

Zacks Small-Cap Research

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Longeveron Inc

(LGVN-NASDAQ)

LGVN: Company Fortifies Funding

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.

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 that it has obtained financing that will carry the company through the critical upcoming test results.

Current Price (03/09/26) **\$0.53**
Valuation **\$10.45**

SUMMARY DATA

52-Week High **\$1.86**
 52-Week Low **\$0.48**
 One-Year Return (%) **-63.67**
 Beta **0.23**
 Average Daily Volume (sh) **487,359**

Shares Outstanding (mil) **21**
 Market Capitalization (\$mil) **\$11**
 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)
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	0.1 A	0.1 E	0.9 E
2026	0.5 E	0.5 E	0.8 E	0.6 E	1.1 E

Earnings per share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
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	-\$0.39 A	-\$0.42 E	-\$1.48 E
2026	-\$0.23 E	-\$0.22 E	-\$0.19 E	-\$0.19 E	-\$0.83 E

Update

Longeveron is a clinical-stage biotechnology company that has positioned itself in the regenerative medicine space with a potentially life-changing therapeutic candidate. Its flagship product, laromestrocel, is an allogeneic medicinal-signaling cell (MSC) therapy derived from young healthy adult donors and manufactured under current good manufacturing practice. The science behind laromestrocel rests on the idea that these MSCs may provide anti-inflammatory, pro-vascular and regenerative support in tissues that are damaged or under stress. The company behind these exciting developments is at an inflection point in our view, with a good opportunity to achieve many of the goals discussed in the near future.

To further that goal, Longeveron Inc. recently announced a new private placement financing that could provide the company with up to \$30 million in total gross proceeds, structured in two tranches and led by institutional investors.

The first tranche is expected to generate approximately \$15 million at closing, with participation from investors including Coastlands Capital and Janus Henderson Investors, while H.C. Wainwright is serving as the exclusive placement agent. The financing is priced at \$0.52 per share, roughly at-the-market under Nasdaq rules. In the initial closing the company will issue about 6.0 million shares of Class A common stock, along with Series A non-voting convertible preferred shares that are convertible into roughly 22.8 million additional common shares at the same \$0.52 conversion price.

The agreement also includes a second potential tranche of up to \$15 million, which would be funded if certain conditions are met. Those conditions are tied primarily to clinical milestones related to the Phase 2b ELPIS II trial in hypoplastic left heart syndrome (HLHS) and the company's share price performance. An additional element of the deal gives investors an interest in 50% of proceeds from any future sale of a Rare Pediatric Disease Priority Review Voucher, should the company receive one from the FDA in connection with its laromestrocel therapy for HLHS.

Management stated that the proceeds, combined with existing cash, are expected to fund operations into the fourth quarter of 2026, carrying the company beyond the anticipated top-line data readout from the pivotal ELPIS II trial in the third quarter of 2026. Funds will primarily support clinical development of the company's stem-cell therapy laromestrocel, along with working capital and general corporate purposes. Overall, the financing provides LGVN with near-term capital to advance its lead clinical program while tying a portion of the funding to upcoming clinical milestones, though it also introduces potential dilution through convertible securities tied to the \$0.52 conversion price.

We want to remind investors why this funding is so important due to the progress made on treating HLHS, which is a rare and life-threatening congenital heart defect in which the left ventricle is severely under-developed or absent, meaning that the right ventricle must be adapted to handle systemic circulation. Even with the standard of care—typically a series of three reconstructive surgeries over the first few years of life—survival into adolescence is only around 50–60%.

Longeveron's approach has been to administer laromestrocel directly into the right ventricle (or the myocardium of the right ventricle) during the second stage of surgery (the "Glenn" procedure, typically at around 4 months of age). Company scientists believe that by improving the function of the systemic right ventricle—through regenerative mechanisms—the therapy should improve transplant-free survival and long-term outcomes for these infants.

The company reported Phase 1 results (called ELPIS I) in ten infants. In that study, laromestrocel was well tolerated: there were no major adverse cardiovascular events or infections related to therapy through one year, meeting the primary safety endpoint. Even more striking, long-term follow-up showed 100 %

transplant-free survival up to five years in those patients, compared to historical controls (approximately 83 % at five years, with ~5 % requiring transplant) in the comparable population.

Building on that, Longeveron is now conducting a pivotal Phase 2b trial (ELPIS II-mentioned above). The trial is designed to compare Laromestrocel plus standard surgery versus standard surgery alone, with endpoints including survival at 12 months, length of hospitalization and change in right ventricular ejection fraction between baseline and 12 months. Full enrollment was achieved in June 2025, with topline results, as mentioned above, anticipated in the third quarter of 2026 after a 12-month follow-up.

On the regulatory front, the program has very strong designations. The U.S. Food and Drug Administration has approved three special designations for laromestrocel in the HLHS indication: Rare Pediatric Disease (RPD) designation, Orphan Drug Designation (ODD), and Fast Track designation. Importantly, following a Type C meeting with FDA in September 2024, the agency confirmed that the ELPIS II trial could serve as a pivotal study—and if positive, could form the basis for a Biologics License Application (BLA) submission for full traditional approval.

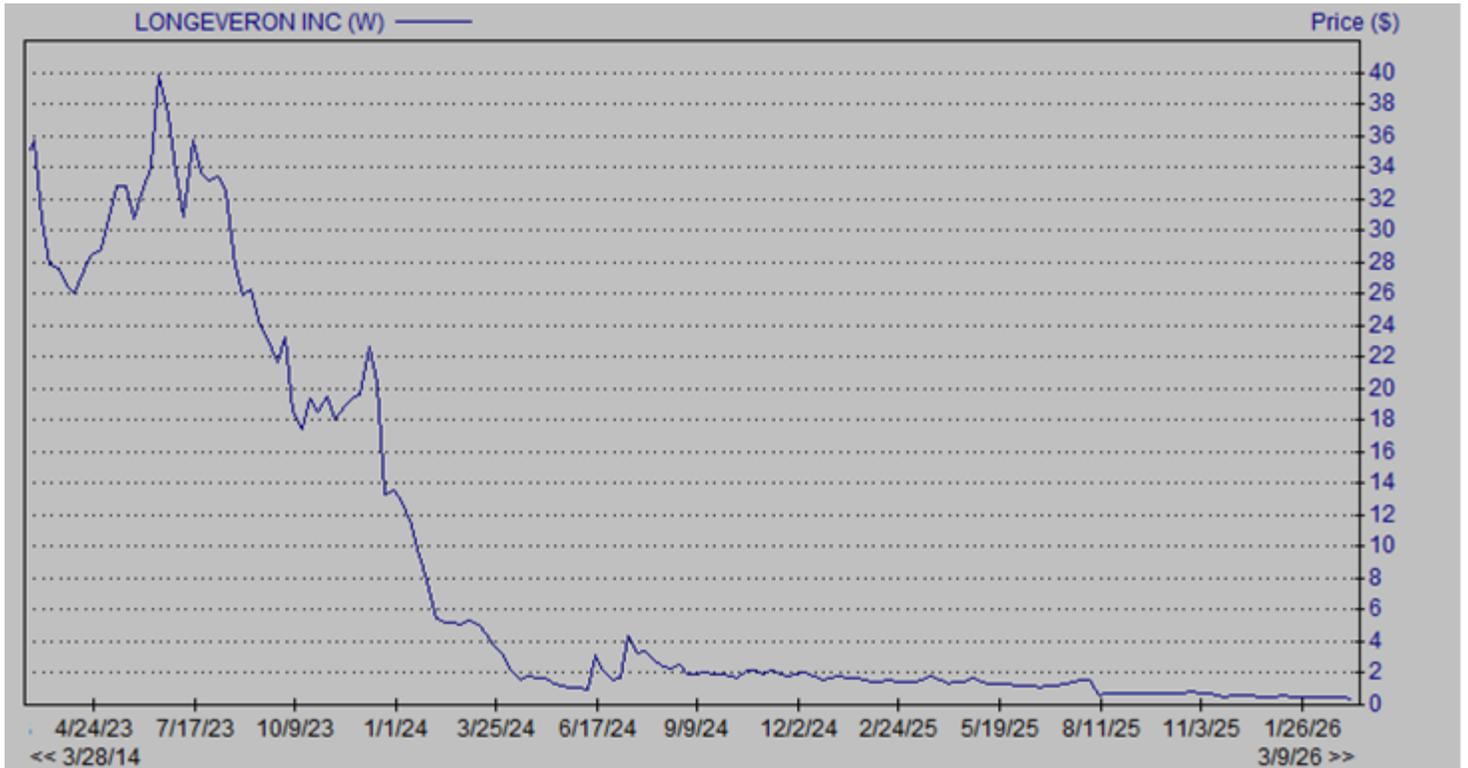
Summary

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)											
	1Q2025A	2Q2025A	3Q2025A	4Q2025E	1Q2026E	2Q2026E	3Q2026E	4Q2026E	2027E	2028E	
Revenues											
Sales	0	0	0	0	0	0	0	0	1000	1500	
Grant Revenue	0	0	0	0	0	0	0	0	0	0	
Clinical Trial Revenue	259	298	100	102	515	287	210	390	408	416	
Contract Manufacture Revenue	122	18	37	38	33	181	563	213	151	154	
Total Revenues	381	316	137	140	548	468	773	603	559	2,070	
Cost of Revenues	106	170	12	77	219	124	91	74	307	1139	
Gross Profit	275	146	125	63	329	344	682	529	252	932	
Operating Expenses											
General and administrative	2,941	2,589	3,583	3,690	2,768	2,823	2,880	2,937	14,762	15,205	
Research and development	2,515	2,954	3,852	4,237	2,219	2,286	2,354	2,425	16,949	17,457	
Selling and marketing	0	0	0	0	0	0	0	0	0	0	
Total operating expenses	5,456	5,543	7,435	7,928	4,987	5,109	5,234	5,362	31,711	32,662	
Loss from operations	(5,181)	(5,397)	(7,310)	(7,865)	(4,658)	(4,765)	(4,552)	(4,833)	(31,459)	(31,731)	
Other income and (expenses)											
Interest expense	0	0	0	0	0	0	0	0	0	0	
Other income, net	170	369	89	90	32	87	230	200	500	550	
Total other income and (expenses), net	170	369	89	90	32	87	230	200	500	550	
Net loss	(5,011)	(5,028)	(7,221)	(7,775)	(4,626)	(4,678)	(4,322)	(4,633)	(30,959)	(31,181)	
Dividend attributable to warrant inducement	0	0	0	0	0	0	0	0	0	0	
Basic and diluted loss per share	\$ (0.34)	\$ (0.33)	\$ (0.39)	\$ (0.42)	\$ (0.23)	\$ (0.22)	\$ (0.19)	\$ (0.19)	\$ (1.24)	\$ (1.19)	
Basic and diluted wtd avg common shares	14,950,734	15,013,072	18,373,198	18,556,930	20,556,930	21,584,776	22,664,015	23,797,216	24,987,077	26,236,431	
Assets											
Current Assets:											
Cash	14,327	10,334	9,244	7,395	22,469	17,975	14,380	11,504	9,203	7,363	
Securities and other current assets	948	935	1,096	1,129	1,174	1,221	1,270	1,321	1,373	1,428	
Total Current Assets	15,275	11,269	10,340	8,524	23,643	19,196	15,650	12,825	10,577	8,791	
Property, Plant and Equipment, net	2,288	2,258	2,122	2,016	2,348	2,371	2,622	2,449	1,915	1,819	
Intangible assets, net	2,291	2,321	2,309	2,332	2,263	2,353	2,347	2,401	2,355	2,379	
Other assets	994	901	786	747	1,329	1,395	1,465	1,538	1,615	1,696	
Total Assets	20,848	16,749	15,557	13,619	29,583	25,316	22,084	19,213	16,463	14,686	
Liabilities and stockholder equity											
Current liabilities:											
Accounts Payable	367	700	1,080	1,102	1,146	1,191	1,239	1,289	1,340	1,394	
Accrued Expenses	1,647	1,905	3,173	3,332	3,398	3,466	3,536	3,606	3,678	3,752	
Current portion of lease	631	639	647	530	504	478	454	432	410	390	
Short-term note payable	-	-	-	-	-	-	-	-	-	-	
Current portion of loans	-	-	-	-	-	-	-	-	-	-	
Deferred Revenue	79	40	40	44	826	397	118	40	48	53	
Total Current Liabilities	2,724	3,284	4,940	5,007	5,873	5,533	5,347	5,367	5,477	5,589	
Long-term Liabilities:											
Long-term loans	-	-	-	-	-	-	-	-	-	-	
Other Liabilities	-	308	315	-	-	-	-	-	-	-	
Lease Liability	966	501	336	326	1,295	1,140	983	824	316	307	
Total long-term liabilities	966	809	651	326	1,295	1,140	983	824	316	307	
Total liabilities	3,690	4,093	5,591	5,333	7,168	6,673	6,330	6,191	5,793	5,895	
Stockholders Equity											
Members equity	14	14	19	6	3	8	13	14	7	8	
Additional Paid-in capital	131,762	132,288	136,813	138,181	92,080	115,859	131,139	131,480	139,563	140,959	
Stock Subscription receivable	-	-	1	3	-	-	-	-	4	5	
Accumulated Deficit	(114,618)	(119,646)	(126,867)	(129,904)	(69,668)	(97,224)	(115,398)	(118,472)	(128,904)	(132,181)	
Total stockholders equity	17,158	12,656	9,966	8,286	22,415	18,643	15,754	13,022	10,670	8,791	
Total liabilities and stockholder equity	20,848	16,749	15,557	13,619	29,583	25,316	22,084	19,213	16,463	14,686	

HISTORICAL STOCK PRICE



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