



## NEWS RELEASE

### Alpha Cognition Announces Forth Quarter and Full Year 2022 Results and Provides Corporate Update

VANCOUVER, B.C., March 08, 2023. **Alpha Cognition Inc. (TSX-V: ACOG) (OTCQB: ACOGF)** ("Alpha Cognition", or the "Company"), a biopharmaceutical company committed to developing novel therapies with the potential to transform the lives of people with debilitating neurodegenerative disorders, today reported financial results for the fourth quarter and full year ended December 31, 2022 and provided a corporate update.

"The Company is focused on its NDA filing for ALPHA-1062 for mild to moderate Alzheimer's disease. If approved, ALPHA-1062 would be the first next-generation oral therapy approved for mild-to-moderate Alzheimer's disease (AD) in over a decade. There is a significant unmet need for more tolerable agents in the AD space. Additionally, the Company continues to manage its cash judiciously to extend runway while continuing to explore partnerships and other opportunities." said Michael McFadden, the Company's Chief Executive Officer.

#### Recent Company Developments

The company has initiated work to submit an NDA for ALPHA-1062 in mild to moderate Alzheimer's disease to the FDA in June/July 2023.

Company is preparing for a pre-IND meeting with FDA regarding ALPHA-1062 Intranasal program for TBI, this meeting is expected to occur during the second quarter of 2023.

On February 16, 2023, the Company closed the first tranche of the February 2022 PP by issuing 16,795,221 units of the Company at a price of CAD\$0.255 per unit, for gross proceeds of CAD\$4,282,781. The Company also announced as of February 16, 2023, it had also entered into subscription agreements towards a second tranche closing for an additional 6.48 million shares or CAD\$1.65 million under the Offering. The second tranche is expected to close early March 2023.

On March 6, 2023, the Company and Neurodyn Life Sciences Inc. agree to an amendment to the promissory note pursuant to which the interest rate was increased from 2% to 5.5% and the maturity date was extended from December 31, 2022 to July 15, 2024. The amended agreement is effective March 1, 2023 and requires monthly interest only payments until maturity. In addition, the amendment now incorporates both Alpha Cognition Inc. and Alpha Cognition Canada Inc. under the Memogain Technology Agreement and added clarity to certain terms and definitions under the license agreement.

#### Financial Highlights for Fourth Quarter and Full Year of 2022

*(Expressed in United States Dollars)*

- Research and development (R&D) expenses were \$2.4 million for the three months ended December 31, 2022, and \$8.8 million for the year ended December 31, 2022, compared to \$2.7 million and \$8.0 million in the same periods in 2021, respectively. R&D expenses for the year

ended December 31, 2022 increased over the prior year primarily due to the additional costs associated with advancing ALPHA-1062 and ALPHA-0602 clinical and preclinical studies.

- General and administrative (G&A), excluding non-cash expenses relating to accretion, amortization, depreciation, and share-based compensation, were \$0.8 million for the three months ended December 31, 2022, and \$3.4 million for the full year ended December 31, 2022, compared to from \$1.0 million and \$2.6 million in the same periods of 2021 respectively. The increase for the full year ended December 31, 2022 in G&A expenses was primarily related to management fees and salaries, consulting and professional fees, and other G&A expenses offset somewhat by lower expenses in investor relation, marketing, and registrar and filing fees. The overall G&A increase year over year was due to supporting the advancement of our clinical trials and growth in our corporate operations.
- The Company recorded a gain on revaluation derivative liability for the three months ended December 31, 2022 of \$0.2 million and \$1.8 million for the full year ended December 31, 2022, compared to a gain of \$1.1 million and loss of \$6.1 million in the same periods of 2021 respectively. The Company performs a revaluation each reporting period for the derivative liability relating to the convertible debentures and the recognition of a derivative liability on the transfer of warrants with an exercise price in USD from Alpha Cognition Canada to Alpha Cognition Inc. pursuant to the transaction whereby Alpha Cognition Canada was acquired by and became a wholly owned subsidiary of Alpha Cognition Inc.
- The Company incurred nil in listing expenses in the three and full year ended December 31, 2022, compared to nil and \$1.4 million in the same period of 2021 respectively, the 2021 expenses were related to the Company's Q1 2021 public listing and reverse acquisition transaction.
- Share-based compensation under general and administrative was \$0.2 million for the three months ended December 31, 2022 and \$1.2 million for the full year ended December 31, 2022, compared to \$0.6 million and \$1.0 million in the same periods of 2021, respectively. The full year increase was primarily due to the increase in size of the management team in support of the Company growth.
- The Company incurred foreign exchange loss of \$0.9 million in the three months ended December 31, 2022 and \$0.3 million for the full year ended December 31, 2022, compared to \$0.0 million and \$0.0 million in the same periods of 2021, respectively.
- The fourth quarter of 2022 net loss was \$3.2 million, or a net loss of \$0.05 per share, and for the full year ended December 31, 2022, net loss was \$12.1 million, or a net loss of \$0.18 per share, compared to the fourth quarter of 2021 net loss of \$3.2 million, or a net loss of \$0.06 per share, and for the full year ended December 31, 2021, a net loss of \$19.6 million, or a net loss of \$0.37 per share.
- Cash and cash equivalents at December 31, 2022 were \$2.1 million.
- Shares of common stock outstanding at December 31, 2022 were 61,023,450.

#### **About Alpha Cognition Inc.**

Alpha Cognition Inc. is a clinical stage, biopharmaceutical company dedicated to developing treatments for patients suffering from neurodegenerative diseases, such as Alzheimer's disease and Amyotrophic Lateral Sclerosis (ALS), for which there are limited treatment options.



ALPHA-1062, is a patented new chemical entity being developed as a new generation acetylcholinesterase inhibitor for the treatment of Alzheimer's disease, with expected minimal gastrointestinal side effects. ALPHA-1062's active metabolite is differentiated from donepezil and rivastigmine in that it binds neuronal nicotinic receptors, most notably the alpha-7 subtype, which is known to have a positive effect on cognition. ALPHA-1062 is also being developed in combination with memantine to treat moderate to severe Alzheimer's dementia, and as an intranasal formulation for traumatic brain injury.

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#### **Forward-looking Statements**

This news release is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities. No securities commission or similar authority in Canada or in any other jurisdiction has reviewed or in any way passed upon this news release or the merits of the securities described herein and any representation to the contrary is an offence.

This news release includes forward-looking statements within the meaning of applicable securities laws. Except for statements of historical fact, any information contained in this news release may be a forward-looking statement that reflects the Company's current views about future events and are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Forward-looking statements can be identified by the words "may," "might," "will," "could," "would," "should," "expect," "intend," "plan," "objective," "anticipate," "believe," "estimate," "predict," "project," "potential," "target," "seek," "contemplate," "continue" and "ongoing," or the negative of these terms, or other comparable terminology intended to identify statements about the future. Forward-looking statements in this news release include statements regarding the Company's business strategy, market size, potential growth opportunities, capital requirements, capital offerings, clinical development activities, the timing and results of clinical trials, regulatory submissions, potential regulatory approval and commercialization of the technology. Although the Company believes that we have a reasonable basis for each forward-looking statement, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain. The Company cannot assure that the actual results will be consistent with these forward-looking statements as a result of known and unknown risks, uncertainties, assumptions and other factors. These risks, uncertainties, assumptions and other factors include those associated with clinical studies and manufacturing, as well as development and commercialization of the Company's products; the need for additional financing to maintain operations; risks posed by the economic and political environments in which the Company operates and intends to operate; market instability due to the COVID-19 pandemic; the potential for losses arising from the



expansion of operations into new markets; increased competition; assumptions regarding market trends and the expected demand and desires for the Company's products and proposed products; reliance on industry manufacturers, suppliers and key personnel; the failure to adequately protect intellectual property; a failure to adequately manage future growth; adverse market conditions; and failure to satisfy ongoing regulatory requirements or obtain regulatory approvals. These forward-looking statements speak only as of the date of this news release and, other than as required by applicable securities laws, the Company undertakes no obligation to revise or update any forward-looking statements, even if new information becomes available in the future.

This news release may also contain estimates and other statistical, market and industry data from independent parties or made by the Company relating to our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We cannot guarantee the accuracy and completeness of information from third party sources.

#### Condensed Consolidated Statements of Operations

(expressed in United States Dollars)

	Three months ended Dec. 31,		Year ended Dec. 31,	
	2022	2021	2022	2021
Operating expenses	\$ (3,420,717)	\$ (4,253,019)	\$ (13,638,504)	\$ (12,096,888)
Other income (expenses)	(696,114)	1,103,331	1,523,806	(7,448,128)
Net loss for the year	(4,116,831)	(3,149,688)	(12,114,698)	(19,545,016)
Currency translation adjustment	873,874	(46,738)	16,806	(101,534)
Comprehensive loss	\$ (3,242,957)	\$ (3,196,426)	\$ (12,097,892)	\$ (19,646,550)
Basic and diluted loss per common share	\$ (0.05)	\$ (0.05)	\$ (0.18)	\$ (0.37)
Weighted average shares	68,023,450	65,016,609	67,972,194	53,333,061

#### Selected Consolidated Balance Sheet Data

(expressed in United States Dollars)

	December 31,	
	2022	2021
Cash	\$ 2,083,696	\$ 11,301,793
Working capital (deficiency)	\$ (1,724,103)	\$ 10,367,955
Total assets	\$ 2,950,951	\$ 12,880,388
Total long-term liabilities	\$ 214,284	\$ 2,048,127