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Zacks Small-Cap Research

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Ensysce Biosciences (ENSC-NASDAQ)

ENSC: Building Momentum Toward Commercialization

ENSC is a clinical stage pharmaceutical company dedicated to bringing a novel opioid to the market that resists the addictive properties that have plagued society.

Current Price (05/15/26)	$0.28
Valuation	**$16.45**

OUTLOOK

Ensysce Biosciences is committed to finding a solution to the opioid crisis plaguing the US and other developed countries around the world. Through its proprietary TAAP technology Ensysce is in the process of receiving approval for an abuse-resistant yet still pain-relieving opioid.

The company announced its 1Q2026 financial results and updated its enormous progress in expanding its product line and moving closer to commercialization.

SUMMARY DATA

52-Week High	**$2.57**
52-Week Low	**$0.28**
One-Year Return (%)	**-88.03**
Beta	**0.87**
Average Daily Volume (sh)	**5,071,216**
Shares Outstanding (mil)	**9**
Market Capitalization ($mil)	**$3**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**6**
Insider Ownership (%)	**3**
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-Blend**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	0.8A	0.5A	0.4A	0.5A	2.2A
2024	0.3A	0.2A	3.4A	1.3A	5.2A
2025	1.3A	1.4A	0.5A	1.9A	5.1A
2026	1.0A	1.9E	1.9E	2.0E	6.8E

Earnings per share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	-2.08A	-0.98A	-0.87A	-1.13A	-5.06A
2024	-0.55A	-0.22A	0.07A	-2.90A	-11.45A
2025	-1.39A	-0.79A	-1.29A	-0.75A	-3.98A
2026	-0.52A	-0.50E	-0.49E	-0.47E	-1.98E

*quarters don't add to yearly total due to reverse stock split and share issuance.

Update

Ensysce Biosciences is a clinical stage company that continues to position itself as one of the more differentiated small-cap biotechnology companies focused on the development of safer prescription therapeutics for severe pain and central nervous system disorders. The company's strategy is centered on addressing one of the largest and most persistent issues in healthcare: opioid abuse, overdose risk, and the need for effective pain treatment that preserves efficacy while reducing the potential for misuse. Rather than attempting to eliminate opioid use entirely, Ensysce is developing engineered opioid products designed with built-in abuse and overdose protections, an approach that could become increasingly valuable as regulators, physicians, and payors continue searching for safer pain-management solutions.

The company's technology platform is built around two core systems: TAAP and MPAR. TAAP, which stands for Trypsin Activated Abuse Protection, is designed to prevent manipulation and abuse by requiring enzymatic activation in the gastrointestinal tract before the drug becomes active. This is intended to reduce the ability to abuse the drug through crushing, injection, snorting, or other common methods of opioid misuse. MPAR, or Multi-Pill Abuse Resistance, is designed to limit overdose risk when excessive quantities of medication are consumed. Together, the platforms represent a layered approach to opioid safety that attempts to maintain legitimate analgesic effectiveness while reducing some of the risks that have historically limited the broader opioid market.

The lead candidate in the pipeline is PF614, a TAAP-enabled oxycodone prodrug currently advancing through late-stage clinical development. PF614 is intended to provide strong pain relief while significantly reducing abuse potential compared with traditional oxycodone products. Importantly, the company announced in its recent quarterly update that it achieved 50% of the interim enrollment target in the pivotal PF614-301 Phase 3 trial, a meaningful milestone that suggests enrollment and execution remain on track. The progress of a Phase 3 asset is vitally important for Ensysce because it potentially moves the platform closer to regulatory validation and eventual commercialization.

Another major program is PF614-MPAR, which combines PF614 with the MPAR overdose-protection system. This combination seeks not only to deter abuse, but also to actively attenuate opioid exposure during supratherapeutic dosing events. Previously published clinical data demonstrated PF614-MPAR maintained therapeutic opioid levels under normal dosing conditions while limiting increases in exposure during excessive dosing scenarios. If successful, this could represent a major advancement in opioid formulation technology and potentially create a differentiated regulatory and commercial positioning in a market that increasingly values safety-oriented therapeutics.

Importantly, Ensysce has also begun demonstrating that the TAAP platform may have applications far beyond opioid pain management, which could substantially increase the long-term strategic value of the technology. The company's ADHD program applies TAAP abuse-protection mechanisms to stimulant medications, an area where misuse, diversion, and non-medical consumption remain major concerns. ADHD stimulants represent a multibillion-dollar market, but they also carry substantial abuse potential because many can be crushed, snorted, or otherwise manipulated for rapid euphoric effects. By adapting TAAP technology to stimulant compounds, Ensysce is attempting to create next-generation ADHD therapies that preserve therapeutic benefit while reducing abuse potential. If successful, this would significantly broaden the commercial relevance of the TAAP platform beyond

opioids and into another major CNS category where regulators and prescribers continue searching for safer formulations.

The company's opioid use disorder, or OUD, program further reinforces the broader adaptability of the platform. Ensysce management has discussed the development of abuse-resistant treatments intended for addiction-management settings, potentially creating therapeutics that are more difficult to misuse while still providing clinical utility for patients undergoing treatment for opioid dependence. This is strategically important because it demonstrates TAAP may function as a modular drug-engineering platform rather than a single-product technology. The ability to apply the same core abuse-protection mechanism across opioids, stimulants, and addiction-treatment therapies could materially increase the number of potential indications and partnership opportunities available to the company over time.

The company's recent Friday press release and first quarter 2026 financial update provided several operational developments that we believe are quite positive and continue to show the company is moving in the right direction. Management emphasized meaningful operational and clinical momentum across the pipeline, including continued progress in Phase 3 enrollment, advancement of the PF614-MPAR-102 study, publication of peer-reviewed clinical data supporting MPAR technology, and expansion of the company's intellectual property portfolio.

One of the more important updates was the IRB approval to initiate Part 3 of the PF614-MPAR-102 clinical study, which represents the final stage of that study. Management believes this portion of the program could provide additional evidence validating the overdose-protection characteristics of MPAR technology across multiple dosing scenarios. Given the continuing public-health focus on overdose prevention, successful data from this program could potentially strengthen both the scientific credibility and partnering appeal of the platform.

The company also announced expansion of patent protection around its MPAR technology, another development that may be strategically significant. In biotechnology, intellectual property is often one of the most important drivers of long-term value creation, particularly for platform technologies. Expanded patent coverage can improve future licensing leverage, increase acquisition attractiveness, and help defend future commercialization opportunities.

Financially, the first quarter reflected a company actively investing in late-stage development. Research and development expenses increased meaningfully year over year, primarily due to expanded Phase 3 clinical activity surrounding PF614. While the increased spending contributed to a wider quarterly net loss, the increase appears tied directly to advancing the lead program toward potential commercialization milestones. General and administrative expenses declined year over year, suggesting management is attempting to maintain discipline outside of core clinical development spending.

Federal grant funding continued to provide useful non-dilutive capital support, reflecting ongoing external interest in technologies aimed at reducing overdose risk and prescription abuse. Liquidity remains one of the primary areas investors will continue monitoring closely, as is common with development-stage biotechnology companies. However, recent financing activity should help sustain the company through important clinical and regulatory milestones over the coming year.

Overall, the earnings announcement and update reinforced Ensysce's positioning as a clinical-stage company approaching a pivotal transition. While financial constraints remain a key risk, the combination of grant funding, FDA designations, and advancing clinical data continues to support the company's strategic trajectory and we urge investors to take a look at ENSC at this inflection point.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Ensysce Biosciences

Income Statement and Balance Sheet

		1Q/2025A	2Q/2025A	3Q/2025A	4Q/2025A	1Q/2026A	2Q/2026E	3Q/2026E	4Q/2026E	12/2027E
Income										
	Federal Grants	1,319,772	1,371,438	493,104	1,882,336	960,999	970,609	980,315	990,118	0
	Sales	0	0	0	0	0	0	0	0	2,500,000
Operating Expenses										
	COGS	0	0	0	0	0	0	0	0	(250,000)
	R&D	(1,885,528)	(1,923,430)	(2,954,909)	(3,613,029)	(3,346,881)	(3,413,819)	(3,482,095)	(3,551,737)	(1,979,804)
Other	Sales/Marketing	0	0	0	0	0	0	0	0	(250,000)
	Admin/general/other	(1,379,817)	(1,178,365)	(1,279,290)	(1,037,276)	(1,176,348)	(1,176,349)	(1,176,350)	(1,176,351)	(1,448,808)
	Interest	(3,856)	(3,160)	0	0	(3,923)	0	0	0	(15,424)
	Adjustments to net income	0	0	11,967	321	9,738	0	0	0	0
Gain/loss		(1,945,573)	(1,733,517)	(3,729,128)	(2,767,648)	(3,556,415)	(3,619,559)	(3,678,130)	(3,737,970)	(928,612)
Loss attributable to noncontrolling		0	(166)	0	0	0	0	0	0	0
Deemed div. rel.to warrants		0	0	0	0	0	0	0	0	0
Net Loss Attr. to Common S/H		(1,945,573)	(1,733,351)	(3,729,128)	(2,767,648)	(3,556,415)	(3,619,559)	(3,678,130)	(3,737,970)	(928,612)
Shares		1,401,144	2,202,299	2,890,797	3,690,197	6,839,385	7,181,354	7,540,422	7,917,443	8,313,315
Per share		($1.39)	($0.79)	($1.29)	($0.75)	($0.52)	($0.50)	($0.49)	($0.47)	($0.11)
Assets										
	Cash	3,052,491	2,211,575	1,673,218	4,310,354	745,482	670,934	603,840	543,456	489,111
	Other	1,559,383	3,362,880	1,506,246	3,142,125	1,422,321	1,493,437	1,568,109	1,646,514	1,728,840
Total Assets		4,611,874	5,574,455	3,179,464	7,452,479	2,167,803	2,164,371	2,171,949	2,189,971	2,217,951
Liabilities										
	Accounts Payable	615,295	1,042,832	463,458	3,267,610	1,610,186	1,642,390	1,675,238	1,708,742	1,742,917
	Other liabilities	1,145,881	1,470,178	1,841,257	1,300,119	1,226,629	1,263,428	1,301,331	1,340,371	1,380,582
Long-term liabilities		130,180	1,033	35	0	0	0	0	0	0
Total liabilities		1,891,356	2,514,043	2,304,750	4,567,729	2,836,815	2,905,818	2,976,568	3,049,113	3,123,499
Shareholder deficit/surplus		2,720,518	3,060,412	874,714	2,884,750	(669,012)	(741,447)	(804,619)	(859,142)	(905,548)
Total liabilities and shareholder equity		4,611,874	5,574,455	3,179,464	7,452,479	2,167,803	2,164,371	2,171,949	2,189,971	2,217,951

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