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COMPANY UPDATE
Life Sciences

MIRA Pharmaceuticals, Inc. (Nasdaq: MIRA)

Rating: Hold

Price Target: N/A
Share Price: $1.23 (last close)

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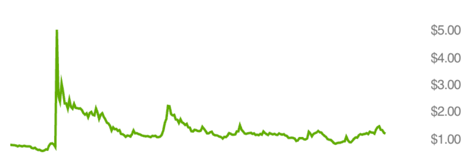
Company Data	
Average Daily Volume (M)	1.29
52-Week Range	0.51-5.01
Shares Outstanding (M)	16.81
Market Cap (M)	20.68
Enterprise Value (M)	19.47
Total Cash (M), mrq	1.21
Total Debt (M)	0
Total Debt to Cap	0

Estimates

FYE: Dec		2024A	2025E	2026E
EPS	Q1	(0.09)	(0.11)A	
	Q2	(0.11)	(0.15)	
	Q3	(0.14)	(0.06)	
	Q4	(0.18)	(0.06)	
	FY	(0.51)	(0.33)	(0.24)
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 May 22, 2025. Source: E*Trade.

May 23, 2025

Perspective on MIRA Pharmaceuticals's Acquisition of SKNY Pharmaceuticals

As MIRA Proceeds Towards an Acquisition That Will Open Up New Markets for the Company, the Acquired Molecule Moves Into Focus

MIRA's proposed acquisition of SKNY Pharmaceuticals (SKNY), currently in progress and expected to close during Q3 2025, would add to MIRA's development pipeline SKNY-1, a preclinical-stage oral drug candidate for weight loss and smoking cessation. SKNY-1 would become MIRA's second development priority, following its lead product candidate, Ketamir-2, into clinical development in 2026.

The Asset

SKNY-1 interacts with cannabinoid receptors CB1 and CB2, as well as monoamine oxidase type B (MAO-B), an enzyme that breaks down neurotransmitters like dopamine in the brain. The complex interplay between the three molecules influenced by SKNY-1 affects the brain, adipose tissue, gut, and liver, potentially regulating immune and metabolic processes, inflammation, energy balance and fat storage, as well as hunger cravings and appetite. Judicious validation and expansion of SKNY-1's pharmacological profile could allow SKNY-1 to address an important unmet medical need at the intersection of two large and growing markets.

Markets

Weight loss and smoking cessation are large and growing markets, and SKNY-1 has been designed to reside at the intersection of the two.

According to Grand View Research, the global weight management market was valued at $142.58 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 9.94% from 2023 to 2030, reaching $304 billion in the final forecast year. According to the Institute of Health Metrics and Evaluation, 30.0% of the world's population is either obese or overweight.

Obesity poses an enormous challenge for the developed countries and the lower & middle-income countries as the overweight and obese population report a high prevalence of chronic diseases including diabetes, hypertension, and orthopedic diseases. The U.S. currently accounts for over half of global market share.

While smaller, the size of the global smoking cessation market is also significant, valued at $25.46 billion by Grand View Research in 2023 and projected to grow at a CAGR of 10.40% from 2024-2030, to $64 billion. The factors responsible for the market growth are the increasing prevalence of diseases caused due to smoking products. The U.S. dominated the smoking cessation market in 2023 with a market share of 83.0%.

MIRA's management team intends to position SKNY-1 as a therapy able to prevent or limit post-smoking cessation weight gain, differentiating it from GLP-1-based approaches, which are plagued by primarily gastrointestinal side effects, and carving out a unique market niche. If successful, even a small share of the combined weight loss/smoking cessation market could turn SKNY-1 into a lucrative asset for MIRA.

Downstream Effects

Once closed, the accompanying $5 million cash infusion onto MIRA's balance sheet would provide runway into 2026, while simultaneously and immediately enabling MIRA to regain compliance with Nasdaq Rule 5550(b)(1), which requires listed companies to maintain a minimum of $2.5 million in stockholders' equity. We expect that the non-toxic capital, coupled with a high-potential pipeline asset, will continue to build clinical momentum for the company and value for MIRA's shareholders.

Company Description

MIRA Pharmaceuticals, Inc. is a clinical 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, entered human clinical trials in Q2 2025 and 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 headquartered in Miami, Florida. 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.”

Risks

- **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 IPO proceeds should fund preclinical development and provide runway through Q4 2024, 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 below $1.00. 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.

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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.

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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	3	60.00	1	33.33
HOLD	1	20.00	0	0.00
SELL	0	0.00	0	0.00
NOT RATED	1	20.00	1	100.00

As of February 2025.

MIRA Pharmaceuticals Rating History as of May 22, 2025

Source: E*Trade.

Other Disclosures

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