

## MIRA Pharmaceuticals, Inc. (Nasdaq: MIRA)

**Rating: Buy**

Price Target: N/A

Share Price: \$1.50

**Karen Sterling, PhD, CFA**

[ksterling@kingswoodus.com](mailto:ksterling@kingswoodus.com)

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### Company Data

Average Daily Volume (M)	1.31
52-Week Range	0.73-2.70
Shares Outstanding (M)	19.07
Market Cap (M)	28.60
Enterprise Value (M)	27.87
Total Cash (M), mrq	0.73
Total Debt (M)	0
Total Debt to Cap	0

### Estimates

FYE: Dec		2024A	2025E	2026E
EPS	Q1	(0.09)	(0.11)A	
	Q2	(0.11)	(0.09)A	
	Q3	(0.14)	(0.08)	
	Q4	(0.18)	(0.05)	
	FY	(0.51)	(0.30)	(0.22)
P/E		NM	NM	NM
Rev	Q1	0.0	0.0	0.0
	Q2	0.0	0.0	0.0
	Q3	0.0	0.0	0.0
	Q4	0.0	0.0	0.0
	FY	0.0	0.0	0.0
EV/Sales		N/A	N/A	N/A

### One-Year Performance Chart



As of August 15, 2025. Source: E\*Trade.

## MIRA Pharmaceuticals Reports Q2 2025 Results

### Q2 FY 2025 earnings beat our projections

MIRA Pharmaceuticals reported financial results for the quarter ended June 30, 2025. Revenue was \$0, on par with our estimate. Q2 2025 net loss was \$1.54 million, or \$(0.09) per share on 16.99 million weighted average common shares outstanding, beating our \$(0.15) EPS estimate due to lower than expected operating costs.

We note that stock-based compensation expense for the first half of 2025 was \$1.36 million, constituting 53.70% of total G&A expense of \$2.54 million. Common shares outstanding increased from 16.56 million on December 31, 2024, to 19.07 million on August 13, 2025, representing 15.15% dilution year to date.

MIRA's cash position declined from \$2.83 million on December 31, 2024 to \$0.73 million on June 30, 2025. Immediate cash needs were addressed early in the third quarter of 2025, via the sale of approximately 1.56 million shares through the Company's at-the-market equity offering facility with Rodman & Renshaw, at a price of approximately \$1.30 per share, resulting in gross proceeds of approximately \$2.0 million. In addition, on July 15, the Company's former Chief Financial Officer exercised stock options summing to \$151,023 in net proceeds. Taken together, MIRA had approximately \$2.9 million in cash at its disposal at the beginning of Q3 2025.

The Company used \$2.43 million of cash in operations during the first half of 2025. Available cash is expected to support

operations through Q4 2025. 2026 liquidity needs will be determined by the operational expenditure incurred from the advancement of MIRA's product candidates into and through clinical trials.

The company's current ratio decreased from 12.9x at the end of Q1 2025 to 2.8x on June 30, due to a decline in current assets from \$1.37 million to \$0.83 million, coupled with an increase in current liabilities from \$0.11 million to \$0.30 million.

MIRA's proposed acquisition of SKNY Pharmaceuticals, Inc., a privately-held Delaware corporation with a preclinical-stage oral drug candidate targeting weight loss and smoking cessation, through a stock exchange transaction appears to be moving forward according to plan. The shareholder vote to approve the merger is scheduled to take place at MIRA's Annual Meeting on September 11, 2025. A closing of the SKNY merger prior to October 6, 2025, would provide MIRA with \$5 million in cash or cash equivalents, while allowing the Company to regain compliance with Nasdaq Listing Rule 5550(b)(1), which requires listed companies to maintain a minimum of \$2.5 million in stockholders' equity. Total stockholder's equity as of June 30, 2025, was \$569,859.

In clinical news, MIRA's ongoing Phase 1 clinical trial of Ketamir-2, being conducted in healthy volunteers in Israel, is nearing completion of its single ascending dose portion and is expected to begin the multiple ascending dose portion of the trial later this quarter. MIRA anticipates beginning a U.S.-based Phase 2a clinical trial in neuropathic pain by year-end, following FDA clearance of the Company's Investigational New Drug (IND) application for Ketamir-2 in the U.S.

A topical formulation of Ketamir-2, being tested in preclinical studies in rodents, reduced both acute and inflammatory pain behaviors, with rapid onset of action, durable effect, and efficacy comparable to injected morphine. Management stated that these findings support continued development of topical Ketamir-2 for localized pain conditions, including diabetic neuropathy, postherpetic neuralgia, chemotherapy-induced peripheral neuropathy, osteoarthritis, and other forms of inflammatory pain.

Based on currently available data, we believe Ketamir-2 may have potential as a safe and effective treatment for chronic pain and expect development of the asset to proceed in partnership with academic medical centers and/or pharmaceutical companies.

On July 2, 2025, MIRA announced preclinical results demonstrating that its drug candidate MIRA-55, a non-psychoactive marijuana analog, delivered morphine-comparable pain relief in a validated animal model of inflammatory pain, without inducing local inflammation. We expect to see the filing of an IND for MIRA-55 during 2026.

We maintain our HOLD rating on the shares while applauding the clinical momentum of MIRA's developmental assets and the expected near-term addition of SKNY-1 to MIRA's pipeline. After the completion of the proposed merger, with better visibility on SKNY Pharmaceuticals' business obligations and the combined entity's cash needs for 2026, we intend to re-evaluate our rating and quantify the anticipated upside.

## Company Description

MIRA Pharmaceuticals, Inc. is a preclinical development-stage life sciences company with two neuroscience programs targeting a broad range of neurologic diseases and neuropsychiatric disorders:

1. Ketamir-2, a novel oral ketamine analog, is under investigation in various neuropathic pain indications and to potentially deliver ultra-rapid antidepressant effects for patients suffering from major depressive disorder (MDD).
2. MIRA-55, a novel oral synthetic tetrahydrocannabinol (THC) pharmaceutical, is currently in IND-enabling studies to treat anxiety and cognitive decline typically associated with early-stage dementia in the elderly, as well as the chronic neuropathic pain frequently experienced by this patient population.

Both Ketamir-2 and MIRA-55 are classified as unscheduled drugs by the DEA and are therefore not considered controlled substances or listed chemicals.

MIRA Pharmaceuticals was incorporated in September 2020 and is a virtual company with no physical office space or corporate headquarters. The company completed its initial public offering on August 3rd, 2023, and its common stock began trading on the Nasdaq Capital Market under the symbol “MIRA.”

**MIRA Pharmaceuticals, Inc. Income Statement 2024-2026**

<b>MIRA Pharmaceuticals, Inc. (MIRA)</b>	<b>FY 24 A</b>	<b>3/31/25 A</b>	<b>6/30/25 A</b>	<b>9/30/25</b>	<b>12/31/25</b>	<b>FY 25</b>	<b>FY 26</b>
Revenues, net of royalties	-	-	-	-	-	-	-
Operating costs:							
G&A	4,712,754	1,490,796	1,049,903	1,070,901	1,285,081	4,896,681	5,386,349
R&D	3,305,575	314,404	496,197	694,676	808,267	2,313,544	3,470,316
Total operating costs	8,018,329	1,805,200	1,546,100	1,765,577	2,093,348	7,210,225	8,856,665
Interest income, net	165,670	21,421	8,495	40,000	30,000	99,916	100,000
Other income/(expense)		-	(107)	-	-	-	-
Taxes	-	-	-	-	-	-	-
<b>Net loss attributable to common stockholders</b>	<b>(7,852,659)</b>	<b>(1,783,779)</b>	<b>(1,537,712)</b>	<b>(1,725,577)</b>	<b>(2,063,348)</b>	<b>(7,110,416)</b>	<b>8,756,665</b>
Basic and diluted loss per share	(\$0.51)	(\$0.11)	(\$0.09)	(\$0.08)	(\$0.05)	(\$0.30)	\$0.22
Weighted average common shares outstanding	15,444,149	16,645,119	16,986,488	22,166,500	38,000,000	23,449,527	39,000,000

## Risks to Our Price Target

- **High Failure Rate in Drug Development.** Conclusions based on preclinical data or early clinical trials may prove inaccurate and are not necessarily predictive of future results in later stage clinical trials. There is a high rate of failure for drug candidates proceeding through clinical trials. MIRA Pharmaceuticals' long-term viability depends on the success of its product candidates, some or all of which may fail to receive regulatory approval.
- **Future Market Traction Remains Uncertain.** Even upon receiving FDA marketing approval, MIRA's product candidates may fail to achieve the degree of market penetration required for commercial success. Reimbursement by third-party payors will be instrumental in gaining market traction.
- **Competition From Companies with Greater Resources.** The emerging market for synthetic cannabinoids as well as development and commercialization of drugs is and will remain competitive. For some of MIRA's areas of therapeutic interest, various treatment options are already available, and new treatments are under development by competitors with greater financial and technical resources than MIRA's. Achieving market traction will require superior safety and efficacy profiles compared to existing options, at competitive price points.
- **Outsourcing Clinical Development and Manufacturing Creates Vulnerabilities.** Any problems in MIRA Pharmaceuticals' anticipated outsourcing of clinical trials and manufacturing processes and capabilities could have a material adverse effect on its business and financial condition.
- **No Patent Protection Exists for MIRA-55.** MIRA Pharmaceuticals has no issued patents relating to MIRA-55, and its patent application for MIRA-55 may not result in the issuance of such patents. This would significantly impact MIRA-55's potential competitive position and likely result in diminished market share, price levels, and third-party reimbursement.
- **Strength of Intellectual Property Remains Untested.** If the scope of MIRA's intellectual property portfolio is not broad enough, competitors could design comparable products around MIRA's technology or patent rights and hamper its ability to successfully commercialize its products. In addition, patent protection for naturally occurring compounds is difficult to obtain, defend, and enforce. Patent litigation is expensive and would siphon off limited resources.
- **Uncertain Ability to Continue as a Going Concern.** Because MIRA Pharmaceuticals is not currently generating revenue and operates at a loss, the company is dependent on the continued availability of additional financing to continue business operations. Clinical trials are expensive, time-consuming, uncertain, and susceptible to change, delay, or termination. The FDA regulatory approval process is lengthy and inherently unpredictable. MIRA's current cash reserves should fund operations through Q4 2025, but there is no assurance that additional financing will be available on reasonable terms.

- **Ability to Maintain Nasdaq Listing Requirements in Question.** MIRA stock has seen a sharp decline from its IPO price of \$7.00 to its current price in the \$1.00-\$2.00 range. In light of the need to raise additional capital, if MIRA fails to remain in compliance with the Nasdaq requirements the company's shares could be delisted. As a result, liquidity would drop, MIRA's ability to raise future rounds of external capital via equity or debt financing would be impaired, the terms and conditions of future financings could be punitive, and current shareholders might experience significant dilution.

## **DISCLOSURES**

### **Analyst Certification**

The Research Analyst(s) denoted by an “AC” on the cover of this report certifies (or, where multiple Research Analysts are primarily responsible for this report, the Research Analyst denoted by an “AC” on the cover or within the document individually certifies, with respect to each security or issuer that the Research Analyst covers in this research) that: (1) all of the views expressed in this report accurately reflect the Research Analyst’s personal views about any and all of the subject securities or issuers; and (2) no part of any of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this report.

I, Karen Sterling, certify that (1) the views expressed in this report accurately reflect my own views about any and all of the subject companies and securities; and (2) no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by me in this report.

### **Explanation of Research Ratings (As of January 1, 2024), Designations and Analyst(s) Coverage Universe:**

Kingswood Capital Partners, LLC uses the following rating system:

**Buy** - Buy-rated stocks are expected to have a total return of at least 15% over the following 12 months and are the most attractive stocks in the sector coverage area.

**Hold** - We believe this stock will perform in line with the average return of others in its industry over the following 12 months.

**Sell** - Sell-rated stocks are expected to have a negative total return of at least 15% over the following 12 months and are the least attractive stocks in the sector coverage area.

**Not Rated (NR)** - Kingswood Capital Partners, LLC DOES NOT cover this stock and therefore DOES NOT have forecasts, projections, target price and recommendation on the shares of this company.

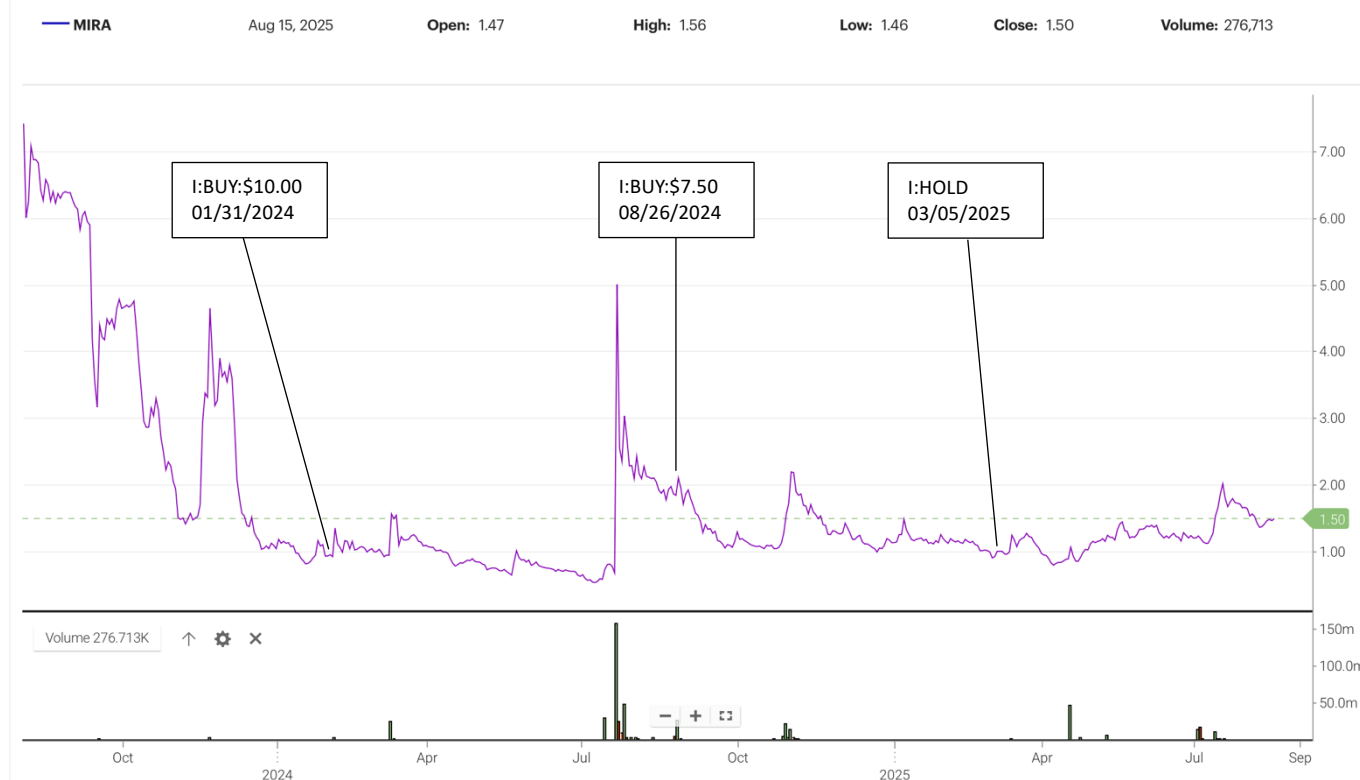
## Company-Specific Disclosures

Distribution of Ratings				
Kingswood Capital Partners, LLC				
Investment Banking Services/Past 12 Months				
Rating	Count	Percent	Count	Percent
BUY	9	81.81	2	22.22
HOLD	1	9.09	0	0.00
SELL	0	0.00	0	0.00
NOT RATED	1	9.09	1	100.00

As of July 2025.

Kingswood Capital Partners is not currently engaged by MIRA Pharmaceuticals to provide investment banking or advisory services, nor has Kingswood received compensation from MIRA during the past 12 months.

## MIRA Pharmaceuticals Rating History



As of August 15, 2025. Source: E\*Trade.



## Other Disclosures

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