RESEARCH UPDATE

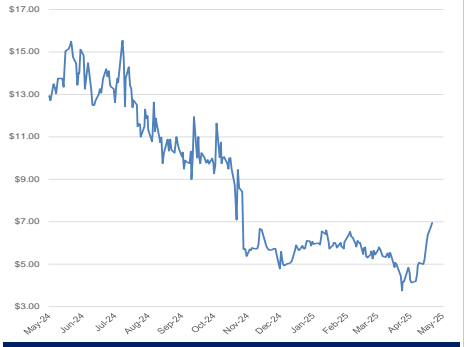
ALPHA COGNITION INC. (NASDAQ: ACOG)

Dave Storms, CFA
Dave@stonegateinc.com
214-987-4121

Market Statistics in USD	
Price	$ 8.65
52 week Range	$3.75 - $17.09
Daily Vol (3-mo. average)	78,444
Market Cap (M)	$ 138.6
Enterprise Value (M)	$ 93.0
Pro Forma Shares: (M)	21.4
Float (M)	13.7
Public Ownership	40.3%
Institutional Ownership	18.0%

Financial Summary in USD	
Cash (M)	$ 45.5
Cash/Share	$ 2.84
Debt (M)	$ -
Equity (M)	$ 40.8
Equity/Share	$ 2.55

FYE: Dec	2024	2025E	2026E
(all figures in M, expect per share information)			
Rev	$ -	$ 13.3	$ 31.9
Chng%	N/M	N/M	140%
Net Income	$ (14.6)	$ (23.5)	$ (15.7)
EPS	$ (2.02)	$ (1.47)	$ (0.96)
EV/Revenue	N/M	7.0x	2.9x
P/E	-2.6x	-5.9x	-9.0x



COMPANY DESCRIPTION

Alpha Cognition Inc., a commercial stage biopharmaceutical company, engages in the development of treatments for Alzheimer's disease and amyotrophic lateral sclerosis (ALS). The company offers ZUNVEYL (benzgalantamine) for the treatment of mild-to-moderate Alzheimer's disease and mild traumatic brain injury. It also develops ALPHA-0602, a gene therapy for the treatment of ALS; and ALPHA-0702 and ALPHA-0802, a granulin epithelin motifs for the treatment of neurodegenerative diseases.

Company Updates

Alpha Cognition advanced its first full quarter of ZUNVEYL® commercialization in 2Q25, driving meaningful early adoption in the U.S. long-term care (LTC) market and securing a key regulatory milestone in China. By quarter-end, ZUNVEYL (*benzgalantamine*) had been ordered in over 300 LTC facilities across priority regions, with 65% placing repeat orders, signaling strong clinical confidence and operational fit. The sales team engaged more than 3,700 healthcare professionals, generating both new and repeat prescriptions. Clinician feedback continued to highlight ZUNVEYL's cognitive and behavioral benefits alongside a favorable tolerability profile. The Company also secured its first national Medicare Part D contract with no prior authorization required, enhancing patient access ahead of schedule.

Market Opportunity: Alzheimer's disease ("AD") affects 7 million Americans, with over 11 million prescriptions written annually. Yet more than half of patients stop treatment within a year due to side effects. The initial focus for ZUNVEYL is the LTC market, representing 36% of AD prescriptions (~$2B). Medicare coverage was achieved shortly after launch, addressing a critical barrier to access for a significant portion of the patient population and supporting the Company's goal of capturing market share. Additionally, we see ACOG generating revenues abroad in FY26, opening a new market.

Commercial Launch and Outlook: In 2Q25, ZUNVEYL generated $1.6M in net product sales, bringing year-to-date net product revenue to ~$2.0M. Licensing revenue totaled $0.08M from the CMS partnership. Early utilization trends, including high repeat-order rates and growing formulary wins, support management's expectation for continued adoption momentum into 2H25. We expect that the Company will continue to focus on supporting LTC homes and pharmacies on navigating the regulatory landscape while also securing another national contract before year end.

Intellectual Property & Pipeline: The Company completed the Department of Defense–funded Bomb Blast pre-clinical study of ALPHA-1062 in a repetitive mild traumatic brain injury model. Results showed reductions in neuroinflammation, neuropathology. Work on a sublingual ALPHA-1062 formulation for patients with dysphagia or aphasia remains on track for formulation completion and taste testing in 1Q26, followed by a comparative PK study and IND submission in 1H26

Financial Performance and Balance Sheet: Total revenue was $1.66M in 2Q25, compared to none in 2Q24, driven by ZUNVEYL sales and licensing income. R&D expenses fell to $0.32M from $0.97M a year ago, while SG&A rose to $6.54M from $1.43M, reflecting commercialization investments. The net operating loss was $5.74M, and the net loss widened to $10.49M ($0.65/sh) from $2.12M due to a $5.17M non-cash loss on warrant liabilities. ACOG ended the quarter with $39.4M in cash and equivalents, providing ~two years of runway at current burn rates. Management now expects 2025 operating expenses of $34–38M, reduced from prior guidance through cost optimization.

Valuation: We use a DCF Model to guide our valuation. Our DCF analysis produces a valuation range of $32.69 to $43.65 with a mid-point of $37.49.

Business Overview

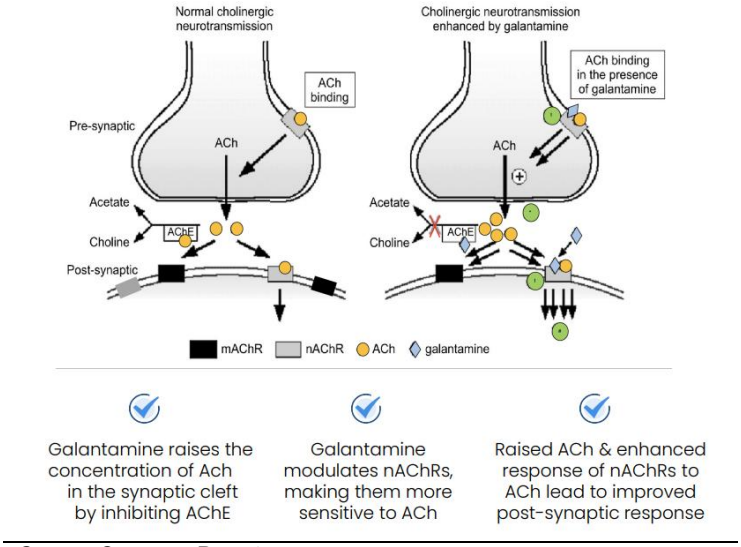
Alpha Cognition Inc. (NASDAQ: ACOG) is a commercial-stage biopharmaceutical company dedicated to developing treatments for patients suffering from neurodegenerative diseases, such as Alzheimer's disease and cognitive impairment associated with mild traumatic brain injury (mTBI).

Exhibit 1: Zunveyl® (benzgalantamine)

Source: Company Reports

Alpha Cognition's flagship product, Zunveyl (benzgalantamine), also known as ALPHA-1062, is an oral therapy approved by the FDA for treating mild to moderate Alzheimer's disease. This delayed-release tablet is a prodrug of galantamine, a previously approved acetylcholinesterase inhibitor (AChEI). As a new-generation AChEI, Zunveyl is designed to minimize gastrointestinal and insomnia side effects, addressing a common limitation of earlier treatments.

Exhibit 2: Enhancement of Acetylcholine Levels



Source: Company Reports

Acetylcholine is a crucial neurotransmitter involved in muscle contraction, memory, learning, and attention within the brain. In Alzheimer's disease, the production of acetylcholine is impaired, leading to cognitive decline. By inhibiting acetylcholinesterase, the enzyme responsible for breaking down acetylcholine, therapies like Zunveyl aim to increase acetylcholine levels in the brain, thereby improving cognitive function and potentially slowing disease progression.

The FDA approval of Zunveyl represents a significant milestone for Alpha Cognition, enabling The Company to address substantial unmet medical needs within the Alzheimer's patient community. The improved tolerability of this therapy offers a promising option for patients and healthcare providers seeking effective treatments with fewer side effects.

The Company is focusing its efforts on the development of Zunveyl, an innovative therapy targeting multiple indications. The lead program involves a sublingual formulation of Zunveyl for the treatment of mild-to-moderate Alzheimer's disease (AD). This formulation is particularly promising for AD patients with dysphagia or aphagia, who represent approximately 20% of the AD population.

Additionally, the Company plans to advance Zunveyl, either in sublingual or intranasal form, for the treatment of cognitive impairment associated with mild traumatic brain injury (mTBI). Preclinical studies have shown encouraging results, with evidence of improved cognition and mobility, as well as neurogenesis.

Looking ahead, the Company intends to initiate a preclinical study in 2025 to evaluate ALPHA-1062 for acute pancreatitis. The therapeutic hypothesis is that ZUNVEYL, a formulation of ALPHA-1062, may help mitigate excessive inflammatory responses by reducing inflammation and pro-inflammatory cytokines.

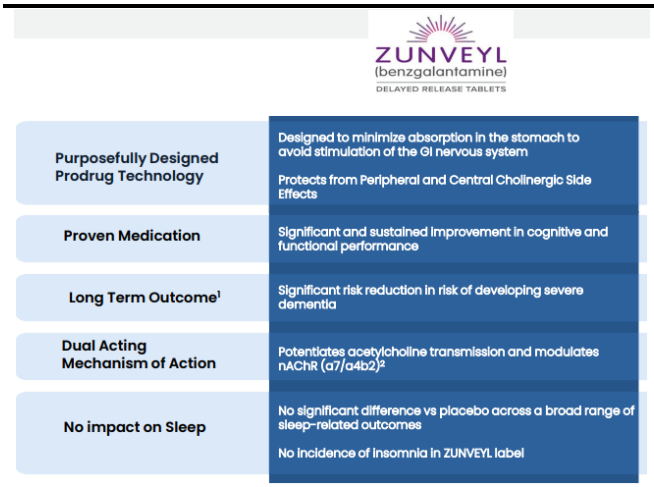
Alpha Cognition's mission is to improve the lives of patients by developing transformative treatments that can slow or halt the progression of neurodegenerative diseases. The Company's approach combines cutting-edge science with a deep understanding of the underlying biology of these diseases, aiming to bring new hope to patients and their families.

Product Overview

Alpha Cognition operates primarily in the biotechnology sector, with a focus on neurodegenerative diseases. The Company's product pipeline includes several promising candidates:

- **ZUNVEYL (benzgalantamine)**: This oral therapy is designed to treat mild-to-moderate Alzheimer's disease and mild traumatic brain injury. ZUNVEYL works by inhibiting the breakdown of acetylcholine, a neurotransmitter that is crucial for memory and cognitive function through modulating alpha-7 nicotinic receptors, which stimulates the cholinergic pathway, reduces inflammation, and stimulates GABA, dopamine (DA), and glutamate. By enhancing these mechanisms, ZUNVEYL aims to improve cognitive function and slow the progression of Alzheimer's disease. This treatment profile with its specific impact on the Alpha 7 receptor makes ZUNVEYL highly desirable by physicians who are generally dissatisfied and/or apathetic about current treatment options.

Exhibit 3: ZUNVEYL Overview



Source: Corporate Presentation

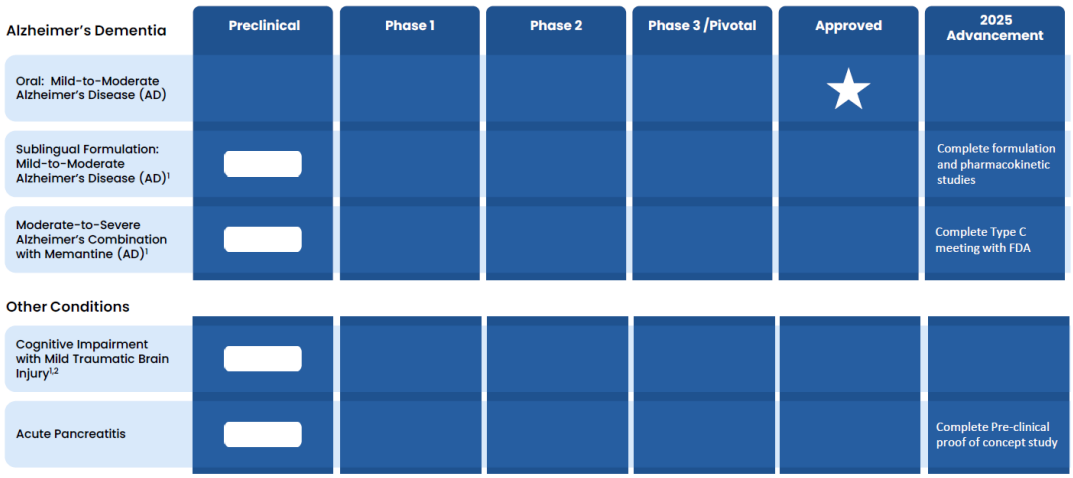
As a prodrug of galantamine ZUNVEYL is uniquely positioned as one of the most effective treatments that can impact multiple brain receptors with demonstrated anti-inflammatory effects. Additionally, galantamine has demonstrated a significant reduction in risk of developing severe dementia when compared to other treatment options, reducing nursing home admission by 31% per year of treatment. Historically galantamine has had side effects that include gastrointestinal issues and insomnia. Due to the delayed release prodrug technology of ZUNVEYL the GI issues are mitigated. There has also been zero incidence of insomnia in the ZUNVEYL label. This mitigation of side effects makes this therapy well positioned to capture and maintain a market leading position.

As seen in the Market Overview portion of this report, galantamine drugs have historically been met with high dissatisfaction due to the side effects leading to rapid discontinuation of treatment, causing high levels of frustration from practitioners. We anticipate that the combination of this highly tolerable prodrug of galantamine that has an accommodative dosing schedule will be discontinued at a far lower rate leading to longer continuation and further recommendations from practitioners, especially in the long-term care market.

Alpha Cognition's focus on developing novel therapies for neurodegenerative diseases positions it as a leader in the biotechnology sector. The Company's innovative product pipeline and commitment to addressing unmet medical needs make it a promising player in the field.

In addition to its robust pipeline, Alpha Cognition is strategically positioned for growth through its recent $44M exclusive licensing agreement with China Medical System Holdings Limited (CMS) for the development and commercialization of ZUNVEYL in Asia (excluding Japan), Australia, and New Zealand, executed in January of 2025.

Exhibit 4: Alpha Cognition's Clinical Pipeline



Source: Corporate Presentation

This partnership not only provides significant upfront payments and milestone payments but also includes royalties on net sales, enhancing Alpha Cognition's revenue potential. With an estimated 50 million people affected by Alzheimer's disease in China alone, this agreement opens substantial market opportunities for Alpha Cognition. The company also believes it can license the drug in other territories around the globe, further solidifying its growth trajectory and global reach.

Growth Drivers

Several factors drive Alpha Cognition's growth and position it for future success:

1. **Innovative Product Pipeline**: Alpha Cognition's development of novel therapies, such as ZUNVEYL, positions The Company at the forefront of neurodegenerative disease treatment. These innovative therapies have the potential to address significant unmet medical needs and improve patient outcomes.

2. **Strategic Partnerships**: The Company has established strategic partnerships and licensing agreements that enhance its ability to commercialize its products globally. These collaborations provide access to additional resources, expertise, and markets, accelerating the development and commercialization of Alpha Cognition's therapies.

3. **Market Demand**: The increasing prevalence of neurodegenerative diseases, such as Alzheimer's disease and ALS, creates a significant demand for effective treatments. As the global population ages, the incidence of these diseases is expected to rise, driving the need for innovative therapies.

4. **Regulatory Approvals**: Successful clinical trials and regulatory approvals are critical for the commercialization of Alpha Cognition's therapies. The company's ability to navigate the regulatory landscape and achieve approvals for its product candidates will be a key driver of growth.

5. **Strong Leadership Team**: Alpha Cognition's experienced leadership team brings a wealth of expertise in drug development, regulatory affairs, and commercialization. Their strategic vision and execution capabilities are essential for driving the company's growth and achieving its mission.

Furthermore, Alpha Cognition is preparing for the U.S. launch of ZUNVEYL in Q1 2025, which is expected to drive significant revenue growth. The Company is also exploring non-dilutive funding options and strategic partnerships to support its commercialization efforts and expand its product pipeline.

With a strong focus on addressing unmet medical needs in neurodegenerative diseases, Alpha Cognition is well-positioned to capture a significant share of the growing market for Alzheimer's and ALS treatments. The Company's innovative approach and strategic initiatives are set to propel its growth trajectory in the coming years.

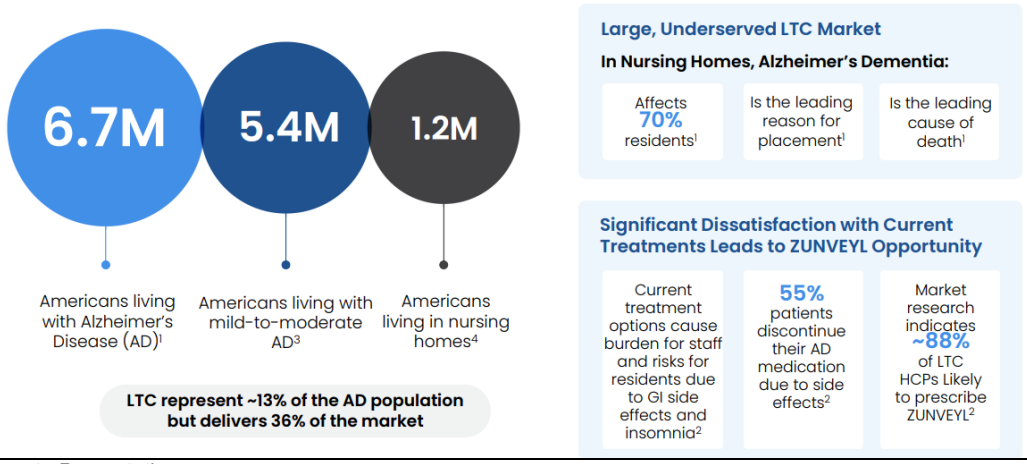
Exhibit 5: Zunveyl Alzheimer's Dementia Opportunity

Source: Company Reports

Market Overview

The market for neurodegenerative disease treatments is substantial and growing. Alzheimer's disease alone affects nearly 7 million people in the U.S., with the market for Alzheimer's treatments expected to reach $13.57B by 2027. The increasing prevalence of Alzheimer's disease, driven by an aging global population, underscores the urgent need for effective treatments.

Exhibit 6: Alpha Cognition's Clinical Pipeline



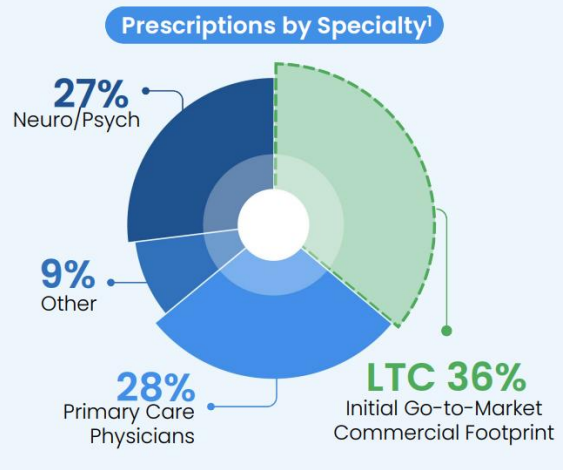
Source: Corporate Presentation

The market is characterized by high dissatisfaction with current treatments, primarily due to adverse effects and limited long-term efficacy. Approximately 72% of physicians report dissatisfaction with existing medications due to side effects and limited efficacy. Common side effects include gastrointestinal issues (nausea, vomiting, diarrhea) and insomnia, impacting adherence.

There are 11 million prescriptions written annually for acetylcholinesterase inhibitors (AChEIs), the primary treatment for mild to moderate Alzheimer's. However, approximately 55% of patients discontinue treatment within 12 months, highlighting unmet needs for better tolerability and effectiveness.

Long-Term Care (LTC) facilities account for 36% of total prescriptions, offering a significant entry point for drugs with improved profiles. In LTC, branded drugs like ZUNVEYL often have favorable access with zero co-pay for many patients.

Exhibit 7: Zunveyl Alzheimer's Dementia Opportunity

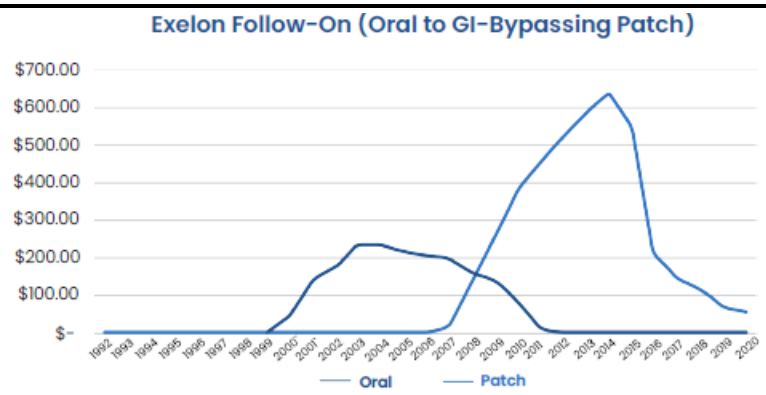


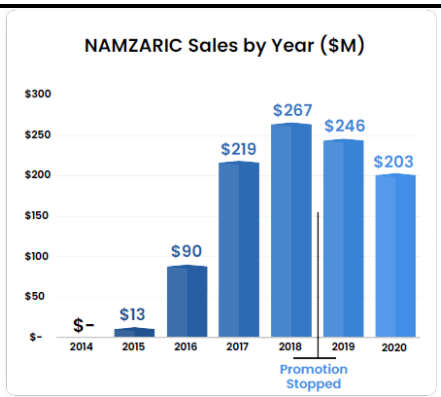
Source: Company Reports

Alpha Cognition's focus on developing treatments for these high-need areas positions it well to capitalize on the growing demand for neurodegenerative disease therapies. The Company's innovative product pipeline, strategic partnerships, and commitment to addressing unmet medical needs make it a promising player in the biotechnology sector.

When we look at comparable situations, we have seen reintroduction of drugs into the market prove highly successful as we expect to be the case with ZUNVEYL. One example that we pull from is the Exelon follow on case study where the reintroduction as a patch drove peak sales of approximately 3x the peak sales of the oral administration. We have also seen via the Namzaric case study that sales for Alzheimer's drugs only require a year or two of ramp time followed by several years of consistently elevated sales even after promotion of the drug ends. This is especially encouraging given that the Namzaric case study is for a solution that had no differentiation to other market offerings at the time. Given the strong pricing expectations for ZUNVEYL we expect a similar accelerated ramp of revenues, reaching a peak around year 5.

Exhibit 8: Exelon and Namzaric Case Studies





Source: Company Reports

Risks

As with any investment, there are certain risks associated with Alpha Cognitions operations as well as with the surrounding economic and regulatory environments common to the pharmaceutical industry.

- The Company has no history of net income, dividends, or cash flow and there can be no assurance that the Company will be profitable going forward. In the case that the Company cannot create enough revenue to sustain on-going business activities, the Company's most likely source of financing will be through the sale of existing securities or high-cost borrowing.

- Currently the Company has enough funds to sustain it through the foreseeable future and does not pose a going concern risk. We do however recognize that at some point the Company may need to raise more funds to sustain its operations until it begins revenue generation. Should the Company be unable to raise the necessary funds this would create a going concern risk.

- The Company is subject to regulatory risk as pharmaceutical activities are subject to laws and regulations imposed by local and state government authorities. Any future changes in the laws, regulations, agreements, or judicial rulings could impact or stop the Company from generating a profit on portions or all of its asset portfolio.

- The Company has several patents for intellectual property that the Company has developed. Th Company is constantly on guard and ready to defend its intellectual property using litigation if necessary. Should judgements go against the Company this could materially weaken its edge among peers. Additionally, having to pursue litigation as mediation for any infringement could be costly for the Company, regardless of the outcome.

- Should the Company bring any or all of its assets to market, there is no guarantee that a profitable market will exist for those treatments. While we have sufficient reason to believe that a market will exist for the Company's assets, this is a fast moving industry so no guarantees can be made.

VALUATION

We use a DCF Model to guide our valuation of ACOG. Our model attempts to account for both the Company's market capture in the LTC market as well as entrance into the neurology market and the eventual sublingual formulations. Assumptions include a shares outstanding and warrants denominator of 21.4M, annual price growth of 3% in-line with GDP growth, and LTC market share capture of ~12.5% in peak year. At the top line we expect the Company to see slowed revenue growth following the anticipated peak year of FY29, buoyed by the aforementioned neurology market and sublingual formulations. Admittedly these impacts are significantly discounted due to the extended time horizons leading to a lack of certainty. At an operating profit level we anticipate that expenses will remain fairly stable.

Sensitivity Analysis:

Discount rate	Terminal Growth Rates				
	0.0%	0.5%	1.0%	1.5%	2.0%
12.50%	$47.18	$48.20	$49.31	$50.53	$51.86
13.75%	$41.19	$41.95	$42.77	$43.65	$44.61
15.00%	$36.30	$36.87	$37.49	$38.15	$38.86
16.25%	$32.25	$32.69	$33.15	$33.65	$34.19
17.50%	$28.84	$29.19	$29.55	$29.93	$30.34

Our DCF analysis relies on a range of discount rates between 13.75% and 16.25% with a midpoint of 15.00%. This arrives at a valuation range of $32.69 to $43.65 with a mid-point of $37.49. Upside to this valuation range include additional market capture in the LTC market which we expect could reach as high as 20%, further clarity and execution on any neurology market capture, and the formulation of sublingual and/or nasal delivery methods.

DISCOUNTED CASH FLOW

Discounted Cash Flow Model
(in $M, except per share)

Estimates:	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	Terminal Value
Revenue	-	-	13.3	31.9	91.8	178.5	242.3	278.7	306.6	328.0	344.4	354.8	365.4	
Opearting Income	(9.9)	(11.9)	(21.7)	(13.6)	35.2	98.8	149.4	195.1	222.3	244.4	260.4	269.6	277.7	
Less: Taxes (benefit)	-	-	-	-	8.9	24.7	37.3	48.8	55.6	61.1	65.1	67.4	69.4	
NOPAT	(9.9)	(11.9)	(21.7)	(13.6)	26.3	74.1	112.0	146.3	166.7	183.3	195.3	202.2	208.3	
Plus: Depreciation & Amortization	0.1	0.1	0.1	0.3	0.5	1.3	1.2	0.7	0.8	0.8	0.9	0.9	0.9	
Plus: Changes in WC	(1.0)	(3.0)	(0.1)	(1.6)	(4.6)	(7.1)	(7.3)	(8.1)	(8.3)	(8.2)	(8.3)	(8.2)	(8.4)	
Free Cash Flow	(10.9)	(14.8)	(21.7)	(14.9)	22.2	68.3	106.0	138.9	159.2	175.9	187.9	194.9	200.8	1,448.5
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.93	0.81	0.71	0.61	0.53	0.46	0.40	0.35	0.30	0.27	0.23	
PV of FCF			(20.2)	(12.1)	15.7	41.9	56.5	64.4	64.2	61.7	57.3	51.7	46.3	333.9
Growth rate assumptions:														
Revenue		NM	NM	139.1%	187.8%	94.5%	35.8%	15.0%	10.0%	7.0%	5.0%	3.0%	3.0%	
Operating Income		19.3%	82.8%	-37.3%	-359%	180.3%	51.2%	30.6%	13.9%	10.0%	6.6%	3.5%	3.0%	
EBITDA		19.5%	82.9%	-38.3%	-369%	180.4%	50.4%	30.0%	13.9%	9.9%	6.5%	3.5%	3.0%	
Free Cash Flow		35.8%	46.7%	-31.4%	-249%	207.5%	55.2%	31.1%	14.6%	10.5%	6.8%	3.8%	3.0%	
Margin assumptions:														
Operating Income	NM	NM	NM	-42.7%	38.4%	55.4%	61.6%	70.0%	72.5%	74.5%	75.6%	76.0%	76.0%	
D&A as a % of sales	NM	NM	1.0%	1.0%	0.5%	0.8%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	
EBITDA	NM	NM	NM	-41.7%	38.9%	56.1%	62.1%	70.3%	72.8%	74.8%	75.9%	76.3%	76.3%	
Taxes	0.0%	0.0%	0.0%	0.0%	25.3%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	NM	NM	-1.0%	-5.0%	-5.0%	-4.0%	-3.0%	-2.9%	-2.7%	-2.5%	-2.4%	-2.3%	-2.3%	

Valuation:

Pro Forma Shares Outstanding	21.4
PV of FCF	427.2
PV of Terminal Value	333.9
Enterprise Value	761.1
less: Net Debt	(39.4)
Estimated Total Value:	800.5
Est Equity Value/share:	**$37.49**
Price	$8.00

Sensitivity Analysis:

Discount rate	Terminal Growth Rates 0.0%	0.5%	1.0%	1.5%	2.0%
12.50%	$47.18	$48.20	$49.31	$50.53	$51.86
13.75%	$41.19	$41.95	$42.77	$43.65	$44.61
15.00%	$36.30	$36.87	$37.49	$38.15	$38.86
16.25%	$32.25	$32.69	$33.15	$33.65	$34.19
17.50%	$28.84	$29.19	$29.55	$29.93	$30.34

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Alpha Cognition Inc.
Consolidated Balance Sheets ($M)
Fiscal Year End: December

ASSETS	FY 2021	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Cash and Cash Equivalents	11.3	2.1	3.9	1.2	0.7	1.4	1.4	2.3	1.0	3.7	48.5	48.5	45.5	39.4
Restricted Cash	-	-	-	-	0.2	0.1	0.1	0.2	0.2	0.1	0.0	0.0	0.1	0.1
Inventory	-	-	-	-	-	-	-	-	-	-	0.6	0.6	0.9	0.9
Prepaid Expenses and Other Current Assets	0.9	0.2	0.2	0.1	0.2	0.4	0.4	0.4	0.3	0.7	1.1	1.1	1.2	2.5
Related Party Note Receivable	-	-	-	-	0.1	0.1	0.1	-	-	-	-	-	-	-
Accounts receivable, net		-	-	-	-	-	-	-	-	-	-	-	0.4	1.8
Total Current Assets	**12.2**	**2.3**	**4.0**	**1.3**	**1.1**	**1.9**	**1.9**	**2.9**	**1.5**	**4.5**	**50.3**	**50.3**	**48.1**	**44.6**
Other Assets	-	-	-	-	-	-	-	0.1	0.1	0.1	0.0	0.0	0.0	-
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Intangible Assets	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Total Assets	**12.9**	**3.0**	**4.6**	**1.9**	**1.7**	**2.5**	**2.5**	**3.5**	**2.1**	**5.0**	**50.7**	**50.7**	**48.6**	**45.1**
LIABILITIES AND SHAREHOLDERS' EQUITY														
Accounts Payable and Accrued Liabilities	0.7	2.8	2.0	1.0	1.6	1.4	1.4	0.9	1.2	1.7	2.4	2.4	2.6	2.8
Current Portion of Promissory Note	1.1	1.2	-	-	1.2	1.2	1.2	1.2	0.3	1.2	0.9	0.9	-	-
Deferred Income	-	-	-	-	0.2	0.0	0.0	0.1	0.0	0.1	-	-	0.2	0.2
Total Current Liabilities	**1.8**	**4.1**	**2.0**	**1.0**	**2.9**	**2.6**	**2.6**	**2.2**	**1.6**	**3.0**	**3.4**	**3.4**	**2.8**	**3.0**
Deferred income	-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2
Convertible Debt	-	-	-	-	-	-	-	-	-	1.0	-	-	-	-
Conversion Feature Liability	-	-	-	-	-	-	-	-	-	1.4	-	-	-	-
Warrant Liabilities	2.0	0.2	0.2	0.2	4.9	4.5	4.5	1.1	0.9	2.4	5.8	5.8	4.7	9.8
Other Long-Term Liabilities	-	0.0	0.0	0.0	0.0	0.1	0.1	-	0.0	0.1	0.1	0.1	0.1	0.2
Promissory Note	-	-	1.2	1.1	-	-	-	-	0.9	-	-	-	-	-
Total Liabilities	**3.9**	**4.3**	**3.3**	**2.4**	**7.8**	**7.2**	**7.2**	**3.3**	**3.5**	**7.9**	**9.3**	**9.3**	**7.8**	**13.2**
Common Shares	40.0	40.3	45.4	46.1	42.7	39.8	39.8	59.4	49.0	49.1	99.1	99.1	99.1	99.2
Class B Shares	-	-	-	-	-	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0
Additional Paid-In Capital	7.2	8.5	7.7	7.8	8.8	17.3	17.3	9.3	18.5	18.7	18.7	18.7	20.1	21.6
Accumulated Other Comprehensive Loss	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Accumulated Deficit	(38.0)	(50.0)	(51.7)	(54.3)	(57.6)	(61.6)	(61.6)	(68.4)	(68.8)	(70.6)	(76.3)	(76.3)	(78.3)	(88.8)
Total Consolidated Equity	**9.0**	**(1.3)**	**1.3**	**(0.5)**	**(6.1)**	**(4.7)**	**(4.7)**	**0.2**	**(1.4)**	**(2.9)**	**41.5**	**41.5**	**40.8**	**31.9**
Total Liabilities and Shareholders' Equity	**12.9**	**3.0**	**4.6**	**1.9**	**1.7**	**2.5**	**2.5**	**3.5**	**2.1**	**5.0**	**50.7**	**50.7**	**48.6**	**45.1**

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Alpha Cognition Inc.
Consolidated Statements of Income (in $M, except per share amounts)
Fiscal Year End: December

	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 E Sep-25	Q4 E Dec-25	FY 2025E	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.3	$ 1.6	$ 2.3	$ 3.9	$ 8.2	$ 4.7	$ 6.2	$ 7.8	$ 12.0	$ 30.7
Partnership Revenue	-	-	-	-	-	-	-	2.6	0.1	-	2.5	5.2	1.2	-	-	-	1.2
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.9**	**1.7**	**2.3**	**6.4**	**13.3**	**5.9**	**6.2**	**7.8**	**12.0**	**31.9**
Operating Expenses:																	
Cost of Goods Sold	-	-	-	-	-	-	-	0.0	0.4	0.1	0.2	0.8	1.7	1.6	1.9	2.5	7.6
Gross Profit	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.9**	**1.2**	**2.2**	**6.2**	**12.6**	**4.2**	**4.7**	**5.9**	**9.4**	**24.3**
Research and Development	8.8	5.0	0.9	1.0	1.0	1.0	3.9	0.4	0.3	0.4	0.4	1.4	0.1	0.1	0.1	0.1	0.4
G&A	4.8	4.9	3.5	1.5	1.5	1.5	7.9	5.4	6.5	9.0	9.0	29.9	9.0	9.5	9.5	9.5	37.5
License royalty cost of sales	-	-	-	-	-	-	-	0.8	0.1	-	1.0	1.9	-	-	-	-	-
Amortization of intangible asset	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	0.5	0.5	1.0	-	-	-	-	-
Total Operating Expenses	13.6	9.9	4.4	2.4	2.5	2.5	11.9	6.6	7.0	9.9	10.9	34.3	9.1	9.6	9.6	9.6	37.9
Operating Income	**(13.6)**	**(9.9)**	**(4.4)**	**(2.4)**	**(2.5)**	**(2.5)**	**(11.9)**	**(3.7)**	**(5.7)**	**(7.7)**	**(4.6)**	**(21.7)**	**(4.9)**	**(4.9)**	**(3.7)**	**(0.2)**	**(13.6)**
Foreign Exchange (loss) Gain	(0.3)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Income	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.5	0.4	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0
Grant Income	-	0.3	0.1	0.1	0.1	0.1	0.5	0.1	-	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.4
Interest Expense	-	-	-	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	0.0	-	-	(0.0)	-	-	-	-	-
Impairment of Intangible Assets	(0.0)	-	(0.0)	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-
Change in FV of Conversion Feature Liability	-	-	-	-	0.2	-	0.2	-	-	-	-	-	-	-	-	-	-
Change in FV of Warrant Liability	1.8	(4.1)	(0.6)	0.2	0.4	(3.3)	(3.3)	1.1	(5.2)	-	-	(4.0)	-	-	-	-	-
Provision for Loan Losses	-	(0.0)	(0.1)	-	-	-	(0.1)	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Before Taxes	**(12.1)**	**(13.8)**	**(5.0)**	**(2.1)**	**(1.9)**	**(5.7)**	**(14.6)**	**(2.0)**	**(10.5)**	**(7.6)**	**(4.5)**	**(24.6)**	**(4.8)**	**(4.8)**	**(3.6)**	**(0.1)**	**(13.2)**
Provision for Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income	**(12.1)**	**(13.8)**	**(5.0)**	**(2.1)**	**(1.9)**	**(5.7)**	**(14.6)**	**(2.0)**	**(10.5)**	**(7.6)**	**(4.5)**	**(24.6)**	**(4.8)**	**(4.8)**	**(3.6)**	**(0.1)**	**(13.2)**
Basic EPS	**$ (0.18)**	**$ (0.15)**	**$ (0.03)**	**$ (0.01)**	**$ (0.31)**	**$ (0.51)**	**$ (2.02)**	**$ (0.13)**	**$ (0.65)**	**$ (0.47)**	**$ (0.28)**	**$ (1.53)**	**$ (0.29)**	**$ (0.30)**	**$ (0.22)**	**$ (0.00)**	**$ (0.81)**
Diluted EPS	**$ (0.18)**	**$ (0.15)**	**$ (0.03)**	**$ (0.01)**	**$ (0.31)**	**$ (0.51)**	**$ (2.02)**	**$ (0.13)**	**$ (0.65)**	**$ (0.47)**	**$ (0.28)**	**$ (1.53)**	**$ (0.29)**	**$ (0.30)**	**$ (0.22)**	**$ (0.00)**	**$ (0.81)**
WTD Shares Out - Basic	68.0	94.4	143.6	150.2	6.0	11.2	7.2	16.0	16.0	16.0	16.0	16.0	16.3	16.3	16.3	16.3	16.3
WTD Shares Out - Diluted	68.0	94.4	143.6	150.2	6.0	11.2	7.2	16.0	16.0	16.0	16.0	16.0	16.3	16.3	16.3	16.3	16.3
Growth Rate Y/Y																	
Operating Income	12.7%	-27.1%	120.4%	-11.2%	-10.1%	3.8%	19.3%	-16.5%	136.9%	207.7%	81.3%	82.8%	31.7%	-14.2%	-52.0%	-96.6%	-37.3%
Net Income	-38.0%	13.7%	168.5%	-24.9%	-43.1%	-2.8%	6.2%	-59.9%	395.8%	306.4%	-20.3%	67.9%	137.0%	-54.0%	-52.7%	-98.7%	-46.2%

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

Alpha Cognition Inc.
Consolidated Cash Flow Statements ($M)
Fiscal Year End: December

CASH FLOW	FY 2021	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25
Operating Activities														
Net Loss	(19.5)	(12.1)	(1.9)	(2.9)	(3.3)	(5.7)	(13.8)	(5.0)	(2.1)	(1.9)	(5.7)	(14.6)	(2.0)	(10.5)
Depreciation and Amortization	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0
Accretion of Discount on Convertible Debentures	0.4	-	0.0	(0.0)	-	-	-	0.0	(0.0)	0.1	(0.1)	-	-	-
Accrued Expenditures for Government Debt	-	-	-	-	-	(0.1)	(0.1)	(0.0)	(0.0)	0.1	(0.0)	(0.0)	0.0	0.0
Loss (gain) on warrant liabilities	-	-	-	-	-	-	-	-	-	-	-	-	(1.1)	5.2
Accrued Interest	-	-	0.0	(0.0)	0.0	(0.0)	-	-	-	-	0.1	0.1	-	-
Accrued Interest Expense	0.0	0.0	-	-	-	-	-	-	-	0.0	(0.0)	-	-	-
Accrued Interest Income	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	0.0	-	-	0.0	-	-
Change in FV of Conversion Feature	6.1	(1.8)	-	-	-	4.1	4.1	-	-	(0.2)	3.3	3.2	-	-
Change in FV of Warrant Liabilities	0.1	0.1	(0.1)	0.1	0.5	(0.5)	0.1	0.6	(0.2)	(0.4)	(0.0)	-	-	-
Change in FV of Bonus Rights Liability	-	0.0	0.0	(0.0)	0.0	0.1	0.1	(0.1)	0.0	0.0	0.0	0.0	0.0	0.1
Debt Issuance Costs	-	-	-	-	-	-	-	-	-	0.4	0.1	0.5	-	-
Reallocation of equipment to commercial operations	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-
Provision for Loan Losses	-	-	(0.1)	0.1	-	0.0	0.0	0.1	(0.0)	-	-	0.1	-	-
Impairment of Intangible Assets	-	0.0	-	-	-	-	-	0.0	-	-	-	0.0	-	-
Share Based Compensation	1.8	1.7	0.2	1.0	0.7	0.5	2.4	0.3	0.4	0.2	0.1	1.0	1.4	1.5
Shares Issues for Services	1.4	-	-	-	-	-	-	2.3	-	-	-	2.3	-	-
Accounts receivable, net	-	-	-	-	-	-	-	-	-	-	-	-	(0.4)	(1.4)
Inventories	-	-	-	-	-	-	-	-	-	-	(0.6)	(0.6)	(0.3)	0.0
Prepaid Expenses and Other Current Assets	(0.5)	0.6	0.1	0.0	(0.1)	(0.2)	(0.1)	(0.2)	0.1	(0.4)	(0.2)	(0.7)	(0.2)	(1.3)
Accounts Payable and Accrued Liabilities	0.2	2.1	(0.9)	(1.0)	0.5	(0.1)	(1.4)	(0.5)	0.7	0.2	0.7	1.0	0.1	0.2
Deferred income	-	-	-	-	-	-	-	-	-	-	-	-	0.4	(0.1)
Cash flow generated/(absorbed) from operating Activities	**(10.0)**	**(9.2)**	**(2.4)**	**(2.7)**	**(1.6)**	**(2.0)**	**(8.7)**	**(2.5)**	**(1.1)**	**(1.9)**	**(2.3)**	**(7.8)**	**(2.0)**	**(6.1)**
Investing Activities														
Acquisition of Equipment	(0.0)	(0.0)	-	-	-	-	-	-	-	-	(0.0)	(0.0)	-	(0.0)
Disposal of tangible assets	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in intangible assets	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow generated by Investing Activities	**0.5**	**(0.0)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.0)**	**(0.0)**	**-**	**(0.0)**
Financing Activities														
Units Issued for Cash	13.7	-	4.5	-	1.3	3.4	9.2	3.7	-	-	-	3.7	-	-
Shares Issued for Cash	-	-	-	-	-	-	-	-	-	-	52.8	52.8	-	-
Interest Paid on Promissory notes	(0.0)	(0.0)	(0.0)	0.0	-	(0.1)	(0.1)	(0.0)	0.0	-	-	-	-	-
Exercise of Options	0.0	0.0	-	0.0	-	0.0	0.0	-	0.0	-	-	0.0	-	-
Exercise of Warrants	2.4	-	-	-	-	-	-	-	0.2	0.1	-	0.3	-	0.0
Funds Repaid on Promissory Notes	-	-	-	-	-	-	-	-	-	-	(0.3)	(0.3)	(0.9)	-
Proceeds Received from Restricted Government Grant	-	-	-	-	0.2	-	0.2	0.2	0.1	0.1	-	0.4	0.2	-
Amounts Paid for Restricted Government Grant	-	-	-	-	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.4)	(0.1)	(0.0)
Issued of Related Party Note	-	-	-	-	(0.1)	-	(0.1)	-	-	-	-	-	-	-
Proceeds from Issuance of Convertible Debentures	-	-	-	-	-	-	-	-	-	4.5	-	4.5	-	-
Debt Issuance Costs	-	-	-	-	-	-	-	-	-	(0.5)	-	(0.5)	-	-
Share Issuance Costs	(1.2)	-	(0.2)	-	(0.2)	(0.7)	(1.1)	(0.4)	-	-	(5.3)	(5.7)	-	-
Cash flow generated/(absorbed) by financing Activities	**14.9**	**0.0**	**4.3**	**0.0**	**1.3**	**2.5**	**8.2**	**3.4**	**0.2**	**4.2**	**47.1**	**54.9**	**(0.8)**	**(0.0)**
Net Cash flow in the year	**5.4**	**(9.2)**	**1.8**	**(2.7)**	**(0.3)**	**0.6**	**(0.6)**	**0.9**	**(0.9)**	**2.3**	**44.8**	**47.1**	**(2.9)**	**(6.2)**
Effect of FX on Cash	-	0.0	(0.0)	0.0	(0.0)	-	(0.0)	-	-	-	-	-	-	-
Cash and Cash Equivalents														
Beginning Cash balance	5.9	11.3	2.1	3.9	1.2	0.9	2.1	1.5	2.4	1.5	3.8	1.5	48.6	45.7
Ending Cash balance	11.3	2.1	3.9	1.2	0.9	1.5	1.5	2.4	1.5	3.8	48.6	48.6	45.7	39.5

Source: Company Reports, Stonegate Capital Partners

IMPORTANT DISCLOSURES AND DISCLAIMER

(a) The research analyst and/or a member of the analyst's household do not have a financial interest in the debt or equity securities of the subject company.
(b) The research analyst responsible for the preparation of this report has not received compensation that is based upon Stonegate's investment banking revenues.
(c) Stonegate or any affiliate have not managed or co-managed a public offering of securities for the subject company in the last twelve months, received investment banking compensation from the subject company in the last 12 months, nor expects or receive or intends or seek compensation for investment banking services from the subject company in the next three months.
(d) Stonegate's equity affiliate, Stonegate Capital Partners, "SCP" has a contractual agreement with the subject company to provide research services, investor relations support, and investor outreach. SCP receives a monthly retainer for these non-investment banking services.
(e) Stonegate or its affiliates do not beneficially own 1% or more of any class of common equity securities of the subject company.
(f) Stonegate does not make a market in the subject company.
(g) The research analyst has not received any compensation from the subject company in the previous 12 months.
(h) Stonegate, the research analyst, or associated person of Stonegate with the ability to influence the content of the research report knows or has reason to know of any material conflicts of interest at the time of publication or distribution of the research report.
(i) No employee of Stonegate has a position as an officer or director of the subject company.

Ratings - Stonegate does not provide ratings for the covered companies.
Distribution of Ratings - Stonegate does not provide ratings for covered companies.
Price Chart - Stonegate does not have, nor has previously had, a rating for its covered companies.
Price Targets - Stonegate does not provide price targets for its covered companies. However, Stonegate does provide valuation analysis.

Regulation Analyst Certification:
I, Dave Storms, CFA, hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report.

For Additional Information Contact:
Stonegate Capital Partners, Inc.
Dave Storms, CFA
Dave@stonegateinc.com
214-987-4121
