Alpha Cognition Inc.

Third Quarter Financial Results Conference Call

November 13, 2025

CORPORATE PARTICIPANTS

- **Henry Du**, Interim Chief Financial Officer
- **Michael McFadden**, Chief Executive Officer
- **Lauren D'Angelo**, Chief Operating Officer

CONFERENCE CALL PARTICIPANTS

- **Eduardo Martinez-Montes**, H.C. Wainwright & Co.
- **Boris Peaker**, Titan Partners
- **David Storms**, Stonegate Capital Partners

PRESENTATION

Operator

Greetings, and welcome to Alpha Cognition's Earnings Conference Call.

At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. If anyone requires operator assistance during the conference, please press star, zero on your telephone keypad. Please note, this conference is being recorded.

I will now turn the conference over to **Henry Du, Interim CFO**. Thank you. You may begin.

Henry Du

Thank you, Vaughn. Good afternoon, everyone, and thank you for joining us today for Alpha Cognition's Third Quarter Financial Results Conference Call. Earlier today, after the close of the market, the Company issued a press release announcing these results.

Joining me on the call are Alpha Cognition Chief Executive Officer, **Michael McFadden**, and Chief Operating Officer, **Lauren D'Angelo**. Today's call is available via the Investors section of the Company's website at www.alphacognition.com.

During the course of this call, management may make certain forward-looking statements regarding future events and the Company's future performance. These forward-looking statements reflect Alpha Cognition's

current perspective based on existing trends and information. Any such statements are not guarantees of future performance and involve risks and uncertainties, including those noted in the Risk Factors section of the Company's latest SEC filings. Actual results may differ materially from those projected.

For those listening to the replay, this call is being held and recorded on **November 13, 2025**. Since then, the Company may have made additional announcements related to the topics discussed. Please reference the Company's most recent press releases and filings with the SEC.

Alpha Cognition disclaims any obligation to update these forward-looking statements, except as required by applicable securities laws.

I'll now turn the call over to **Michael**.

Michael McFadden

Thank you, Henry. Good afternoon, everyone, and thank you for taking the time to join us today. This call marks our second quarter of earnings following the commercial launch of **Zunveyl** for the treatment of mild to moderate Alzheimer's disease.

The third quarter of 2025 was characterized by continued sales growth of Zunveyl, deepening engagement in the long-term care market, additional pricing actions, progress with our business development partner CMS Pharma, and additional publications highlighting Zunveyl data and the Alzheimer's market opportunity.

Following the close of the quarter, the Company raised additional capital that strengthened its balance sheet and will allow us to invest in a significant growth opportunity that has emerged in the symptom management of Alzheimer's disease. This capital will be used to accelerate growth and invest in sales, marketing, and research for Zunveyl in the treatment of behavioral symptoms often associated with Alzheimer's.

During the quarter, the Company made substantial progress on our commercial launch. Our sales and marketing team engaged with more than **1,850 prescribers** in the long-term care market, and prescriptions were written in more than **500 nursing homes**. Launch-to-date, we have seen repeat prescriptions in **70%** of these homes—a strong indicator of product trial and adoption. We expect both new and repeat home numbers to rise significantly in the coming quarters.

Regarding clinical performance, Zunveyl continues to perform well, with anecdotal reports of cognitive improvement, behavioral reduction, and limited adverse events. Reported GI-related adverse events remain in the low single digits, consistent with a well-tolerated medication.

One of our primary focuses in 2025 has been sharing medical information that provides rationale for Zunveyl's use in Alzheimer's disease. This quarter, the medical team had **seven abstracts accepted** for publication, including **three poster presentations** to LTC pharmacists at ASCP, **two posters** presented to psychiatrists and neuroscientists at the Neuroscience Education Institute, and **two posters** scheduled for presentation at CTAD in December. Our medical team continues to publish compelling data emphasizing cognition and behavioral symptoms.

On the research and development front, the Company will initiate two studies in the long-term care setting—one in Q4 2025 and one in Q1 2026. These studies, **CONVERGE** and **BEACON**, will evaluate Zunveyl's cognitive benefits, tolerability, effects on sleep and behavior, and utilization parameters such as polypharmacy. These studies will provide critical data for Zunveyl and the target patient population. We anticipate CONVERGE will complete in Q3 2026 and BEACON in Q4 2026.

The Company will also initiate a prospective registry trial in Q1 2026, called **RESOLVE**, which will assess Zunveyl's effectiveness in treating behavioral symptoms associated with Alzheimer's disease, as well as tolerability and caregiver burden. These insights are important for treatment decisions and will support future positioning with both physicians and payers.

From a business development perspective, our partner CMS filed for approval in China, and the submission was accepted for review. We anticipate an 18-month review process, with potential approval in late 2026.

We are also advancing our sublingual formulation and anticipate formulation and taste-testing work to be completed in Q1 2026. The Company plans to conduct a comparative PK study with existing formulations and use the data to support an IND submission in Q3 2026.

The Company continues to manage expenses judiciously while preparing to take advantage of emerging opportunities in the long-term care market. Chief among these is optimizing Zunveyl's positioning, given its meaningful benefits across both cognitive and behavioral symptoms.

Lauren will speak to our commercial progress shortly, but first I'll turn the call back to Henry to review our financials.

Henry Du

Thank you, Michael. Good afternoon, everyone, and thank you again for joining us. As I review our third quarter 2025 results, please refer to today's press release and Form 10-Q.

Let's begin with the numbers.

For the quarter, we generated **total revenue of $2.8 million**, consisting of **$2.3 million in net product sales** from Zunveyl and **$507,000 in licensing revenue** from our CMS partnership. These results demonstrate early traction and establish a solid foundation for scalable growth.

Total operating expenses were **$8.2 million**, including **$633,000** in cost of goods sold and cost of revenues, and **$7.5 million** in operating expenses, compared with **$2.5 million** in operating expenses in Q3 2024. The increase reflects higher SG&A costs as we expanded commercial launch activities and scaled operations to support growth. This resulted in an operating loss of **$5.3 million**, compared with **$2.5 million** in the same period last year.

We reported a **net loss of $1.3 million**, or **$0.08 basic loss per share** and **$0.30 diluted loss per share**, compared with a net loss of **$1.9 million**, or **$0.31 per share** basic and diluted, last year. The improvement reflects a **$3.7 million non-cash gain** from changes in the fair value of derivative liabilities and **$378,000** in interest income.

Turning to the balance sheet, we remain well-capitalized. As of September 30, we held **$35.4 million** in unrestricted cash and cash equivalents. This does not include the approximately **$38 million** in net proceeds we raised in October through our equity offering and overallotment exercise. Combined, these resources give us a strong balance sheet and an operating runway extending well into 2026, providing flexibility to execute on our commercial and corporate priorities.

Regarding guidance, while we are not providing formal revenue guidance today, we expect continued sequential growth in Zunveyl sales as awareness and payer access expand through 2026.

We now expect full-year 2025 operating expenses to be in the range of **$28 million to $30 million**, a reduction from prior guidance due to disciplined cost management, renegotiation of contracts, reassessment of marketing spend, and delaying certain hires to optimize resourcing.

Overall, the third quarter was marked by continued momentum, steady Zunveyl revenue growth, and a strong financial position. We are encouraged by our early progress and remain focused on disciplined execution, sustainable growth, and creating long-term shareholder value.

I will now turn the call over to **Lauren** to discuss commercial performance.

Lauren D’Angelo

Thank you, Henry. The third quarter reflected continued strong momentum in the U.S. rollout of Zunveyl within the long-term care market. Following our successful launch earlier this year, Q3 results show sustained acceleration in both demand and prescriber adoption, reinforcing Zunveyl's growing presence in Alzheimer's management.

We delivered another quarter of robust growth. **Ex-factory purchases increased 44%** from Q2, rising from 2,640 to 3,808 bottles. We believe this reflects increased wholesaler inventory levels, which may have some impact on Q4 purchases. **Demand sales** (bottles dispensed) grew even faster—up **102%** from Q2. Importantly, we have seen **double-digit month-over-month growth** since June.

Growth was broad-based across all regions, supported by deeper facility engagement and rising prescriber confidence. Fulfillment rates remain high, and patient titration and persistence continue to meet expectations.

Our commercial footprint continues to expand rapidly. We engaged **2,038 homes** in Q3, bringing total launch-to-date reach to **2,942 unique homes**. Of these, **605 homes** have ordered Zunveyl, with **70% repeat ordering** and **15% new orders** in September alone. We also observed a **50/50 split** between the 5 mg and 10 mg doses in Q3, demonstrating strong tolerability and the ability for patients to consistently reach the therapeutic dose—an outcome not historically seen with existing treatment options.

Our field team engaged with **1,850 prescribers** in Q3, bringing launch-to-date engagement to **2,630**. **Five hundred seventy-six prescribers** wrote orders in Q3—a **55% increase** from Q2—with **62% writing multiple orders**, indicating growing confidence in clinical fit.

Market access continues to progress as expected. Following our national health plan agreement earlier this year, we aligned on operationalizing coverage and expanding regional payer discussions. **2027 Medicare Part D submissions remain on track.** For the national PBM contract previously announced, **15% of downstream business** is now covering Zunveyl with no restrictions. We do not yet have visibility into the remaining downstream plans, and we expect increased clarity over the coming quarters.

We anticipate signing a **second PBM contract by year-end 2025**, with unrestricted coverage emerging approximately two quarters later.

We executed a strategic WACC adjustment to **$820.15 per month**, aligning pricing with Zunveyl's differentiated value and CNS benchmarks. Payer feedback indicates that our price remains competitive within long-term care formularies.

Our field and operations teams, averaging 16 years of industry experience (including 10 years in long-term care), remain highly effective and fully deployed. They continue to drive meaningful clinical education and adoption across this complex channel.

Product availability and fulfillment rates remain strong. Operational learnings from payer interactions are streamlining prior authorization processes, improving speed to therapy and access. We expanded our reimbursement team to better support homes processing prior authorizations, enabling tighter alignment with customers and faster issue resolution.

Our marketing efforts remain focused on HCP education and brand reinforcement. Digital and in-person initiatives highlight Zunveyl's differentiated clinical profile, especially its label-consistent benefits across multiple behavioral domains measured by the Neuropsychiatric Inventory.

Feedback on our refined clinical messaging and titration support toolkit has been highly positive, reinforcing prescriber confidence and proper patient initiation.

As we enter Q4 and prepare for 2026, our priorities remain to:
- expand Zunveyl's presence in additional long-term care homes;
- deepen relationships with high-potential prescribers;
- optimize payer access and approval timelines; and
- maintain disciplined and efficient execution across all functions.

Zunveyl's accelerating adoption, durable demand growth, and expanding payer access continue to validate our commercial strategy and execution.

With that, I'll turn the call back to **Michael**.

Michael McFadden

Thank you. In summary, our team remains focused on execution—conducting more calls with high-value HCP targets, navigating current health plan restrictions, and advancing contracted agreements.

We are focused on increasing prescriptions by both home and prescriber to capitalize on the significant opportunity for Zunveyl in the long-term care segment.

Our business development team worked closely with our partner in Asia to file Zunveyl ahead of schedule, positioning us for several anticipated **2026 approvals** that we believe will drive incremental revenue.

We believe Zunveyl represents a disruptive opportunity. Our focus in the coming quarters will remain on sales execution and continued financial discipline.

We will now take questions. Operator?

QUESTION AND ANSWER SESSION

Operator

Thank you. We will now begin the question-and-answer session for selected analysts. To enter the queue, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the queue. Press star, two to remove yourself from the queue. If you're using a speakerphone, please pick up your handset before pressing the star keys. We will pause briefly to assemble the queue.

Our first question comes from **Ram Selvaraju** with H.C. Wainwright. You may proceed.

Eduardo Martinez-Montes

Hi, this is Eduardo on for Ram. Thank you for all the information on the commercial development. There was a lot to absorb. I'd like to return to the current status of contracting discussions. How many GPOs have reached agreements to cover Zunveyl? You mentioned a second one—I assume there is one already secured and another expected by year-end. Could you provide more detail?

Lauren D'Angelo

Absolutely. We remain highly focused on the plans that matter most in the long-term care setting. As I've shared in prior calls, there are **four key Medicare PBMs** that we are intensely targeting.

We have one contract in place, as discussed last quarter, and we are now working closely with the downstream plans to ensure they adopt coverage for Zunveyl. We are in the **final stages** of contracting with a second PBM and expect that agreement to be finalized by the end of the quarter.

Looking ahead to Q1 and Q2, we are already initiating discussions with downstream regional plans to ensure pull-through of these contracts.

Across these four PBMs, coverage is roughly evenly distributed—each represents about **25% of long-term care lives**. Given that we are still early in the launch, we feel very good about our progress: one PBM contracted, another expected by quarter-end, and continuing negotiations with the remaining two.

Was that helpful?

Eduardo Martinez-Montes

Yes, very helpful. You also mentioned **15% coverage without restriction**—is that number correct?

Lauren D'Angelo

Yes. What we are seeing is that, following the signing of the first PBM contract last quarter, it typically takes **six to nine months** for downstream plans to adopt contract terms. Today, we have visibility into **15%** of downstream plans processing claims for Zunveyl without restrictions.

We don't yet have visibility into the remaining plans, but we expect more clarity in the coming quarters.

Eduardo Martinez-Montes

Great. Thank you. Could you also clarify the number of unique prescribers and the breakdown between new and repeat prescribers?

Lauren D'Angelo

Certainly. In Q3, we had **576 prescribers**, and **62%** of those wrote multiple orders. Launch-to-date, **605 homes** have ordered Zunveyl, and **70%** have placed repeat orders.

An additional **15%** of homes were new prescribers in September, the final month of the quarter. We continue to hear strong anecdotal feedback regarding repeat prescribing. Generally, we find physicians start with a small group of patients, observe outcomes, and then expand usage as they see positive responses.

Importantly, we are seeing prescribers successfully titrate patients to **10 mg**, and many do so earlier than expected due to the strong tolerability profile.

Eduardo Martinez-Montes

Great. One more: when do you expect royalty revenue from benzgalantamine in China?

Michael McFadden

We don't anticipate meaningful royalties from mainland China until **2027**, given regulatory timelines. However, some smaller Asian markets are expected to receive approval in **2026**, and revenue would begin in the launch quarter for each of those countries.

Eduardo Martinez-Montes

Understood. Thank you.

Next Question

Operator

Our next question comes from **Boris Peaker** with Titan Partners. You may proceed.

Boris Peaker

Congratulations on the excellent sales growth. Could you comment on the key marketing messages resonating most strongly with prescribers, as well as the most common pushbacks you're encountering?

Lauren D'Angelo

Great question.

Our messaging strategy varies based on stakeholder type within the long-term care setting, but across the board, we're hearing strong enthusiasm for Zunveyl's **impact on behavioral symptoms**.

As shared in previous quarters, we refined our messaging after receiving consistent early feedback from prescribers reporting meaningful behavioral improvement in patients. Because Zunveyl has **label-consistent behavioral data**, this message is among the most impactful.

Another major message resonating with providers is Zunveyl's **lack of impact on sleep**. Donepezil, the market leader, is strongly associated with insomnia, nightmares, and sleep disturbances. With many switches coming from donepezil, this differentiator is highly compelling.

So overall, our top messages are:
1. meaningful improvement in behavioral symptoms; and
2. lack of sleep-related adverse effects.

Boris Peaker

Thank you. And in terms of pushback?

Lauren D'Angelo

We're not seeing pushback related to Zunveyl's clinical performance or messaging. The primary challenges relate to **payer requirements**, particularly prior authorizations.

Our priority is to support prescribers and facilities in navigating these requirements. That's why we've expanded our reimbursement team. We've learned that when PAs are completed correctly, approval rates are very high. Our focus remains on ensuring providers have the support and information they need.

Boris Peaker

Got it. One last question: you mentioned a WACC adjustment. Could you explain the impact on gross-to-net and revenue per patient?

Lauren D'Angelo

Certainly. We implemented a price increase based on feedback from long-term care payers and alignment with CNS market benchmarks. We've received no pushback on this adjustment.

Regarding gross-to-net, our percentages remain high. We currently have just one PBM contract with limited pull-through—only 15% of downstream plans are processing without restriction. As such, our gross-to-net remains very favorable.

Michael McFadden

Yes, and to add: we estimate a short-term **~9% increase** from the price adjustment. At steady state, we still anticipate a **$500 to $550 net price** per month for Zunveyl.

Henry Du

Yes, and from a percentage standpoint, gross-to-net remains in the **mid-to-upper 20% discount range**.

Boris Peaker

Thank you very much.

Next Question

Operator

Our next question comes from **David Storms** with Stonegate. You may proceed.

David Storms

Good evening, and thank you for taking my questions. First, could you elaborate on the dosing distribution? You mentioned that about 50% of prescriptions are now the 10 mg dose. What differences in demand are you seeing between dosages, and how does this shift with increased prescriber familiarity?

Lauren D'Angelo

Certainly. At launch, most prescriptions were for the 5 mg dose, which is expected because prescribers typically follow a "start low, go slow" approach, especially with frail elderly patients.

We expected the shift toward the 10 mg dose to occur gradually over several quarters, likely in Q4 2025 and into Q1 2026. However, we're seeing a **faster-than-expected acceleration**. This is due to Zunveyl's strong tolerability profile—providers are becoming comfortable titrating earlier, sometimes moving patients to 10 mg at 4 weeks rather than 8.

This earlier titration speaks to prescriber confidence and the strong safety and tolerability signals we've observed.

David Storms

That's exactly what I was looking for. Thank you.

One more: you've been in the market for a couple of quarters now. Is the sales cycle shortening? For example, is the number of interactions needed before an initial order decreasing? Any examples of prescribers being familiar with Zunveyl before your team's first call?

Lauren D'Angelo

Yes, great question.

Generally, all providers start cautiously, regardless of their familiarity with the product—even those involved in earlier studies. They typically begin with one or two patients, observe titration and tolerability, and then expand use.

However, among prescribers who have already seen positive outcomes, we're definitely seeing **faster acceleration** and increased willingness to prescribe for additional patients.

For HCPs new to Zunveyl, the full cycle still takes time—initial education, early trials, titration, and then broader use. But with **70% repeat ordering across homes**, the momentum is strong, and we're seeing quicker scaling among those who have firsthand experience with patient outcomes.

David Storms

Understood. Thank you.

Lauren D'Angelo

Of course.

Operator

Ladies and gentlemen, this concludes our question-and-answer session and today's teleconference. Thank you for your participation. Please disconnect your lines and have a wonderful day.
