MAXIM GROUP

Equity Research
Company Update

Biotechnology

MNOV – NASDAQ	August 14, 2026
Intraday Price 8/14/26	**$1.31**
Rating:	Buy
12-Month Target Price:	$6.00
52-Week Range:	$1.17 - $1.96
Market Cap (M):	$64.5
Shares O/S (M):	49.2
Float:	94.9%
Avg. Daily Volume (000):	45.4
Debt (M):	$0.0
Dividend:	$0.00
Dividend Yield:	0.0%
Risk Profile:	Speculative
Fiscal Year End:	December

Total Expenses ('000)

	2025A	2026E	2027E
1Q	3,203	3,023A	4,418
2Q	3,742	3,000A	4,610
3Q	3,504	3,700	4,994
4Q	3,244	4,300	5,186
FY	13,693	14,022	19,209
Prior	—	14,273	19,682

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MediciNova, Inc.

Buy

2Q26 Review & Outlook: Multiple Near-Term Events with Readouts in ALS and Metabolic Disease

Summary

- Yesterday post-close (8/13), MediciNova filed its 10-Q and reported 2Q26 results with a net loss of ($2.3M) and ended the period with $25.4M in cash on the balance sheet. The company should have sufficient runway into 2H27.
- On 7/15/26, the company announced that its NIH-funded SEANOBI expanded-access study in amyotrophic lateral sclerosis (ALS) had completed enrollment, reaching its target of 200 patients. Final follow-ups are expected in early 2027, with data anticipated thereafter, which, if supportive, could provide additional real-world evidence for MN-166.
- The Phase 2b/3 COMBAT-ALS study is also approaching its topline readout, representing a key near-term event for MNOV shares, with data expected by YE26. The study is evaluating MN-166 in early-stage ALS, and positive results could position the company for an NDA submission in 1H27.
- In addition, the P2 study of MN-001 in metabolic disease has been completed, with topline data expected in 3Q26. We note that positive momentum from Arrowhead's (ARWR - NR) P3 studies combined with MN-001 being a step-up with greater benefits, should be tailwinds for MNOV shares, in our view.

Details

MN-166 approaching with key clinical readouts in ALS

- MN-166 (ibudilast) is an oral, multi-targeted small molecule designed to reduce neuroinflammation through (MIF, PDE-4, and TLR4, with the potential to reduce glial activation and downstream inflammatory signaling implicated in ALS progression.
- Prior Phase 2a demonstrated MN-166's potential to slow functional decline in ALS, with positive trends across ALSFRS-R, muscle strength, and quality of life. Exploratory analysis classified 16/64 MN-166-treated patients as ALSFRS-R responders vs. 2/14 on placebo.
- P2b/3 COMBAT-ALS study in early-stage ALS patients has been completed and is delivering key near-term catalyst with topline results expected by YE26. Study assessed functional and survival endpoints including ALSFRS-R and CAFS.
- The NIH-funded SEANOBI expanded-access program provides additional supportive real-world safety, clinical and biomarker data, including plasma neurofilament light chain (NfL), with final follow-up expected in early 2027.
- MN-166 has been granted Orphan Drug Designation and Fast Track Designation in ALS.

MN-001's multi-mechanistic profile supports dual-action potential

- MN-001 (tipelukast) is an oral small molecule targeting multiple metabolic and inflammatory pathways, including leukotriene signaling, PDE3/4 activity, and 5-lipoxygenase, with potential lipid-lowering and anti-fibrotic effects.
- Preclinical studies across multiple models demonstrated reductions in fibrosis-related genes and inflammatory markers, supporting the drug's broader anti-inflammatory and anti-fibrotic potential.
- Positive safety and tolerability profile has been established across prior clinical programs (>600 patients across previous clinical programs).
- Early efficacy signals from prior Phase 2 data demonstrated ~40% TG reductions overall and ~51% in T2D patients, alongside increases in HDL-C.
- The MN-001-NATG-202 Phase 2 study is completed, with topline data approaching during 3Q26. The randomized, double-blind, placebo-controlled study evaluates MN-001 500 mg/day versus placebo over 24 weeks in patients with hypertriglyceridemia, NAFLD/NASH and T2D.
- The key co-primary endpoints are reduction in liver fat and fasting triglycerides,

directly testing MN-001's potential to address both metabolic dysfunction and fatty liver, with additional lipid and safety measures providing further clinical read-through.

Valuation. We model commercialization of MN-166 for ALS in 2028 with a 75% revenue risk adjustment. A 30% discount rate is then applied to the free cash flow, discounted EPS, and sum-of-the-parts models, which are equally weighted to derive a 12-month price target of $6.00.

Company description: *MediciNova, Inc. is a clinicalstage biopharmaceutical company developing a broad late-stage pipeline of novel small molecule therapies for inflammatory, fibrotic, and neurodegenerative diseases.*

Income Statement ($000)																							
YE December 31	2024A	1Q25A	2Q25A	3Q25A	4Q25A	2025A	1Q26A	2Q26A	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Revenue:																								
ALS (US)																	24,181	63,793	134,636	213,112	299,848	379,697	450,760	528,516
Net revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,181	63,793	134,636	213,112	299,848	379,697	450,760	528,516
Collaborative revenue:																								
Revenues			135	123	152	410	187	458			645													
Platform value	-										-					-	-	-	-	-	50,000	100,000	150,000	200,000
	-										-					-	-	-	-	-	-	-	-	-
Total Collaborative Revenue	-	-	135	123	152	410	187	458	-	-	645	-	-	-	-	-	-	-	-	-	50,000	100,000	150,000	200,000
Total Revenue	-	-	135	123	152	410	187	458	-	-	645	-	-	-	-	-	24,181	63,793	134,636	213,112	349,848	479,697	600,760	728,516
Gross Margins:																								
Cost of Goods Sold		-	116	115	147	379	170	141	-	-	311	-	-	-	-	-	7,254	17,862	33,659	46,885	59,970	75,939	90,152	105,703
%Gross Margin			14%	7%	3%	8%	5%	5%				5%	5%	5%	5%	5%	70%	72%	75%	78%	83%	84%	85%	85%
Gross Profit	-	-	18	8	5	31	17	318	-	-	335	-	-	-	-	-	16,927	45,931	100,977	166,227	289,878	403,758	510,608	622,813
Operating Expenses:																								
Research and Development	7,195	1,840	2,189	1,583	1,543	7,155	1,263	1,029	2,000	2,500	6,792	2,031	2,119	2,296	2,384	8,829	10,595	11,655	12,820	13,846	14,538	15,265	16,028	16,829
%R&D																								
Selling, General and Administrative	5,481	1,363	1,437	1,806	1,554	6,159	1,590	1,830	1,700	1,800	6,920	2,387	2,491	2,699	2,803	10,380	14,532	18,891	21,725	24,332	26,765	29,442	30,914	32,460
%SG&A																								
Total Expenses	12,675	3,203	3,742	3,504	3,244	13,693	3,023	3,000	3,700	4,300	14,022	4,418	4,610	4,994	5,186	19,209	32,381	48,408	68,204	85,062	101,273	120,646	137,094	154,992
Operating Income (Loss)	(12,675)	(3,203)	(3,607)	(3,381)	(3,092)	(13,283)	(2,836)	(2,541)	(3,700)	(4,300)	(13,377)	(4,418)	(4,610)	(4,994)	(5,186)	(19,209)	(8,200)	15,385	66,432	128,049	248,575	359,051	463,666	573,524
	-					-					-					-	-	-	-	-	-	-	-	-
Interest income	1,671	336	325	341	302	1,304	253	232			485					-	-	-	-	-	-	-	-	-
Other income	(39)	2	1	(10)	(6)	(13)	(3)	(5)			(8)					-	-	-	-	-	-	-	-	-
	-										-					-	-	-	-	-	-	-	-	-
Total Other Income	-	338	326	331	296	1,291	250	227	-	-	477	-	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Income	(11,044)	(2,864)	(3,281)	(3,050)	(2,796)	(11,992)	(2,586)	(2,314)	(3,700)	(4,300)	(12,900)	(4,418)	(4,610)	(4,994)	(5,186)	(19,209)	(8,200)	15,385	66,432	128,049	248,575	359,051	463,666	573,524
Taxes on income	6	-	-	-	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,971	17,953	37,093	57,352
Tax Rate																					2%	5%	8%	10%
GAAP Net Income (Loss)	(11,050)	(2,864)	(3,281)	(3,050)	(2,802)	(11,998)	(2,586)	(2,314)	(3,700)	(4,300)	(12,900)	(4,418)	(4,610)	(4,994)	(5,186)	(19,209)	(8,200)	15,385	66,432	128,049	243,603	341,099	426,573	516,171
Foreign currency translation loss	(17)	5	3	1	(0)	8	1	1			2													
Total comprehensive loss	(11,067)	(2,859)	(3,279)	(3,050)	(2,803)	(11,990)	(2,586)	(2,314)	(3,700)	(4,300)	(12,900)	(4,418)	(4,610)	(4,994)	(5,186)	(19,209)	(8,200)	15,385	66,432	128,049	243,603	341,099	426,573	516,171
GAAP-EPS	(0.23)	(0.06)	(0.07)	(0.06)	(0.06)	(0.24)	(0.05)	(0.04)	(0.07)	(0.08)	(0.25)	(0.07)	(0.08)	(0.08)	(0.08)	(0.31)	(0.12)	0.21	0.87	1.67	3.16	4.41	5.50	6.63
GAAP-EPS (Dil)	(0.23)	(0.06)	(0.07)	(0.06)	(0.06)	(0.24)	(0.05)	(0.04)	(0.07)	(0.08)	(0.25)	(0.07)	(0.08)	(0.08)	(0.08)	(0.31)	(0.12)	0.21	0.87	1.67	3.16	4.41	5.50	6.63
Wgtd Avg Shrs (Bas) - '000s	49,046	49,046	49,046	49,046	49,115	49,063	49,221	52,270	52,323	55,375	52,297	60,430	60,491	60,551	65,612	61,771	68,277	73,558	76,359	76,665	76,972	77,281	77,590	77,901
Wgtd Avg Shrs (Dil) - '000s	49,046	49,046	49,046	49,046	49,115	49,063	49,221	52,270	52,323	55,375	52,297	60,430	60,491	60,551	65,612	61,771	68,277	73,558	76,359	76,665	76,972	77,281	77,590	77,901

Source: Company reports and Maxim

DISCLOSURES

MediciNova, Inc. Rating History as of 08/13/2026

powered by: BlueMatrix

Maxim Group LLC Ratings Distribution			As of: 08/13/26
		% of Coverage Universe with Rating	% of Rating for which Firm Provided Banking Services in the Last 12 months
Buy	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to outperform its relevant index over the next 12 months.	**86%**	**51%**
Hold	Fundamental metrics are currently at, or approaching, industry averages. Therefore, we expect this stock to neither outperform nor underperform its relevant index over the next 12 months.	**14%**	**52%**
Sell	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to underperform its relevant index over the next 12 months.	**0%**	**0%**
	**See valuation section for company specific relevant indices*		

I, **Jason McCarthy, Ph.D.**, attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report.

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The research analyst(s) primarily responsible for the preparation of this research report have received compensation based upon various factors, including the firm's total revenues, a portion of which is generated by investment banking activities.

Maxim Group makes a market in MediciNova, Inc.

Maxim Group expects to receive or intends to seek compensation for investment banking services from MediciNova, Inc. in the next 3 months.

MNOV: We use the BTK (NYSE Arca Biotechnology Index) as the relevant index.

Valuation Methods

MNOV: We model commercialization of MN-166 for ALS, glioblastoma, and substance dependence, and MN-001 for NASH and IPF. A revenue risk adjustment is factored in primarily based on stage of development and clinical trial risk. A discount rate is then applied to the free cash flow, discounted EPS, and sum-of-the-parts models, which are equally weighted to derive a 12-month price target.

Price Target and Investment Risks
MNOV: Aside from general market and other economic risks, risks particular to our price target and rating for MediciNova, Inc. include: (1) the regulatory and clinical risk associated with product development; (2) the ability to access capital and the very high likelihood that the company will need to raise additional capital; (3) the rate and degree of progress of product development; (4) the rate of regulatory approval and timelines to potential commercialization of products; (5) the reliance on collaborators and/or potential collaborators from which there could be unforeseen delays and expenses; (6) the requirements for marketing authorization from regulatory bodies in the United States and other countries; (7) the liquidity and market volatility of the company's equity securities; (8) regulatory and manufacturing requirements and uncertainties; (9) product and technology developments by competitors; (10) inability, if product(s) is/are approved to gain adequate market share and maintain adequate revenue growth; (11) the ability of the company to maintain its exchange listing; (12) the ability of the company to find partners or secure funding for late stage trials; (13) the severity and duration of the COVID-19 pandemic may impact the ability of the company to enroll clinical trials, and may impact the commercial viability of MN-166 as a treatment for COVID-19 ARDS; (14) recent changes to NASDAQ Rule 5810 limit listed issuers' ability to use multiple reverse stock splits to remedy listing requirements, thereby putting the stock at a higher risk of being delisted in the future

RISK RATINGS

Risk ratings take into account both fundamental criteria and price volatility.

Speculative – Fundamental Criteria: This is a risk rating assigned to early-stage companies with minimal to no revenues, lack of earnings, balance sheet concerns, and/or a short operating history. Accordingly, fundamental risk is expected to be significantly above the industry. Price Volatility: Because of the inherent fundamental criteria of the companies falling within this risk category, the price volatility is expected to be significant with the possibility that the investment could eventually be worthless. Speculative stocks may not be suitable for a significant class of individual investors.

High – Fundamental Criteria: This is a risk rating assigned to companies having below-average revenue and earnings visibility, negative cash flow, and low market cap or public float. Accordingly, fundamental risk is expected to be above the industry. Price Volatility: The price volatility of companies falling within this category is expected to be above the industry. High-risk stocks may not be suitable for a significant class of individual investors.

Medium – Fundamental Criteria: This is a risk rating assigned to companies that may have average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to approximate the industry average.

Low – Fundamental Criteria: This is a risk rating assigned to companies that may have above-average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to be below the industry.

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ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST

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