

Zacks Small-Cap Research

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Brad Sorensen, CFA

312-265-9574

bsorensen@zacks.com

scr.zacks.com

101 N. Wacker Drive, Chicago, IL 60606

Longeveron Inc

(LGVN-NASDAQ)

LGVN: Company Adds to Heart Treatment Technologies

LGVN is a clinical stage biotech company that is using cutting edge cellular technology to treat a rare heart disease and the impacts of aging. We place a value of \$9.55 on LGVN using the discounted cash flow model.

Current Price (07/18/25) **\$1.52**
Valuation \$9.55

OUTLOOK

Longeveron is focusing on using its primary treatment, Lomecel-B, to fight a rare pediatric heart birth defect that devastates families but continues to receive good FDA news regarding its treatment for Alzheimer's Disease.

The company announced that it has licensed a US patent from the University of Miami that has widespread therapeutic indications for heart diseases. This acquisition fits in perfectly with the existing lineup and should prove beneficial to patients and shareholders.

SUMMARY DATA

52-Week High **\$3.90**
 52-Week Low **\$1.15**
 One-Year Return (%) **-53.80**
 Beta **0.21**
 Average Daily Volume (sh) **733,783**

Shares Outstanding (mil) **15**
 Market Capitalization (\$mil) **\$23**
 Short Interest Ratio (days) **N/A**
 Institutional Ownership (%) **10**
 Insider Ownership (%) **11**

Annual Cash Dividend **\$0.00**
 Dividend Yield (%) **0.00**

5-Yr. Historical Growth Rates
 Sales (%) **N/A**
 Earnings Per Share (%) **N/A**
 Dividend (%) **N/A**

P/E using TTM EPS **N/A**
 P/E using 2023 Estimate **N/A**
 P/E using 2024 Estimate **N/A**

Zacks Rank **N/A**

Risk Level **Above Average**
 Type of Stock **Small-Growth**
 Industry **Med-Biomed**

ZACKS ESTIMATES

Revenue

(in millions of \$)

| | Q1 (Mar) | Q2 (Jun) | Q3 (Sep) | Q4 (Dec) | Year (Dec) |
|------|-------------|-------------|-------------|-------------|---------------|
| 2022 | 0.4 A | 0.5 A | 0.3 A | 0.1 A | 1.2 A |
| 2023 | 0.3 A | 0.2 A | 0.2 A | 0.0 A | 0.7 A |
| 2024 | 0.5 A | 0.5 A | 0.8 A | 0.6 A | 2.3 A |
| 2025 | 0.4 A | 0.4 E | 0.4 E | 0.4 E | 1.6 E |

Earnings per share

| | Q1 (Mar) | Q2 (Jun) | Q3 (Sep) | Q4 (Dec) | Year (Dec) |
|------|-------------|-------------|-------------|-------------|---------------|
| 2022 | -\$0.17 A | -\$0.27 A | -\$0.25 A | -\$0.21 A | -\$0.90 A |
| 2023 | -\$0.22 A | -\$0.27 A | -\$0.28 A | -\$0.25 A | -\$1.02 A |
| 2024 | -\$1.61 A | -\$1.83 A | -\$0.34 A | -\$0.48 A | -\$2.26 A |
| 2025 | -\$0.34 A | -\$0.36 E | -\$0.38 E | -\$0.40 E | -\$1.48 E |

Update

Longeveron is a company that should be getting more attention from investors for the treatments that could be coming to market in the near future. The next 12-18 months will prove to be critical for the company, and we urge investors to take a look at LGVN in advance of the upcoming potential catalysts. LGVN has made substantial progress with its signature treatment, Lomecel-B, also known as laromestrocel, in treating both HLHS and Alzheimer's Disease and we are looking forward to the year ahead when we expect to receive exciting news.

Company management continues to push the company forward, recently announcing that LGVN has licensed a patent from the University of Miami that protects a method to derive GHRH-Receptor+ cardiomyogenic cells from pluripotent stem cells. In plain English, these cells are able to differentiate into human cardiac muscle cells. This creates the potential for a treatment that is safer than existing techniques to derive new cardiac heart muscle cells. This move by management appears to us to be a perfect compliment to the company's existing treatment line and should advance the company's ability to treat devastating heart conditions.

This follows news that the company has full enrollment in the pivotal Phase 2b clinical trial of laromestrocel for the treatment of Hypoplastic Left Heart Syndrome (HLHS). This marked a major milestone for the company. Due to the rare nature of the condition, finding patients eligible and willing to participate in the trial was a major challenge and now that it's completed, the clock toward approval can start. Along with the enrollment announcement, company management outlined the expected timeline, with top-line results anticipated in 3Q2026, followed by the filing of a Biological License Application, provided the testing results are positive, which we fully expect. As a reminder, laromestrocel has been granted Orphan Drug designation, Fast Track designation, and Rare Pediatric Disease designation by the FDA.

That's not the only line of treatment being pursued by the company as management recently announced that it completed a "positive" Type B Meeting with the FDA regarding advancing laromestrocel for the purpose of treating Alzheimer's Disease. During the meeting, the FDA and the company reached alignment on the study design for a single, pivotal, seamless adaptive Phase 2/3 clinical trial. Additionally, something we always like to hear about the approval process, the FDA agreed to consider a Biological License Application (BLA) based on positive interim trial results, which accelerate the path to what we believe will be the approval of laromestrocel as a treatment for Alzheimer's.

As a reminder, our optimism is well founded based on trial results that we've written about recently. For example, the Phase 2a CLEAR-MIND study results showed a favorable safety profile, absence of amyloid-related imaging abnormalities (ARIA) with Lomecel-B TM administration, and several domains of potential clinical efficacy, including cognition, function, quality of life, and reduction in brain atrophy. The results of the CLEAR-MIND trial formed the basis for the FDA RMAT designation. Another reminder that the RMAT designation is an important milestone, allowing the company better access to the FDA and accelerating the pathway to approval.

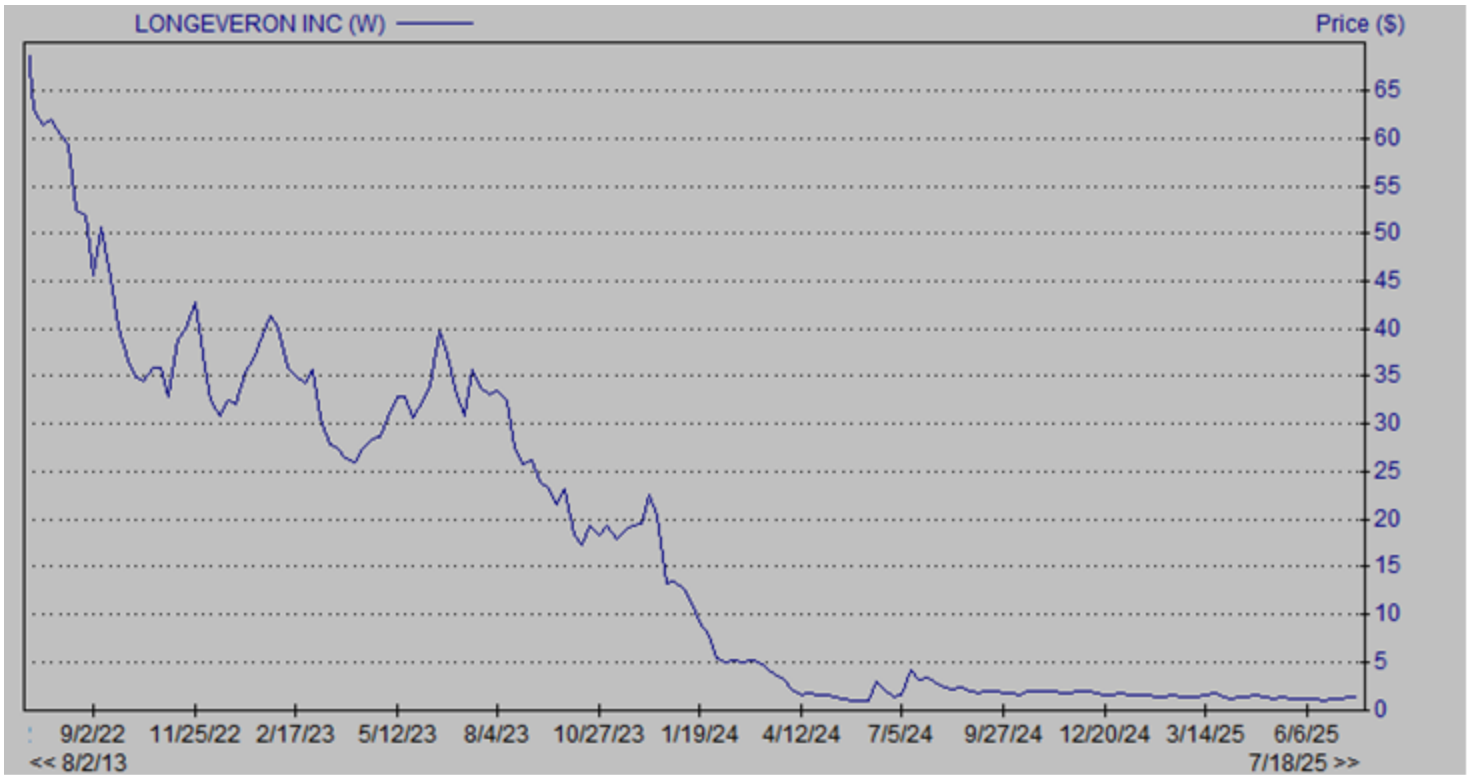
Summary

We continue to believe that Longeveron is an exciting clinical-stage company and investors aren't appropriately appreciating the game-changing potential Lomecel-B may be able to have on multiple serious medical conditions. As a result of the prudent decisions made by management, we believe laromestrocel will ultimately have a substantial impact on the health situations of thousands of patients. We believe the stock continues to be underpriced as investors aren't appreciating the potential of Lomecel-B and encourage investors to take a look at LGVN.

PROJECTED INCOME STATEMENT & BALANCE SHEET

| Longeveron Income Statement and Balance Sheet | | | | | | | | | |
|---|-----------|-----------|------------|-----------|------------|------------|------------|------------|---|
| (US \$ in thousands, except per share data) | | | | | | | | | |
| | 1Q2024A | 2Q2024A | 3Q2024A | 4Q2024A | 1Q2025A | 2Q2025E | 3Q2025E | 4Q2025E | |
| Revenues | | | | | | | | | |
| Grant Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clinical Trial Revenue | 515 | 287 | 210 | 390 | 259 | 264 | 269 | 275 | |
| Contract Manufacture Revenue | 33 | 181 | 563 | 213 | 122 | 124 | 127 | 129 | |
| Total Revenues | 548 | 468 | 773 | 603 | 381 | 389 | 396 | 404 | |
| Cost of Revenues | 219 | 124 | 91 | 74 | 106 | 214 | 218 | 222 | |
| Gross Profit | 329 | 344 | 682 | 529 | 275 | 175 | 178 | 182 | |
| Operating Expenses | | | | | | | | | |
| General and administrative | 2,200 | 2,122 | 3,125 | 2,822 | 2,941 | 3,029 | 3,120 | 3,214 | |
| Research and development | 2,219 | 1,722 | 2,206 | 1,990 | 2,515 | 2,767 | 3,043 | 3,347 | |
| Selling and marketing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total operating expenses | 4,419 | 3,844 | 5,331 | 4,812 | 5,456 | 5,796 | 6,163 | 6,561 | |
| Loss from operations | (4,090) | (3,500) | (4,649) | (4,283) | (5,181) | (5,621) | (5,985) | (6,379) | |
| Other income and (expenses) | | | | | | | | | |
| Interest expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Other income, net | 32 | 87 | 230 | 200 | 170 | 172 | 173 | 175 | |
| Total other income and (expenses), net | 32 | 87 | 230 | 200 | 170 | 172 | 173 | 175 | |
| Net loss | (4,058) | (3,413) | (4,419) | (4,083) | (5,011) | (5,449) | (5,811) | (6,204) | |
| Dividend attributable to warrant inducement | 0 | (8,501) | (149) | 0 | 0 | 1 | 2 | 3 | |
| Basic and diluted loss per share | \$ (1.61) | \$ (1.83) | \$ (0.34) | \$ (0.43) | \$ (0.34) | \$ (0.36) | \$ (0.38) | \$ (0.40) | |
| Basic and diluted wtd avg common shares | 2,516,587 | 6,509,881 | 13,627,793 | 9,411,164 | 14,950,734 | 15,100,241 | 15,251,244 | 15,403,756 | |
| Assets | | | | | | | | | |
| Current Assets: | | | | | | | | | |
| Cash | 1,940 | 12,375 | 22,778 | 19,232 | 14,327 | 11,462 | 9,169 | 7,335 | |
| Securities and other current assets | 1,817 | 1,035 | 989 | 392 | 948 | 976 | 1,006 | 1,036 | |
| Total Current Assets | 3,757 | 13,410 | 23,767 | 19,624 | 15,275 | 12,438 | 10,175 | 8,371 | |
| Property, Plant and Equipment, net | 2,348 | 2,371 | 2,622 | 2,449 | 2,288 | 2,174 | 2,065 | 1,962 | |
| Intangible assets, net | 2,263 | 2,353 | 2,347 | 2,401 | 2,291 | 2,314 | 2,337 | 2,360 | |
| Other assets | 1,329 | 1,259 | 1,173 | 1,084 | 994 | 944 | 897 | 852 | |
| Total Assets | 9,697 | 19,393 | 29,909 | 25,558 | 20,848 | 17,870 | 15,474 | 13,546 | |
| Liabilities and stockholder equity | | | | | | | | | |
| Current liabilities: | | | | | | | | | |
| Accounts Payable | 1,467 | 600 | 887 | 99 | 367 | 374 | 382 | 389 | |
| Accrued Expenses | 2,401 | 1,605 | 1,479 | 1,820 | 1,647 | 1,729 | 1,816 | 1,907 | |
| Current portion of lease | 601 | 608 | 616 | 623 | 631 | 530 | 530 | 530 | |
| Short-term note payable | - | - | - | - | - | - | - | - | |
| Current portion of loans | - | - | - | - | - | - | - | - | |
| Deferred Revenue | 826 | 397 | 118 | 40 | 79 | 87 | 96 | 105 | |
| Total Current Liabilities | 5,295 | 3,210 | 3,100 | 2,582 | 2,724 | 2,721 | 2,823 | 2,931 | |
| Long-term Liabilities: | | | | | | | | | |
| Long-term loans | 66 | 132 | - | - | - | - | - | - | |
| Other Liabilities | - | - | 199 | 265 | - | - | - | - | |
| Lease Liability | 1,295 | 1,140 | 983 | 824 | 966 | 937 | 909 | 882 | |
| Total long-term liabilities | 1,361 | 1,272 | 1,182 | 1,089 | 966 | 937 | 909 | 882 | |
| Total liabilities | 6,656 | 4,482 | 4,282 | 3,671 | 3,690 | 3,658 | 3,732 | 3,813 | |
| Stockholders Equity | | | | | | | | | |
| Members equity | 3 | 8 | 13 | 14 | 14 | 4 | 5 | 6 | |
| Additional Paid-in capital | 92,080 | 115,859 | 131,139 | 131,480 | 131,762 | 133,080 | 134,410 | 135,755 | |
| Stock Subscription receivable | - | - | - | - | - | 1 | 2 | 3 | |
| Accumulated Deficit | (89,042) | (100,956) | (105,525) | (109,607) | (114,618) | (118,872) | (122,676) | (126,031) | |
| Total stockholders equity | 3,041 | 14,911 | 25,627 | 21,887 | 17,158 | 14,212 | 11,742 | 9,733 | |
| Total liabilities and stockholder equity | 9,697 | 19,393 | 29,909 | 25,558 | 20,848 | 17,870 | 15,474 | 13,546 | |

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