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Zacks Small-Cap Research

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MIRA Pharmaceuticals (MIRA-NASDAQ)

MIRA: New Testing Shows Strong Results

MIRA is creating a THC analog that has the same benefits as THC without the negative side effects. We value MIRA at $16.50 using discounted cash flow analysis and a 20% discount rate.

MIRA Pharmaceuticals is a preclinical-stage pharmaceutical company focused on the development and commercialization of new molecular synthetic cannabinoid analog for the treatment of adult patients with neuropathic pain as well as anxiety and cognitive decline typically associated with early-stage dementia.

The company announced positive preclinical results for its MIRA-55 compound, which is a marijuana analog without nasty side effects.

Current Price (07/17/24)	$0.82
Valuation	**$16.50**

OUTLOOK

SUMMARY DATA

52-Week High	**$7.42**
52-Week Low	**$0.54**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**1,652,215**
Shares Outstanding (mil)	**15**
Market Capitalization ($mil)	**$12**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**35**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**High**
Type of Stock	**Small Growth**
Industry	**Biotech**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	0 A	0 A	0 A	0 A	0 A
2023	0 A	0 A	0 A	0 A	0 A
2024	0 E	0 E	0 E	0 E	0 E
2025	0 E	0 E	0 E	0 E	0 E

Earnings per share*

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	N/A	N/A	N/A	N/A	(0.48) A
2023	(0.09) A	(0.10) A	(0.26) A	(0.37) A	(0.64) A
2024	(0.12) A	(0.10) E	(0.26) E	(0.15) E	(0.62) E
2025	(0.15) E	(0.10) E	(0.08) E	(0.07) E	(0.40) E

*numbers may not add to yearly total due to share issuance.

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Update

MIRA Pharmaceuticals is a preclinical-stage pharmaceutical company focused on the development and commercialization of a new molecular synthetic cannabinoid analog for the treatment of adult patients with neuropathic pain as well as anxiety and cognitive decline typically associated with early-stage dementia. The company also acquired the rights to Ketamir, which, in layman's terms, is a potential derivative of the antidepressant ketamine that has shown indications of having fewer side effects, working more rapidly, and having the opportunity to impact millions of patients that have not responded to other, existing treatments. We have written about the exciting preclinical results for Ketamir-2, the company's novel oral ketamine analog, recently, but the company just announced additional positive preclinical test results on its marijuana analog, known as MIRA-55.

As previously discussed, this program started out with a compound known as MIRA1a, but the company found that there was actually a new molecule with a distinct chemical structure. MIRA management believed that this new molecule—labeled MIRA-55, would display enhanced potency and improved efficacy over MIRA1a—but test results were required to confirm that belief.

The company announced that it achieved those positive results in recent testing:

- Enhanced Efficacy: MIRA-55 showed significantly improved efficacy over THC at both the CB1 and CB2 cannabinoid receptors, with stronger and more sustained activity.

- Consistent Anxiolytic Effects: MIRA-55 consistently reduced anxiety-like behaviors, outperforming THC in the Open Field and Elevated Plus Maze tests.

- Stability and Balance: Unlike THC, MIRA-55 maintained efficacy across a broader range of doses without losing effectiveness.

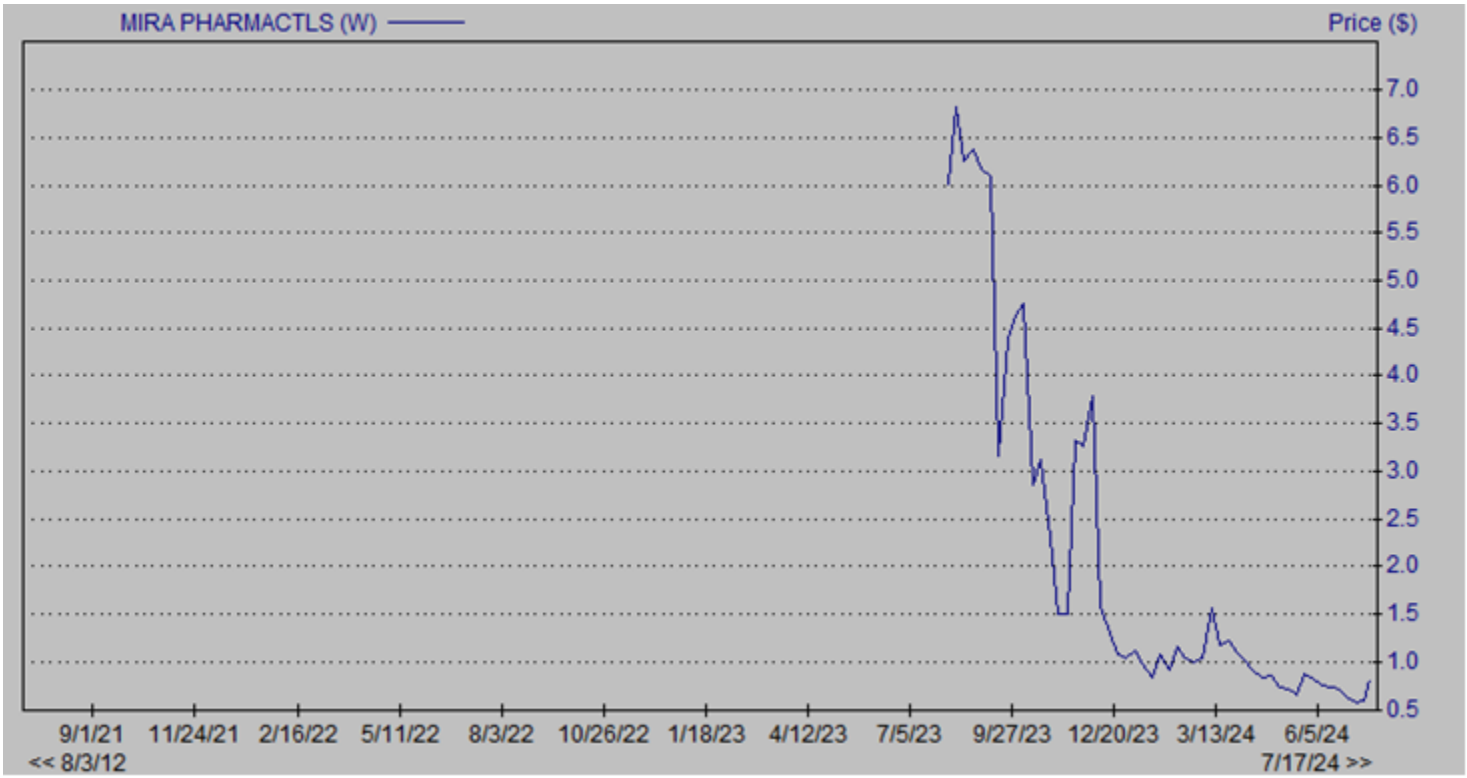
- Reduced Side Effects: MIRA-55 demonstrated a promising toxicological profile, indicating a potential safer profile for human therapeutic use.

These results demonstrate the potential that MIRA-55 has in improving on the perceived results of THC, but without the negative side effects and stigma that sometimes accompanies that substance. We continue to believe that the market for both MIRA-55 and Ketamir-2 would be vast and are excited to see both substances begin clinical trials.

We remain extremely positive on MIRA, and this announcement is yet another confirmation that the potential for MIRA's treatments is exciting. This announcement, in our view, helps to further validate the potential for MIRA therapies. The company has two potential groundbreaking therapies and is rightly focusing on the one with the potential to get to market the fastest—Ketamir-2, but also continuing to advance MIRA-55 in the background. We urge investors to look at MIRA and suggest those with a modestly higher risk tolerance consider investing before MIRA announces more positive results or collaborations the stock really starts to move higher.

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HISTORICAL STOCK PRICE



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