



Alzamend Neuro, Inc.

Q2 about inline. Expect positive clinical trials progress in FY23 for AL001 and AL002 for Alzheimer's to drive stock. Lowering P/T to \$7.00.

COMPANY UPDATE

Rating: BUY

Ticker: ALZN

Price: \$0.93

Target: \$7.00
(from \$7.25)

Q2 about inline: Alzamend recently (on December 12) reported its fiscal Q2 2023 (ending October) results. Net loss was \$3.1 million or EPS of \$(0.03), which compared with our and consensus estimates for \$(0.04) – (0.05). There was no Q2 guidance. Alzamend is an early/clinical stage drug development company so it generates no revenue.

Operating expenses: Operating expenses were \$3.1 million, about flat with \$3.0 million in Q1 FY23.

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

Adjusting estimates slightly: We are adjusting our FY23 EPS estimate to \$(0.15) from \$(0.16).

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.

Current Phase 2 clinical trial for AL001: In December 2021, the company announced positive topline data from its Phase 1 clinical trial for AL001. The Phase 1 first-in-human study was to study the pharmacokinetics, safety and tolerability of AL001 so as to target doses for a planned Phase 2 multiple ascending dose study in Alzheimer's patients. In May, the company initiated a Phase 2 study for AL001 involving Alzheimer's patients with topline data expected in December 2022. In July, 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.

AL002 trial to start in Q1 2023: In September 2022, the company submitted the IND for AL002 and in October received approval to start clinical trials for AL002 to treat mild to moderate dementia of the Alzheimer's type. The company plans to start clinical trials for AL002 in Q1 2023.

Clinical trials can be catalyst: Alzamend anticipates starting/finishing its various clinical trials over the next year (in FY23/24). We believe achieving key milestones and positive data will likely be catalysts for the stock.

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 \$7.00 from \$7.25, 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

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Stock Data

Exchange:	NasdaqCM
52-week Range:	\$0.80 – 3.04
Shares Outstanding (million):	98
Market cap (\$million):	\$91
EV (\$million):	\$82
Debt (\$million):	\$0
Cash (\$million):	\$9
Avg. Daily Trading Vol. (\$million):	\$1
Float (million shares):	62
Short Interest (million shares):	2
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>
Q1 Jul	0A		0E	
Q2 Oct	0A	0E	0E	
Q3 Jan	0E		0E	
Q4 Apr	0E		0E	
Total	0E		0E	
EV/Revs	N/A		N/A	

Earnings per Share (pro forma)

	<u>2023E</u> <u>(Cur.)</u>	<u>2023E</u> <u>(Old)</u>	<u>2024E</u> <u>(Cur.)</u>	<u>2024E</u> <u>(Old)</u>
Q1 Jul	(0.03)A		(0.04)E	
Q2 Oct	(0.04)A	(0.04)E	(0.04)E	
Q3 Jan	(0.04)E		(0.04)E	
Q4 Apr	<u>(0.04)E</u>		<u>(0.04)E</u>	
Total	<u>(0.15)E</u>	<u>(0.16)E</u>	<u>(0.17)E</u>	
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

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.

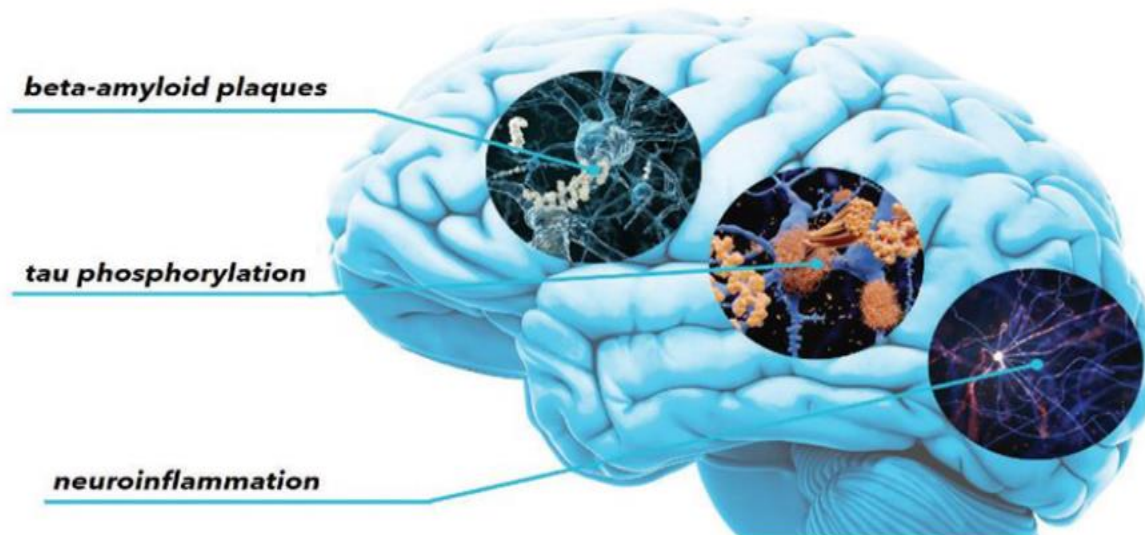
Exhibit 3: Alzamend Neuro Product Pipeline (as of November 2022)

Product Candidate	Indication	Pre-Clinical	Phase I	Phase II	Phase III	FDA Approval
AL001	• Alzheimer's Disease	→			Phase IIA commenced in May 2022	
	• Bipolar Disorder	→			Awaiting results from a Phase IIA Multiple Ascending Dose/ Tolerability Alzheimer's Patient Study to Submit IND to Initiate a Phase II Trial	
	• Major Depressive Disorder	→			Awaiting results from a Phase IIA Multiple Ascending Dose/ Tolerability Alzheimer's Patient Study to Submit IND to Initiate a Phase II Trial	
	• Post-Traumatic Stress Disorder	→			Awaiting results from a Phase IIA Multiple Ascending Dose/ Tolerability Alzheimer's Patient Study to Submit IND to Initiate a Phase II Trial	
ALZN002	• Alzheimer's Disease	→			Received FDA "Study May Proceed" letter for combined Phase I/IIA clinical trial in October 2022. Trial expected to begin in Q1 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.



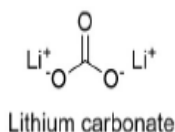
How the two brains compare.

Source: Alzheimer's Association

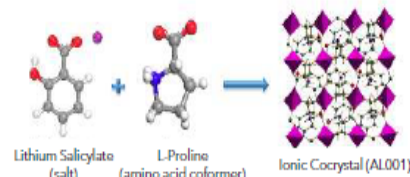
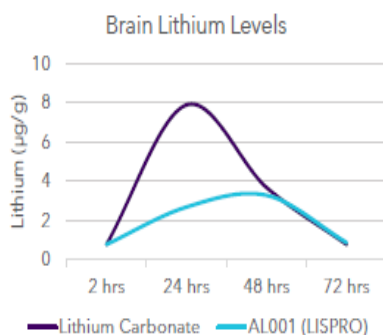
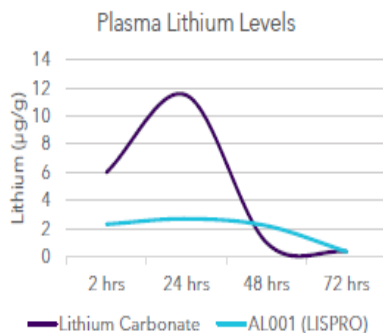
Exhibit 6: AL001 (LISPRO)

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

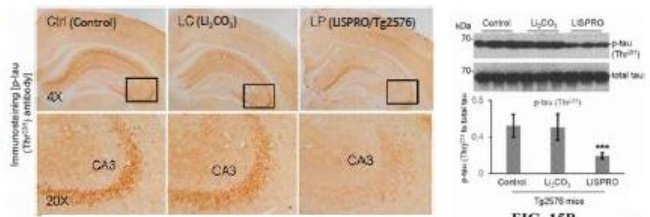


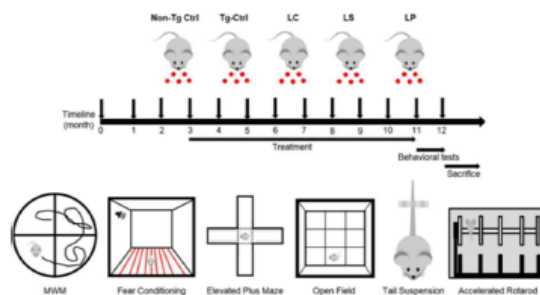
FIG. 15A & 15B: Tau Phosphorylation Burden

Source: Company reports.

Exhibit 8: AL001 (LISPRO) Preclinical Studies Results

OUR SCIENCE - NON-CLINICAL

AL001 (aka LISPRO)



Our pre-clinical studies encompassed the treatment of **28 transgenic** (or genetically modified) and **10 non-transgenic mice** with lithium carbonate and AL001.

Female APPSWE/PS1dE9 mice at 4 months of age were **orally treated** with LISPRO (LP), Lithium Salicylate (LS), or Lithium Carbonate (LC) for **9 months** followed by **determination of body weight, growth of internal organs, and cognitive and non-cognitive behavior.**

Untreated age-matched non-transgenic littermates served as Wild-Type (WT) controls.

The Results

- No significant differences in body weight, brain, heart, lung, spleen, liver or kidney** were found between lithium treated and untreated APPSWE/PS1dE9 cohorts (Tg-Ctrl vs. AL001: $p > 0.05$).
- AL001 treatment **improved cognitive function by 50%** (Tg-Ctrl vs. AL001: $p < 0.01$), in comparison with the control group, through **behavioral tests** administered to mice with Alzheimer's Disease. The tests resulted in **50% lower escape latency** (Tg-Ctrl vs. AL001: $p < 0.01$) during the training and probe trial of the Morris water maze test and **50% longer contextual freezing time** (Tg-Ctrl vs. AL001: $p < 0.05$) during the fear conditioning test.
- AL001 treatment **reduced depression by 25%** (Tg-Ctrl vs. AL001: $p < 0.001$), as assessed by the tail suspension test, and **irritability by 50%** (Tg-Ctrl vs. AL001: $p < 0.01$), as assessed by the touch escape test.
- Continued AL001 treatment **prevented cognitive deficits, depression and irritability** and, compared to lithium carbonate treatments, was **superior in improving associative learning and memory** (LC vs. AL001: $p < 0.05$) and in **reducing irritability** (LC vs. AL001: $p < 0.01$), supporting the potential of this lithium formulation for the treatment of Alzheimer's Disease.

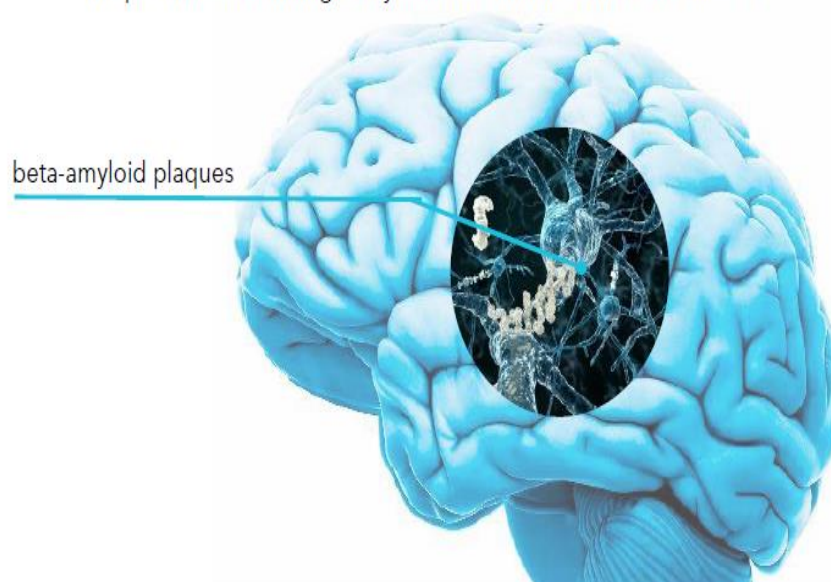
Source: Company reports.

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



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)

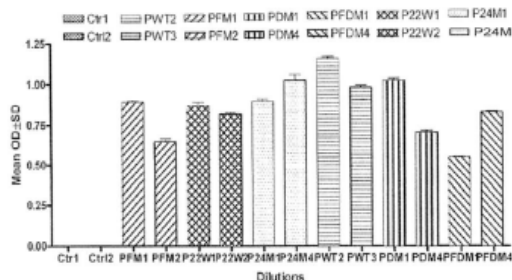


FIG. 5A

- 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 administrated 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: Market Opportunity for AL001 and AL002

COMPETITIVE LANDSCAPE

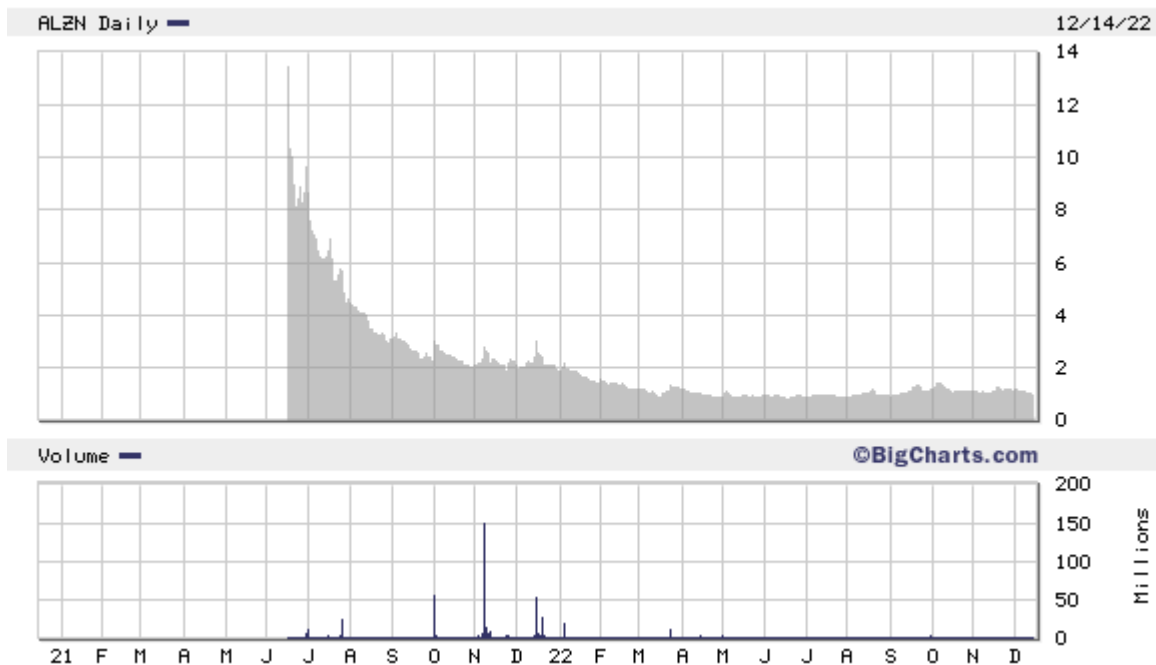
Overview of Market Opportunity for AL001 and AL002



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 12: Alzamend Neuro, Inc. Stock Price (1.5-year since IPO in June 2021)



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

Exhibit 13: Consensus Expectations (as of December 12, 2022)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Jul	\$0A		Q1 Jul	\$(0.03)A	
Q2 Oct	\$0E		Q2 Oct	\$(0.05)E	
Q3 Jan	\$0E		Q3 Jan	\$(0.04)E	
Q4 Apr			Q4 Apr		
Total	\$0E	\$0E	Total	\$(0.17)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

Alzamed Neuro, Inc.

Income Statement (\$ mils)	2019	2020	Jul-20	Oct-20	Jan-21	Apr-21	2021	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
Fiscal Year End: April 30	FY-A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	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	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	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	0.0	0.0
Research and development	3.7	1.1	0.3	0.5	0.2	0.3	1.3	0.9	1.8	0.9	1.7	5.2	1.4	1.5	2.2	2.4	7.5	2.1	2.2	2.3	2.4	9.0
General and administrative	1.3	3.4	1.0	0.8	0.9	0.9	3.6	1.4	1.8	1.7	2.2	7.1	1.7	1.6	1.8	2.0	7.0	2.0	2.0	2.0	2.0	8.0
Restructuring and other						0.0						0.0					0.0					0.0
Total operating expenses	5.0	4.4	1.3	1.3	1.1	1.2	5.0	2.3	3.6	2.6	3.9	12.3	3.0	3.1	4.0	4.4	14.5	4.1	4.2	4.3	4.4	17.0
Operating income (loss)	(5.0)	(4.4)	(1.3)	(1.3)	(1.1)	(1.2)	(5.0)	(2.3)	(3.6)	(2.6)	(3.9)	(12.3)	(3.0)	(3.1)	(4.0)	(4.4)	(14.5)	(4.1)	(4.2)	(4.3)	(4.4)	(17.0)
Interest income (expense)	0.1	0.0	0.0	(0.1)	(0.1)	(0.0)	(0.2)	(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)					0.1		0.1					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(4.9)	(4.4)	(1.3)	(1.4)	(1.1)	(1.3)	(5.0)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(4.0)	(4.4)	(14.5)	(4.1)	(4.2)	(4.3)	(4.4)	(17.0)
Income taxes												0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(4.9)	(4.4)	(1.3)	(1.4)	(1.1)	(1.3)	(5.0)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(4.0)	(4.4)	(14.5)	(4.1)	(4.2)	(4.3)	(4.4)	(17.0)
Nonrecurring/noncash adjustments												0.0					0.0					0.0
Net income (pro forma)	(4.9)	(4.4)	(1.3)	(1.4)	(1.1)	(1.3)	(5.0)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(4.0)	(4.4)	(14.5)	(4.1)	(4.2)	(4.3)	(4.4)	(17.0)
EBITDA	(4.6)	(2.2)	(0.7)	(0.7)	(0.5)	(0.5)	(2.5)	(1.6)	(2.3)	(1.4)	(2.6)	(7.9)	(2.2)	(2.4)	(3.3)	(3.7)	(11.5)	(3.4)	(3.5)	(3.6)	(3.7)	(14.1)
Shares, Basic	58.8	71.3	72.3	72.3	72.3	72.3	72.7	84.6	93.5	94.2	94.2	89.1	97.5	97.5	98.0	98.5	97.9	99.0	99.5	100.0	100.5	99.7
Shares, Diluted	58.8	71.3	72.3	72.3	72.3	72.3	72.7	84.6	93.5	94.2	94.2	89.1	97.5	97.5	98.0	98.5	97.9	99.0	99.5	100.0	100.5	99.7
EPS Basic (pro forma)	(\$0.08)	(\$0.06)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.07)	(\$0.03)	(\$0.04)	(\$0.03)	(\$0.04)	(\$0.14)	(\$0.03)	(\$0.03)	(\$0.04)	(\$0.04)	(\$0.15)	(\$0.04)	(\$0.04)	(\$0.04)	(\$0.04)	(\$0.17)
EPS Diluted (pro forma)	(\$0.08)	(\$0.06)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.07)	(\$0.03)	(\$0.04)	(\$0.03)	(\$0.04)	(\$0.14)	(\$0.03)	(\$0.03)	(\$0.04)	(\$0.04)	(\$0.15)	(\$0.04)	(\$0.04)	(\$0.04)	(\$0.04)	(\$0.17)
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	NM
Tax rate, GAAP	0%	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	NM
YY % change																						
Total Revenue																						
Gross margin																						
Research and development		-71%					23%					297%	50%	-12%	152%	44%	44%	53%	44%	5%	0%	20%
General and administrative		156%					9%					95%	19%	-14%	7%	-10%	-1%	21%	27%	11%	0%	14%
Operating income (loss)		-12%					12%					149%	32%	-13%	56%	14%	18%	35%	35%	8%	0%	17%
Net income (loss)		-9%					14%					145%	31%	-14%	55%	14%	18%	35%	35%	8%	0%	17%
EPS Diluted (pro forma)		-25%					12%					100%	14%	-17%	49%	9%	7%	33%	32%	5%	-2%	15%

Source: Company reports and Ascendant Capital Markets estimates.

Alzamend Neuro, Inc.

Balance Sheet (\$ mils)	Apr-19	Apr-20	Jul-21	Oct-21	Jan-22	Apr-21	Jul-21	Oct-21	Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Apr-23	Jul-23	Oct-23	Jan-24	Apr-24
Fiscal Year End: April 30	Q4A	Q4A	Q1	Q2	Q3	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																		
Cash and cash equivalents	0.0	0.1				1.9	15.6	13.6	11.8	14.1	11.5	9.2	5.9	2.2	(1.2)	(4.6)	(8.2)	(11.9)
Short term investments													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
Prepaid expenses and other	1.5	1.7				1.0	1.2	0.9	0.6	0.3	0.6	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Total current assets	1.5	1.8				2.9	16.8	14.5	12.4	14.4	12.1	10.3	7.1	3.4	(0.0)	(3.5)	(7.1)	(10.7)
Property and equipment, net										0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Intangibles, net													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
Other													0.0	0.0	0.0	0.0	0.0	0.0
Total assets	1.5	1.8				2.9	16.8	14.5	12.4	14.5	12.2	10.4	7.1	3.5	0.1	(3.4)	(7.0)	(10.7)
Liabilities and stockholders' equity																		
Accounts payable	1.1	0.9				0.5	1.1	1.1	0.5	1.2	1.0	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Accrued expenses	0.1	0.1				0.1	0.1	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
Other												1.0	1.0	1.0	1.0	1.0	1.0	1.0
Short term debt						0.3	0.3	0.3					0.0	0.0	0.0	0.0	0.0	0.0
Total current liabilities	1.2	1.0				0.9	1.5	1.5	0.5	1.2	1.0	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Deferred income taxes													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
Other long term liabilities													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
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
Preferred stock	0.0	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	0.0	0.7	1.4	2.2	2.9	3.6	4.3
Additional paid-in capital	22.7	27.6				33.7	49.4	50.7	52.2	57.4	58.3	59.0	59.0	59.0	59.0	59.0	59.0	59.0
Retained earnings	(7.4)	(11.8)				(16.8)	(19.2)	(22.8)	(25.3)	(29.2)	(32.2)	(35.3)	(39.3)	(43.7)	(47.8)	(52.0)	(56.3)	(60.7)
Accumulated other comprehensive income													0.0	0.0	0.0	0.0	0.0	0.0
Other	(15.0)	(15.0)				(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	0.3	0.8				2.0	15.3	13.0	12.0	13.4	11.2	8.8	5.5	1.8	(1.6)	(5.1)	(8.6)	(12.3)
Total stockholders' equity and liabili	1.5	1.8				2.9	16.8	14.5	12.4	14.5	12.2	10.4	7.1	3.5	0.1	(3.4)	(7.0)	(10.7)

Balance Sheet Drivers

	Apr-19	Apr-20	Apr-21	Jul-21	Oct-21	Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Apr-23	Jul-23	Oct-23	Jan-24	Apr-24
Book & Cash Value (per share)	Q4A	Q4A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book Value per Share (diluted)	0.01	0.01	0.03	0.18	0.14	0.13	0.14	0.11	0.09	0.06	0.02	(0.02)	(0.05)	(0.09)	(0.12)
Cash per Share (diluted)	0.00	0.00	0.03	0.18	0.15	0.13	0.15	0.12	0.09	0.06	0.02	(0.01)	(0.05)	(0.08)	(0.12)
Net cash per Share (diluted)	0.00	0.00	0.02	0.18	0.14	0.13	0.15	0.12	0.09	0.06	0.02	(0.01)	(0.05)	(0.08)	(0.12)

Source: Company reports and Ascendant Capital Markets estimates

Alzamend Neuro, Inc.

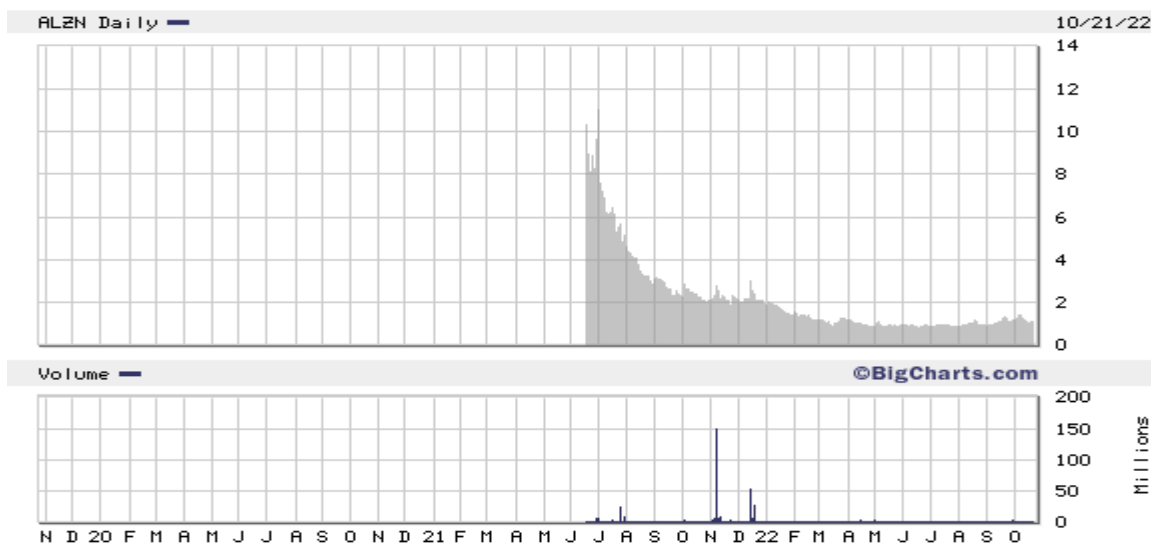
Cash Flow Statement (\$ mils)	2019	2020	Jul-20	Oct-20	Jan-21	Apr-21	2021	Jul-21	Oct-21	Jan-22	Apr-22	2022	Jul-22	Oct-22	Jan-23	Apr-23	2023	Jul-23	Oct-23	Jan-24	Apr-24	2024
Fiscal Year End: April 30	FY-A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																						
Net income	(4.9)	(4.4)	(1.3)	(1.4)	(1.1)	(1.3)	(5.0)	(2.3)	(3.6)	(2.6)	(3.9)	(12.4)	(3.0)	(3.1)	(4.0)	(4.4)	(14.5)	(4.1)	(4.2)	(4.3)	(4.4)	(17.0)
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
Amortization												0.0					0.0					0.0
Debt related amortization exper	(0.0)			0.1	0.1	0.0	0.1	0.0	0.0	(0.0)		0.0					0.0					0.0
Stock comp	0.4	2.3	0.6	0.6	0.6	0.7	2.4	0.7	1.3	1.1	1.3	4.4	0.9	0.7	0.7	0.7	3.0	0.7	0.7	0.7	0.7	2.9
Deferred income taxes												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
Writedowns and impairments												0.0					0.0					0.0
Other gains/losses					(0.1)	0.0	(0.1)				(0.0)	(0.0)					0.0					0.0
Other	2.2											0.0					0.0					0.0
Changes in operating assets and liabilities:																						
Prepaid expenses & other curre	0.2	(0.0)	0.3	0.1	0.1	(0.3)	0.3	(0.2)	0.3	0.3	0.3	0.6	(0.2)	0.4	0.0	0.0	0.2	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
Accounts payable	1.0	(0.2)	0.2	0.2	(0.4)	(0.4)	(0.4)	0.6	(0.0)	(0.6)	0.8	0.7	(0.1)	(0.4)	0.0	0.0	(0.5)	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
Other liabilities												0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	(1.0)	(2.3)	(0.2)	(0.4)	(0.8)	(1.3)	(2.7)	(1.2)	(2.0)	(1.8)	(1.6)	(6.6)	(2.5)	(2.3)	(3.3)	(3.7)	(11.8)	(3.4)	(3.5)	(3.6)	(3.7)	(14.1)
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
Purchases of short-term investm	0.2	0.1	0.1			0.0	0.1					0.0					0.0					0.0
Acquisitions												0.0					0.0					0.0
Other												0.0					0.0					0.0
Net cash used in investing activ	0.2	0.1	0.1	0.0	0.0	0.0	0.1	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
Cash flow from financing activities																						
Issuance of debt	0.1	0.0	0.1	0.4	0.7	1.1	2.4					0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of debt	(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)				(0.1)	(0.1)					0.0					0.0
Issuance of stock	0.2	2.3			0.1	2.0	2.1	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
Proceeds from stock option exercises								0.0	0.0	0.0	0.0	0.0					0.0					0.0
Other												0.0					0.0					0.0
Dividends and distributions												0.0					0.0					0.0
Cash provided by (used in) fina	0.3	2.3	0.1	0.4	0.8	3.1	4.5	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
Effect of exchange rate on cash												0.0					0.0					0.0
Net increase (decrease) in cash	(0.5)	0.0	(0.0)	(0.1)	0.0	1.9	1.8	13.7	(2.0)	(1.8)	2.3	12.1	(2.5)	(2.3)	(3.3)	(3.7)	(11.8)	(3.4)	(3.5)	(3.6)	(3.7)	(14.1)
Beginning cash and equivalents	0.5	0.0	0.1	0.1	0.0	0.0	0.1	1.9	15.6	13.6	11.8	14.1	14.1	11.5	9.2	5.9	14.1	2.2	(1.2)	(4.6)	(8.2)	2.2
Ending cash and equivalents	0.0	0.1	0.1	0.0	0.0	1.9	1.9	15.6	13.6	11.8	14.1	14.1	11.5	9.2	5.9	2.2	2.2	(1.2)	(4.6)	(8.2)	(11.9)	(11.9)

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

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BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

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.

Ascendant Capital Markets, LLC Rating System

Prior to January 31, 2014, ASCM used the following rating system:

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Buy: We expect the stock to provide a total return of between 10% and 30% within a 12-month period.

Neutral: We expect the stock to provide a total return of between minus 10% and plus 10% within a 12-month period.

Sell: We expect the stock to provide a total return of minus 10% or worse within a 12-month period.

Speculative Buy: This rating is reserved for companies we believe have tremendous potential, but whose stocks are illiquid or whose equity market capitalizations are very small, often in the definition of a nano cap (below \$50 million in market cap). In general, for stocks ranked in this category, we expect the stock to provide a total return of 50% or more within a 12-month period. However, because of the illiquid nature of the stock's trading and/or the nano cap nature of the investment, we caution that these investments may not be suitable for all parties.

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
Buy	43	98%	17	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	44	100%	17	39%

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