

RESEARCH UPDATE
Dave Storms, CFA
Dave@stonegateinc.com

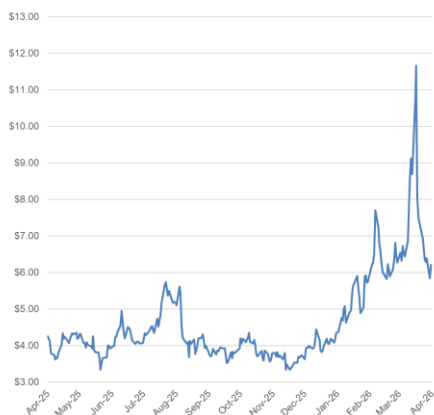
214-987-4121

Market Statistics in USD

Price	\$ 6.01
52 week Range	\$3.20 - \$11.89
Daily Vol (3-mo. average)	472,335
Market Cap (M)	\$ 66.0
Enterprise Value (M)	\$ 50.5
Pro Forma Shares Outstanding:	11.0

Financial Summary in USD

Pro Forma Cash (M)	\$ 23.0
Cash/Share	\$ 2.09
Debt (M)	\$ 7.4
Equity (M)	\$ 2.5
Equity/Share	\$ 0.23


COMPANY DESCRIPTION

Cingulate Inc. (NASDAQ: CING), is a biopharmaceutical company utilizing its proprietary PTR drug delivery platform technology to build and advance a pipeline of next-generation pharmaceutical products, designed to improve the lives of millions of patients suffering from frequently diagnosed conditions characterized by burdensome daily dosing regimens and suboptimal treatment outcomes. With an initial focus on the treatments of ADHD and anxiety, Cingulate is identifying and evaluating additional therapeutic areas where its proprietary PTR™ technology may be employed to develop future product candidates. Cingulate is headquartered in Kansas City. For more information, visit Cingulate.com.

CINGULATE INC. (NASDAQ: CING)

Company Updates: Cingulate's 4Q25 update continues to position CTx-1301 toward a potential commercial ADHD launch, with the regulatory focus now centered on manufacturing (CMC) rather than clinical performance. The NDA remains under FDA review under the 505(b)(2) pathway, and recent financing, IP progress, and commercial buildout efforts remain supportive of the broader investment thesis. Importantly, following the \$12M PIPE completed in February 2026, the Company has a pro forma cash balance of approximately ~\$23M, which we estimate provides runway into late 2026. Combined with ongoing access to capital through its ATM and ELOC facilities, we believe Cingulate is positioned to fund ongoing regulatory and manufacturing activities as it works toward resolution of remaining CMC items.

NDA Submission and FDA Approval Pathway: CTx-1301 remains under active FDA review, with recent feedback primarily related to chemistry, manufacturing, and controls (CMC). Importantly, the Company has not received any material safety or efficacy questions, and regulatory engagement to date has been focused on ensuring consistency and validation of the manufacturing process for CTx-1301's differentiated multi-release formulation. Following a February 2026 pre-approval inspection of the Company's contract manufacturing partner, the FDA issued a Form 483 with three observations, which management has indicated are being addressed. In our view, these items appear consistent with typical manufacturing validation for a novel delivery system and are addressable in nature, rather than indicative of a fundamental issue with the product. As a result, the regulatory timeline may shift modestly beyond the May 31, 2026 PDUFA date, with the key gating factor now centered on completing additional process validation work and providing supporting data to the FDA. We view this as a timing and execution dynamic, not a thesis-changing event, and continue to believe the program remains on track for approval following resolution of these items.

Clinical Context: CTx-1301 is being reviewed under the FDA's 505(b)(2) pathway, which allows the Company to leverage existing clinical data for the active ingredient (dexamethylphenidate). As such, the regulatory focus is primarily on pharmacokinetics, delivery profile, and manufacturing consistency, rather than requiring a fully de novo demonstration of efficacy. While the adult Phase 3 study did not achieve statistical significance on its primary endpoint, we do not view this as a critical factor in the approval process given the 505(b)(2) framework and the demonstrated pharmacokinetic equivalence to existing approved therapies. Supporting data, including secondary endpoints and overall effect size, continue to reinforce the product's differentiated profile.

Investment View: We believe the key near-term dynamic has shifted from clinical risk to manufacturing execution, with current FDA feedback focused on validating a novel, differentiated delivery system. In our view, this represents a manageable and addressable step in the approval process, rather than a structural setback. The underlying investment thesis remains intact:

- Large, established ADHD market with clear unmet needs
- Differentiated once-daily profile (rapid onset + full-day coverage)
- 505(b)(2) pathway reduces clinical risk
- Commercial infrastructure continuing to build ahead of launch

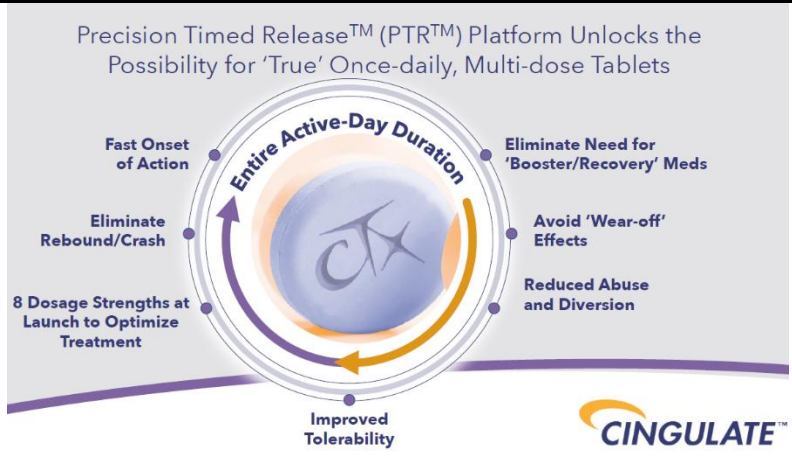
We continue to view the setup as a delay-driven dislocation rather than a fundamental impairment, with re-rating potential as regulatory clarity improves.

Valuation: We use a Discounted Cash Flow Model when valuing CING. Our model returns a range of \$24.78 to \$41.05 with a mid-point of \$31.51.

Business Overview

Cingulate Inc. is a biopharmaceutical company headquartered in Kansas City, KS, specializing in the development of innovative therapeutics using its proprietary Precision Timed Release™ (PTR™) platform. This platform is designed to address significant unmet medical needs in treatment regimens requiring precise timing and release profiles to enhance patient compliance and therapeutic outcomes. The Company's initial focus targets Attention Deficit Hyperactivity Disorder (ADHD) and anxiety disorders, with potential future expansions into therapeutic areas including insomnia, depression, cardiovascular diseases, and pain management.

Exhibit 1: Precision Timed Release™ (PTR™) Platform



Source: Company Reports

Cingulate's operational focus has progressed from clinical and regulatory development to commercialization and go-to-market planning. The Company utilizes a streamlined operational structure, maintaining a robust balance sheet bolstered by strategic financial maneuvers, including equity offerings and capital transactions that extended its cash runway well beyond critical regulatory milestones. The PTR™ platform technology integrates a proprietary Erosion Barrier Layer (EBL), globally licensed from BDD Pharma, allowing targeted, timed-release medication delivery to optimize patient outcomes and therapeutic results.

Exhibit 2: PTR™ Proprietary Technology



Source: Company Reports

Cingulate's flagship candidate, CTx-1301, represents a significant advancement in ADHD treatment. CTx-1301 utilizes the PTR™ technology for a dexamethylphenidate formulation, exclusively designed as a true once-daily, multi-release tablet. The recent successful completion of Phase 3 trials demonstrated superior efficacy and favorable safety. No serious adverse events were observed, which significantly de-risks the drug's path toward FDA approval. Cingulate submitted its New Drug Application to the FDA for CTx-1301 in 2Q25, marking a pivotal milestone in the Company's transition

toward commercialization. The NDA was accepted in October 2025 under the FDA's 505(b)(2) pathway, allowing Cingulate to leverage existing safety data and streamline review. The application is now under active evaluation with a Prescription Drug User Fee Act (PDUFA) target action date of May 31, 2026, providing a clear regulatory timeline, though as noted above this timeline has become less certain.

Cingulate was founded with the mission to revolutionize patient treatment regimens through its innovative drug delivery system. Over the past several years, the company has systematically built its proprietary PTR™ platform, secured intellectual property rights internationally, including patents granted across Europe, Australia, Canada, and Israel, and steadily advanced its clinical pipeline. Significant milestones include completing FDA-required clinical trials, conducting critical payer studies to assess market access strategies, and strengthening its capital position through targeted financial initiatives.

Cingulate's leadership team combines deep pharmaceutical and biotech expertise as the Company advances toward a potential commercial-stage transition. Shane J. Schaffer, a co-founder, currently serves as Chief Executive

Officer, while Jennifer Callahan, who has been with the Company since 2017, serves as Chief Financial Officer and provides financial continuity. Jay Roberts, the Company's Chairman, brings extensive healthcare operating and transaction experience to support Cingulate's strategic initiatives. The executive team is further strengthened by Chief Commercial Officer Bryan Downey, who joined in November 2025 and adds significant launch and brand-building experience as the Company prepares for commercialization of CTx-1301, pending approval. The broader board also brings experience spanning pharmaceuticals, finance, M&A, and commercialization.

Segment Overview

The pharmaceutical markets for ADHD and anxiety disorders present exciting opportunities. The U.S. ADHD market, estimated at ~\$22.0 billion annually, and is predominantly stimulant-driven (~90 percent). Persistent unmet needs remain concerning drug onset and duration, the requirement for over 60% of patients to use booster and recovery doses, abuse and diversion, as well as tolerability issues. These factors underpin Cingulate's commercial strategy, with its PTR™ platform poised to uniquely differentiate products by addressing these unmet medical needs effectively. Cingulate's second ADHD candidate, CTx-1302 (*dextroamphetamine*), could potentially advance toward an IND filing in 2026 and commencement of Phase 1/2 studies in 2026.

The ~\$5.5 billion U.S. anxiety market (~\$11.6 billion global), projected to reach ~\$15.90 billion by 2032, similarly reflects high unmet therapeutic needs. Cingulate's innovative solution, CTx-2103 (*buspirone hydrochloride*), a non-benzodiazepine (eg Xanax), utilizes the PTR™ technology to offer the first and only once-daily dosing option, significantly enhancing patient outcomes and compliance compared to conventional thrice-daily regimens. Preparations for an IND submission for CTx-2103 are currently underway, with clinical trials anticipated shortly thereafter.

Beyond these segments, Cingulate has identified substantial opportunities in additional therapeutic areas such as insomnia, depression, cardiovascular disorders, bipolar disorder, and non-opioid pain management, highlighting the versatility of its proprietary PTR™ platform.

ADHD Segment Overview – Near-Term Milestones Expected

- **CTx-1301 (*dexmethylphenidate*):** Cingulate's lead ADHD candidate, CTx-1301, successfully completed pivotal Phase 3 clinical trials, demonstrating superior efficacy and safety outcomes. Clinical data from these trials have shown impressive effect sizes significantly exceeding those of existing ADHD treatments, including a marked reduction in treatment-emergent adverse events compared to a current standard medication Focalin XR. Specifically, the Phase 3 adult trial recorded effect sizes two to three times greater than other ADHD medications including Vyvanse, Concerta, and Adderall XR, underscoring the therapeutic potential and robustness of CTx-1301. Completion of required clinical and CMC work enabled Cingulate to submit its NDA for CTx-1301 on July 31, 2025; the FDA has since accepted the filing and set a May 31, 2026 PDUFA date, which we believe is subject to change. Commercialization planning is advancing in parallel as management prepares for a potential 1H27 launch.

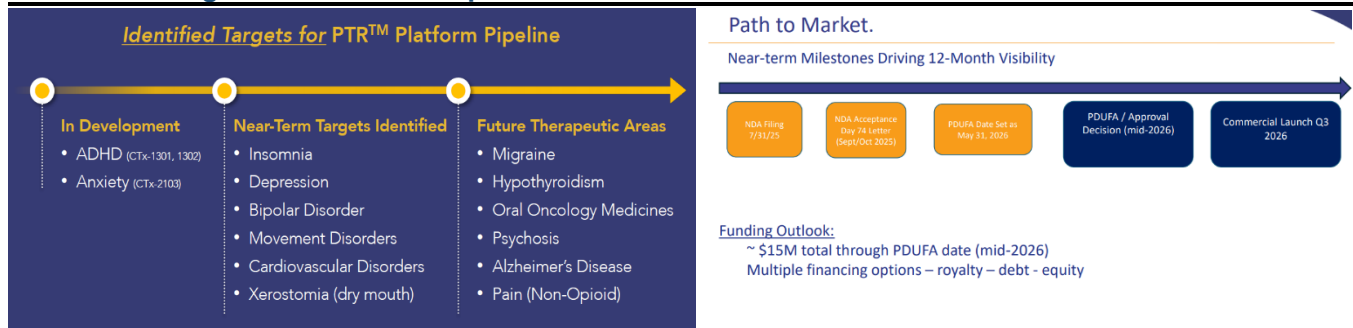
Anxiety and Other Segments Overview

- **Anxiety – CTx-2103 (*buspirone*):** CTx-2103, which contains the active pharmaceutical ingredient buspirone (hydrochloride), is a non-benzodiazepine medication that does not carry the risk of withdrawal or dependency. However, due to its short half-life, buspirone is prescribed to be taken several times a day for management of anxiety, which can be challenging for patients and may lead to sub-optimal treatment outcomes. As such, CTx-2103 represents Cingulate's innovative solution for anxiety treatment, employing its proprietary PTR™ platform. Designed as a true once-daily therapeutic option, CTx-2103 addresses patient adherence challenges and aims to further enhance patient outcomes by improving efficacy and treatment results significantly compared to traditional thrice-daily dosing regimens. Cingulate is currently preparing the IND submission, with clinical trials anticipated to advance rapidly thereafter.
- **PTR Platform – Identified Targets for Pipeline:** Cingulate's versatile Precision Timed Release™ (PTR™) platform plans to extend beyond ADHD and anxiety, enabling targeted therapeutic developments in several

high-demand medical areas. Potential PTR™ pipeline targets include insomnia, depression, bipolar disorder, cardiovascular disorders, and xerostomia (dry mouth). The platform's broad applicability also positions Cingulate to potentially enter therapeutic areas such as migraine, hypothyroidism, oral oncology treatments, psychosis, Alzheimer's disease, and non-opioid pain management.

Cingulate's strategic use of its PTR™ platform to innovate in high-value therapeutic markets positions the Company to address critical gaps in ADHD and anxiety treatments. The comprehensive pipeline expansion plans and successful advancement of CTx-1301 underscore a clear path for continued market penetration, long-term growth, and out-licensing opportunities.

Exhibit 3: Cingulate's Potential Pipeline



Source: Corporate Presentation

Growth Drivers

Cingulate Inc. is strategically positioned to achieve significant growth through multiple avenues and market opportunities:

- Proven Clinical Efficacy and Safety:** Cingulate's lead candidate, CTx-1301, has demonstrated robust clinical efficacy in completed Phase 3 trials, achieving its primary endpoint (p<0.001) with dose-dependent improvements in ADHD symptoms and sustained control through the evening hours. Its once-daily PTR™ formulation delivered rapid onset and a safety profile consistent with the broader stimulant class, supporting its potential to compete effectively in the highly competitive ADHD market.
- Robust Pipeline Development:** Acceptance of the CTx-1301 NDA and establishment of a PDUFA date represent critical growth catalysts and validate the PTR™ platform. A favorable outcome is expected to accelerate market adoption and support further pipeline advancement, including planned development of CTx-1302 (ADHD) and continued formulation work on CTx-2103 (anxiety), which are designed to broaden therapeutic reach and enhance market penetration across large neuropsychiatric indications.
- Enhanced Financial Stability and Capital Strategy:** Cingulate has strengthened its balance sheet through multiple financings, most recently through a \$12 million PIPE financing that closed in February 2026, while also establishing a March 2026 at-the-market equity facility of up to \$100 million to provide additional capital flexibility. These transactions provide added financial flexibility to sustain clinical development, regulatory activities, and commercialization planning while management continues to evaluate additional equity, debt, and partnership options.
- Reimbursement, Market Access, and Strategic Commercialization Partnerships:** The strategic partnership with Indegene, leveraging artificial intelligence-driven market analytics and a digitally focused commercialization model, provides Cingulate with immediate and scalable market access capabilities. This partnership ensures an effective launch strategy for CTx-1301, maximizing product visibility, formulary

adoption, and prescribing behavior, thus driving rapid commercial uptake post-approval. Initial payer research indicates positive acceptance of CTx-1301 for reimbursement.

5. **Versatility of the PTR™ Platform:** Beyond ADHD and anxiety, the PTR™ platform is uniquely adaptable for addressing numerous therapeutic areas characterized by unmet medical needs, including insomnia, depression, cardiovascular diseases, bipolar disorder, and non-opioid pain management. This broad therapeutic applicability represents a powerful long-term growth engine, supporting continued expansion into multiple billion-dollar therapeutic markets.

Collectively, these strategic elements and market dynamics underscore Cingulate’s potential for accelerated growth, robust market presence, and sustained shareholder value creation.

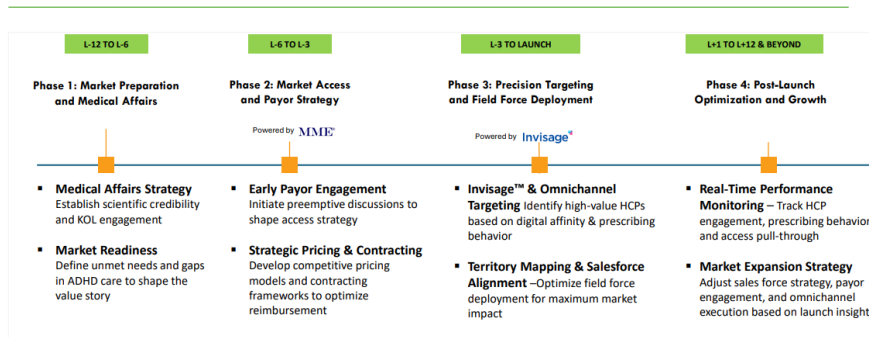
Commercialization Strategy

Cingulate’s commercialization strategy for its lead ADHD asset, CTx-1301, centers on a highly integrated, data-driven go-to-market model powered by its partnership with Indegene. The approach combines personal engagement with digital outreach, leveraging AI/ML tools like Invisage™ to precisely target high-affinity healthcare providers based on digital behavior and prescribing patterns. The strategy unfolds across four key phases: early market preparation and KOL engagement, strategic market access planning and payer engagement, precision targeting and sales force deployment, and post-launch optimization. This scalable model is designed to maximize ROI, accelerate market penetration, and position CTx-1301 at the top of formulary and prescription preferences, while minimizing the capital intensity typically associated with traditional pharma launches. With the addition of Chief Commercial Officer Bryan Downey, Cingulate now has dedicated leadership to oversee this model end-to-end, from Indegene collaboration to field deployment, enhancing the Company’s ability to execute a disciplined and efficient launch.

Market Overview

Exhibit 4: Commercialization Strategy

Commercial Readiness.

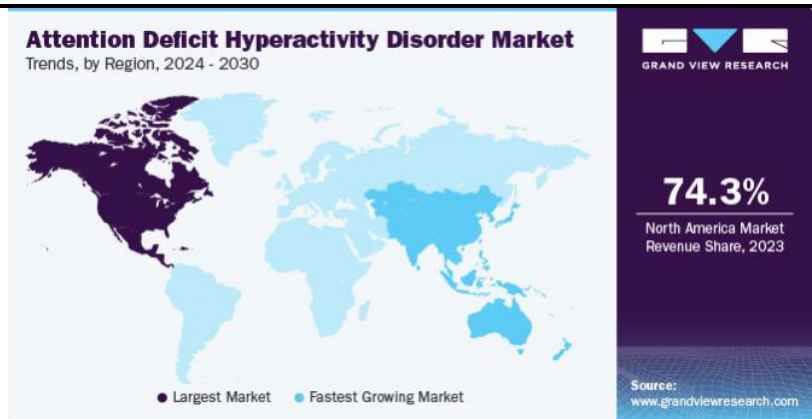


Source: Corporate Presentation

Attention Deficit Hyperactivity Disorder (ADHD) Market

The global ADHD market is experiencing substantial growth, driven by an increasing prevalence of the disorder and heightened awareness leading to more diagnoses across all age groups. The global market for ADHD therapeutics is currently valued at an estimated ~\$22.05 billion in 2024 and is projected to reach ~\$45.51 billion by 2034, reflecting a Compound Annual Growth Rate (CAGR) of 6.2% over the forecast period. This sustained growth is driven by rising diagnosis rates, increased awareness of ADHD in both children and adults, and ongoing advancements in pharmacological treatments and digital therapeutics.

Exhibit 4: ADHD Treatment Market Potential



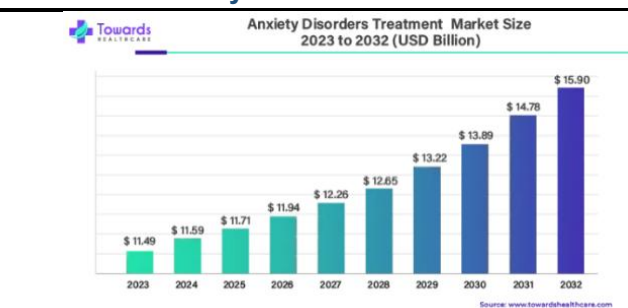
Source: Grand View Research

Stimulant medications, such as methylphenidate and amphetamines, dominate ADHD treatment, accounting for a significant portion of prescriptions. While effective, these treatments often present challenges including suboptimal duration of action, delayed onset, and undesirable side effects, leading to considerable unmet medical needs within the patient population. Cingulate Inc.'s lead product candidate, CTx-1301, is designed to address these gaps by offering a true once-daily dosing regimen that provides rapid onset and sustained efficacy throughout the day. This innovative approach positions Cingulate to capture market share by meeting the demand for more effective and patient-friendly ADHD therapies.

Anxiety Disorders Market

Anxiety disorders represent a substantial segment within the mental health therapeutics market. In 2024, the global anxiety disorders treatment market was valued at approximately USD ~11.59 billion and is expected to reach around USD ~15.90 billion by 2032, growing at a CAGR of 4.0%. This growth is attributed to the increasing prevalence of anxiety disorders and the ongoing development of novel therapeutic options.

Exhibit 5: Anxiety Treatment Market Potential

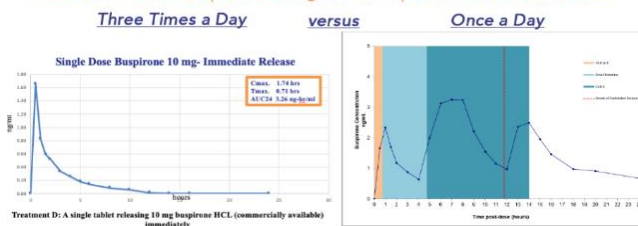


Current treatments for anxiety disorders often require multiple daily dosing and are associated with various side effects, leading to challenges in patient adherence and satisfaction. Cingulate's CTx-2103 aims to overcome these limitations by utilizing the Precision Timed Release™ (PTR™) platform to deliver buspirone (hydrochloride) in a once-daily formulation.

This approach is designed to enhance patient compliance and therapeutic outcomes, positioning Cingulate favorably within this growing market segment.

CTx-2103 – Buspirone HCl for the Treatment of Anxiety

Next-Generation Buspirone designed to Improve Patient Outcomes



Source: Market. US

Market Opportunities and Strategic Positioning

Cingulate's proprietary PTR™ platform offers a significant competitive advantage by enabling the development of therapeutics with precise, timed-release profiles. This technology not only enhances the efficacy and safety profiles of existing medications but also opens avenues for

expansion into other therapeutic areas with unmet needs. Beyond ADHD and anxiety disorders, potential applications include treatments for insomnia, depression, cardiovascular diseases, and pain management.

The company's strategic focus on addressing the limitations of current treatment options through innovative drug delivery solutions positions it to capitalize on substantial market opportunities. By advancing a pipeline of differentiated products that offer improved patient adherence and outcomes, Cingulate is well-placed to establish a strong presence in high-value, growth-oriented markets.

In summary, the ADHD and anxiety disorders markets present significant opportunities for growth and innovation. Cingulate Inc.'s targeted approach, leveraging its PTR™ platform to develop therapeutics that address existing treatment gaps, positions the company to make a meaningful impact in these therapeutic areas and achieve substantial commercial success.

Risks

As with any investment, there are certain risks associated with Cingulate's operations as well as with the surrounding economic and regulatory environments common to the pharmaceutical industry.

- The Company has no history of net income, dividends, or cash flow and there can be no assurance that the Company will be profitable going forward. In the case that the Company cannot create enough revenue to sustain on-going business activities, the Company's most likely source of financing will be through the sale of existing securities or high-cost borrowing.
- Currently the Company has enough funds to sustain it through the foreseeable future and does not pose a going concern risk. We do however recognize that at some point the Company may need to raise more funds to sustain its operations until it begins revenue generation. Should the Company be unable to raise the necessary funds this would create a going concern risk.
- The Company is subject to regulatory risk as pharmaceutical activities are subject to laws and regulations imposed by local and state government authorities. Any future changes in the laws, regulations, agreements, or judicial rulings could impact or stop the Company from generating a profit on portions or all of its asset portfolio.
- The Company has several patents for intellectual property that the Company has developed. The Company is constantly on guard and ready to defend its intellectual property using litigation if necessary. Should judgements go against the Company this could materially weaken its edge among peers. Additionally, having to pursue litigation as mediation for any infringement could be costly for the Company, regardless of the outcome.
- Should the Company bring any or all its assets to market, there is no guarantee that a profitable market will exist for those treatments. While we have sufficient reason to believe that a market will exist for the Company's assets, this is a fast-moving industry so no guarantees can be made.

Valuation

We use a Discounted Cash Flow Model when valuing CING. Our model returns a valuation range of \$24.78 to \$41.05 with a mid-point of \$31.51.

Our DCF valuation incorporates a terminal growth rate of 1% and a discount rate range of 17.5% to 22.5%, with a midpoint of 20.0%. While this valuation framework is currently very conservative, it reflects the inherent execution risks associated with regulatory approval, product manufacturing, and commercial pricing, all of which are still in early stages for the Company. However, we also recognize the favorable precedent within the 505(b)(2) regulatory pathway, particularly given the FDA’s historical 100% approval rate for ADHD treatments under this route. Currently we believe the majority of the regulatory risks are behind the Company as it shifts focus to commercialization.

The model also conservatively assumes peak penetration rates of only ~1% of the total addressable market (TAM) for both ADHD and Anxiety markets, reflecting a measured view of commercial ramp in the absence of finalized pricing and launch data. Importantly, as the Company advances through key milestones—FDA approval, manufacturing scale-up, pricing clarity, and commercial execution—we believe substantial valuation re-rating potential exists.

To highlight the significant upside, a reduction in the discount rate to ~15%, which may be warranted following successful regulatory and operational de-risking, would imply a valuation midpoint of approximately ~\$50 per share. This highlights a generous risk/reward profile and transformative value opportunity for Cingulate’s late-stage development pipeline.

Key sensitivities in our model include the timing and outcome of the FDA approval process, commercial launch execution, and market adoption rates for CTx-1301 and CTx-2103. Positive developments across any of these variables would meaningfully impact our DCF output, presenting substantial positive re-rating potential as more certainty is established in the near term. Despite this relative uncertainty we still view the Company as undervalued.

Cingulate Inc. Discounted Cash Flow Model <i>(in \$M, except per share)</i>														
Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	Terminal Value
Revenue	-	-	-	7.0	45.9	206.4	454.1	613.1	781.6	938.0	947.4	900.0	836.1	
Operating Income	(15.6)	(19.9)	(21.4)	(20.8)	6.9	36.1	90.8	137.9	195.4	234.5	260.5	247.5	229.9	
Less: Taxes (benefit)	-	-	-	-	0.7	7.2	18.2	34.5	48.9	58.6	65.1	61.9	57.5	
NOPAT	(15.6)	(19.9)	(21.4)	(20.8)	6.2	28.9	72.7	103.5	146.6	175.9	195.4	185.6	172.4	
Plus: Depreciation & Amortization	0.7	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.3	0.3	0.3	0.3	
Plus: Changes in WC	(17.3)	5.0	(10.0)	(10.0)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	
Less: Capex	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	
Free Cash Flow	(32.5)	(14.1)	(30.6)	(30.0)	6.5	29.2	72.5	103.3	146.4	175.4	194.9	185.2	172.0	914.3
Discount period - months			12	24	36	48	60	72	84	96	108	120	132	
Discount period - years			1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	
Discount factor			0.83	0.69	0.58	0.48	0.40	0.33	0.28	0.23	0.19	0.16	0.13	
PV of FCF			(25.5)	(20.9)	3.8	14.1	29.1	34.6	40.8	40.8	37.8	29.9	23.1	123.1
Growth rate assumptions:														
Revenue		N/A	N/A	N/A	560.0%	350.0%	120.0%	35.0%	27.5%	20.0%	1.0%	-5.0%	-7.1%	
Operating Income		27.4%	7.3%	-2.6%	-133.0%	425.0%	151.4%	51.9%	41.7%	20.0%	11.1%	-5.0%	-7.1%	
EBITDA		26.3%	7.6%	-2.7%	-139.7%	371.1%	146.0%	51.6%	41.5%	19.8%	11.1%	-5.0%	-7.1%	
Free Cash Flow		-56.7%	116.9%	-1.8%	-121.6%	349.7%	148.2%	42.5%	41.7%	19.9%	11.1%	-5.0%	-7.1%	
Margin assumptions:														
Operating Income	N/A	N/A	N/A	N/A	15.0%	17.5%	20.0%	22.5%	25.0%	25.0%	27.5%	27.5%	27.5%	
D&A as a % of sales	N/A	N/A	#DIV/0!	14.4%	2.2%	0.5%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	
EBITDA	N/A	N/A	N/A	N/A	17.2%	18.0%	20.1%	22.6%	25.1%	25.0%	27.5%	27.5%	27.5%	
Taxes	0.0%	0.0%	0.0%	0.0%	10.0%	20.0%	20.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	N/A	N/A	N/A	N/A	-1.1%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	
Capex as a % of sales	N/A	N/A	#DIV/0!	-2.9%	-0.4%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Valuation:														
Shares outstanding	11.0													
PV of FCF	207.7													
PV of Terminal Value	123.1													
Enterprise Value	330.7													
less: Net Debt	(15.5)													
Estimated Total Value:	346.2													
Est Equity Value/share:	\$31.51													
Price	\$6.01													
Sensitivity Analysis:														
		Terminal Growth Rates												
		0.0%	0.5%	1.0%	1.5%	2.0%								
Discount rate	12.50%	\$69.10	\$70.71	\$72.46	\$74.36	\$76.45								
	15.00%	\$51.40	\$52.29	\$53.24	\$54.27	\$55.37								
	17.50%	\$39.38	\$39.91	\$40.46	\$41.05	\$41.68								
	20.00%	\$30.84	\$31.17	\$31.51	\$31.87	\$32.25								
	22.50%	\$24.57	\$24.78	\$24.99	\$25.22	\$25.46								

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Cingulate Inc. Consolidated Balance Sheets (\$M) Fiscal Year End: December												
ASSETS	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025
Cash and cash equivalents	5.4	0.1	1.1	0.4	10.0	12.2	12.2	9.5	8.9	6.1	11.0	11.0
Other receivables	0.2	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other current assets	2.3	0.5	1.6	0.5	1.3	0.4	0.4	0.9	1.3	1.3	1.0	1.0
Total Current Assets	7.9	0.6	2.7	2.5	11.3	12.7	12.7	10.5	10.2	7.4	12.0	12.0
Property and equipment, net	2.9	2.5	2.5	2.4	2.1	2.1	2.1	1.9	1.8	1.7	1.7	1.7
Operating lease right-of-use assets	0.6	0.4	0.3	0.2	0.2	0.1	0.1	0.0	1.4	1.4	1.3	1.3
Total Assets	11.4	3.5	5.5	5.1	13.6	14.9	14.9	12.5	13.5	10.5	15.1	15.1
LIABILITIES AND SHAREHOLDERS' EQUITY												
Accounts payable	0.8	5.2	0.7	1.3	0.9	1.3	1.3	0.9	0.9	0.9	2.0	2.0
Accrued expenses	0.9	1.7	1.1	0.4	0.4	1.0	1.0	0.6	0.5	1.6	1.7	1.7
Notes payable, current	5.0	3.0	-	-	-	2.5	2.5	4.1	5.1	3.2	6.3	6.3
Finance lease liability, current	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-
Operating lease liability, current	0.3	0.4	0.4	0.3	0.2	0.1	0.1	0.0	0.2	0.2	0.2	0.2
Other liabilities, current	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	7.0	10.2	2.2	2.0	1.5	5.0	5.0	5.6	6.7	5.9	10.3	10.3
Note payable	-	-	-	-	-	2.4	2.4	0.9	-	-	1.2	1.2
Finance lease liability, net of current	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Operating lease liability, net of current	0.5	0.1	0.0	-	-	-	-	-	1.2	1.2	1.1	1.1
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	7.5	10.4	2.3	2.0	1.5	7.4	7.4	6.5	8.0	7.0	12.6	12.6
Common Stock	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	-	-	-	-	-	-	-	-	-	-	-	-
Additional Paid-in-capital	73.3	86.1	99.1	102.2	114.4	115.9	115.9	118.2	122.6	129.6	134.9	134.9
Total Parent Net Equity	73.3	86.1	99.1	102.2	114.4	115.9	115.9	118.2	122.6	129.6	134.9	134.9
Accumulated Deficit	(69.4)	(92.9)	(95.9)	(99.1)	(102.4)	(108.5)	(108.5)	(112.3)	(117.1)	(126.1)	(132.4)	(132.4)
Total Consolidated Equity	3.9	(6.9)	3.2	3.1	12.0	7.5	7.5	5.9	5.5	3.5	2.5	2.5
Total Liabilities and Shareholders' Equity	11.4	3.5	5.5	5.1	13.6	14.9	14.9	12.5	13.5	10.5	15.1	15.1
Liquidity												
Current Ratio	1.1x	0.1x	1.2x	1.2x	7.4x	2.5x	2.5x	1.9x	1.5x	1.3x	1.2x	1.2x
Working Capital	0.86	(9.65)	0.48	0.47	9.80	7.69	7.69	4.89	3.49	1.55	1.70	1.70

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Cingulate Inc.

Consolidated Statements of Income (in USD\$ M, except per share amounts)

Fiscal Year End: December

	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.5	\$ 1.4	\$ 2.3	\$ 2.9	\$ 7.0
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5	1.4	2.3	2.9	7.0
Operating Expenses:																			
Cost of Good Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4	1.1	1.9	2.5	5.9
Gross Profit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.2	0.3	0.4	1.0
Clinical operations	1.1	3.5	8.3	4.7	1.1	0.8	0.4	0.4	2.7	0.8	0.5	0.5	0.3	2.0	0.3	0.3	0.3	0.2	1.0
Drug manufacturing and formulation	1.4	2.8	4.4	2.7	0.4	1.1	0.9	0.8	3.3	0.7	1.0	1.3	1.5	4.5	1.5	1.5	1.5	1.5	6.0
Personnel (R&D)	5.9	2.5	2.4	1.8	0.6	0.4	1.1	0.7	2.8	0.8	0.8	0.8	0.8	3.0	1.0	1.0	1.0	1.0	4.0
Regulatory	0.0	0.1	0.4	0.3	0.2	0.4	0.4	0.1	1.0	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.3
Personnel (G&A)	9.7	2.6	2.6	1.9	0.6	0.5	1.3	0.7	3.0	0.8	0.8	0.8	0.8	3.0	0.9	0.9	0.9	0.9	3.6
Legal and professional fees	1.4	2.2	1.9	2.4	0.5	1.0	0.9	0.8	3.1	0.8	0.8	0.8	0.8	3.1	0.3	0.3	0.3	0.3	1.0
Occupancy	0.5	0.5	0.5	0.3	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.4
Insurance	0.3	2.6	1.5	1.0	0.2	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.2	0.6
Other	0.3	0.6	0.6	0.6	0.1	0.3	0.7	1.9	3.0	1.1	1.1	1.1	1.1	4.4	1.3	1.3	1.3	1.3	5.0
Total Operating Expenses	20.7	17.5	22.8	15.6	3.7	4.6	6.0	5.6	19.9	5.2	5.2	5.4	5.5	21.4	5.5	5.5	5.5	5.4	21.9
Operating Income	(20.7)	(17.5)	(22.8)	(15.6)	(3.7)	(4.6)	(6.0)	(5.6)	(19.9)	(5.2)	(5.2)	(5.4)	(5.5)	(21.4)	(5.5)	(5.3)	(5.1)	(5.0)	(20.8)
Interest and other income (expense), net	-	0.2	(0.8)	(0.9)	(0.1)	(0.4)	(1.3)	(0.7)	(2.5)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1
Loss before income taxes	(20.7)	(17.7)	(22.0)	(16.6)	(3.8)	(5.0)	(7.3)	(6.3)	(22.4)	(5.2)	(5.2)	(5.4)	(5.5)	(21.3)	(5.4)	(5.2)	(5.1)	(5.0)	(20.8)
Income tax benefit (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss and comprehensive loss	(20.7)	(17.7)	(22.0)	(16.6)	(3.8)	(5.0)	(7.3)	(6.3)	(22.4)	(5.2)	(5.2)	(5.4)	(5.5)	(21.3)	(5.4)	(5.2)	(5.1)	(5.0)	(20.8)
Basic EPS	\$ (2.79)	\$ (1.56)	\$ (24.28)	\$ (10.86)	\$ (1.04)	\$ (1.15)	\$ (1.35)	\$ (0.90)	\$ (4.44)	\$ (0.74)	\$ (0.73)	\$ (0.75)	\$ (0.76)	\$ (2.98)	\$ (0.74)	\$ (0.71)	\$ (0.68)	\$ (0.66)	\$ (2.79)
Diluted EPS	\$ (2.79)	\$ (1.56)	\$ (24.28)	\$ (10.86)	\$ (1.04)	\$ (1.15)	\$ (1.35)	\$ (0.90)	\$ (4.44)	\$ (0.74)	\$ (0.73)	\$ (0.75)	\$ (0.76)	\$ (2.98)	\$ (0.74)	\$ (0.71)	\$ (0.68)	\$ (0.66)	\$ (2.79)
WTD Shares Out - Basic	7.4	11.3	0.9	1.5	3.6	4.4	5.4	7.0	5.1	7.0	7.1	7.2	7.3	7.1	7.3	7.4	7.5	7.5	7.4
WTD Shares Out - Diluted	7.4	11.3	0.9	1.5	3.6	4.4	5.4	7.0	5.1	7.0	7.1	7.2	7.3	7.1	7.3	7.4	7.5	7.5	7.4

Growth Rate Y/Y

Total cost of revenues	N/A	-15.4%	30.0%	-31.3%	25.7%	45.0%	82.7%	-10.0%	27.4%	41.2%	11.5%	-9.4%	-0.9%	7.3%	5.5%	5.5%	0.7%	-2.1%	2.3%
Operating Income	N/A	-15.4%	30.0%	-31.3%	25.7%	45.0%	82.7%	-10.0%	27.4%	41.2%	11.5%	-9.4%	-0.9%	7.3%	4.2%	1.6%	-5.5%	-9.9%	-2.6%
Pre-Tax Income	N/A	-14.5%	24.4%	-24.7%	28.0%	56.8%	77.9%	0.3%	35.6%	37.1%	2.6%	-26.3%	-12.1%	-5.1%	4.2%	1.6%	-5.6%	-9.9%	-2.6%
Net Income	N/A	-14.5%	24.4%	-24.7%	28.0%	56.8%	77.9%	0.3%	35.6%	37.1%	2.6%	-26.3%	-12.1%	-5.1%	4.2%	1.6%	-5.6%	-9.9%	-2.6%

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

Cingulate Inc.
 Consolidated Cash Flow Statements (\$M)
 Fiscal Year End: December

CASH FLOW	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025
Operating Activities												
Net Profit	(17.7)	(23.5)	(3.0)	(3.2)	(3.2)	(6.1)	(15.5)	(3.8)	(4.8)	(7.6)	(6.3)	(22.4)
Depreciation	0.4	0.6	0.2	0.2	0.2	0.2	0.7	0.2	0.1	0.1	0.1	0.5
Stock-based compensation	0.8	0.8	0.2	0.4	0.4	0.1	1.0	0.4	0.2	0.6	0.4	1.5
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	1.5	1.8
Accretion of discount on note payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3
Amortization of debt issue costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loss on debt extinguishment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8
Miscellaneous receivables	0.5	0.2	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Prepaid expenses and other current assets	(0.6)	1.8	(1.1)	1.1	(0.8)	0.9	0.1	(0.5)	(0.4)	0.0	0.2	(0.6)
Operating lease right-of-use assets	0.2	0.3	0.1	0.1	0.1	0.1	0.3	0.1	(1.4)	0.1	0.1	(1.2)
Trade accounts payable and accrued expenses	0.8	5.2	(5.0)	(0.1)	(0.4)	1.0	(4.5)	(0.9)	(0.1)	1.1	1.3	1.5
Current portion of operating lease liability	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	0.2	0.0	0.0	0.1
Long term portion of operating lease liability	(0.3)	(0.4)	(0.1)	(0.0)	(0.0)	0.0	(0.1)	0.0	1.2	(0.1)	(0.1)	1.1
Cash Flow from operating activities	(15.9)	(15.0)	(8.7)	(1.7)	(3.9)	(4.1)	(18.5)	(4.6)	(4.8)	(4.2)	(3.6)	(17.2)
Investing Activities												
Purchase of Property and equipment	(0.2)	(0.2)	(0.1)	(0.1)	0.1	(0.2)	(0.2)	0.0	(0.0)	0.0	(0.2)	(0.2)
Proceeds from sale of short-term investments	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	(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 generated by Investing Activities	(0.2)	(0.2)	(0.1)	(0.1)	0.1	(0.2)	(0.2)	0.0	(0.0)	0.0	(0.2)	(0.2)
Financing Activities												
Proceeds from issuance of common stock and pre-funded common stock purchase warrants, net	0.0	7.0	9.9	1.1	13.4	1.5	25.9	1.9	4.2	1.5	2.6	10.2
Proceeds from note payable	5.0	3.0	0.0	0.0	0.0	5.0	5.0	0.0	0.0	0.0	6.0	6.0
Principal payments on finance lease obligations	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	(0.0)
IPO issuance costs	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow generated/(absorbed) by financing Activities	4.9	10.0	9.9	1.1	13.4	6.4	30.8	1.9	4.2	1.5	8.6	16.1
Net Cash flow in the year	(11.1)	(5.3)	1.1	(0.7)	9.7	2.2	12.2	(2.7)	(0.6)	(2.8)	4.8	(1.3)
Cash and Cash Equivalents												
Beginning Cash balance	16.5	5.4	0.1	1.1	0.4	10.0	0.1	12.2	9.5	8.9	6.1	12.2
Ending Cash balance	5.4	0.1	1.1	0.4	10.0	12.2	12.2	9.5	8.9	6.1	11.0	11.0

Source: Company Reports, Stonegate Capital Partners

IMPORTANT DISCLOSURES AND DISCLAIMER

- (a) The research analyst and/or a member of the analyst's household do not have a financial interest in the debt or equity securities of the subject company.
- (b) The research analyst responsible for the preparation of this report has not received compensation that is based upon Stonegate's investment banking revenues.
- (c) Stonegate or any affiliate have not managed or co-managed a public offering of securities for the subject company in the last twelve months, received investment banking compensation from the subject company in the last 12 months, nor expects or receive or intends or seek compensation for investment banking services from the subject company in the next three months.
- (d) Stonegate Capital Partners has a contractual agreement with the subject company to provide research services, investor relations support, and investor outreach. SCP receives a monthly retainer for these non-investment banking services.
- (e) Stonegate or its affiliates do not beneficially own 1% or more of any class of common equity securities of the subject company.
- (f) Stonegate does not make a market in the subject company.
- (g) The research analyst has not received any compensation from the subject company in the previous 12 months.
- (h) Stonegate, the research analyst, or associated person of Stonegate with the ability to influence the content of the research report knows or has reason to know of any material conflicts of interest at the time of publication or distribution of the research report.
- (i) No employee of Stonegate has a position as an officer or director of the subject company.

Ratings - Stonegate does not provide ratings for the covered companies.

Distribution of Ratings - Stonegate does not provide ratings for covered companies.

Price Chart - Stonegate does not have, nor has previously had, a rating for its covered companies.

Price Targets - Stonegate does not provide price targets for its covered companies. However, Stonegate does provide valuation analysis.

Regulation Analyst Certification:

I, Dave Storms, CFA, hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report.

For Additional Information Contact:

Stonegate Capital Partners, Inc.

Dave Storms, CFA

Dave@stonegateinc.com

214-987-4121

Please note that this report was originally prepared and issued by Stonegate for distribution to their market professional and institutional investor customers. Recipients who are not market professional or institutional investor customers of Stonegate should seek the advice of their independent financial advisor prior to taking any investment decision based on this report or for any necessary explanation of its contents. The information contained herein is based on sources which we believe to be reliable but is not necessarily complete and its accuracy cannot be guaranteed. Because the objectives of individual clients may vary, this report is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This report is the independent work of Stonegate Capital Partners and is not to be construed as having been issued by, or in any way endorsed or guaranteed by, any issuing companies of the securities mentioned herein. The firm and/or its employees and/or its individual shareholders and/or members of their families and/or its managed funds may have positions or warrants in the securities mentioned and, before or after your receipt of this report, may make or recommend purchases and/or sales for their own accounts or for the accounts of other customers of the firm from time to time in the open market or otherwise. While we endeavor to update the information contained herein on a reasonable basis, there may be regulatory, compliance, or other reasons that prevent us from doing so. The opinions or information expressed are believed to be accurate as of the date of this report; no subsequent publication or distribution of this report shall mean or imply that any such opinions or information remains current at any time after the date of this report. All opinions are subject to change without notice, and we do not undertake to advise you of any such changes. Reproduction or redistribution of this report without the expressed written consent of Stonegate Capital Partners is prohibited. Additional information on any securities mentioned is available on request.