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Zacks Small-Cap Research

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Telomir Pharmaceuticals (TELO-NASDAQ)

TELO: Another Potential Breakthrough

Telomir is developing a treatment that has the potential to lead to the extension of human life and solve many age-related health issues. We value TELO at $12.15 using discounted cash flow analysis.

Current Price (12/02/24)	$4.25
Valuation	**$12.15**

OUTLOOK

Telomir Pharmaceuticals is a preclinical stage company focused on the science of lengthening telomere caps, which the company believes will extend human lifespans and improve quality of life as people age.

Preclinical tests showed that the company's signature therapy, Telomir-1, appeared to address insulin resistance and achieving reversal to near pre-diabetic levels. These results add to previous testing results showing a myriad of potential life improving and extending benefits.

SUMMARY DATA

52-Week High	**$11.90**
52-Week Low	**$3.31**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**129,740**
Shares Outstanding (mil)	**30**
Market Capitalization ($mil)	**$126**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**0**
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**

Risk Level	**High,**
Type of Stock	**Small-Growth**
Industry	**N/A**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	0 A	0 A	0 A	0 A	0 A
2024	0 A	0 A	0 A	0 E	0 E
2025	0 E	0 E	0 E	0 E	0 E
2026	0 E	0 E	0.5 E	1.0 E	1.5 E

Earnings per share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	NA	NA	NA	NA	-0.45 A
2024	-0.23 A	-0.06 A	-0.20 A	-0.05 E	-0.54 E
2025	-0.06 E	-0.05 E	-0.04 E	-0.08 E	-0.23 E
2026	-0.03 E	-0.04 E	-0.06 E	-0.05 E	-0.18 E

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UPDATE

Telomir Pharmaceuticals is a preclinical stage biopharmaceutical company developing a product designed to lengthen the DNA's protective telomere caps. Previously reported preclinical tests have shown evidence that Telomir-1, the company's primary therapy, can lengthen telomeres and initial animal testing illustrates the potential impact. In fact, the company recently released results from one of those tests, which, according to CEO Erez Aminov, "confirms Telomir-1 can reverse biologic aging, extending life while preserving health."

The company, however, is not stopping there and just released new preclinical test results that showed the potential for Telomir-1 to reverse causes of Type 2 diabetes. According to the American Diabetes Association, the annual cost of diabetes in 2022 was $412.9 billion, with $306.6 billion of that being direct medical costs. And according to the CDC, there were over 38 million Americans suffering from the condition in 2021, a number that, unfortunately, is expected to expand in the coming years.

In an effort to alleviate the strain of the condition, Telomir Pharmaceuticals engaged in preclinical testing of Telomir-1 on zebrafish models of Type 2 diabetes. According to the company, the results from those tests were quite encouraging, with company management noting key findings such as:

- **Reversal of Hyperglycemia and Insulin Resistance:** Telomir-1 demonstrated dose-dependent efficacy in normalizing blood glucose and reducing insulin levels, restoring glucose homeostasis.

- **Significantly Reduced HOMA-IR Values:** Telomir-1 showed a substantial improvement in insulin sensitivity to near pre-diabetes values.

- **Enhanced Glucose Clearance:** Significant improvements in Oral Glucose Tolerance Test (OGTT) results highlighted Telomir-1's impact on glucose metabolism.

- **Increased Survival Rates:** Treated models exhibited improved survival compared to controls, showcasing Telomir-1's comprehensive therapeutic potential.

This announcement adds to the list of conditions that Telomir-1 has the potential to treat by attacking the underlying causes of the conditions and not just the symptoms. The company is continuing to zero in on all of the mechanisms that cause Telomir-1 to have these positive impacts and recently explained that Telomir-1 is designed to normalize iron homeostasis, reducing oxidative stress and improving insulin sensitivity, setting it apart from existing drugs that primarily treat symptoms without addressing these underlying causes. Excess iron levels contribute to oxidative stress, beta-cell damage, and insulin resistance across key tissues and reducing these levels could have a major impact on a wide variety of conditions.

The company announced that, in addition to these potential groundbreaking results, it's not going to stand still and plans to advance additional research in such areas as:

- **Progeria Studies:** Evaluating Telomir-1's effects on human progeria cell lines and progeria nematode models to investigate its impact on accelerated aging and telomere function and stability.

- **Diabetic Mouse Models:** Further validating Telomir-1's efficacy in mammalian model of Type 2 diabetes.

- **Alzheimer's Disease:** Initiating studies to assess Telomir-1's potential in mitigating cognitive decline and neurodegeneration.

- **Osteoarthritis and Inflammatory Diseases:** Evaluating Telomir-1's role in managing joint health and other age-related inflammatory conditions.

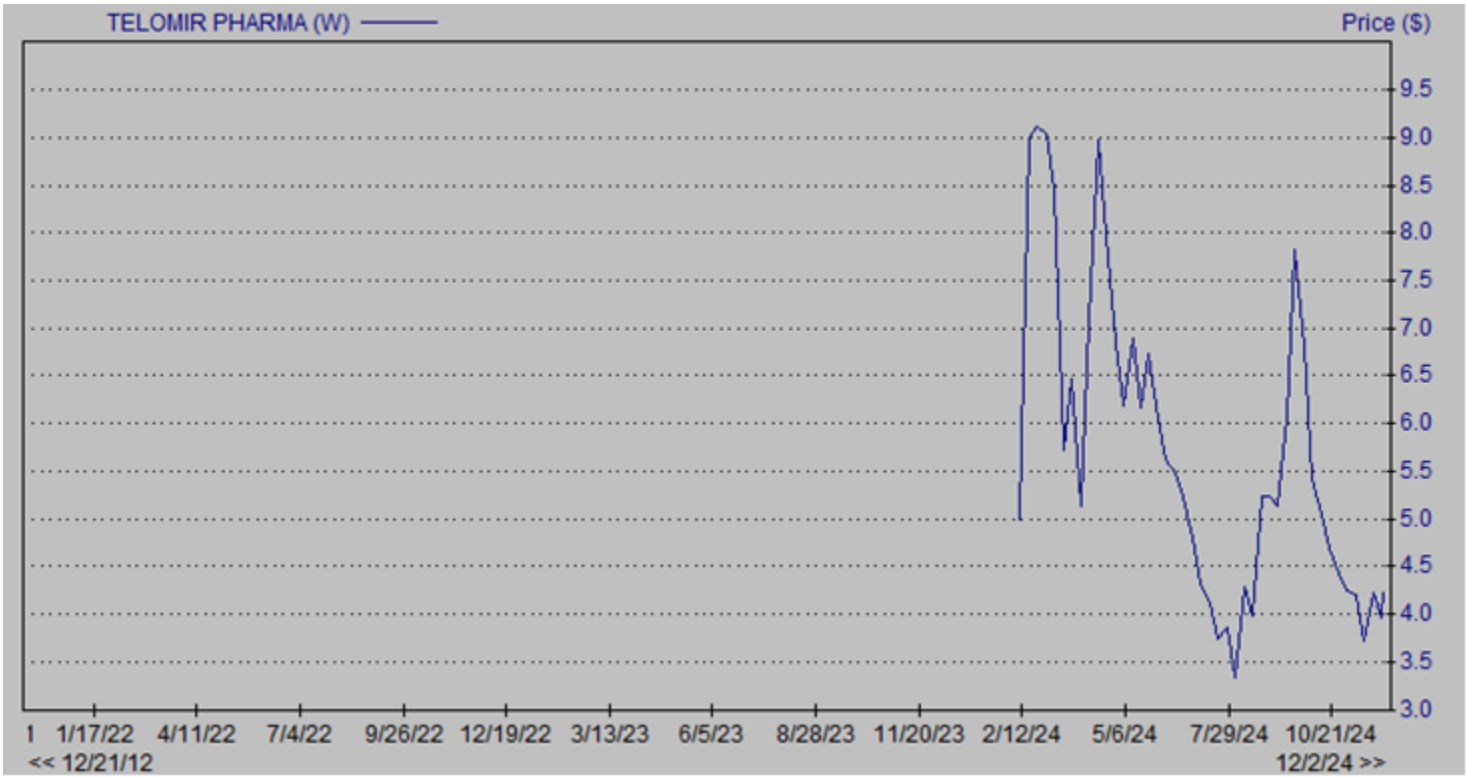
- **Cancer Models:** Exploring Telomir-1's application in combating age-related oncological conditions.

It's this extensive experience and record of success, combined with the test results we've seen at this stage of the process that makes us get excited about the potential for Telomir-1 and the company that develops it. As a result of the new potential business from a possible breakthrough diabetes treatment, we are boosting our price target to $12.15 per share. We urge investors who have a higher risk tolerance to take a look at TELO and consider investing in a company at an early stage that has a large potential upside, with a low float and positive news flow likely in the near future, providing potential fuel to the stock.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Telomir Pharmaceuticals Income Statement and Balance Sheet							
	2023A	**1Q2024A**	**2Q2024A**	**3Q2024A**	**4Q2024E**	**2025E**	**2026E**
Revenue	0	0	0	0	0	0	1,500,000
Operating Costs:							
General and Admistrative	(600,192)	(741,541)	(879,695)	(5,378,744)	(897,289)	(2,966,164)	(2,995,826)
Related party travel costs	(1,767,550)	(370,500)	(377,910)	0	0	(1,482,000)	(1,496,820)
Research and Development	(1,574,306)	(804,023)	(594,801)	(627,434)	(639,983)	(2,559,931)	(2,687,927)
Total Operating Gain/(Loss)	(3,942,048)	(1,916,064)	(1,852,406)	(6,006,178)	(1,537,272)	(7,008,095)	(5,680,573)
Interest Income/(expenses)	(1,643,049)	(4,338,543)	25,493	15,445	15,599	62,398	65,518
Loss on extingushment of debt	(7,486,767)	0	0	0	0	0	0
Other Income/(Expenses)	-	-	-	-	-	-	-
Net Gain/(Loss)	(13,071,864)	(6,254,607)	(1,826,913)	(5,990,733)	(1,521,672)	(6,945,697)	(5,615,055)
Diluted loss per share	(0.45)	(0.23)	(0.06)	(0.20)	(0.05)	(0.23)	(0.18)
Diluted Wtd Common Shares Outstanding	29,017,857	27,768,156	29,609,814	29,609,814	29,905,912	30,204,971	30,507,021
Assets							
Current Assets							
Cash and cash equivalents	1,231	3,274,314	1,883,909	834,638	842,984	851,414	859,928
Other Assets	433,994	228,808	217,813	207,347	209,420	211,515	213,630
Total Current Assets	435,225	3,503,122	2,101,722	1,041,985	1,052,405	1,062,929	1,073,558
Long Term Assets	4,338,543	-	-	-	-	-	-
Total Assets	4,773,768	3,503,122	2,101,722	1,041,985	1,052,405	1,062,929	1,073,558
Current Liabilities							
Trade accounts payable	707,187	478,650	393,814	506,479	349,471	241,135	166,383
Other Current Liabilities	628,377	7,902	140,341	93,432	94,366	95,310	96,263
Total Current Liabilities	1,335,564	486,552	534,155	599,911	443,837	336,445	262,646
Long-term Liabilities	-	-	-	-	-	-	-
Total Liabilities	1,335,564	486,552	534,155	599,911	443,837	336,445	262,646
Common Stock	-	-	-	-	-	-	-
Additional Paid-in Capital	17,502,346	23,335,319	23,335,319	28,140,559	28,421,965	28,706,184	28,993,246
Accumulated Deficit	(14,064,142)	(20,318,749)	(21,767,752)	(27,698,485)	(27,813,397)	(27,979,700)	(28,182,334)
Total SH deficit/(equity)	3,438,204	3,016,570	1,567,567	442,074	608,568	726,484	810,912
Total Liabilities and SH deficit/(equity)	4,773,768	3,503,122	2,101,722	1,041,985	1,052,405	1,062,929	1,073,558

HISTORICAL STOCK PRICE



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