

# Aclarion, Inc.

**Q1 FY25 net profit below forecast on non-operating charge. Company continues to make progress with coverage and payers. Resetting PT to \$20.00 following dilution and reverse stock splits.**

## COMPANY UPDATE

### Rating: BUY

Ticker: ACON

Price: \$6.90

Target: \$20.00  
(from \$11,759)

**Q1 FY25 lower on non-operating items:** Q1 EPS came in at \$(9.32), below our estimate of \$(7.04). Results were impacted by a \$685,000 charge in the quarter related to a 'fee-tail' agreement with Aclarion's investment bank. Total operating expenses for the quarter were \$1.5 million, in line with our estimate, compared to \$1.8 million in the prior quarter. All figures are adjusted for a 1:335 reverse stock split on January 1, 2025 and an additional 1:27 reverse stock split on March 28, 2025. Due to dramatic share count changes, consensus estimates are not meaningful at this time. No forward guidance was provided.

**Revenues still pre-commercial:** Revenues for the quarter were \$18,991 (+87% yoy) but lower than our forecast of \$25,285. Revenues are still nominal at this point and primarily reflect use of Nociscan in clinical trials.

**Adjusting estimates:** We are lowering our FY25 EPS estimate to \$(14.10), versus \$(12.50) previously, reflecting a lower revenue forecast. Our FY26 EPS estimate is now \$(12.13), versus \$(11.57) previously, adjusted for the significant change in shares outstanding.

**Lower back pain represents the single largest spend in healthcare.** Over 550,000 lower back surgeries are performed each year in the US, and the US lumbar spine diagnostics and treatment market is estimated at \$40 billion annually. With 16 million chronic low back pain sufferers in the US each year and 266 million patients with degenerative spine disease and lower back pain worldwide, Aclarion's addressable market is vast. We estimate Aclarion's available market opportunity in the US alone at over \$400 million per year.

**New sites announced for CLARITY trial:** The anticipated CLARITY trial is fully funded and anchored by Northwestern Medicine and Johns Hopkins. New sites announced in the quarter include Keck Medical Center (USC), Texas Back Institute, and Advocate Health. The randomized trial will enroll 300 patients and assess Nociscan's clinical and economic value in spine surgery.

**Nociscan gaining traction with US healthcare providers:** Given the company's signature product, Nociscan is already FDA approved, we believe the key catalyst for the business and the stock is the acceptance of Aclarion's software by healthcare providers and payers. The company is building substantial momentum with new commercial agreements announced including Spine Institute of Louisiana (SIL), Medical Imaging Center of Southern California (MICSC), affiliates of RadNet in the states of New Jersey and New York, and Scripps Health in San Diego.

**Large war chest raised in Q1 FY25:** The company raised over \$20 million in Q1 FY2025, with nearly \$15 million in cash on hand. We don't expect the company to have to raise additional funds through FY25 and FY26.

**Adjusting 12-month price target to \$20.00 (from \$11,759, split-adjusted):** We are maintaining our whole company NPV estimate, but adjusting our 12-month target to \$20.00 to account for splits and dilution. Our new target of \$20.00 represents 2.9x upside from the current share price. With net cash per share of over \$24 and a relatively modest cash burn of around \$1.5 million per quarter, we believe downside is limited, while accelerating penetration of Aclarion's 9-figure market opportunity with providers and payers provides ample upside opportunity.

### Company Description

Based in Colorado, Aclarion is a healthcare diagnostic company that uses AI-driven imaging to improve clinical treatment of lower back and neck pain.

United States  
Healthcare

May 30, 2025

Lucas Ward  
(561) 427-7788  
lward@ascendant.com

### Stock Data

Exchange:	NasdaqCM
52-week Range:	\$6.20 – 3500
Shares Outstanding (million):	0.6
Market cap (\$million):	\$4.0
EV (\$million):	-\$10.7
Debt (\$million):	\$0.0
Cash (\$million):	\$14.8
Avg. Daily Trading Vol. (\$ million):	\$1.5
Float (million shares):	0.6
Short Interest (million shares):	0.0
Dividend, annual (yield):	NA

### Revenues (US\$ million)

	2025E (Cur.)	2025E (Old.)	2026E (Cur.)	2026E (Old.)
Q1 Mar	0.02A	0.03E	0.05E	0.06E
Q2 Jun	0.03E	0.03E	0.07E	0.07E
Q3 Sep	0.04E	0.04E	0.09E	0.09E
Q4 Dec	0.03E	0.05E	0.06E	0.13E
Total	0.11E	0.14E	0.27E	0.35E
EV/Revs	NM	NM	NM	NM

### Earnings per Share (pro forma, \$)

	2025E (Cur.)	2025E (Old.)	2026E (Cur.)	2026E (Old.)
Q1 Mar	(9.32)A	(7.04)E	(2.87)E	(2.92)E
Q2 Jun	(2.26)E	(2.38)E	(2.50)E	(2.62)E
Q3 Sep	(2.62)E	(2.70)E	(2.87)E	(2.95)E
Q4 Dec	(3.84)E	(2.82)E	(4.23)E	(3.07)E
Total	(14.10)E	(12.50)E	(12.13)E	(11.57)E
P/E	NA	NA	NA	NA

\* Reflects a 1:16 reverse stock split in January 2024

\* Reflects a 1:335 reverse stock split in January 2025

\* Reflects a 1:27 reverse stock split in March 2025

### 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 12.**

## Exhibit 1: Aclarion, Inc. Investment Highlights

### Key Takeaways



- ✓ Address a leading cause of healthcare expenditures in the U.S. – up to \$134.5B market <sup>1</sup>
- ✓ Industry 1st noninvasive diagnostic with strong clinical evidence of value
- ✓ 39 issued US & International patents with another 13 pending – supports a platform technology
- ✓ CPT codes issued & regulatory path secured in US, EU & UK – gateway to commercialization
- ✓ Strong value proposition for patients, doctors, imaging centers and payers
- ✓ Established path to success for AI algorithms in heart disease and stroke
- ✓ Successful management team with relevant industry knowledge

<sup>1</sup> Dieleman JL. JAMA. (2020) 323(9)  
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Source: Company Reports

## Exhibit 2: Aclarion, Inc. Reimbursement Landscape

### Reimbursement Landscape



#### CPT Category III Codes secured January 1, 2021

CPT Code	Description
0609T	MRS, determination & localization of discogenic pain (cervical, thoracic, or lumbar); <b>acquisition of single voxel data, per disc, in ≥3 discs – PAID TO IMAGING CENTER</b>
0611T	MRS, determination & localization of discogenic pain (cervical, thoracic, or lumbar); <b>postprocessing for algorithmic analysis of biomarker data</b> for determination of relative chemical differences between discs – <b>PAID TO ACLARION</b>



Transition to Category I codes



Increase volume of Category III code billing



Partner with surgeon KOL's & societies to engage payers

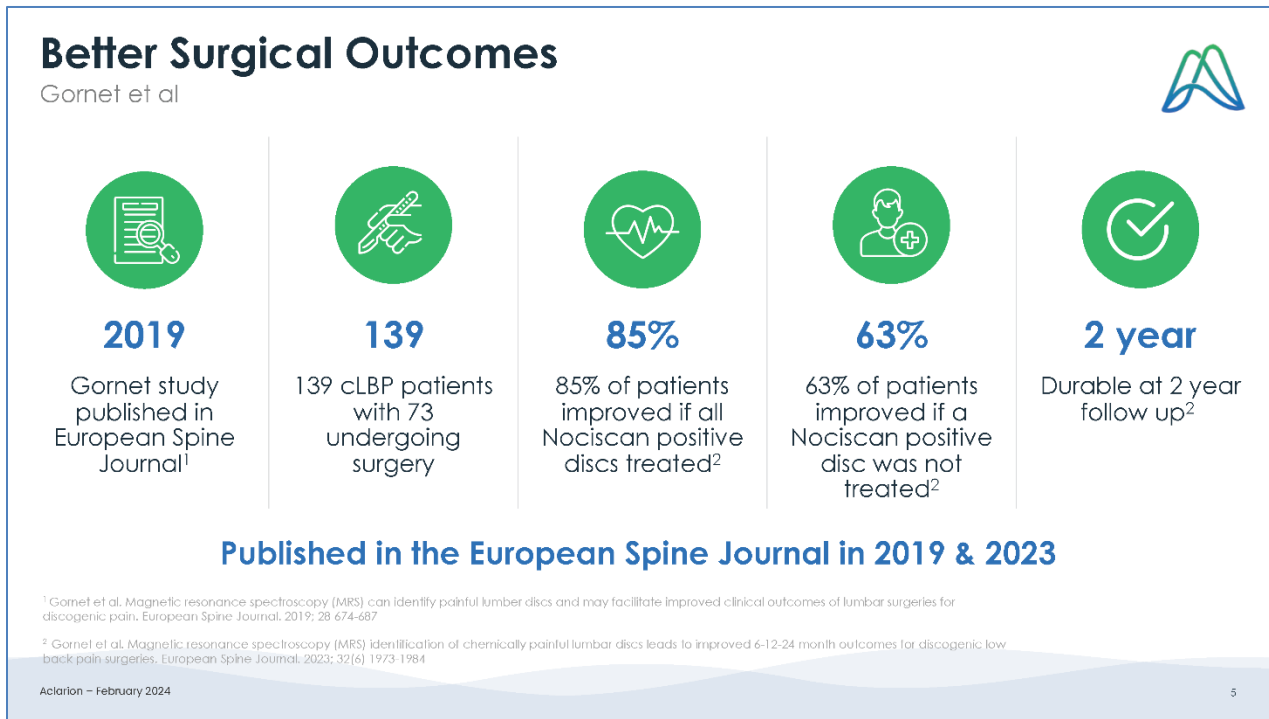
**International Society for the Advancement of Spine Surgery indicates MRS as a SOC alternative to discogram**

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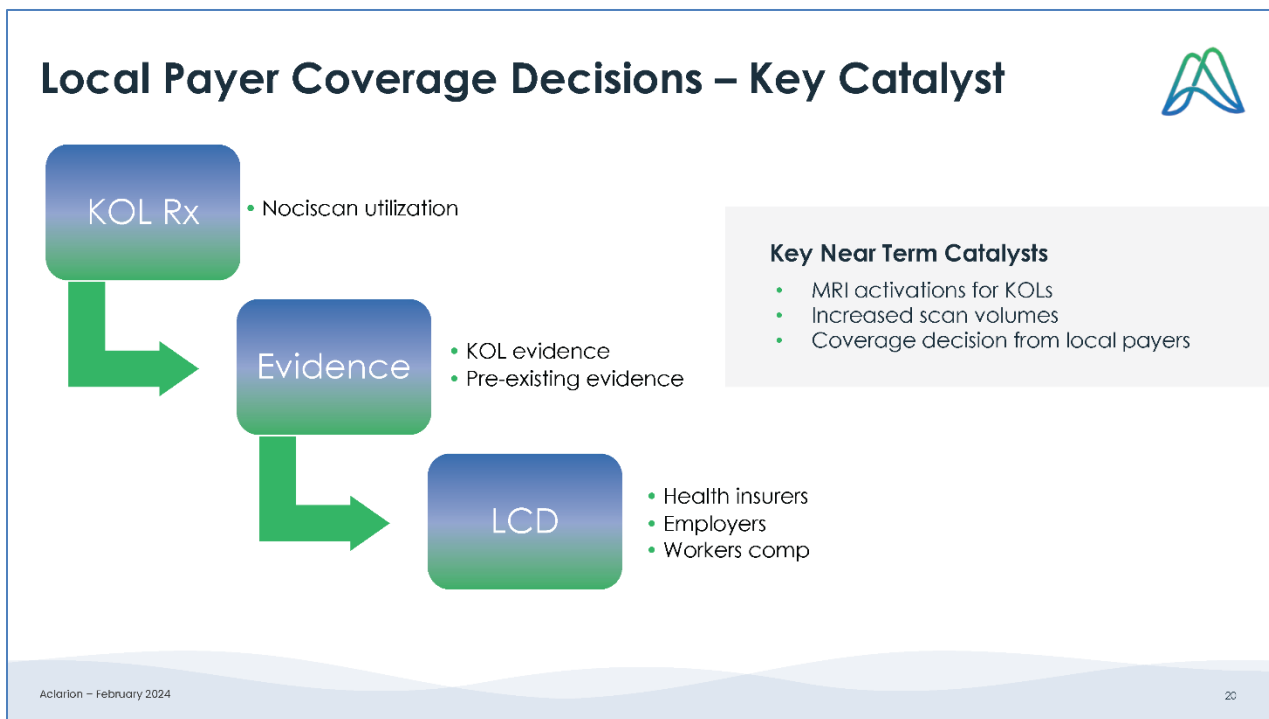
Source: Company Reports

### Exhibit 3: Gornet Study and First Big Clinical Win



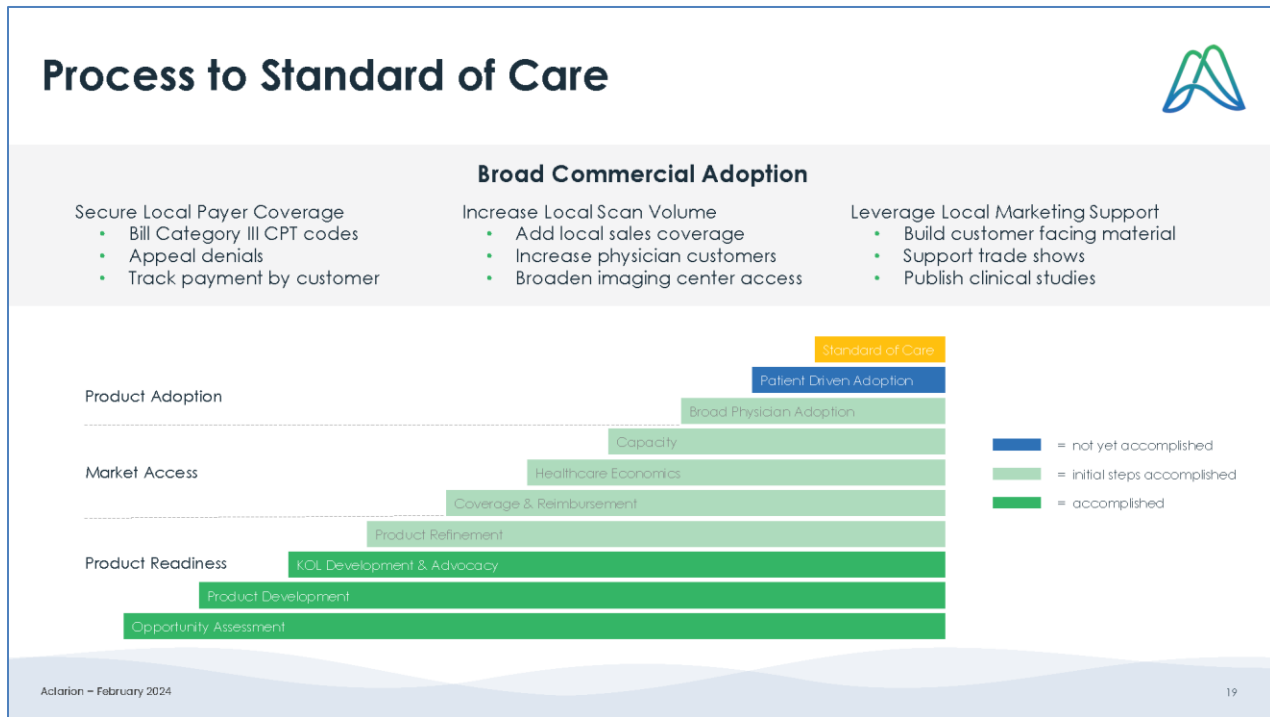
Source: Company Reports

### Exhibit 4: Aclarion, Inc. Key Catalyst for Revenue Growth



Source: Company Reports

## Exhibit 5: Aclarion, Inc. Roadmap to Standard of Care



Source: Company Reports

## Exhibit 6: Aclarion's Strategic Partnership with ATEC

### Strategic Partnership





Executed a multi-step strategic partnership:

- ATEC is a medical device company dedicated to revolutionizing the approach to spine surgery through clinical distinction
- Key Opinion Leader (KOL) surgeons have been identified to evaluate Nociscan technology
- Clinical evaluations will assess synergies between Nociscan and ATEC's AlphaInformatiX platform
- ATEC and Aclarion will co-market Nociscan in targeted markets
- ATEC earns certain exclusive distribution rights to include Nociscan as part of an integrated procedural solution








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Source: Company Reports

## Exhibit 7: Aclarion's Intellectual Property

# Intellectual Property



- 
**22 issued U.S. Patents**
- 
**17 issued International Patents**
- 
**13 Pending Patent Applications**
- 
**Exclusive worldwide license from UCSF for intervertebral disc biomarkers & ratios**

**IP broadly covers:**

- Use of proprietary biomarkers & ratios to identify clinically painful and non-painful discs
- Post processing technologies to more reliably & accurately measure biomarkers from MRS spectra
- AI to correlate raw spectra to clinical outcomes
- Use of internal tissue controls when using MRS

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Source: Company Reports

## Exhibit 8: Aclarion's Senior Leadership

# Management Team





**Jeff Thramann, MD**  
*Executive Chairman*

- Serial entrepreneur with multiple exits
- Over 100 US & International patents
- Public company board experience
- Neurosurgeon & spine fellow
- U.S. Military Academy @ West Point
- Cornell University Medical College
- Barrow Neurological Institute



**Brent Ness**  
*CEO & Director*

- Experienced healthcare leader with highly relevant background
- AI experience at HeartFlow & Cleerly
- Spine experience at Medtronic, Mighty Oak & ProNerve
- Imaging experience at GE Healthcare
- University of North Dakota
- University of Colorado MBA



**John Lorbiecki**  
*CFO*

- Seasoned financial executive
- Divisional CFO at Kyphon & SNT within Medtronic
- Crossover operational experience
- Early & late stage company exposure
- University of St. Thomas magna cum laude
- University of Chicago MBA



**Ryan Bond**  
*Chief Strategy Officer*

- Leading strategy since 2018
- Instrumental in securing Cat III CPT codes
- Coordinated key clinical trials
- Spine experience at Nuvasive
- Ohio University

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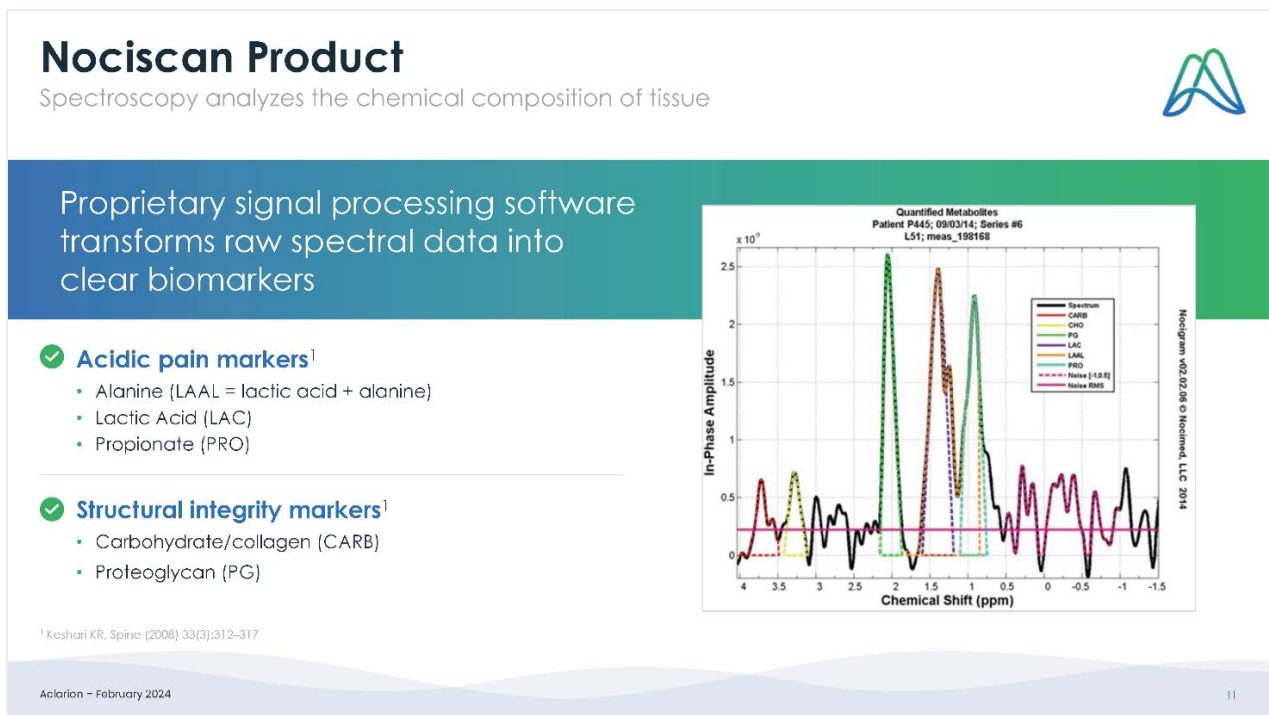
Source: Company Reports

## Exhibit 9: NOCISCAN's Market Opportunity



Source: Company Reports

## Exhibit 10: NOCISCAN Transforms Raw Spectral Data into Clear Biomarkers





Source: Company Reports

## Exhibit 11: Key Opinion Leader and Scientific Advisory Boards



Key Opinion Leader Advocacy
Scientific Advisory

				
George Frey MD	Christopher Ames MD	Sig Berven MD	Juan Uribe MD	John Keller MD
Region	Denver, CO	San Francisco, CA	San Francisco, CA	Phoenix, AZ
				

				
Eric Polts MD	Roger Hoff MD	Greg Basal MD	Aparsh Patel MD	Dean Karahalios MD
Region	Indianapolis, IN	New York City, NY	Miami, FL	Everston, IL
				



Jeff Lotz, PhD





Larry Tanenbaum, MD





Bob Eastlack, MD



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Source: Company Reports

## Exhibit 12: Aclarion, Inc. Consensus Expectations

05/16/2025

### Revenue consensus (\$ million)

	FY2025E	FY2026E
Q1 Mar	0.02A	NA
Q2 Jun	0.03E	NA
Q3 Sep	0.04E	NA
Q4 Dec	0.05E	NA
Total	0.14E	NA

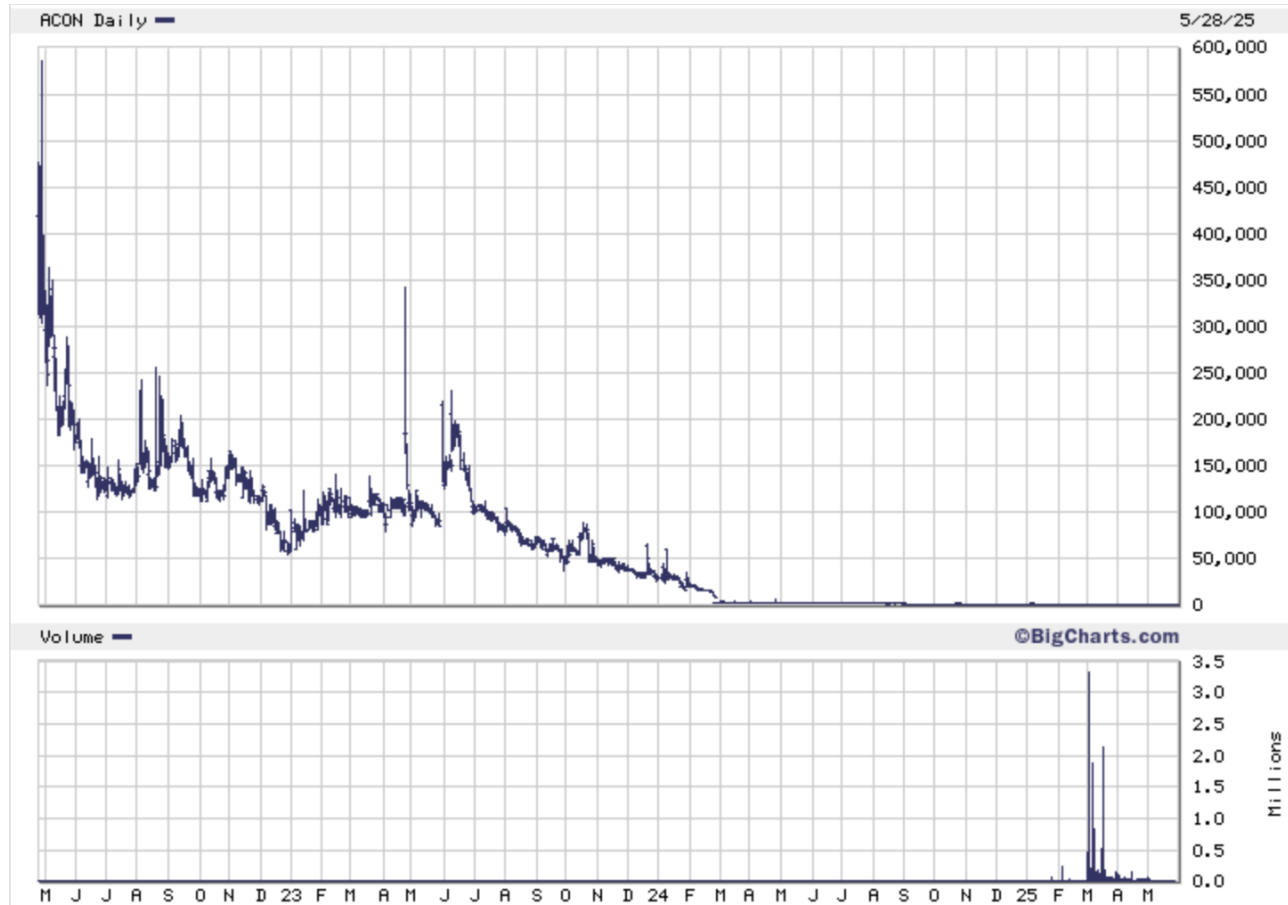
### EPS consensus (pro forma)

	FY2025E	FY2026E
Q1 Mar	NM	NM
Q2 Jun	NM	NM
Q3 Sep	NM	NM
Q4 Dec	NM	NM
Total	NM	NM

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

Source: CapitalIQ, Company Reports, Ascendant Capital Markets Estimates

**Exhibit 13: Aclarion, Inc. Daily Stock Price Since IPO (April 2022)**



\* Reflects a 1:16 reverse stock split in January 2024

\* Reflects a 1:335 reverse stock split in January 2025

\* Reflects a 1:27 reverse stock split in March 2025

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



## FINANCIAL MODEL

### Aclarion, Inc. (ACON)

Income Statement (\$ mils)	2022	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	Mar-26	Jun-26	Sep-26	Dec-26	2026
Fiscal Year End: December 31	FY-A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
<b>Revenue</b>																	
Total revenue	0.06	0.08	0.01	0.01	0.01	0.01	0.0	0.02	0.03	0.04	0.03	0.11	0.05	0.07	0.09	0.06	0.27
Cost of revenue	0.07	0.08	0.02	0.02	0.02	0.02	0.1	0.02	0.05	0.05	0.05	0.17	0.04	0.08	0.07	0.07	0.25
<b>Gross profit (Loss)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>-0.01</b>	<b>-0.01</b>	<b>-0.01</b>	<b>-0.01</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>
<b>Operating expenses</b>																	
Sales and marketing	0.5	0.8	0.2	0.2	0.2	0.3	1.0	0.3	0.3	0.3	0.4	1.2	0.3	0.3	0.3	0.4	1.4
Research and development	1.1	0.9	0.2	0.2	0.2	0.3	0.9	0.2	0.2	0.2	0.3	0.9	0.2	0.3	0.3	0.3	1.1
General and administrative	4.0	3.2	0.8	0.7	0.9	1.2	3.6	1.0	0.8	1.0	1.4	4.2	1.1	0.9	1.1	1.6	4.7
Other Operating Expense/(Income)																	
Total operating expenses	5.6	4.9	1.3	1.1	1.3	1.8	5.5	1.5	1.3	1.5	2.1	6.3	1.7	1.4	1.7	2.3	7.1
<b>Loss from operations</b>	<b>(5.6)</b>	<b>(4.9)</b>	<b>(1.3)</b>	<b>(1.1)</b>	<b>(1.3)</b>	<b>(1.8)</b>	<b>(5.5)</b>	<b>(1.5)</b>	<b>(1.3)</b>	<b>(1.5)</b>	<b>(2.1)</b>	<b>(6.4)</b>	<b>(1.7)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(2.3)</b>	<b>(7.1)</b>
<b>Other income (expense)</b>																	
Interest Expense	(1.5)	(0.6)	-0.3	-0.1	-0.1	0.0	(0.5)	0.0	-	-	-	-	-	-	-	-	-
Gain (Loss) on settlement of debt	-	(0.1)	0.0	0.0	0.0	0.0	(1.1)	0.0	-	-	-	-	-	-	-	-	-
Loss on exchange of debt	-	-	-1.1	0.0	0.0	0.0	-	0.1	-	-	-	-	-	-	-	-	-
Gain (Loss) on extinguishment of debt	-	-	-0.1	0.0	0.0	0.1	-	0.1	-	-	-	0.1	-	-	-	-	-
Changes in fair value of warrant and	-	0.6	0.3	0.0	0.0	0.0	0.3	0.0	-	-	-	0.0	-	-	-	-	-
Penalties and settlements	-	-	0.0	0.0	0.0	-0.2	(0.2)	-0.7	-	-	-	(0.7)	-	-	-	-	-
Other, net	0.0	(0.0)	0.09	0.0	0.0	-0.1	0.0	0.0	-	-	-	0.0	-	-	-	-	-
<b>Total other income (expense)</b>	<b>(1.5)</b>	<b>(0.0)</b>	<b>(1.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(1.5)</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net loss</b>	<b>(7.1)</b>	<b>(4.9)</b>	<b>(2.4)</b>	<b>(1.2)</b>	<b>(1.4)</b>	<b>(2.0)</b>	<b>(7.0)</b>	<b>(2.0)</b>	<b>(1.3)</b>	<b>(1.5)</b>	<b>(2.1)</b>	<b>(6.9)</b>	<b>(1.7)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(2.3)</b>	<b>(7.1)</b>
Pref. Dividends and Other Adj.	(0.4)	0.0	0.0	0.0	(0.0)	(0.1)	(0.1)	(0.0)	0.0	(0.0)	(0.1)	-	(0.0)	0.0	(0.0)	(0.1)	-
<b>Net loss to common</b>	<b>(7.5)</b>	<b>(4.9)</b>	<b>(2.4)</b>	<b>(1.2)</b>	<b>(1.4)</b>	<b>(2.0)</b>	<b>(7.1)</b>	<b>(2.0)</b>	<b>(1.3)</b>	<b>(1.5)</b>	<b>(2.2)</b>	<b>(6.9)</b>	<b>(1.7)</b>	<b>(1.5)</b>	<b>(1.7)</b>	<b>(2.5)</b>	<b>(7.1)</b>
Weighted average common shares	0.00004	0.0001	0.0006	0.0009	0.0010	0.0012	0.0009	0.2194	0.5824	0.5824	0.5824	0.4916	0.5824	0.5824	0.5824	0.5824	0.5824
Shares, Diluted	0.00005	0.0001	0.0006	0.0009	0.0010	0.0012	0.0009	0.2194	0.5824	0.5824	0.5824	0.4916	0.5824	0.5824	0.5824	0.5824	0.5824
<b>EPS Basic (GAAP)</b>	<b>(177,396)</b>	<b>(79,782)</b>	<b>(3,987)</b>	<b>(1,363)</b>	<b>(1,321)</b>	<b>(1,682)</b>	<b>(7,492)</b>	<b>(9,32)</b>	<b>(2,26)</b>	<b>(2,62)</b>	<b>(3,84)</b>	<b>(14,10)</b>	<b>(2,87)</b>	<b>(2,50)</b>	<b>(2,87)</b>	<b>(4,23)</b>	<b>(12,13)</b>
<b>EPS Diluted (GAAP)</b>	<b>(177,396)</b>	<b>(79,782)</b>	<b>(3,987)</b>	<b>(1,363)</b>	<b>(1,321)</b>	<b>(1,682)</b>	<b>(7,492)</b>	<b>(9,32)</b>	<b>(2,26)</b>	<b>(2,62)</b>	<b>(3,84)</b>	<b>(14,10)</b>	<b>(2,87)</b>	<b>(2,50)</b>	<b>(2,87)</b>	<b>(4,23)</b>	<b>(12,13)</b>
<b>Margins</b>																	
Gross margin	-8%	0%	-93%	-112%	-48%	-101%	(0.9)	-24%	-87%	-30%	-77%	-54%	26%	-12%	22%	-6%	7%
General and admin	6602%	4304%	8363%	6345%	5973%	11790%	78.9	5195%	2919%	2747%	5424%	3855%	2328%	1308%	1231%	2430%	1727%
Sales and marketing	824%	1004%	1790%	2051%	1616%	3300%	21.4	1593%	944%	743%	1518%	1127%	714%	423%	333%	680%	505%
Operating margin	-9201%	-6466%	-12609%	-10351%	-8995%	-17653%	(120.6)	-7856%	-4796%	-4146%	-8151%	-5912%	-3483%	-2122%	-1822%	-3623%	-2617%
Tax rate, GAAP																	
Net margin	-11694%	-6513%	-23721%	-11285%	-9483%	-19445%	(152.9)	-10728%	-4796%	-4146%	-8151%	-6417%	-3483%	-2122%	-1822%	-3623%	-2617%
<b>Y/Y % change</b>																	
Revenue	0%	25%	-60%	-36%	-24%	-26%	-39%	88%	150%	150%	150%	150%	150%	150%	150%	150%	150%
COGS	-6%	16%	12%	21%	9%	6%	12%	21%	120%	120%	120%	120%	50%	50%	50%	50%	50%
General and administrative expenses	119%	-19%	5%	-26%	12%	67%	11%	17%	15%	15%	15%	6%	12%	12%	12%	12%	12%
Total operating expenses	89%	-12%	6%	-20%	11%	60%	12%	17%	15%	15%	15%	15%	12%	12%	12%	12%	12%
Operating Income	88%	-12%	8%	-19%	12%	60%	13%	17%	16%	15%	15%	16%	11%	11%	10%	11%	11%
Net income	43%	-31%	103%	-15%	37%	57%	42%	-15%	6%	9%	5%	-1%	-19%	11%	10%	11%	2%
EPS	-81%	-55%	-82%	-95%	-92%	-90%	-91%	-100%	-100%	-100%	-100%	-100%	-69%	11%	10%	10%	-14%
D&A as % of PPE and IA	12%	13%	14%	14%	14%	14%	16%	14%	14%	14%	14%	15%	14%	14%	14%	14%	14%

Source: Company reports, Ascendant Capital Markets estimates

**Aclarion, Inc. (ACON)**

Balance Sheet (\$ mils)	Dec-22	Dec-23	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
Fiscal Year End: December 31	Q4A	Q4A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<b>Current assets</b>											
Cash	1.5	1.0	0.5	14.8	13.4	12.0	9.9	8.2	6.8	5.1	2.8
Restricted cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.3
Prepays and other current assets	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<b>Total current assets</b>	<b>1.7</b>	<b>1.3</b>	<b>0.8</b>	<b>15.2</b>	<b>13.9</b>	<b>12.4</b>	<b>10.3</b>	<b>8.7</b>	<b>7.4</b>	<b>5.8</b>	<b>3.5</b>
Property and equipment, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Intangible assets, net	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
<b>Total assets</b>	<b>2.9</b>	<b>2.5</b>	<b>2.1</b>	<b>16.5</b>	<b>15.2</b>	<b>13.7</b>	<b>11.7</b>	<b>10.0</b>	<b>8.7</b>	<b>7.1</b>	<b>4.8</b>
<b>Liabilities and Stockholders' Equity</b>											
<b>Current liabilities</b>											
Accounts payable	0.5	0.8	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.8	0.8
Accrued and other liabilities	0.2	0.9	0.5	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Note payable, net of discount	-	1.1	-	-	-	-	-	-	-	-	-
Warrant liability	-	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivative liability	-	0.1	-	-	-	-	-	-	-	-	-
Liability to issue equity	-	0.0	0.1	-	-	-	-	-	-	-	-
Preferred dividends payable	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>0.7</b>	<b>3.2</b>	<b>1.2</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>
<b>Total Liabilities</b>	<b>0.7</b>	<b>3.2</b>	<b>1.2</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>
<b>Stockholders' Equity</b>											
Pref. Stock, Convertible											
Common Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional Paid In Capital	41.6	43.6	52.2	69.1	69.1	69.1	69.1	69.1	69.1	69.1	69.1
Retained Earnings	(39.4)	(44.3)	(51.3)	(53.3)	(54.6)	(56.1)	(58.2)	(59.8)	(61.3)	(62.9)	(65.3)
Comprehensive Inc. and Other			-	-	-	-	-	-	-	-	-
<b>Total stockholders' equity</b>	<b>2.2</b>	<b>(0.7)</b>	<b>1.0</b>	<b>15.8</b>	<b>14.5</b>	<b>13.0</b>	<b>10.9</b>	<b>9.2</b>	<b>7.8</b>	<b>6.1</b>	<b>3.8</b>
<b>Total liabilities and stockholders' equity</b>	<b>2.9</b>	<b>2.5</b>	<b>2.1</b>	<b>16.5</b>	<b>15.2</b>	<b>13.7</b>	<b>11.7</b>	<b>10.0</b>	<b>8.7</b>	<b>7.1</b>	<b>4.8</b>

**Balance Sheet Drivers**

	Dec-22	Dec-23	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-25	Jun-25	Sep-25	Dec-25
	Q4A	Q4A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<b>Book &amp; Cash Value (per share)</b>											
Book Value per Share (diluted)	40,914.22	(9,681.05)	796.19	71.94	24.84	22.27	18.69	15.85	13.36	10.54	6.56
Cash per Share (diluted)	30,741.52	16,836.89	653.29	68.96	23.72	21.18	17.60	14.78	12.33	9.49	5.51
Net cash per Share (diluted)	27,070.91	13,578.42	372.35	67.24	23.07	20.53	16.95	14.13	11.68	8.84	4.86

Source: Company reports, Ascendant Capital Markets estimates

## Aclarion, Inc. (ACON)

Cash Flow Statement (\$ mils)	2022	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	Mar-25	Jun-25	Sep-25	Dec-25	2025	Mar-26	Jun-26	Sep-26	Dec-26	2026
Fiscal Year End: December 31	FY-A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
<b>Cash flow from operating activities</b>																	
<b>Net Loss</b>	(7.1)	(4.9)	(2.4)	(1.2)	(1.4)	(2.0)	(7.0)	(2.0)	(1.4)	(1.5)	(2.1)	(7.1)	(1.7)	(1.5)	(1.7)	(2.4)	(7.2)
(Growth factor for forecasts)												0.1					0.1
Adjustments to reconcile net income (loss) to net cash used in operating activities:																	
Depreciation and amortization	0.1	0.2	0.0	0.0	0.1	0.1	0.2	0.1	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.2
Share-based compensation	1.2	0.5	0.1	0.1	0.1	0.1	0.3	0.1				0.1					-
Share-based vendor payments	0.1	-	-	-	-	-	-	-				-					-
Interest conversion discount settled in e	1.3	-	-	-	-	-	-	-				-					-
Loss on disposal of furniture and equip	0.0	-	-	-	-	-	-	-				-					-
Loss on exchange of debt	-	-	1.1	-	0.0	-	1.1	-				-					-
Loss on extinguishment of debt	-	-	0.1	-	-	-	0.1	-				-					-
Non-cash expenses related to equity line agreement	-	-	-	-	-	0.4	0.4	-				-					-
Amortization of deferred issuance costs	-	0.5	0.3	0.1	0.1	(0.0)	0.5	-				-					-
Change in fair value related to warrants a	-	(0.6)	(0.3)	(0.0)	(0.0)	(0.0)	(0.3)	(0.0)				(0.0)					-
Non-cash settlements	-	-	-	-	-	-	-	0.1				0.1					-
Amendment of warrants	-	-	-	-	-	-	-	0.0				0.0					-
Change in assets and liabilities	-	-	-	-	-	-	-	-				-					-
Non-cash interest related to bridge fund	-	0.1	-	0.0	0.0	-	0.1	-				-					-
Warrants issued as non-cash finance ch	-	0.1	-	-	-	-	-	-				-					-
Gain on forgiveness of PPP loans	-	-	-	-	-	-	-	-				-					-
Changes in fair value of redeemable pre	-	-	-	-	-	-	-	-				-					-
Accounts receivable	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.1)	(0.0)	(0.1)	(0.2)
Prepays and other current assets	(0.1)	(0.0)	(0.1)	(0.3)	0.1	0.0	(0.3)	(0.0)	-	-	-	(0.0)	-	-	-	-	-
Changes in fair value of redeemable pre	-	-	-	-	(0.0)	0.0	-	-				-					-
Accounts payable	(0.6)	0.2	(0.6)	0.1	0.1	0.3	(0.2)	(0.0)	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.2
Accrued and other liabilities	(0.1)	0.4	(0.4)	0.1	(0.1)	0.2	(0.1)	(0.6)	(0.0)	-	-	(0.6)	-	-	-	-	-
Accrued interest on promissory and cor	0.2	(0.0)	-	-	-	-	-	-				-					-
Note payable, net of discount	-	-	-	(0.0)	0.0	-	-	-				-					-
<b>Net cash used in operating activities</b>	(4.9)	(3.6)	(2.2)	(1.1)	(1.1)	(0.9)	(5.3)	(2.5)	(1.3)	(1.5)	(2.1)	(7.4)	(1.6)	(1.4)	(1.7)	(2.3)	(7.0)
<b>Investing Activities</b>																	
Capital Expenditure	-	-	-	-	-	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-
Sale of Property, Plant, and Equipment	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale (Purchase) of Intangible assets	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	-	-	-	(0.1)	-	-	-	-	-
<b>Net cash used in investing activities</b>	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	-	-	-	(0.1)	-	-	-	-	-
<b>Financing Activities</b>																	
Public offering of common stock and warrants	-	-	-	-	-	-	-	14.6	-	-	-	14.6	-	-	-	-	-
IPO/bridge funding issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preferred stock cash issuance costs	-	-	-	-	(0.0)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-
Common stock cash issuance costs	-	-	-	-	(0.7)	(0.1)	(0.8)	(2.0)	-	-	-	(2.0)	-	-	-	-	-
Proceeds from bridge funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of common stock and warrant	-	-	2.7	-	-	(2.7)	-	-	-	-	-	-	-	-	-	-	-
Proceeds from equity line	-	1.5	1.4	0.3	-	-	1.8	-	-	-	-	-	-	-	-	-	-
Registered Direct offerings	-	-	-	-	-	-	-	5.2	-	-	-	5.2	-	-	-	-	-
Exercise of Series C warrants	-	-	-	-	-	-	-	0.3	-	-	-	0.3	-	-	-	-	-
Redemption of Series B preferred stock	-	-	-	-	-	-	-	(1.2)	-	-	-	(1.2)	-	-	-	-	-
Proceeds from common stock and warrant RegA+ offering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sales of C-Series preferred stock and warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common stock cash issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preferred stock cash issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IPO cash issuance costs	(0.4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of promissory notes	(2.0)	-	(0.3)	-	0.0	-	(0.3)	-	-	-	-	-	-	-	-	-	-
Issuance of common stock and warrants	8.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity line cash issuance costs	-	-	(0.3)	(0.0)	0.3	-	-	-	-	-	-	-	-	-	-	-	-
Public offering cash issuance costs	-	-	(0.1)	(0.1)	0.3	-	-	-	-	-	-	-	-	-	-	-	-
Bridge fund cash issuance costs	-	(0.3)	(0.0)	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-
Equity line issuance costs	-	(0.1)	-	-	-	(0.4)	(0.4)	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of PPP Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of convertible r	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of promissory r	-	2.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of common stock and warrants related to public offering	-	-	-	-	-	3.0	3.0	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of Series A preferred	-	0.0	-	-	1.0	-	1.0	-	-	-	-	-	-	-	-	-	-
Redemption of Series A Preferred stock	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Pref. Stock	-	-	-	-	0.5	-	0.5	-	-	-	-	-	-	-	-	-	-
Other Financing Activities	-	-	-	-	-	0.3	0.3	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by financing activities</b>	6.2	3.3	3.4	0.2	1.3	0.1	5.0	16.9	-	-	-	16.9	-	-	-	-	-
<b>Net cash increase (decrease)</b>	1.0	(0.5)	1.1	(1.0)	0.1	(0.9)	(0.6)	14.3	(1.3)	(1.5)	(2.1)	9.4	(1.6)	(1.4)	(1.7)	(2.3)	(7.0)
Cash balance at beginning of period	0.5	1.5	1.0	2.1	1.2	1.3	1.0	0.5	14.8	13.4	12.0	0.5	9.9	8.2	6.8	5.1	9.9
<b>Cash balance at end of period</b>	1.5	1.0	2.1	1.2	1.3	0.5	0.5	14.8	13.4	12.0	9.9	9.9	8.2	6.8	5.1	2.8	2.8

Source: Company reports, Ascendant Capital Markets estimates

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Total return is defined as price appreciation plus dividend yield.

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Investment Banking Services Past 12 Months				
	Count	Percent	Count	Percent
Buy	52	98%	21	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	53	100%	21	40%

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