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Soligenix Inc. (SNGX-NASDAQ)

SNGX: Balance sheet boosted by new financings, Pivotal Phase III trial of SGX942 for OM initiated; enrollment in Phase III of SGX-*301 ongoing, and top-line data expected at 1H19.*

SNGX: Relative valuation indicates a fair value at $12/share.

Current Price (05/11/18)	$1.65
Valuation	**$12.00**

OUTLOOK

SNGX is a late stage biopharmaceutical company focused on cancer/cancer supportive care, GI disorders and biodefense. Based on three platform technologies, SNGX has built a diversified pipeline targeting multiple indications. We are optimistic about its lead candidates SGX301for CTLC and SGX942 for the treatment of oral mucositis. The Company's oral BDP is in various development stages for a variety of indications, most notably, in pediatric Crohn's disease, where they will be initiating a Phase III study soon for SGX203. SNGX also is developing vaccines using its ThermoVax technology for biodefense.

Valuation is attractive now based on the fundamentals.

SUMMARY DATA

52-Week High	**$2.87**
52-Week Low	**$1.61**
One-Year Return (%)	**-36.32**
Beta	**0.56**
Average Daily Volume (sh)	**33,549**
Shares Outstanding (mil)	**9**
Market Capitalization ($mil)	**$14**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**13.6**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2016 Estimate	**N/A**
P/E using 2017 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Avg.,**
Type of Stock	**N/A**
Industry	**Med-Biomed/Gene**
Zacks Rank in Industry	**N/A**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	2.6 A	3.2 A	3.0 A	1.7 A	10.4 A
2017	1.3 A	1.0 A	1.8 A	1.3 A	5.4 A
2018	1.1 A	1.2 E	1.4 E	1.5 E	5.2 E
2019					7.5 E

Earnings per Share
(EPS is operating earnings before non-recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2016	-$0.83 A	-$0.03 A	-$0.49 A	$0.01 A	-$1.24 A
2017	-$0.32 A	-$0.41 A	-$0.17 A	-$0.28 A	-$1.17 A
2018	-$0.27 A	-$0.28 E	-$0.27 E	-$0.27 E	-$1.10 E
2019					-$1.44 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

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WHAT'S NEW

Update on First Quarter 2018 Financials

Total revenue for the first quarter ended March 31, 2018 were $1.1 million as compared to $1.3 million for the quarter ended March 31, 2017.

Revenue included contracts in support of RiVax®, in addition to the grants received to support the development of SGX301 for the treatment of CTCL and SGX942 for the treatment of oral mucositis in head and neck cancer, as well as the sub award from the Ebola collaboration with the University of Hawaii.

R&D expenses for the first quarter of 2018 were $1.8 million as compared to $1.2 million for the first quarter of 2017. The increase was primarily related to expenditures incurred in the Phase III clinical trial of SGX942 and the ongoing Phase III clinical trial of SGX301.

G&A expenses for the first quarter of 2017 were $0.7 million as compared to $0.8 million for the first quarter of 2017.

Net loss for the first quarter of 2018 was $2.4 million ($0.27 per share), as compared to $1.7 million ($0.32 per share) for the first quarter of 2017.

As of March 31, 2018, the Company's cash position was $6.4 million.

Current cash position is able to support the company's operation for at least one year according to our financial model.

Orphan Drug Designation Received from EU for RiVax® for Prevention of Ricin Poisoning

In March 2018, the European Commission granted **orphan drug designation** to the Company's recombinant modified **ricin toxin A-chain subunit** (the active pharmaceutical ingredient in RiVax®) for the prevention of ricin poisoning.

RiVax® has previously been granted **orphan drug designation** from the US FDA.

The European Commission grants orphan designations for medicines that treat a life-threatening or chronically debilitating condition affecting no more than five in 10,000 persons in the European Union (EU) and where no satisfactory treatment is available. If a drug is granted orphan drug designation, the drug will enjoy a 10-year period of marketing exclusivity in the EU after product approval. Further, orphan drug designation provides incentives for companies seeking protocol assistance from the EMA during the product development phase, and direct access to the centralized authorization procedure which allows access to all 28 EU member states' markets.

This EU orphan designation, combined with the US orphan designation, positions this biodefense program for a potentially accelerated global regulatory product development pathway to address this unmet need. RiVax® has shown up to 100% protection against aerosolized ricin exposure in non-human primates and safety in humans.

Biomarkers Identified for Ricin Toxin Vaccine Testing under the FDA Animal Rule

Recently, SNGX announced the successful identification of biomarkers for ricin toxin vaccine (RiVax®) testing. This could facilitate the approval of the testing under the FDA "Animal Rule".

The FDA **Animal Rule** is used to tests/products where testing in humans would be unethical or impossible. In the case of a ricin toxin vaccine studies, clinical efficacy testing of the vaccine is unethical since exposing unvaccinated humans to ricin toxin would be fatal.

The Animal Rule then allows efficacy testing in animals instead, typically in non-human primates (NHPs), to facilitate approval. One key requirement for the animal rule is to establish a correlation between the response observed in clinical trials in healthy volunteers with the response demonstrated in animal efficacy studies.

Identification of a biomarker to facilitate demonstrating the correlation between animal and human studies is a significant accomplishment in the RiVax® development program.

Soligenix studies have demonstrated the unique expression profile of ricin antibodies. Key biomarkers of these profiles have been identified and include in order of increasing sensitivity:

- antibody titers (the ability of antibodies to recognize ricin),
- neutralizing antibody activity (the ability of antibodies to prevent ricin toxicity), and
- SyH7 antibody epitope competition profile (the ability of antibodies to bind to the SyH7 binding site on the ricin protein, a key binding site that neutralizes the toxicity of the ricin protein).

These biomarkers are consistent across mice, NHPs and humans, supporting the application of the Animal Rule.

In April 2017, Soligenix presented positive results from its ricin toxin vaccine (RiVax™) development program at the 20th Annual Conference on Vaccine Research held April 24-26 in Bethesda, Md.

The title of the presentation was “Serum Antibody Profiling following Vaccination Reveals a Correlate of Immunity to Ricin Toxin”, which was presented by Jennifer Yates, Ph.D., New York State Department of Health, Wadsworth Center and attended by Oreola Donini, Ph.D., Chief Scientific Officer of Soligenix.

The findings demonstrated that:

- the ThermoVax® thermostabilization process significantly enhances the stability of the RiVax™ antigen;
- degradation in the antigen can be measured with specific monoclonal antibodies;
- these same monoclonal antibodies can be used to probe the immune profile of vaccinated mice and primates and predict their survival to subsequent ricin exposure challenge.

RiVax™ is the Company’s proprietary vaccine candidate for the prevention of exposure to ricin toxin that utilizes a unique antigen that is completely devoid of the toxic activity of ricin. When formulated with ThermoVax®, Soligenix’s proprietary vaccine heat stabilization technology, RiVax™ has demonstrated significantly enhanced thermostability and **100% protection** in preclinical ricin aerosol challenge models.

These findings are expected to facilitate the potential approval of the RiVax™ product under the FDA **“Animal Rule”** and represent a significant step forward in the understanding of ricin toxin immunology.

In 2018, the company plans to initiate a **Phase I/II** vaccine safety and immunogenicity study utilizing RiVax®. In parallel, efficacy studies in non-human primates are also planned in 2018, with initial results currently anticipated for late 2018.

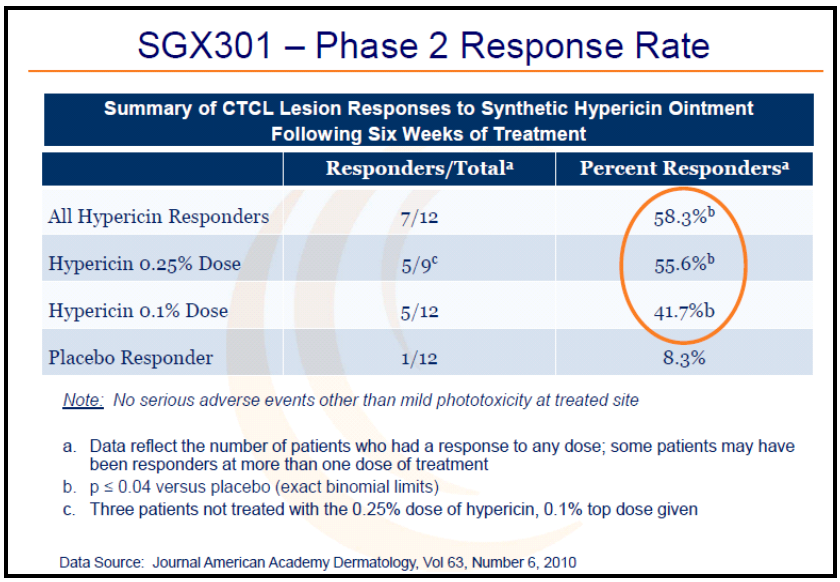
Update on SGX301 for CTCL

In early September 2014, Soligenix entered into an asset purchase agreement with Hy Biopharma, Inc. Pursuant to the agreement, Soligenix acquired a novel orphan drug candidate, known as **SGX301** (synthetic hypericin) for the treatment of **cutaneous T-cell lymphoma (CTCL).** As part of the acquisition,

Soligenix acquired all rights for synthetic hypericin, including intellectual property, and preclinical and clinical data.

In addition to CTCL, the acquired technology package also includes preclinical and clinical data supporting other potential indications for hypericin photodynamic therapy, such as **psoriasis**.

Hy Biopharma conducted both **Phase I** and **Phase II** studies of hypericin. Topical hypericin was safe and well tolerated in a **Phase I** clinical study in healthy volunteers. In a **Phase II,** placebo-controlled, clinical study in CTCL patients, the drug was safe and well tolerated, with 58.3% of the CTCL patients responding to topical hypericin treatment compared to only 8.3% receiving placebo ($p < 0.04$).



Based on data from the Phase I and II studies, Soligenix initiated the **pivotal Phase III** trial of SGX301 for the treatment of cutaneous T-cell lymphoma (CTCL) in late 2015.

Soligenix is working with leading CTCL centers, as well as with the National Organization for Rare Disorders **(NORD)** and the Cutaneous Lymphoma Foundation **(CLF)** to conduct the pivotal **Phase III** clinical study of SGX301 in the treatment of CTCL.

NORD and CLF will assist the Company in educating patients and raising awareness of the Phase III clinical trial among patients who are eligible for participation.

The Phase III trial, referred to as the **FLASH study** (Fluorescent Light Activated Synthetic Hypericin), will be a multicenter, randomized, double-blind, placebo-controlled study that will enroll **120** evaluable subjects.

- The trial will consist of three treatment cycles, each of 8 weeks duration.
- Treatments will be administered twice weekly for the first 6 weeks and treatment response will be determined at the end of Week 8.
- In the first treatment cycle, approximately 80 patients will receive SGX301 and 40 will receive placebo treatment of their index lesions.
- In the second cycle, all patients will receive SGX301 treatment of their index lesions and in the third (open-label) cycle all patients will receive SGX301 treatment of all their lesions;
- Subjects will be followed for an additional 6 months after the completion of treatment;
- The primary clinical efficacy endpoint is treatment response assessed using the CAILS (Composite Assessment of Index Lesion Severity) score evaluating the three worst index lesions at the end of Cycle 1 (Week 8);

- Other secondary measures will assess treatment response (including duration), degree of improvement, time to relapse and safety.

Approximately 30 CTCL centers across the US are participating in this pivotal trial. The trial begins with a double-blind, placebo-controlled portion (**Cycle 1**), but all participants in the trial eventually receive active study drug (**Cycle 2**) and an optional portion of the trial is available to them to continue with SGX301 treatment (**Cycle 3**).

As the result of its chronic feature of the CTCL disease, the company has adjusted the trial guidance, with the prospectively defined, blinded interim analysis taking place in **2H2018** and top-line final study results potentially moving into the **first half of 2019**.

Potential Expansion of SGX301 into Psoriasis

On Feb. 22, 2017, Soligenix announced that its proprietary formulation of **synthetic hypericin** has been granted a European patent for the treatment of **psoriasis**.

The issued patent, EP 2571507, Formulations and methods of treatment of skin conditions, complements the method of treatment claims covered by the previously issued US patent 6001882, Photoactivated hypericin and the use thereof.

Synthetic hypericin is the active ingredient in Soligenix's candidate **SGX301**, which completed a **Phase II** clinical study demonstrating significant improvement in both Cutaneous T-cell lymphoma (CTCL) and psoriasis. Soligenix is currently enrolling patients into a pivotal **Phase III** clinical trial of SGX301 for the treatment of CTCL.

The Expansion to Psoriasis

In the published Phase II study: *Journal of the American Academy of Dermatology* (https://dx.doi.org/10.1016/j.jaad.2010.02.039), in patients with psoriasis, a statistically significant ($p<0.02$) improvement with topical hypericin treatment was experienced, whereas the placebo was ineffective: 54.6% vs. 0.0%, respectively.

Psoriasis is an autoimmune inflammatory disease that is similarly characterized by cutaneous accumulation of T-cell lymphocytes but without cancerous transformation. Psoriasis is a chronic, noncommunicable, painful skin condition for which there is no cure with great negative impact on patients' quality of life.

According to WHO, the prevalence of psoriasis is between 1.5% and 5% in developed countries, with some suggestions of incidence increasing with time. Psoriasis affects approximately 2% of the total population in the US.

SGX301 in CTCL has received orphan drug and fast track designations from the FDA as well as orphan designation from the European Medicines Agency (EMA) and promising innovative medicine designation from the Medicines & Healthcare products Regulatory Agency (MHRA) in the United Kingdom.

Update on Phase III Trial of SGX942 for OM in Head and Neck Cancer Patients

In July 2017, Soligenix began patient enrollment for its **pivotal Phase III**, multinational, randomized, double-blind, placebo-controlled study evaluating SGX942 (dusquetide) as a treatment for **severe oral mucositis** in patients with head and neck cancer receiving chemoradiation therapy (CRT).

This Phase III clinical trial is referred to as the "**DOM–INNATE**" study (Dusquetide treatment in Oral Mucositis – by modulating INNATE immunity).

Based on the positive and previously published Phase II results (**Study IDR-OM-01**), the pivotal Phase III clinical trial (Study **IDR-OM-02**) will be:

- a highly powered, double-blind, randomized, placebo-controlled, multinational trial that will seek to enroll approximately **190 subjects** with squamous cell carcinoma of the oral cavity and oropharynx who are scheduled to receive a minimum total cumulative radiation dose of 55 Gy fractionated as 2.0-2.2 Gy per day with concomitant cisplatin chemotherapy given as a dose of 80-100 mg/m^2 every third week.

- Subjects will be randomized to receive either 1.5 mg/kg SGX942 or placebo given twice a week during and for 2 weeks following completion of CRT.

- The primary endpoint for the study will be the median duration of severe oral mucositis, which will be assessed by oral examination at each treatment visit and then through 6 weeks following completion of CRT.

- Oral mucositis will be evaluated using the WHO Grading system. Severe oral mucositis is defined as a WHO Grade of ≥3. Subjects will be followed for an additional 12 months after the completion of treatment.

The study design incorporates feedback from the FDA as well as from the European Medicines Agency (EMA) via the Scientific Advice process. The Scientific Advice from the EMA indicates that a single, double-blind, placebo-controlled, multinational, Phase III pivotal study, if successful, in conjunction with results from the Phase II dose-ranging study, generally will be considered sufficient to support a marketing authorization application for potential licensure in Europe.

The company anticipates that approximately 50 US and European oncology centers will be participating in this pivotal Phase III study. Currently, the study is actively enrolling in the US, with expansion into Europe occurring later this year. Results from the Phase III study are expected to be available in **1H19.**

SGX942 Could be a Game Changer in the Treatment of Oral Mucositis

Mucositis is a debilitating condition involving extensive ulceration of the oral cavity that frequently affects cancer patients undergoing radiation and chemotherapy treatment. Roughly 90% of patients on radiation (43% severe) and 40% of patients receiving chemotherapy get mucositis. There are an estimated 500,000 cancer patients getting mucositis annually in the United States alone. World-wide, the potential market for mucositis will exceed $1 billion in the next few years.

Mucositis can be severely debilitating and can lead to infection, sepsis, the need for parenteral nutrition and narcotic analgesia. The gastrointestinal damage causes severe diarrhea. These symptoms can limit the doses and duration of cancer treatment, leading to sub-optimal treatment outcomes. We believe any treatment that accelerates healing and/or diminishes the rate of appearance of mucositis would have a significant beneficial impact on the quality of life of these patients and may allow for more aggressive chemotherapy.

Overall, clinically significant mucositis impacts almost all patients with head and neck cancer (HNC) treated with chemoradiation; 70% patients get severe mucositis. Patients develop extensive, deep, extremely painful ulcerations of the lining of the mouth and throat that requires narcotic analgesics. Despite narcotics, many patients have break-through pain which effects their ability to function (including eating). When asked, mucositis is most frequently reported as the worst treatment complication among HNC patients being treated with CRT.

The health and economic costs of mucositis in this population are profound: the incremental cost of mucositis is over $17,000 per patient with the condition and is largely driven with the need for hospitalization to manage dehydration or pain. Patients who are radiated are treated with small daily

doses of radiation for about 7 weeks. Since the biological drivers of mucositis start immediately with the first dose of radiation, preventive strategies for mucositis start on day 1 and continue throughout the radiation course. Consequently, while the total number of new cases of HNC in the US is relatively small (about 50K new cases per year), the dosing opportunity is significant. HNC represents about 20% of the total potential mucositis market.

Direct Medical Cost	Without OM (n=29)	WithOM (n=70)	Incremental Cost for OM
Inpatient hospitalization	$7,000	$21,000	$14,000
Tests and procedures	$924	$3,150	$2,226
Imaging procedures	$3,510	$5,602	$2,092
Clinical visits	$960	$1,470	$510
OM-related meds	$105	$196	$90
Diagnostic labs	$463	$553	$90
TOTAL	$18,512	$35,756	$17,244

Nonzee N et al: Cancer 113:1446-52, 2008

However, there are no approved, mechanistically-based prophylactic or treatment driven, interventions for mucositis in patients with HNC. A number of **palliative devices** are used for symptom management with modest results. Included in these are 'magic mouthwash' (a rinse usually formulated in hospitals and largely based on institutional folklore), GelClair, MuGard, Episil and Caphosol. Benzydamine HCl is approved in the EU and Canada for mucositis in radiated patients, but it fails to confer efficacy when concomitant chemoradiation is delivered (the standard of care). Low level laser therapy has been advocated by some. Its impact on tumor behavior and response to treatment is questionable.

Currently Used Therapies

Product	Company	Phase	Indication	Comment / Issue
Kepivance	Biovitrum	Approved (drug)	Prevent OM-HSCT	Inconvenient IV dosing 3x pre + 3x post chemo, overpriced; withdrawn from the European market
Gelclair	EKR	Approved (device)	Palliation	Poor reimbursement, poor data
Mucotrol	Edwards Pharmaceutical	Approved (device)	Palliation	Poor reimbursement, poor data
Caphosol	EUSA	Approved (device)	Palliation	Poor reimbursement, poor data
Episil	Camurus	Approved (device)	Palliation	
Mugard	Access	Approved (device)	Palliation	Poor reimbursement; recent controlled study confirmed activity as a palliative agent

Kepivance: ONLY drug approved; restricted to non-solid tumors (e.g. Bone Marrow Transplant)
High costs
Inconvenient dosing
No longer available in Europe

Devices: Are NOT drugs; are not required to demonstrate clinical efficacy for approval
Poor efficacy – No biological activity
Limited reimbursement

Valuation Very Attractive

We remain optimistic about Soligenix's long term prospect and maintain a fair value at $12 per share. We believe there are multiple catalysts to drive the share price up in the next 6 to 12 months.

Soligenix becomes a late development stage biotech company through the acquisition of SGX301, a **Phase III** candidate for CTLC. With the addition of another Phase III of SGX-942, Soligenix is focused on **cancer/cancer supportive** care and **GI disorders**, two large pharmaceutical markets both in the US and around the world. Soligenix also develops vaccines/oral therapeutics for **biodefense**.

In addition to SGX301, Soligenix has built a diversified pipeline using three proprietary platform technologies: the **SGX942** platform, the **oral BDP** platform and the **ThermoVax** platform. We are optimistic about its drug candidate SGX942 for the treatment of oral mucositis. The positive data reported from the Phase II trial is a significant **de-risking** event for Soligenix. SGX942 has a new mechanism of action and will command a significant market share of the oral mucositis market if approved in our view.

The Company's oral BDP has the potential to target multiple GI disorders such as Crohn's disease, radiation enteritis and GVHD as well as ARS.

Soligenix's vaccines and biodefense therapeutics are being developed under specific FDA regulatory guidelines called the "**Animal Rule**." We think the "Animal Rule" means a lot for Soligenix, because this can accelerate the development of the ricin and anthrax vaccines as well as OrbeShield. Once approved by the FDA, Soligenix will have the opportunity to negotiate a stock-pile contract with the US government. These stock-pile or procurement contracts have been very lucrative for other companies supplying similar drugs to the US government and will provide significant cash flow to Soligenix.

Based on our analysis, we believe Soligenix shares are undervalued at current market price. Currently shares of Soligenix are trading at around $1.6 per share, which values the Company at $14 million in market cap based on 8.7 million outstanding shares. This deeply undervalues Soligenix shares in our view.

Our price target of $12 per share values Soligenix at $104 million in market cap which we think is still very conservative.

PROJECTED INCOME STATEMENT

	2017					2018					2019	2020
$ in millions except per share data	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FYE	FYE	FYE
License Revenue	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-
Grant/contract Revenue	$1.3	$1.0	$1.8	$1.3	$5.4	$1.1	$1.2	$1.4	$1.5	$5.2	$7.5	$9.0
YOY Growth	*-49.4%*	*-68.4%*	*-38.4%*	*-24.7%*	*-48.0%*	*-15.9%*	*20.0%*	*-23.2%*	*17.2%*	*-3.9%*	*43.7%*	*20.0%*
Product Sales	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$10.0
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	**$1.3**	**$1.0**	**$1.8**	**$1.3**	**$5.4**	**$1.1**	**$1.2**	**$1.4**	**$1.5**	**$5.2**	**$7.5**	**$19.0**
YOY Growth	*-49.4%*	*-68.4%*	*-38.4%*	*-24.7%*	*-48.0%*	*-15.9%*	*20.0%*	*-23.2%*	*17.2%*	*-3.9%*	*43.7%*	*153.3%*
Cost of Revenue	$1.1	$0.7	$1.5	$1.0	$4.3	$1.0	$1.0	$1.0	$1.0	$4.0	$6.5	$8.0
Gross Income	**$0.2**	**$0.3**	**$0.3**	**$0.2**	**$1.1**	**$0.1**	**$0.2**	**$0.4**	**$0.5**	**$1.2**	**$1.0**	**$11.0**
Gross Margin	*18.3%*	*30.0%*	*19.1%*	*18.0%*	*20.7%*	*12.6%*	*16.7%*	*28.6%*	*33.3%*	*23.8%*	*13.3%*	*57.9%*
R&D	$1.2	$1.8	$0.6	$1.9	$5.5	$1.8	$1.9	$2.0	$2.1	$7.8	$9.0	$12.0
% R&D	*91.5%*	*178.0%*	*33.2%*	*148.8%*	*101.4%*	*161.0%*	*158.3%*	*142.9%*	*140.0%*	*149.5%*	*120.0%*	*63.2%*
SG&A	$0.8	$0.8	$0.7	$0.9	$3.2	$0.7	$0.8	$0.8	$0.9	$3.1	$5.0	$7.5
% SG&A	*57.4%*	*80.0%*	*39.1%*	*72.9%*	*59.1%*	*65.3%*	*62.5%*	*57.1%*	*56.7%*	*60.0%*	*66.7%*	*39.5%*
Other expenses	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
% Other	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Operating Income	**($1.7)**	**($2.3)**	**($1.0)**	**($2.6)**	**($7.6)**	**($2.4)**	**($2.5)**	**($2.4)**	**($2.5)**	**($9.7)**	**($13.0)**	**($8.5)**
Operating Margin	-	-	-	-	-	-	-	-	-	-	-	-
Other Income (Net)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Pre-Tax Income	**($1.7)**	**($2.3)**	**($1.0)**	**($2.6)**	**($7.6)**	**($2.4)**	**($2.5)**	**($2.4)**	**($2.5)**	**($9.7)**	**($13.0)**	**($8.5)**
Net Taxes (benefit)	$0.0	$0.0	$0.0	($0.4)	($0.4)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	*0.0%*	*0.0%*	*0.0%*	*16.0%*	*5.5%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Reported Net Income	**($1.7)**	**($2.3)**	**($1.0)**	**($2.2)**	**($7.2)**	**($2.4)**	**($2.5)**	**($2.4)**	**($2.5)**	**($9.7)**	**($13.0)**	**($8.5)**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-
Net Margin	-	-	-	-	-	-	-	-	-	-	-	-
Weighted avg. Shares Out	*5.5*	*5.6*	*5.8*	*7.7*	*6.1*	*8.7*	*8.7*	*8.8*	*9.0*	*8.8*	*9.0*	*9.5*
Reported EPS	**($0.32)**	**($0.41)**	**($0.17)**	**($0.28)**	**($1.17)**	**($0.27)**	**($0.28)**	**($0.27)**	**($0.27)**	**($1.10)**	**($1.44)**	**($0.89)**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-
One-time charge	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Non- GAAP Net Income	**($1.7)**	**($2.3)**	**($1.0)**	**($2.2)**	**($7.2)**	**($2.4)**	**($2.5)**	**($2.4)**	**($2.5)**	**($9.7)**	**($13.0)**	**($8.5)**
Non- GAAP EPS	**($0.32)**	**($0.41)**	**($0.17)**	**($0.28)**	**($1.17)**	**($0.27)**	**($0.28)**	**($0.27)**	**($0.27)**	**($1.10)**	**($1.44)**	**($0.89)**

Source: Company filings and Zacks estimates

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HISTORICAL STOCK PRICE



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