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Zacks Small-Cap Research

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Longeveron Inc (LGVN-NASDAQ)

LGVN: Exciting Pipeline Moving Forward and Boosting Price Target

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 $10.45 on LGVN using the discounted cash flow model.

Current Price (08/13/25)	$0.86
Valuation	**$10.45**

OUTLOOK

Longeveron is focusing on using its primary treatment, laromestrocel, to fight a rare pediatric heart birth defect that devastates families and continues to receive good FDA news regarding its treatment for Alzheimer's Disease, while also expanding its pipeline.

The company announced its 2Q 2025 earnings results that showed good cost discipline and improving revenue as ongoing clinical trials pose potential inflection points for LGVN.

SUMMARY DATA

52-Week High	**$2.66**
52-Week Low	**$0.68**
One-Year Return (%)	**-67.05**
Beta	**0.23**
Average Daily Volume (sh)	**1,811,500**
Shares Outstanding (mil)	**21**
Market Capitalization ($mil)	**$18**
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	0.3 A	0.3 E	0.3 E	1.3 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	-$0.33 A	-$0.26 E	-$0.27 E	-$1.20 E

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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, laromestrocel, in treating both HLHS and Alzheimer's Disease and we are looking forward to the months ahead when we expect to receive exciting news.

The company released its 2Q2025 earnings results that showed a $0.33 per share loss and revenues of $316,000, both roughly in line with estimates. Management noted that it was focused on getting prepared to potentially shorten the timeline to potential commercialization—a focus we applaud and believe will yield dividends for shareholders. The company also announced that the FDA has approved its IND application for laromestrocel as a treatment for Pediatric Dilated Cardiomyopathy (DCM). DCM is a rare condition in which muscles of the heart become enlarged or stretched and nearly 40% of children with DCM require a heart transplant or die within two years of diagnosis. An important note is that the IND application allows for moving directly to a single Phase 2 clinical trial. Company management noted that the company anticipates initiating the trial in the first half of 2026—subject to financing being obtained.

On that note, management also announced an infusion of funds through a stock and warrant offering that will bring the company approximately $5 million before deducting offering expenses, immediately, while also having the potential to bring in an additional $12.5 million if the warrants are fully exercised on a cash basis. The company has been thoughtful when looking to bolster funding and while no investor loves any dilution, the modest dilution occurring due to this funding round is well worth it in our view in order to further the crucial clinical testing.

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 result of the increased confidence we have in the commercialization of laromestrocel and the expanded pipeline the company has developed over the past couple of months, we **are boosting the price target for LGVN to $10.45 per share**.

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.

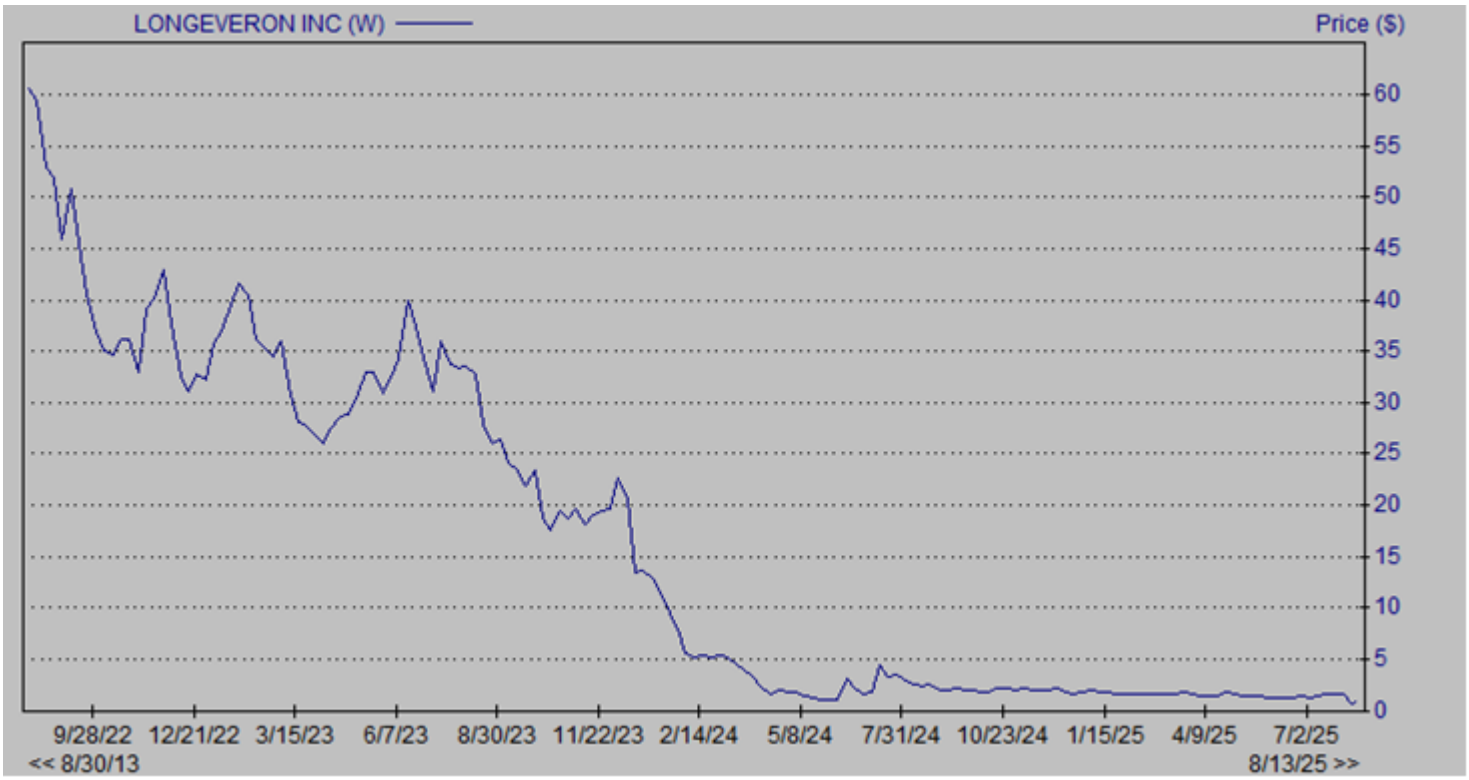
Summary

We continue to believe that Longeveron is an exciting clinical-stage company, and investors aren't appropriately appreciating the game-changing potential laromestrocel 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 laromestrocel 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**	**2Q2025A**	**3Q2025E**	**4Q2025E**
Revenues									
	Grant Revenue	0	0	0	0	0	0	0	0
	Clinical Trial Revenue	515	287	210	390	259	298	304	310
	Contract Manufacture Revenue	33	181	563	213	122	18	18	19
Total Revenues		548	468	773	603	381	316	322	329
	Cost of Revenues	219	124	91	74	106	170	177	181
Gross Profit		329	344	682	529	275	146	145	148
Operating Expenses									
	General and administrative	2,200	2,122	3,125	2,822	2,941	2,589	2,667	2,747
	Research and development	2,219	1,722	2,206	1,990	2,515	2,954	3,249	3,574
	Selling and marketing	0	0	0	0	0	0	0	0
Total operating expenses		4,419	3,844	5,331	4,812	5,456	5,543	5,916	6,321
Loss from operations		(4,090)	(3,500)	(4,649)	(4,283)	(5,181)	(5,397)	(5,771)	(6,173)
Other income and (expenses)									
	Interest expense	0	0	0	0	0	0	0	0
	Other income, net	32	87	230	200	170	369	373	376
Total other income and (expenses), net		32	87	230	200	170	369	373	376
Net loss		(4,058)	(3,413)	(4,419)	(4,083)	(5,011)	(5,028)	(5,398)	(5,797)
Dividend attributable to warrant inducement		0	(8,501)	(149)	0	0	0	0	0
Basic and diluted loss per share		$ (1.61)	$ (1.83)	$ (0.34)	$ (0.43)	$ (0.34)	$ (0.33)	$ (0.26)	$ (0.27)
Basic and diluted wtd avg common shares		2,516,587	6,509,881	13,627,793	9,411,164	14,950,734	15,013,072	21,163,203	21,374,835
Assets									
Current Assets:									
	Cash	1,940	12,375	22,778	19,232	14,327	10,334	12,767	10,214
	Securities and other current assets	1,817	1,035	989	392	948	935	963	992
Total Current Assets		3,757	13,410	23,767	19,624	15,275	11,269	13,730	11,206
Property, Plant and Equipment, net		2,348	2,371	2,622	2,449	2,288	2,258	2,145	2,038
Intangible assets, net		2,263	2,353	2,347	2,401	2,291	2,321	2,344	2,368
Other assets		1,329	1,259	1,173	1,084	994	901	856	813
Total Assets		9,697	19,393	29,909	25,558	20,848	16,749	19,076	16,424
Liabilities and stockholder equity									
Current liabilities:									
	Accounts Payable	1,467	600	887	99	367	700	714	728
	Accrued Expenses	2,401	1,605	1,479	1,820	1,647	1,905	2,000	2,100
	Current portion of lease	601	608	616	623	631	639	530	530
	Short-term note payable	-	-	-	-	-	-	-	-
	Current portion of loans	-	-	-	-	-	-	-	-
	Deferred Revenue	826	397	118	40	79	40	44	48
Total Current Liabilities		5,295	3,210	3,100	2,582	2,724	3,284	3,288	3,407
Long-term Liabilities:									
	Long-term loans	66	132	-	-	-	-	-	-
	Other Liabilities	-	-	199	265	-	308	-	-
	Lease Liability	1,295	1,140	983	824	966	501	486	471
Total long-term liabilities		1,361	1,272	1,182	1,089	966	809	486	471
Total liabilities		6,656	4,482	4,282	3,671	3,690	4,093	3,774	3,878
Stockholders Equity									
	Members equity	3	8	13	14	14	14	5	6
	Additional Paid-in capital	92,080	115,859	131,139	131,480	131,762	132,288	133,611	134,947
	Stock Subscription receivable	-	-	-	-	-	-	2	3
	Accumulated Deficit	(89,042)	(100,956)	(105,525)	(109,607)	(114,618)	(119,646)	(123,036)	(125,984)
Total stockholders equity		3,041	14,911	25,627	21,887	17,158	12,656	10,582	8,972
Total liabilities and stockholder equity		9,697	19,393	29,909	25,558	20,848	16,749	14,356	12,850

HISTORICAL STOCK PRICE



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