



Alzamend Neuro, Inc.

Q4 about inline. Expect positive clinical trials progress in FY23 for AL001 and AL002 for Alzheimer's to drive stock. Lowering P/T to \$6.25.

COMPANY UPDATE

Rating: **BUY**

Ticker: ALZN

Price: \$0.39
(intraday)

Target: \$6.25
(from \$6.75)

Q4 about inline: Alzamend recently (on July 27) reported its fiscal Q4 2023 (ending April) results. Net loss was \$3.3 million or EPS of \$(0.03), which compared with our estimates of \$(0.06) and consensus of \$(0.04). There was no Q4 guidance. Alzamend is an early/clinical stage drug development company so it generates no revenue.

Operating expenses: Operating expenses were \$3.3 million, down from \$5.4 million in Q3 FY23 due to lower clinical activities.

No guidance: Management did not provide forward guidance, but we believe ~\$4 million to be a reasonable near term quarterly cash burn rate.

Maintaining estimates: We are maintaining our FY24 EPS estimate of \$(0.20).

Focus on Alzheimer's: Alzamend has two novel therapeutic drug candidates for Alzheimer's disease. Alzheimer's disease is a progressive neurologic disease that causes brain cells to die and memory or other cognitive impairments. Alzheimer's is the leading cause of dementia, a decline in mental functions that negatively affects a person's ability to function independently. Of the ten most fatal diseases in the U.S., Alzheimer's is the only one with no known cure, ability to slow progression, or means of prevention.

AL001: AL001 is a patented ionic cocrystal technology delivering a therapeutic combination of lithium, proline, and salicylate to help combat Alzheimer's by preventing cognitive deficits, depression, irritability, and improving associative learning and memory.

AL002: AL002 is a patented method using a mutant peptide sensitized cell as a cell-based therapeutic vaccine that seeks to restore the ability of a patient's immunological system to combat Alzheimer's.

Positive Top-line data for Phase 2 clinical trial for AL001: In May 2022, the company initiated a Phase 2 study for AL001 involving Alzheimer's patients. In June 2023, the company reported positive Top-line results from this study.

Planned studies: The company has two more Phase II clinical studies for AL001 for Alzheimer's patients expected to start by Q1 2024. In July 2022, the company received positive Pre-IND response from FDA for AL001 for the treatment of Bipolar Disorder, Major Depressive Disorder, and Post-Traumatic Stress Disorder. The company plans to file IND for these indications and to start clinical trials by Q4 2023.

AL002 trial started: The company has started its clinical trials for AL002 (in April 2023) to treat mild to moderate dementia of the Alzheimer's type.

Clinical trials can be catalyst: Alzamend anticipates starting/finishing its various clinical trials over the next year (in FY24/25). We believe achieving key milestones and positive data will likely be catalysts for the stock.

Balance sheet: In Q4, the company has \$5 million in cash and no debt. The company expects to receive \$15 million in cash in 2023 from a note receivable from a prior sale of stock that is due December 31, 2023.

Positive high risks versus high rewards: Alzamend's 2 drugs have long development roads and the high risks of clinical trials failures, but we believe the ~billion dollars market potential presents high rewards for the risks.

Current valuation attractive: We are maintaining our BUY rating, but lowering our 12-month price target to \$6.25 from \$6.75, based on a NPV analysis, representing significant upside from the current share price. We believe this valuation fairly balances out the high risks with large upside opportunities.

Company Description

Based in Atlanta, GA, Alzamend Neuro is a clinical-stage biopharmaceutical company focused on discovering and developing novel medicines to prevent, treat, and cure Alzheimer's.

United States
Healthcare

August 9, 2023

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Stock Data

Exchange:	NasdaqCM
52-week Range:	\$0.31 – 1.50
Shares Outstanding (million):	98
Market cap (\$million):	\$38
EV (\$million):	\$33
Debt (\$million):	\$0
Cash (\$million):	\$5
Avg. Daily Trading Vol. (\$million):	\$0.2
Float (million shares):	68
Short Interest (million shares):	1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>	<u>2025E</u> <u>(Cur.)</u>	<u>2025E</u> <u>(Old)</u>
Q1 Jul	0E		0E	
Q2 Oct	0E		0E	
Q3 Jan	0E		0E	
Q4 Apr	<u>0E</u>		<u>0E</u>	
Total	0E		0E	
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>	<u>2025E</u> <u>(Cur.)</u>	<u>2025E</u> <u>(Old)</u>
Q1 Jul	(0.04)E	(0.06)E	(0.06)E	
Q2 Oct	(0.05)E		(0.05)E	
Q3 Jan	(0.06)E	(0.05)E	(0.05)E	
Q4 Apr	<u>(0.06)E</u>	<u>(0.05)E</u>	<u>(0.05)E</u>	
Total	(0.20)E		(0.20)E	
P/E	N/A		N/A	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 14.

Exhibit 1: Alzamend Neuro Overview

INTRODUCTION

Company Overview



Company History

Early clinical-stage biopharmaceutical company dedicated to:

- Researching, developing and commercializing **preventions, treatments and cures** for neurodegenerative diseases and psychiatric disorders.
- Working on **two therapeutics** licensed from the **University of South Florida Research Foundation, Inc.**, one of the top 20 institutions in the nation for patented research and their portfolio of proprietary solutions.

Current Pipeline

AL001 (aka LISPRO):

- an **ionic cocrystal of lithium** for the potential treatment of **Alzheimer's Disease, BD, MDD and PTSD.**

ALZN002 (aka E22W):

- a **cell-based therapeutic vaccine** that seeks to **restore** the ability of the patients' **immunological system** to combat Alzheimer's Disease.

Source: Company reports.

Exhibit 2: Alzheimer's Disease

OVERVIEW OF ALZHEIMER'S DISEASE

Alzheimer's Disease



Key Statistics:

7th leading cause of death in the United States

Between 2000 and 2019, deaths from heart disease have **decreased 7.3%** while deaths from Alzheimer's Disease have **increased 145%**

13 million Americans are projected to be living with Alzheimer's Disease by 2050

1-in-9 Americans over the age of 65 are estimated to be afflicted with Alzheimer's Disease



Alzheimer's Disease:

Alzheimer's Disease is an **irreversible, progressive brain disorder** that **slowly destroys memory and cognitive skills**, and eventually the **ability to carry out the simplest tasks.**

In most people with Alzheimer's Disease, symptoms first appear in their early to mid-60's. Estimates vary, but experts suggest that more than **6.5 million Americans** may have Alzheimer's Disease, considered by many as "**the most feared**" disease.

Alzheimer's Disease has **no current cure**, but five treatments for symptoms are available today while research continues.

Source: Company reports.

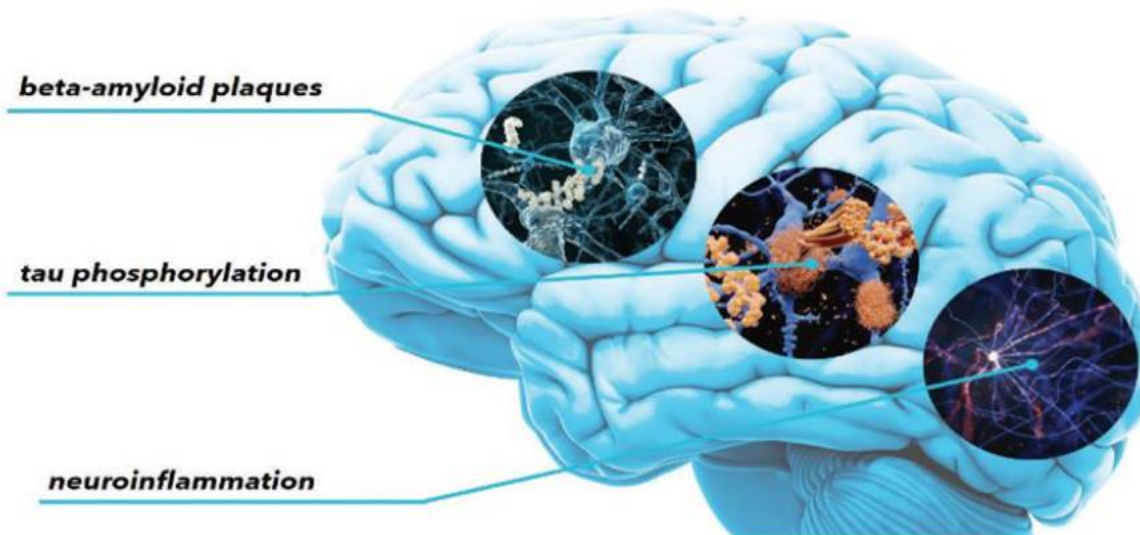
Exhibit 3: Alzamend Neuro Product Pipeline (as of July 2023)

Product Candidate	Indication	Pre-Clinical	Phase I	Phase II	Phase III	FDA Approval
AL001	• Alzheimer's Disease	→			<ul style="list-style-type: none"> • Reported Topline data for the Phase IIA MAD study in June 2023 • Anticipate initiating two more Phase II clinical studies in Alzheimer's patients by Q1 2024 	
	• Bipolar Disorder	→			• Anticipate Submitting IND to Initiate a Phase II Clinical Trial in Q4 2023	
	• Major Depressive Disorder	→			• Anticipate Submitting IND to Initiate a Phase II Clinical Trial in Q4 2023	
	• Post-Traumatic Stress Disorder	→			• Anticipate Submitting IND to Initiate a Phase II Clinical Trial in Q4 2023	
ALZN002	• Alzheimer's Disease	→			• Initiated Phase I/IIA Clinical Trial in March 2023	

Source: Company reports.

Exhibit 4: Biomarkers of Alzheimer's Disease

Alzamend Neuro, Inc.
Biomarkers of Alzheimer's Disease



Our lead product candidate that we have licensed and will first move to clinical development in humans is an ionic cocrystal of lithium for the treatment of Alzheimer's and other neurodegenerative diseases and psychiatric disorders.

Source: Company reports.

Exhibit 5: What is Alzheimer's Disease?



The brain has three main parts:



The **cerebrum** fills up most of your skull. It is involved in remembering, problem solving, thinking, and feeling. It also controls movement.



The **cerebellum** sits at the back of your head, under the cerebrum. It controls coordination and balance.



The **brain stem** sits beneath your cerebrum in front of your cerebellum. It connects the brain to the spinal cord and controls automatic functions such as breathing, digestion, heart rate and blood pressure.

Alzheimer's Changes the Whole Brain

Alzheimer's disease leads to nerve cell death and tissue loss throughout the brain. Over time, the brain shrinks dramatically, affecting nearly all its functions.

These images show:



A brain without the disease.



A brain with advanced Alzheimer's.



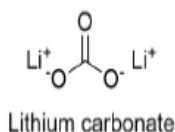
How the two brains compare.

Source: Alzheimer's Association

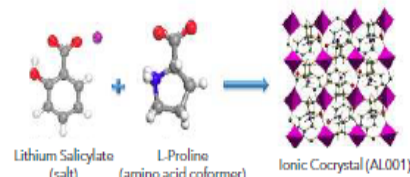
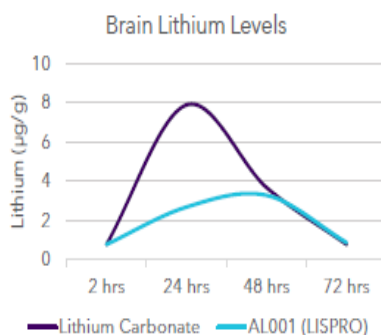
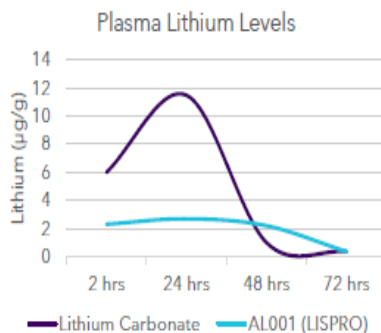
Exhibit 6: AL001 (LISPRO)

OUR SCIENCE - NON-CLINICAL

AL001 (aka LISPRO)



- **Narrow therapeutic window** that requires **regular blood monitoring** of plasma lithium levels and blood chemistry by a clinician **to mitigate adverse events**
- **Multiple administrations** throughout the day are required to safely reach therapeutic plasma concentrations
- **Suffer** from **chronic toxicity, poor physicochemical properties** and **poor brain bioavailability**



- AL001 is a patented ionic cocrystal technology delivering a therapeutic combination of **lithium, proline** and **salicylate**
- AL001 exhibits **improved non-clinical pharmacokinetics** and **bioavailability** compared to the currently FDA approved lithium drugs on the market
- AL001 exhibits **improved non-clinical brain bioavailability**, without demonstrating an initial spike in lithium concentration that is associated with negative side effects of treatment
- AL001 **nonclinical brain penetration/persistence** may translate to patients resulting in lithium dose sparing properties with enhanced overall safety and reduced or eliminated need for therapeutic drug monitoring.

Source: Company reports.

Exhibit 7: AL001 (LISPRO) Preclinical Studies

OUR SCIENCE - NON-CLINICAL AL001 (aka LISPRO)



The results of our preclinical studies, conducted from May 2016 to June 2017, are summarized below:

- AL001 had no effect on renal COX2 activity (Tg-Ctrl vs. AL001: $p > 0.05$), a biomarker of renal toxicity, while markedly **reducing abnormal biomarkers** associated with Alzheimer's Disease **by 50%; beta-amyloid pathology, tau phosphorylation and neuro-inflammation** (Tg-Ctrl vs. AL001: $p < 0.01$) (FIGS. 14A/B-15A/B).
- AL001 treatment **did not induce tissue pathological damage in the heart, kidneys, liver or lungs** by a general autopsy (Tg-Ctrl vs. AL001: $p > 0.05$). In contrast, **equimolar doses** (using a similar structure of moles but different active pharmaceutical ingredient) **of lithium carbonate enhanced renal COX2 expression** while **having little or no impact on Alzheimer's Disease pathology** (Tg-Ctrl vs. LC: $p < 0.01$).
- AL001, at the effective dose, **yielded 50% higher lithium levels** (LC vs. AL001; $p < 0.01$) **in the brain** compared with equimolar doses of lithium carbonate (AL001 vs. LC; $p < 0.05$), while producing low nontoxic steady state levels in the body.

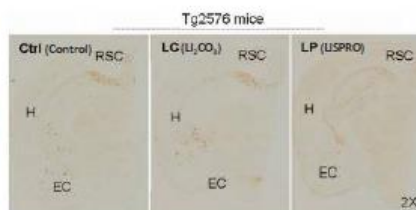


FIG. 14A & 14B: Beta Amyloid Burden

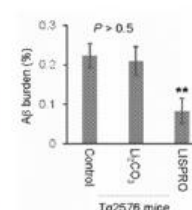


FIG. 14B

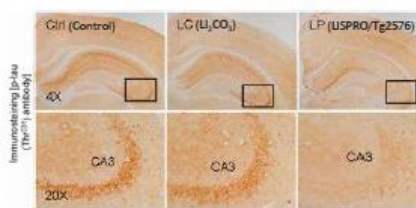


FIG. 15A & 15B: Tau Phosphorylation Burden

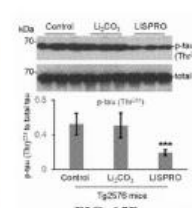


FIG. 15B

Source: Company reports.

Exhibit 8: AL001 (LISPRO) Phase IIA Trial

AL001 Phase IIA Trial

Study No.	Study Title	Description	Status
AL001-ALZ02 (US)	A Multiple-dose, Steady-state, Double-blind, Ascending Dose Safety, Tolerability, Pharmacokinetic Study of AL001 in Patients with Mild to Moderate Alzheimer's Disease and Healthy Adult Subjects	<ul style="list-style-type: none"> Primary: To evaluate the safety and tolerability of AL001 under multiple-dose, steady-state conditions in Alzheimer's subjects and healthy adult subjects Secondary: To characterize the maximum tolerated dose (MTD) of AL001 in subjects with mild to moderate Alzheimer's Disease and healthy adult subjects Exploratory: To explore the difference in pharmacokinetic profile between the non-elderly vs. elderly subjects (healthy subjects only). For Alzheimer's Disease subject cohorts (Cohorts 1,2b, 3b, 4b, and 5b), determination of qualitative and quantitative evaluations of Alzheimer's Disease subject desirable characteristics for future Phase II and III clinical studies in order to: <ul style="list-style-type: none"> Facilitate recruitment into subsequent AL001 clinical trials Facilitate trial-adherence to completion of study requirements including treatment adherence 	<ul style="list-style-type: none"> Reported Topline data of Phase IIA Multiple Ascending Dose Clinical Trial in June 2023. (www.clinicaltrials.gov, identifier: NCT05363293)

Source: Company reports.

Exhibit 9: AL002 (E22W)

AL002 (CAO22W)



A cell-based therapeutic vaccine which seeks to restore the ability of the patient's immunological system to combat Alzheimer's Disease

beta-amyloid plaques



Hypothesis:

- AL002 is intended to **elicit an immune response** to **produce anti-amyloid antibodies**, which can then neutralize circulated beta-amyloids and prevent additional plaque build-up.
- AL002 is a **patient-specific therapy** where the patient undergoes leukapheresis, a nonsurgical treatment used to reduce the quantity of white blood cells in the bloodstream, **to isolate peripheral blood monocytes** that are subsequently **matured into dendritic cells ("DCs")** using an **IL4+ GM-CSF cocktail**.
- The **DCs** are **incubated** with a modified amyloid beta (A β) peptide ("**AL002 peptide**") to sensitize them, and then **administered to the same patient**.

Source: Company reports.

Exhibit 10: Overview of AL002 (E22W)

OUR SCIENCE - NON-CLINICAL

Overview of AL002 (aka E22W)

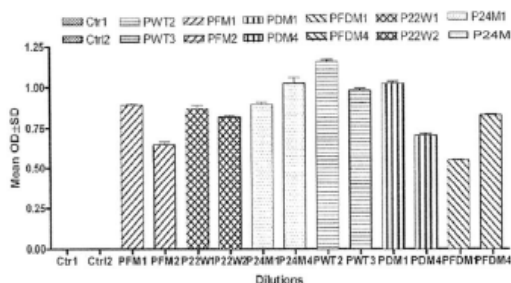


FIG. 5A

- Our goal is to develop an Alzheimer's Abeta vaccine candidate that will be devoid of the problems associated with current vaccine therapies. Our studies concluded the successful vaccination of mice with adjuvant-free mutated beta amyloid peptides have significant advantages over both native beta amyloid and the use of adjuvant.
- 10 weeks old female BALB/c mice were housed in Varian standard cages including amber igloos and vaccinated when 14 weeks old.
- Differently mutated Abeta 1-42 peptides were used for each group and a 1times.PBS (also containing 10% DMSO) as a control group.

The Results

- Mice vaccinated with various mutated Abeta 1-42 peptides **induce antibody responses** after two inoculations, while no antibody can be detected in the control group (FIG. 5A).
- All antibodies induced by the peptide injection **bind to the same epitope**. There is no difference in recognition between the various anti-sera and peptides such that all anti-sera recognize the 1-16 epitope on all peptides.
- Demonstrate definite advantages over previous vaccination protocols, which **strongly support our Adjuvant-Free Vaccine Hypothesis**.
- The data clearly show that wild type and mutated Abeta peptide administered without adjuvant induce a **strong and long-lasting antibody response**.
- The **first use of adjuvant-free Abeta** as Alzheimer's vaccine and demonstration that T-cell epitope mutation will contribute to either Th1 or Th2 response. Those peptides will have an outstanding promise for the treatment of Alzheimer's Disease.

Source: Company reports.

Exhibit 11: ALZN002 Phase I/IIA Trial

Study No.	Study Title	Description	Status
ALZN002- ALZ (US)	A Randomized, Double-blind, Placebo-controlled, Parallel group, Phase I/IIA Study to Assess the Safety, Tolerability, and Efficacy of Autologous Amyloid Beta Mutant Peptide-Pulsed Dendritic Cells (ALZN002) in Subjects with Mild-to-Moderate Dementia of the Alzheimer's Type	<ul style="list-style-type: none"> • Primary: <ul style="list-style-type: none"> • To assess the safety and tolerability of ALZN002 compared with placebo when administered as IV infusion and ID injection in subjects with mild to moderate AD • Secondary: <ul style="list-style-type: none"> • To evaluate the immunogenicity of ALZN002 specific to generation of anti-Aβ antibodies • To determine the effect of ALZN002 on Amyloid-Related Imaging Abnormalities (ARIA) as a putative biomarker of treatment safety • Exploratory: <ul style="list-style-type: none"> • To assess the utility of multiple immune biomarkers as surrogates for safety and efficacy of ALZN002. • To assess the preliminary efficacy of ALZN002 treatment on amyloid markers as observed by amyloid positron emission tomography (PET). 	Phase I/IIA Clinical Trial Initiated in March 2023 (www.clinicaltrials.gov , identifier: NCT05834296).

Source: Company reports.

Exhibit 12: Market Opportunity for AL001 and AL002

COMPETITIVE LANDSCAPE

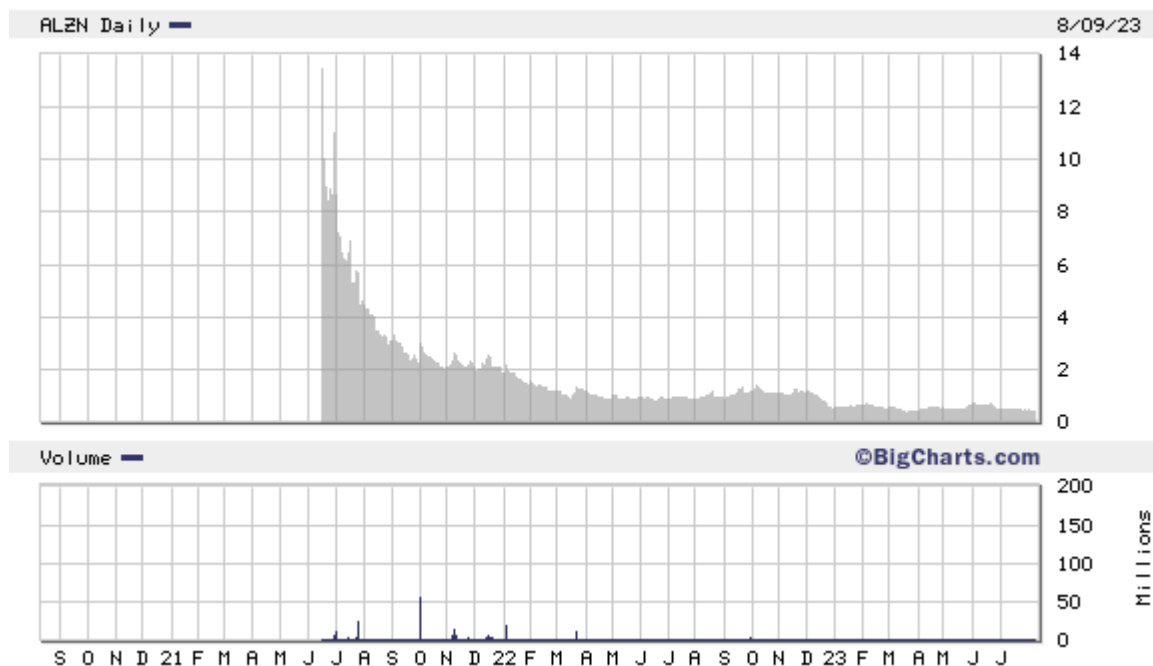
Overview of Market Opportunity for AL001 and AL002



Patient Population	United States	Global (Including US)
MDD	21 Million ¹	280 Million ²
PTSD	9 Million ¹	284 Million ²
Alzheimer's Disease	6.5 Million ¹	55 Million ²
BD	7 Million ¹	45 Million ²
Total Patient Population	43.5 Million	664 Million

Source: Company reports.

Exhibit 13: Alzamend Neuro, Inc. Stock Price (2-years since IPO in June 2021)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 14: Consensus Expectations (as of July 27, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Jul	\$0A	\$0E	Q1 Jul	\$(0.03)A	\$(0.04)E
Q2 Oct	\$0A		Q2 Oct	\$(0.03)A	
Q3 Jan	\$0A		Q3 Jan	\$(0.06)A	
Q4 Apr	\$0E		Q4 Apr	\$(0.04)E	
Total	\$0E	\$0E	Total	\$(0.16)E	\$(0.17)E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

FINANCIAL MODEL

Alzamend Neuro, Inc.

Income Statement (\$ mils)	Jul-21	Oct-21	Jan-22	Apr-22	2022	Jul-22	Oct-22	Jan-23	Apr-23	2023	Jul-23	Oct-23	Jan-24	Apr-24	2024	Jul-24	Oct-24	Jan-25	Apr-25	2025
Fiscal Year End: April 30	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	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	0.0	0.0	0.0	0.0
Cost of Revenues	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	0.0	0.0	0.0	0.0
Gross Profit	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	0.0	0.0	0.0	0.0
Research and development	0.9	1.8	0.9	1.7	5.2	1.4	1.5	2.9	1.6	7.4	2.0	2.5	3.5	3.5	11.5	3.5	3.0	3.0	3.0	12.5
General and administrative	1.4	1.8	1.7	2.2	7.1	1.7	1.6	2.5	1.7	7.4	2.0	2.0	2.0	2.0	8.0	2.0	2.0	2.0	2.0	8.0
Restructuring and other					0.0					0.0					0.0					0.0
Total operating expenses	2.3	3.6	2.6	3.9	12.3	3.0	3.1	5.4	3.3	14.9	4.0	4.5	5.5	5.5	19.5	5.5	5.0	5.0	5.0	20.5
Operating income (loss)	(2.3)	(3.6)	(2.6)	(3.9)	(12.3)	(3.0)	(3.1)	(5.4)	(3.3)	(14.9)	(4.0)	(4.5)	(5.5)	(5.5)	(19.5)	(5.5)	(5.0)	(5.0)	(5.0)	(20.5)
Interest income (expense)	(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	0.0	0.0	0.0	0.0
Other income (expense)					0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(5.4)	(3.3)	(14.9)	(4.0)	(4.5)	(5.5)	(5.5)	(19.5)	(5.5)	(5.0)	(5.0)	(5.0)	(20.5)
Income taxes					0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(5.4)	(3.3)	(14.9)	(4.0)	(4.5)	(5.5)	(5.5)	(19.5)	(5.5)	(5.0)	(5.0)	(5.0)	(20.5)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(5.4)	(3.3)	(14.9)	(4.0)	(4.5)	(5.5)	(5.5)	(19.5)	(5.5)	(5.0)	(5.0)	(5.0)	(20.5)
EBITDA	(1.6)	(2.3)	(1.4)	(2.6)	(7.9)	(2.2)	(2.4)	(3.9)	(2.8)	(11.3)	(3.5)	(4.0)	(5.0)	(5.0)	(17.5)	(5.0)	(4.5)	(4.5)	(4.5)	(18.5)
Shares, Basic	84.6	93.5	94.2	94.2	89.1	97.5	97.5	98.3	96.9	97.5	97.5	98.0	98.5	99.0	98.3	99.5	100.0	100.5	101.0	100.3
Shares, Diluted	84.6	93.5	94.2	94.2	89.1	97.5	97.5	98.3	96.9	97.5	97.5	98.0	98.5	99.0	98.3	99.5	100.0	100.5	101.0	100.3
EPS Basic (pro forma)	(\$0.03)	(\$0.04)	(\$0.03)	(\$0.04)	(\$0.14)	(\$0.03)	(\$0.03)	(\$0.06)	(\$0.03)	(\$0.15)	(\$0.04)	(\$0.05)	(\$0.06)	(\$0.06)	(\$0.20)	(\$0.06)	(\$0.05)	(\$0.05)	(\$0.05)	(\$0.20)
EPS Diluted (pro forma)	(\$0.03)	(\$0.04)	(\$0.03)	(\$0.04)	(\$0.14)	(\$0.03)	(\$0.03)	(\$0.06)	(\$0.03)	(\$0.15)	(\$0.04)	(\$0.05)	(\$0.06)	(\$0.06)	(\$0.20)	(\$0.06)	(\$0.05)	(\$0.05)	(\$0.05)	(\$0.20)
Margins																				
Gross margin																				
Research and development																				
General and administrative																				
Operating margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Y/Y % change																				
Total Revenue																				
Gross margin																				
Research and development					297%	50%	-12%	231%	-1%	43%	45%	63%	21%	112%	54%	75%	20%	-14%	-14%	9%
General and administrative					95%	19%	-14%	51%	-25%	4%	21%	27%	-21%	21%	8%	0%	0%	0%	0%	0%
Operating income (loss)					149%	32%	-13%	112%	-15%	21%	32%	45%	1%	66%	31%	38%	11%	-9%	-9%	5%
Net income (loss)					145%	31%	-14%	111%	-15%	20%	32%	45%	1%	66%	31%	38%	11%	-9%	-9%	5%
EPS Diluted (pro forma)					100%	14%	-17%	102%	-17%	10%	32%	44%	1%	63%	30%	35%	9%	-11%	-11%	3%

Source: Company reports and Ascendant Capital Markets estimates.

Alzamend Neuro, Inc.

Balance Sheet (\$ mils)	Jul-21	Oct-21	Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Apr-23	Jul-23	Oct-23	Jan-24	Apr-24	Jul-24	Oct-24	Jan-25	Apr-25
Fiscal Year End: April 30	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	15.6	13.6	11.8	14.1	11.5	9.2	7.4	5.1	1.6	(2.4)	(7.4)	(12.4)	(17.4)	(21.9)	(26.4)	(30.9)
Short term investments									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income taxes									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	1.2	0.9	0.6	0.3	0.6	1.2	1.0	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Total current assets	16.8	14.5	12.4	14.4	12.1	10.3	8.4	5.8	2.3	(1.7)	(6.7)	(11.7)	(16.7)	(21.2)	(25.7)	(30.2)
Property and equipment, net				0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Intangibles, net									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	16.8	14.5	12.4	14.5	12.2	10.4	8.5	5.9	2.4	(1.6)	(6.6)	(11.6)	(16.6)	(21.1)	(25.6)	(30.2)
Liabilities and stockholders' equity																
Accounts payable	1.1	1.1	0.5	1.2	1.0	0.6	2.6	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Accrued expenses	0.1	0.0	0.0	0.0					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other						1.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term debt	0.3	0.3							0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total current liabilities	1.5	1.5	0.5	1.2	1.0	1.6	2.6	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Deferred income taxes									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long term debt									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	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
Preferred stock									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	1.0	1.5	2.0	2.5	3.0	3.4	3.9
Additional paid-in capital	49.4	50.7	52.2	57.4	58.3	59.0	61.5	62.0	62.0	62.0	62.0	62.0	62.0	62.0	62.0	62.0
Retained earnings	(19.2)	(22.8)	(25.3)	(29.2)	(32.2)	(35.3)	(40.8)	(44.1)	(48.1)	(52.6)	(58.1)	(63.6)	(69.1)	(74.1)	(79.1)	(84.1)
Accumulated other comprehensive income									0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)	(14.9)
Total stockholders' equity	15.3	13.0	12.0	13.4	11.2	8.8	5.9	3.0	(0.5)	(4.5)	(9.5)	(14.5)	(19.5)	(24.0)	(28.5)	(33.0)
Total stockholders' equity and liabil	16.8	14.5	12.4	14.5	12.2	10.4	8.5	5.9	2.4	(1.6)	(6.6)	(11.6)	(16.6)	(21.1)	(25.6)	(30.2)

Balance Sheet Drivers

	Jul-21	Oct-21	Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Apr-23	Jul-23	Oct-23	Jan-24	Apr-24	Jul-24	Oct-24	Jan-25	Apr-25
Book & Cash Value (per share)	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book Value per Share (diluted)	0.18	0.14	0.13	0.14	0.11	0.09	0.06	0.03	(0.00)	(0.05)	(0.10)	(0.15)	(0.20)	(0.24)	(0.28)	(0.33)
Cash per Share (diluted)	0.18	0.15	0.13	0.15	0.12	0.09	0.08	0.05	0.02	(0.02)	(0.07)	(0.12)	(0.17)	(0.22)	(0.26)	(0.31)
Net cash per Share (diluted)	0.18	0.14	0.13	0.15	0.12	0.09	0.08	0.05	0.02	(0.02)	(0.07)	(0.12)	(0.17)	(0.22)	(0.26)	(0.31)

Source: Company reports and Ascendant Capital Markets estimates

Alzamend Neuro, Inc.

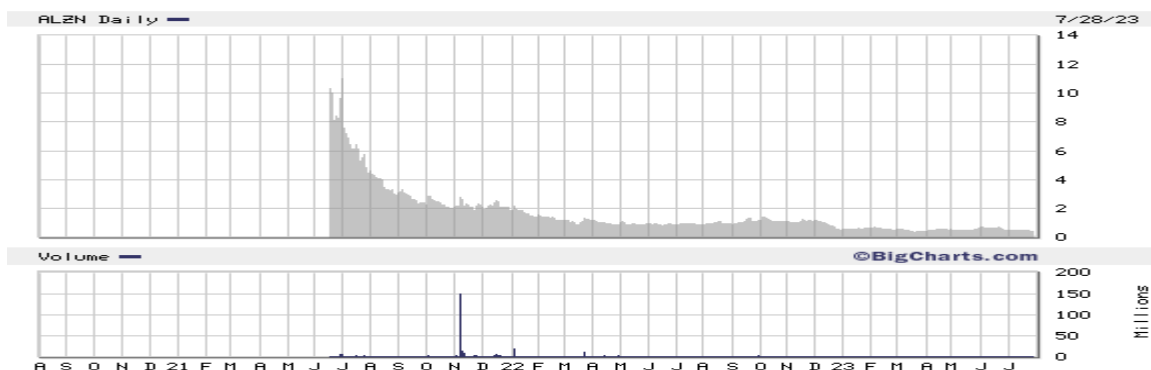
Cash Flow Statement (\$ mils)	Jul-21	Oct-21	Jan-22	Apr-22	2022	Jul-22	Oct-22	Jan-23	Apr-23	2023	Jul-23	Oct-23	Jan-24	Apr-24	2024	Jul-24	Oct-24	Jan-25	Apr-25	2025	
Fiscal Year End: April 30	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(5.4)	(3.3)	(14.9)	(4.0)	(4.5)	(5.5)	(5.5)	(19.5)	(5.5)	(5.0)	(5.0)	(5.0)	(5.0)	(20.5)
Depreciation				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	0.0	0.0
Amortization				0.0	0.0					0.0					0.0						0.0
Debt related amortization expen	0.0	0.0	(0.0)	0.0	0.0					0.0					0.0						0.0
Stock comp	0.7	1.3	1.1	1.3	4.4	0.9	0.7	1.5	0.5	3.6	0.5	0.5	0.5	0.5	2.0	0.5	0.5	0.5	0.5	0.5	2.0
Deferred income taxes				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
Change in fair value of warrant liability				0.0	0.0					0.0					0.0						0.0
Writedowns and impairments				0.0	0.0					0.0					0.0						0.0
Other gains/losses				(0.0)	(0.0)					0.0					0.0						0.0
Other				0.0	0.0					0.0					0.0						0.0
Changes in operating assets and liabilities:																					
Prepaid expenses & other curre	(0.2)	0.3	0.3	0.3	0.6	(0.2)	0.4	0.1	0.3	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other assets				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
Accounts payable	0.6	(0.0)	(0.6)	0.8	0.7	(0.1)	(0.4)	2.0	0.2	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued expenses				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
Other liabilities				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
Net cash (used in) provided by	(1.2)	(2.0)	(1.8)	(1.6)	(6.6)	(2.5)	(2.3)	(1.8)	(2.2)	(8.9)	(3.5)	(4.0)	(5.0)	(5.0)	(17.5)	(5.0)	(4.5)	(4.5)	(4.5)	(4.5)	(18.5)
Cash flow from investing activities																					
Purchases of property and equipment				(0.1)	(0.1)					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchases of short-term investments				0.0	0.0					0.0					0.0						0.0
Acquisitions				0.0	0.0					0.0					0.0						0.0
Other				0.0	0.0					0.0					0.0						0.0
Net cash used in investing activ	0.0	0.0	0.0	(0.1)	(0.1)	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
Cash flow from financing activities																					
Issuance of debt				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
Repayment of debt				(0.1)	(0.1)					0.0					0.0						0.0
Issuance of stock	14.9	0.0	0.0	4.0	18.9					0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from stock option exe	0.0	0.0	0.0	0.0	0.0			0.0		0.0					0.0						0.0
Other				0.0	0.0					0.0					0.0						0.0
Dividends and distributions				0.0	0.0					0.0					0.0						0.0
Cash provided by (used in) fina	14.9	0.0	0.0	3.9	18.9	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
Effect of exchange rate on cash				0.0	0.0					0.0					0.0						0.0
Net increase (decrease) in cash	13.7	(2.0)	(1.8)	2.3	12.1	(2.5)	(2.3)	(1.8)	(2.2)	(8.9)	(3.5)	(4.0)	(5.0)	(5.0)	(17.5)	(5.0)	(4.5)	(4.5)	(4.5)	(4.5)	(18.5)
Beginning cash and equivalents	1.9	15.6	13.6	11.8	1.9	14.1	11.5	9.2	7.4	14.1	5.1	1.6	(2.4)	(7.4)	5.1	(12.4)	(17.4)	(21.9)	(26.4)	(12.4)	(12.4)
Ending cash and equivalents	15.6	13.6	11.8	14.1	14.1	11.5	9.2	7.4	5.1	5.1	1.6	(2.4)	(7.4)	(12.4)	(12.4)	(17.4)	(21.9)	(26.4)	(30.9)	(30.9)	(30.9)

Source: Company reports and Ascendant Capital Markets estimates

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Alzamend Neuro, Inc.



Source: <https://bigcharts.marketwatch.com/>

	Report Date		Price
Report	Date	Rating	Target
1	9/30/2021	Buy	8.00
2	12/23/2021	Buy	8.25
3	3/16/2022	Buy	7.50
4	9/18/2022	Buy	7.25
5	12/14/2022	Buy	7.00
6	4/3/2023	Buy	6.75

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HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

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Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
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Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	52	100%	16	31%

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