INITIATION OF COVERAGE

CINGULATE INC. (NASDAQ: CING)

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Market Statistics in USD	
Price	$ 4.51
52 week Range	$1.80 - $20.83
Daily Vol (3-mo. average)	148,935
Market Cap (M)	$ 19.1
Enterprise Value (M)	$ 14.7
Shares Outstanding: (M)	3.6
Float (M)	3.6

Financial Summary in USD	
Cash (M)	$ 9.5
Cash/Share	$ 2.61
Debt (M)	$ 5.1
Equity (M)	$ 5.9
Equity/Share	$ 1.63

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.

Company Updates

Cingulate reported 1Q25 results that highlight continued progress toward the commercial launch of its lead ADHD asset, CTx-1301. The Company remains focused on leveraging its proprietary Precision Timed Release™ (PTR™) platform to address long-standing gaps in ADHD treatment. CTx-1301 is uniquely designed to provide once-daily stimulant therapy with rapid onset and sustained efficacy through the entire active day, addressing limitations of existing therapies that often require booster doses. With a differentiated profile targeting an estimated $22B U.S. ADHD market, CING is actively preparing for commercialization while pursuing potential out-licensing opportunities outside the U.S. and initiating scale-up plans for a targeted product launch upon FDA approval.

Phase 3 Pediatric Study and High-Dose Results: In May 2025, Cingulate announced positive efficacy results from its FDA-required Phase 3 fixed-dose pediatric trial of CTx-1301. All dose levels (18.75 mg, 25 mg, 37.5 mg) demonstrated statistically significant improvements on the ADHD-RS-5 scale within five weeks, with robust effect sizes ranging from 0.737 to 1.185. The Clinical Global Impression scale (CGI-I) also confirmed clinical improvements across doses compared to placebo. These findings follow April's positive topline results from the high-dose (50mg) food effect study, which confirmed that CTx-1301 can be taken with or without food—supporting flexibility and adherence in real-world use.

NDA Submission and FDA Approval Pathway: Cingulate is on track to submit a New Drug Application (NDA) for CTx-1301 in mid-2025. The NDA will incorporate safety and efficacy data from nine clinical trials, including recent pediatric and adult studies. In March 2025, the Company submitted final Phase 3 safety results to the FDA and held a pre-NDA meeting in April. The safety profile of CTx-1301 remains strong, with no serious treatment-emergent adverse events and a favorable tolerability profile compared to existing extended-release stimulants. If approved, CTx-1301 would be the first true once-daily stimulant to offer rapid onset and full-day efficacy, potentially redefining the ADHD treatment paradigm.

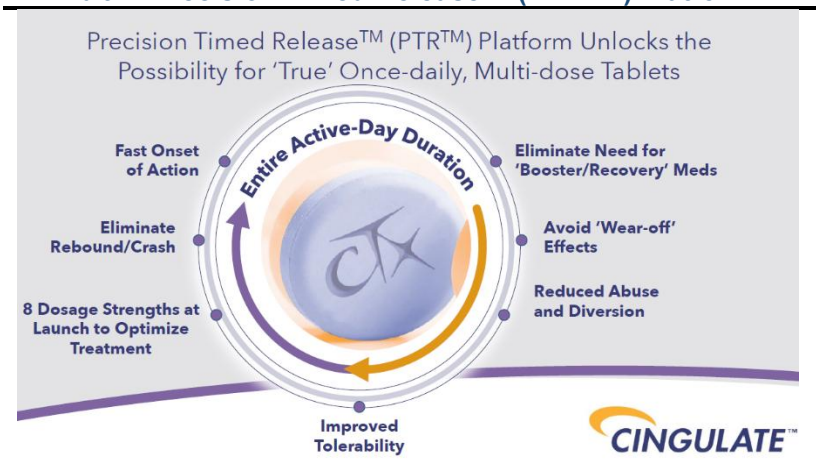
Balance Sheet, Cash Flows, and Financing Strategy: As of 1Q25, Cingulate reported cash and cash equivalents of $9.5M and a total accumulated deficit of $112.3M. Net loss for the quarter was $3.8M, and operating cash burn totaled $4.6M for the quarter. The Company continues to actively evaluate strategic financing options, including equity raises, debt issuance, and partnerships—to support NDA filing, pre-launch activities, and clinical operations. In December 2024, Cingulate secured $5M in gross proceeds via an unsecured promissory note from Streeterville Capital, with initial monthly redemptions scheduled for July 2025. While current resources provide limited runway, successful financing and regulatory milestones will be critical in maintaining operational momentum through potential FDA approval.

Valuation: We use a Discounted Cash Flow Model when valuing CING. Our valuation model returns a range of $13.96 to $26.96 with a midpoint of $19.09. More details can be found on the Valuation page.

Business Overview

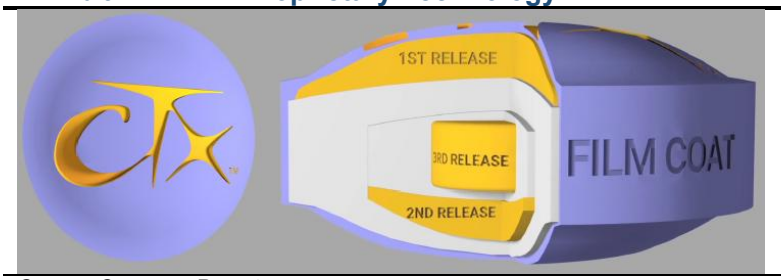
Cingulate Inc. is a biopharmaceutical company headquartered in Kansas City, KS, specializing in the development of innovative therapeutics using its proprietary Precision Timed Release™ (PTR™) platform. This platform is designed to address significant unmet medical needs in treatment regimens requiring 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™ (PTRTM) Platform



Source: Company Reports

Exhibit 2: PTR™ Proprietary Technology



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.

Cingulate's flagship candidate, CTx-1301, represents a significant advancement in ADHD treatment. CTx-1301 utilizes the PTR™ technology for a dexmethylphenidate 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 is scheduled to submit its New Drug Application (NDA) to the FDA in mid-2025, with potential approval and market entry anticipated in mid-2026. The NDA filing leverages the FDA's 505(b)(2) pathway, enabling a streamlined clinical development process due to the established safety profiles of active ingredients, considerably reducing time and cost.

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. The Company recently completed a successful Pre-NDA meeting with the FDA.

Cingulate's leadership comprises seasoned professionals with extensive expertise from both large pharmaceutical firms and dynamic biotech environments. Chairman and CEO Shane J. Schaffer leads the team, bringing extensive industry experience from prestigious companies such as Pfizer, Novartis, and Sanofi. CFO Jennifer L. Callahan ensures robust financial stewardship, contributing substantially to the company's financial health and strategic execution. The executive team is supported by an experienced board of directors with comprehensive knowledge spanning pharmaceuticals, securities regulation, finance, mergers and acquisitions, and commercialization strategy. Additionally, the recently established commercialization partnership with Indegene leverages AI-driven analytics to prepare and execute an optimal market launch, further demonstrating Cingulate's forward-thinking approach to commercial readiness and market penetration.

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. The completion of required studies positions Cingulate to submit its New Drug Application (NDA) to the FDA by mid-2025, with commercialization plans actively underway.

Anxiety and Other Segments Overview

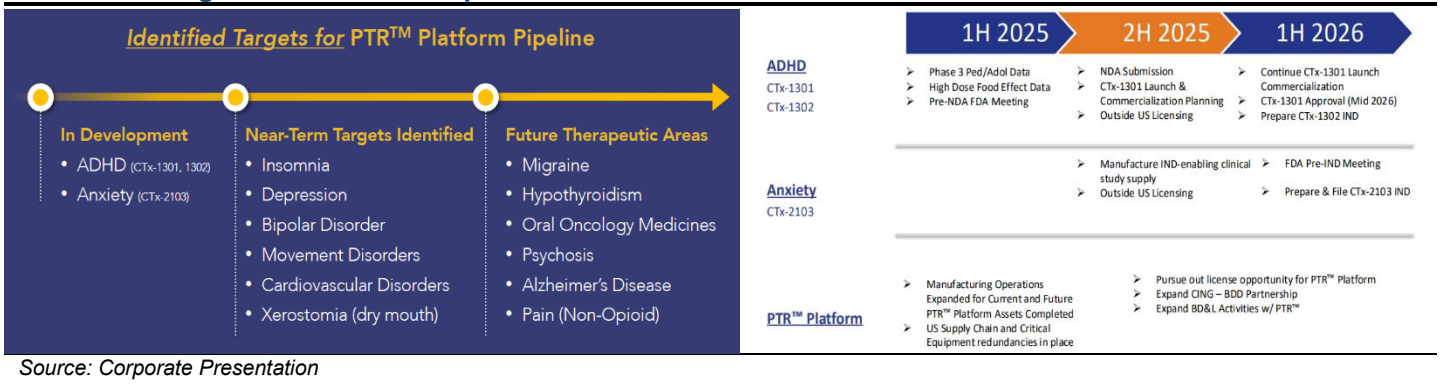
- **Anxiety – CTx-2103 (*buspirone*)**: CTx-2103, which contains the active pharmaceutical ingredient buspirone (hydrochloride), is a non-benzodiazepine medication that does not carry the risk of withdrawal or dependency. However, due to its short half-life, buspirone is prescribed to be taken several 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:

1. **Proven Clinical Efficacy and Safety:** Cingulate's lead candidate, CTx-1301, has demonstrated compelling clinical results through completed Phase 3 trials, showcasing significantly improved efficacy than current standard treatments. Its unique PTR™ formulation has resulted in substantially fewer adverse events, positioning Cingulate's products as superior treatment options capable of capturing substantial market share in the highly competitive ADHD market.

2. **Robust Pipeline Development:** The upcoming NDA filing for CTx-1301 in mid-2025 represents a critical growth catalyst, signaling regulatory confidence in Cingulate's PTR™ technology. Following the anticipated FDA approval, this milestone is expected to accelerate market adoption and catalyze additional pipeline advancements, including the initiation of clinical trials for CTx-1302 (ADHD) and CTx-2103 (anxiety), which are strategically designed to broaden therapeutic reach and enhance market penetration.

3. **Enhanced Financial Stability and Capital Strategy:** Cingulate has successfully strengthened its balance sheet through multiple financing transactions, significantly increasing its working capital and extending its cash runway well beyond key regulatory milestones. Recent capital raises—including equity offerings and strategic investment placements—have provided financial flexibility, enabling sustained investments in clinical development, regulatory activities, and commercialization planning.

4. **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.

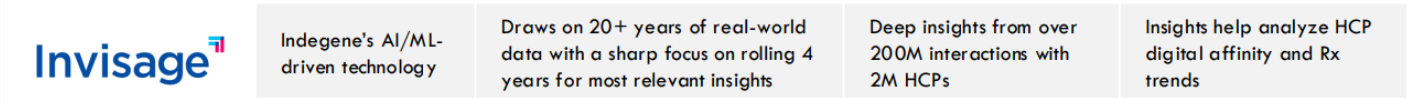
5. **Versatility of the PTR™ Platform:** Beyond ADHD and anxiety, the PTR™ platform is uniquely adaptable for addressing numerous therapeutic areas characterized by unmet medical needs, including insomnia, depression, cardiovascular diseases, bipolar disorder, and non-opioid pain management. This broad 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.

Exhibit 4: Indegene's Invisage Commercialization



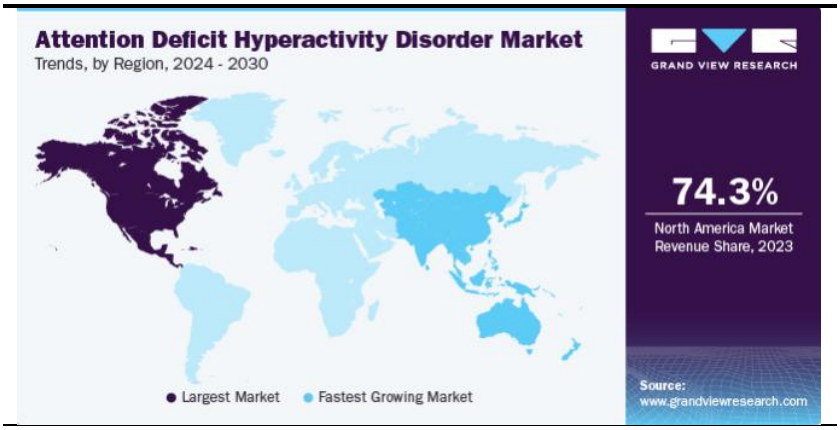
Source: Corporate Presentation

Market Overview

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



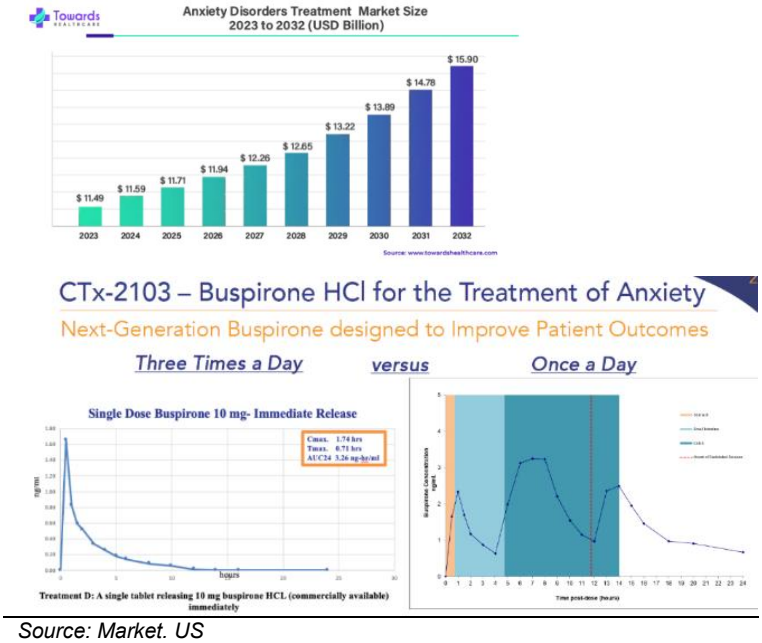
Source: Grand View Research

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



Source: Market. US

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.

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 valuation model returns a valuation range of $13.96 to $26.96 with a midpoint of $19.09.

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.

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 $37 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
(in $M, except per share)

Estimates:	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	Terminal Value
Revenue	-	-	-	4.7	10.1	22.2	45.6	91.1	177.7	270.2	364.7	364.7	346.5	
Opearting Income	(22.8)	(15.6)	(14.6)	(14.2)	(0.5)	0.6	4.6	13.7	26.7	67.5	91.2	72.9	69.3	
Less: Taxes (benefit)	-	-	-	-	-	0.1	0.9	2.7	6.7	16.9	22.8	18.2	17.3	
NOPAT	(22.8)	(15.6)	(14.6)	(14.2)	(0.5)	0.5	3.6	10.9	20.0	50.7	68.4	54.7	52.0	
Plus: Depreciation & Amortization	0.6	0.7	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.3	0.3	0.3	
Plus: Changes in WC	10.5	(17.3)	5.0	(10.0)	(5.0)	(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	(11.9)	(32.5)	(8.8)	(23.4)	(4.7)	0.8	3.9	10.7	19.8	50.5	67.9	54.3	51.5	273.9
Discount period - months			9	21	33	45	57	69	81	93	105	117	129	
Discount period - years			0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	
Discount factor			0.87	0.73	0.61	0.50	0.42	0.35	0.29	0.24	0.20	0.17	0.14	
PV of FCF			(7.6)	(17.0)	(2.8)	0.4	1.7	3.8	5.8	12.3	13.8	9.2	7.3	38.6
Growth rate assumptions:														
Revenue		N/A	N/A	N/A	115.0%	120.0%	105.0%	100.0%	95.0%	52.0%	35.0%	0.0%	-5.0%	
Operating Income		-31.3%	-7.0%	-2.4%	-96.4%	-210.0%	720.0%	200.0%	95.0%	153.3%	35.0%	-20.0%	-5.0%	
EBITDA		-32.4%	-9.6%	-2.6%	-103.7%	214.5%	257.2%	155.0%	91.6%	150.5%	34.4%	-19.9%	-5.0%	
Free Cash Flow		173.5%	-73.1%	167.5%	-79.9%	-117.0%	393.1%	172.1%	84.4%	154.9%	34.6%	-20.1%	-5.0%	
Margin assumptions:														
Operating Income	N/A	N/A	N/A	N/A	-5.0%	2.5%	10.0%	15.0%	15.0%	25.0%	25.0%	20.0%	20.0%	
D&A as a % of sales	N/A	N/A	N/A	21.3%	9.9%	4.5%	2.2%	0.5%	0.3%	0.2%	0.1%	0.1%	0.1%	
EBITDA	N/A	N/A	N/A	N/A	4.9%	7.0%	12.2%	15.5%	15.3%	25.2%	25.1%	20.1%	20.1%	
Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	20.0%	20.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	N/A	N/A	N/A	N/A	-49.5%	-2.2%	-1.1%	-0.5%	-0.3%	-0.2%	-0.1%	-0.1%	-0.1%	
Capex as a % of sales	N/A	N/A	N/A	-4.3%	-2.0%	-0.9%	-0.4%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	

Valuation:

Shares outstanding	3.6
PV of FCF	26.6
PV of Terminal Value	38.6
Enterprise Value	65.2
less: Net Debt	(4.4)
Estimated Total Value:	69.6
Est Equity Value/share:	**$19.09**
Price	$4.51

Sensitivity Analysis:

Discount rate \ Terminal Growth Rates	0.0%	0.5%	1.0%	1.5%	2.0%
12.50%	$50.33	$51.83	$53.45	$55.22	$57.16
15.00%	$35.35	$36.19	$37.08	$38.03	$39.06
17.50%	$25.39	$25.88	$26.40	$26.96	$27.55
20.00%	$18.46	$18.77	$19.09	$19.43	$19.79
22.50%	$13.49	$13.69	$13.90	$14.11	$14.34

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Cingulate Inc.
Consolidated Balance Sheets ($M)
Fiscal Year End: December

ASSETS	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25
Cash and cash equivalents	5.4	1.7	0.3	2.0	0.1	0.1	1.1	0.4	10.0	12.2	12.2	9.5
Other receivables	0.2	0.0	0.0	0.0	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0
Prepaid expenses and other current assets	2.3	2.0	1.7	0.9	0.5	0.5	1.6	0.5	1.3	0.4	0.4	0.9
Total Current Assets	**7.9**	**3.8**	**2.0**	**2.9**	**0.6**	**0.6**	**2.7**	**2.5**	**11.3**	**12.7**	**12.7**	**10.5**
Property and equipment, net	2.9	2.8	2.7	2.5	2.5	2.5	2.5	2.4	2.1	2.1	2.1	1.9
Operating lease right-of-use assets	0.6	0.6	0.5	0.4	0.4	0.4	0.3	0.2	0.2	0.1	0.1	0.0
Total Assets	**11.4**	**7.2**	**5.2**	**5.9**	**3.5**	**3.5**	**5.5**	**5.1**	**13.6**	**14.9**	**14.9**	**12.5**
LIABILITIES AND SHAREHOLDERS' EQUITY												
Accounts payable	0.8	0.6	1.6	1.7	5.2	5.2	0.7	1.3	0.9	1.3	1.3	0.9
Accrued expenses	0.9	0.7	1.0	0.7	1.7	1.7	1.1	0.4	0.4	1.0	1.0	0.6
Notes payable, current	5.0	5.0	8.0	3.0	3.0	3.0	-	-	-	2.5	2.5	4.1
Finance lease liability, current	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Operating lease liability, current	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.2	0.1	0.1	0.0
Other liabilities, current	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**7.0**	**6.7**	**11.0**	**5.7**	**10.2**	**10.2**	**2.2**	**2.0**	**1.5**	**5.0**	**5.0**	**5.6**
Note payable	-	-	-	-	-	-	-	-	-	2.4	2.4	0.9
Finance lease liability, net of current	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-
Operating lease liability, net of current	0.5	0.4	0.3	0.2	0.1	0.1	0.0	-	-	-	-	-
Other liabilities	-	-	-	-	-	-		-	-	-	-	-
Total Liabilities	**7.5**	**7.1**	**11.3**	**6.0**	**10.4**	**10.4**	**2.3**	**2.0**	**1.5**	**7.4**	**7.4**	**6.5**
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	73.5	73.9	85.9	86.1	86.1	99.1	102.2	114.4	115.9	115.9	118.2
Total Parent Net Equity	**73.3**	**73.5**	**73.9**	**85.9**	**86.1**	**86.1**	**99.1**	**102.2**	**114.4**	**115.9**	**115.9**	**118.2**
Accumulated Deficit	(69.4)	(73.4)	(80.0)	(86.0)	(92.9)	(92.9)	(95.9)	(99.1)	(102.4)	(108.5)	(108.5)	(112.3)
Total Consolidated Equity	**3.9**	**0.1**	**(6.1)**	**(0.1)**	**(6.9)**	**(6.9)**	**3.2**	**3.1**	**12.0**	**7.5**	**7.5**	**5.9**
Total Liabilities and Shareholders' Equity	**11.4**	**7.2**	**5.2**	**5.9**	**3.5**	**3.5**	**5.5**	**5.1**	**13.6**	**14.9**	**14.9**	**12.5**
Liquidity												
Current Ratio	1.1x	0.6x	0.2x	0.5x	0.1x	0.1x	1.2x	1.2x	7.4x	2.5x	2.5x	1.9x
Working Capital	0.86	(2.91)	(8.96)	(2.83)	(9.65)	(9.65)	0.48	0.47	9.80	7.69	7.69	4.89

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	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 E Jun-25	Q3 E Sep-25	Q4 E Dec-25	FY 2025E	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.5	$ 1.4	$ 2.9	$ 4.7
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.5**	**1.4**	**2.9**	**4.7**
Operating Expenses:																		
Cost of Good Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4	1.1	2.5	4.0
Gross Profit	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.1**	**0.2**	**0.4**	**0.7**
Clinical operations	1.1	3.5	8.3	1.1	0.1	0.4	3.2	4.7	1.1	1.1	1.1	1.0	4.3	0.8	0.5	0.5	0.3	2.0
Drug manufacturing and formulation	1.4	2.8	4.4	0.3	1.5	0.5	0.4	2.7	0.4	0.4	0.4	0.5	1.7	0.7	1.0	1.3	1.5	4.5
Personnel (R&D)	5.9	2.5	2.4	0.3	0.3	0.4	0.7	1.8	0.6	0.6	0.6	0.6	2.2	0.6	0.6	0.6	0.6	2.2
Regulatory	0.0	0.1	0.4	0.1	0.0	0.1	0.1	0.3	0.2	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4
Personnel (G&A)	9.7	2.6	2.6	0.4	0.4	0.5	0.5	1.9	0.6	0.6	0.6	0.6	2.2	0.6	0.6	0.6	0.6	2.2
Legal and professional fees	1.4	2.2	1.9	0.3	0.5	0.8	0.8	2.4	0.5	0.5	0.5	0.5	2.0	0.5	0.5	0.5	0.5	2.0
Occupancy	0.5	0.5	0.5	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	0.3
Insurance	0.3	2.6	1.5	0.2	0.2	0.2	0.3	1.0	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	0.2	0.8
Other	0.3	0.6	0.6	0.1	0.1	0.2	0.2	0.6	0.1	0.2	0.2	0.2	0.6	0.2	0.2	0.2	0.2	0.6
Total Operating Expenses	20.7	17.5	22.8	2.9	3.2	3.3	6.2	15.6	3.7	3.6	3.6	3.6	14.6	3.6	3.6	3.8	3.9	14.9
Operating Income	**(20.7)**	**(17.5)**	**(22.8)**	**(2.9)**	**(3.2)**	**(3.3)**	**(6.2)**	**(15.6)**	**(3.7)**	**(3.6)**	**(3.6)**	**(3.6)**	**(14.6)**	**(3.6)**	**(3.5)**	**(3.6)**	**(3.5)**	**(14.2)**
Interest and other income (expense), net	-	0.2	(0.8)	(0.0)	(0.0)	0.1	0.1	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	0.0	0.0	0.0	0.0	0.1
Loss before income taxes	**(20.7)**	**(17.7)**	**(22.0)**	**(2.9)**	**(3.2)**	**(3.2)**	**(6.3)**	**(15.5)**	**(3.6)**	**(3.5)**	**(3.5)**	**(3.5)**	**(14.9)**	**(3.6)**	**(3.5)**	**(3.6)**	**(3.5)**	**(14.1)**
Income tax benefit (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss and comprehensive loss	**(20.7)**	**(17.7)**	**(22.0)**	**(2.9)**	**(3.2)**	**(3.2)**	**(6.3)**	**(15.5)**	**(3.6)**	**(3.5)**	**(3.5)**	**(3.5)**	**(14.9)**	**(3.6)**	**(3.5)**	**(3.6)**	**(3.5)**	**(14.1)**
Basic EPS	**$ (2.79)**	**$ (1.56)**	**$ (24.28)**	**$ (0.59)**	**$ (5.46)**	**$ (1.83)**	**$ (2.31)**	**$ (10.20)**	**$ (0.99)**	**$ (0.90)**	**$ (0.83)**	**$ (0.78)**	**$ (3.67)**	**$ (0.75)**	**$ (0.67)**	**$ (0.65)**	**$ (0.58)**	**$ (2.59)**
Diluted EPS	**$ (2.79)**	**$ (1.56)**	**$ (24.28)**	**$ (0.59)**	**$ (5.46)**	**$ (1.83)**	**$ (2.31)**	**$ (10.20)**	**$ (0.99)**	**$ (0.90)**	**$ (0.83)**	**$ (0.78)**	**$ (3.67)**	**$ (0.75)**	**$ (0.67)**	**$ (0.65)**	**$ (0.58)**	**$ (2.59)**
WTD Shares Out - Basic	7.4	11.3	0.9	4.9	0.6	1.8	2.7	1.5	3.6	3.9	4.2	4.5	4.1	4.9	5.2	5.6	6.1	5.4
WTD Shares Out - Diluted	7.4	11.3	0.9	4.9	0.6	1.8	2.7	1.5	3.6	3.9	4.2	4.5	4.1	4.9	5.2	5.6	6.1	5.4
Growth Rate Y/Y																		
Total cost of revenues	N/A	-15.4%	30.0%	-23.4%	-49.6%	-42.9%	-8.7%	-31.3%	25.7%	12.8%	10.1%	-41.8%	-7.0%	-2.5%	-1.4%	5.5%	8.3%	2.5%
Operating Income	N/A	-15.4%	30.0%	-23.4%	-49.6%	-42.9%	-8.7%	-31.3%	25.7%	12.8%	10.1%	-41.8%	-7.0%	-2.5%	-3.3%	-0.1%	-3.7%	-2.4%
Pre-Tax Income	N/A	-14.5%	24.4%	-20.9%	-47.6%	-41.5%	-5.6%	-29.3%	23.4%	9.7%	8.8%	-44.1%	-3.8%	0.7%	0.1%	3.3%	-0.4%	-5.5%
Net Income	N/A	-14.5%	24.4%	-20.9%	-47.6%	-41.5%	-5.6%	-29.3%	23.4%	9.7%	8.8%	-44.1%	-3.8%	0.7%	0.1%	3.3%	-0.4%	-5.5%

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	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25
Operating Activities												
Net Profit	(17.7)	(4.0)	(6.6)	(6.0)	(6.9)	(23.5)	(3.0)	(3.2)	(3.2)	(6.1)	(15.5)	(3.8)
Depreciation	0.4	0.1	0.2	0.2	0.2	0.6	0.2	0.2	0.2	0.2	0.7	0.2
Stock-based compensation	0.8	0.2	0.2	0.2	0.2	0.8	0.2	0.4	0.4	0.1	1.0	0.4
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Miscellaneous recievables	0.5	0.2	(0.0)	0.0	(0.0)	0.2	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)
Prepaid expenses and other current assets	(0.6)	0.3	0.3	0.7	0.4	1.8	(1.1)	1.1	(0.8)	0.9	0.1	(0.5)
Operating lease right-of-use assets	0.2	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3	0.1
Trade accounts payable and accrued expenses	0.8	(0.4)	1.3	0.5	3.7	5.2	(5.0)	(0.1)	(0.4)	1.0	(4.5)	(0.9)
Current portion of operating lease liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)
Long term portion of operating lease liability	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.0)	(0.0)	0.0	(0.1)	0.0
Cash Flow from operating activities	**(15.9)**	**(3.6)**	**(4.6)**	**(4.3)**	**(2.6)**	**(15.0)**	**(8.7)**	**(1.7)**	**(3.9)**	**(4.1)**	**(18.5)**	**(4.6)**
Investing Activities												
Purchase of Properity and equipment	(0.2)	(0.0)	(0.0)	0.0	(0.2)	(0.2)	(0.1)	(0.1)	0.1	(0.2)	(0.2)	0.0
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)**	**(0.0)**	**(0.0)**	**0.0**	**(0.2)**	**(0.2)**	**(0.1)**	**(0.1)**	**0.1**	**(0.2)**	**(0.2)**	**0.0**
Financing Activities												
Prooceds from issuance of common stock and pre-funded common stock purchase warrants, net of fees	0.0	0.0	0.2	5.9	0.8	7.0	9.9	1.1	13.4	1.5	25.9	1.9
Prooceds from note payable	5.0	0.0	3.0	0.0	0.0	3.0	0.0	0.0	0.0	5.0	5.0	0.0
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**	**(0.0)**	**3.2**	**5.9**	**0.8**	**10.0**	**9.9**	**1.1**	**13.4**	**6.4**	**30.8**	**1.9**
Net Cash flow in the year	**(11.1)**	**(3.6)**	**(1.4)**	**1.6**	**(1.9)**	**(5.3)**	**1.1**	**(0.7)**	**9.7**	**2.2**	**12.2**	**(2.7)**
Cash and Cash Equivalents												
Beginning Cash balance	16.5	5.4	1.7	0.3	2.0	5.4	0.1	1.1	0.4	10.0	0.1	12.2
Ending Cash balance	5.4	1.7	0.3	2.0	0.1	0.1	1.1	0.4	10.0	12.2	12.2	9.5

Source: Company Reports, Stonegate Capital Partners

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