating and Price Target History chart above represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first note written during the past three years. **Distribution Ratings/IB Services** shows the number of companies in each rating category from which Roth or an affiliate received compensation for investment banking services in the past 12 month.

Distribution of IB Services Firmwide

Rating	Count	Percent	IB Serv./Past 12 Mos. as of August 6, 2025	
			Count	Percent
Buy [B]	374	77.43	114	30.48
Neutral [N]	89	18.43	9	10.11
Sell [S]	0	0.00	0	0
Under Review [UR]	19	3.93	1	5.26

Ratings System Definitions - ROTH Capital employs a rating system based on the following:

Buy: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return of at least 10% over the next 12 months.

Neutral: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return between negative 10% and 10% over the next 12 months.

Sell: A rating, which at the time it is instituted and or reiterated, that indicates an expectation that the price will depreciate by more than 10% over the next 12 months.

Under Review [UR]: A rating, which at the time it is instituted and or reiterated, indicates the temporary removal of the prior rating, price target and estimates for the security. Prior rating, price target and estimates should no longer be relied upon for UR-rated securities.

Not Covered [NC]: ROTH Capital does not publish research or have an opinion about this security.

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