Zacks Small-Cap Research
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electroCore, Inc. (ECOR - NASDAQ)

More Distribution Agreements to Come

Based on our multiple of earnings model and a 20% discount rate, electroCore is valued at approximately $4.50 per share. Our methodology applies a 20x multiple of earnings to 2026 EPS and discounts the result to beginning of year 2021.

Current Price (3/12/2021)	$2.14
Valuation	**$4.50**

OUTLOOK

electroCore is a commercial company marketing its gammaCore vagus nerve stimulation device in multiple migraine and cluster headache indications. It also has been granted Emergency Use Authorization (EUA) for respiratory-related COVID treatment.

The gammaCore device non-invasively stimulates the vagus nerve which treats headache. The device delivers an electrical pulse to activate the vagus nerve in the neck. Numerous clinical trials have been conducted supporting the efficacy and safety of gammaCore. Additional trials are underway for indications in stroke, PTSD, TBI and PT headache.

Sales are advancing in three segments: VA in the US, NHS in the UK & commercial. Low penetration at the VA, expansions of the NHS program and continued efforts with commercial payors support topline advancement. COVID-related sales may benefit revenues in the short term although they may fall as the pandemic dissipates.

Associations with the VA, NHS, CVS, Express Scripts & others combined with the strong safety and efficacy data for gammaCore support a long runway for topline growth in the US, European and Asian markets.

Our valuation assumes first positive earnings in 2025 and employs a multiple of 2026 earnings to generate target price.

SUMMARY DATA

52-Week High	**3.63**
52-Week Low	**0.32**
One-Year Return (%)	**296**
Beta	**1.4**
Average Daily Volume (sh)	**4,255,831**
Shares Outstanding (mil)	**48.5**
Market Capitalization ($mil)	**104**
Short Interest Ratio (days)	**0.28**
Institutional Ownership (%)	**12.9**
Insider Ownership (%)	**29.5**
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 2020 Estimate	**N/A**
P/E using 2021 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Med-Tech Devices**

ZACKS ESTIMATES

Revenue

(In millions of USD)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	$0.4 A	$0.6 A	$0.7 A	$0.7 A	$2.4 A
2020	$0.7 A	$0.8 A	$1.1 A	$0.9 A	$3.5 A
2021					$5.4 E
2022					$10.1 E

Earnings per Share

	Q1	Q2	Q3	Q4	Year
2019	-$0.47 A	-$0.41 A	-$0.36 A	-$0.29 A	-$1.54 A
2020	-$0.27 A	-$0.13 A	-$0.10 A	-$0.14 A	-$0.60 A
2021					-$0.36 E
2022					-$0.28 E

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WHAT'S NEW

Fourth Quarter and Full Year 2020 Financial and Operational Results

On March 11, 2021, electroCore Inc. (NASDAQ: ECOR) presented its 2020 financial and operational results in a press release and SEC filed Form 10-K. Fourth quarter revenues of $928,000 rose 38% over prior year levels, ahead of our forecasts for $875,000. While up year over year, revenues declined on a sequential basis due to a third quarter bolus in sales to the Veteran's Administration (VA) that pulled forward demand and the impact from a surge in COVID cases during the last months of the year. Loss per share was ($0.14) in the fourth quarter, which included several non-core items. After adjustment for these items, we calculate a loss per share of ($0.11). 2020 was a big year for electroCore, despite starting off with uncertainty related to the pandemic. Revenues rose sequentially in the first second and third quarter and were up 46% for the year reaching $3.5 million. Highlights for the year include capital raises from Lincoln Park Capital, grant of emergency use authorization (EUA) for gammaCore nVNS therapy to treat COVID symptoms, the launch of multiple investigator initiated studies and further penetration into the United Kingdom's National Health Service (NHS). Execution of a distributor agreement in Eastern Europe and results from the PREMIUM II study were announced prior to year-end. In 2021, electroCore announced the receipt of a unique Level II Healthcare Common Procedure Coding System (HCPCS) designator, additional distributor agreements, study outcomes in multiple indications and 510(k) clearance of gammaCore to treat adolescent migraine.

Since our previous update on electroCore on February 10, the company has announced additional positive news, most importantly the distribution agreement with Medistar for distribution in Australia and New Zealand, and clearance to expand gammaCore's label to include children between 12 and 17 years old in the preventive treatment of migraine. Recent positive developments that we discussed in our prior report are also material and include advancements in the clinical work, study readouts and further penetration into existing relationships. In the clinical domain, electroCore published its study on noninvasive vagus nerve stimulation (nVNS) to reduce ileus after major colorectal surgery. electroCore also reported that the TR-VENUS study of nVNS in acute treatment of stroke was fully enrolled. In December, topline results were released for the PREMIUM II trial in migraine prevention and gammaCore was selected for a National Institute on Drug Abuse (NIDA) sponsored study in opioid use disorder. In the commercial and regulatory sphere, gammaCore Sapphire was included in the new National Health Service (NHS) England and NHS Improvement MedTech Funding Mandate Policy. Scottish Health Technology Group recommended gammaCore for use in NHS Scotland cluster headache patients and Centers for Medicare and Medicaid Services (CMS) specified coding for nVNS. Exclusive distribution rights were assigned to RSK Medical, Pro Medical Baltic and Medistar for Canada, Eastern European territories and Australia, respectively.

Fourth Quarter Financial Results

Revenues of $928,200 represented an increase of 38% over prior year levels with VA, NHS and commercial sales increases driving the change. Fourth quarter 2002 VA revenues, which comprise the largest component of total revenues, were $509,000, up 35% year over year driven by a 49% increase in VA paid months of therapy. Sales in the United Kingdom rose 25% to $281,000 on continued penetration into the NHS despite a negative impact from the pandemic. These gains were partially offset by declines in sales to Germany that at $23,000 were about half prior year levels.

Gross margin was negatively impacted by an increase in inventory reserves. Reported gross margin was 12% when the full $434,000 related to the reserves were included in the cost of goods sold. When added back, gross margin rose to a more respectable 59%. Operating expenses were $6.4 million, down 25% from prior year levels. Note that SG&A includes a $557,500 write-off related to an operating lease for the company's previous office space. Net loss was ($6.3) million or ($0.14) per share compared with 4Q:19 net loss of ($8.9) million and ($0.30) per share.

Full Year 2020 Financial Results

Full year revenues of $3.5 million were up 46% on a fairly steady increase throughout the year driven by continued penetration into the VA and NHS. Gross margin for the year (after adding back the inventory reserves amount) was 63%, an increase over the 52% posted in 2019. Net loss from operations was ($24.7) million or ($0.60) per share which compares to prior year results of ($45.1) million and ($1.54) per share.

Cash burn for 2020 was ($20.1) million compared to ($45.1) million in 2019 reflecting the reduction in expenditures related to the recent restructuring. Cash and equivalents were $22.6 million as of December 31, 2020 down from $24.1 million as of year-end 2019. Cash from financing contributed $19.0 million to the balance sheet. Notes payable were $1.6 million of which $1.4 million is a loan under the Paycheck Protection Program (PPP). Following the end of the reporting period, electroCore sold 2.75 million shares to Lincoln Park under the active purchase agreement to raise $6.9 million in January. The agreement with Lincoln Park was terminated in March 2021.

Adjustments to Earnings and EBITDA

electroCore recognized several one-time items during the fourth quarter that we exclude from core earnings to estimate future expense. Gross margin was impacted by a previous commitment to purchase spare parts, which are not expected to be used in the near term and therefore recognized immediately in inventory cost. The amount of the inventory reserve related to this item was $434,000. The company moved from its previous 25,000 square foot office space in Basking Ridge, New Jersey to a new 14,000 square foot office space in Rockaway, New Jersey. As a result of the early termination of this lease, electroCore recognized a $557,543 write off of the operating lease in the fourth quarter of 2021. electroCore is a party to several stockholder class action lawsuits that are detailed in "Item 3. Legal Proceedings" in the 10-K. Despite being recognized for multiple years, we do not see the legal fees related to this litigation as core expenses. In the fourth quarter, legal fees totaled $135,500. After adding back the expense for inventory reserve, early lease termination and litigation expenses, net loss was ($5.2) million or ($0.11) per share. electroCore reported fourth quarter adjusted EBITDA loss of ($4.3) million, which adds back these items. This result compares to EBITDA of ($6.7) million in 4Q:19.

On a full year basis, after adding back amounts for the inventory reserve ($434,000), write-off of operating lease ($557,543, restructuring and severance charges ($464,600) and legal fees ($1,205,300), adjusted loss for the full year 2020 was ($20,416) or ($0.52) per share. Adjusted EBITDA loss, as calculated by electroCore was ($18.4) million in 2020 compared to ($39.0) million in 2019.

nVNS to Reduce Ileus Post Colorectal Surgery

On February 9, 2021, electroCore announced that it had published a study evaluating nVNS in post colorectal surgery ileus. Ileus, or intestinal atony, is a condition where the intestine is unable to contract normally, leading to a buildup of food and intestinal obstruction. Symptoms of ileus include bloating, nausea, vomiting, constipation, lack of appetite, stomach cramps and watery stool.[1] The condition prolongs hospital stays and increases risk of pneumonia and venous thrombo-embolic events and can augment patient costs by up to 71%.[2] Postoperative ileus is common following colon or rectal surgery, with incidence estimated between 10%-30%.[3]

The study, led by Dr. Stephen Chapman, was a parallel group, randomized, controlled trial conducted at St. James's University Hospital in Leeds, England, funded by the Bowel Research UK, supported by the National Institute for Health Research Surgical MedTech Co-operative. Bowel Research UK funds research in bowel cancer and other bowel diseases, with over £9 million directly invested. The National Institute for Health Research, established in 2006, is the UK's largest funder of health and care research, funding research that benefits the NHS and its public health mandate. electroCore published the study in *Colorectal Disease.*

The study enrolled 40 subjects and explored the safety and feasibility of self-administered nVNS to treat postoperative ileus following major colorectal surgery. Preclinical models of ileus have shown that electrical stimulation of the vagus nerve can reduce intestinal inflammation and accelerate bowel function recovery. Results from the study established safety of self-administered nVNS in the population with infrequent and non-serious adverse events that were similar between the treatment and sham arms. The study was not intended to statistically differentiate efficacy; however, results were directionally favorable, especially in patients with right-sided surgery, with treated patients demonstrating improved time to first flatus, tolerance of solid diets and bowel function (GI-3) compared to those receiving sham treatment. The right-sided group also consumed less oral morphine equivalents in the three days following surgery. The latter finding is important in achieving the objective of reducing the use of opioids and reducing morphine's related adverse effect of constipation, which can exacerbate ileus.

[1] Ileus: Causes, Symptoms, Diagnosis, Treatment, & Outlook (webmd.com)
[2] Mao H. Milne TGE. O'Grady G. Vather R. Edlin R. et al. Prolonged Postoperative Ileus Significantly Increases the Cost of Inpatient Stay for Patients Undergoing Elective Colorectal Surgery: Results of a Multivariate Analysis of Prospective Data at a Single Institution. Dis Colon Rectum. 2019;62:631-637. de Jonge WJ. van der Zanden EP. The FO. Bijlsma MF. van Westerloo DJ. et al. Stimulation of the vagus nerve attenuates macrophage activation by activating the Jak2-STAT3 signaling pathway. Nat Immunol 2005;6:844-851.
[3] Harnsberger CR, Maykel JA, Alavi K. Postoperative Ileus. Clin Colon Rectal Surg. 2019 May;32(3):166-170. doi: 10.1055/s-0038-1677003. Epub 2019 Apr 2. PMID: 31061645; PMCID: PMC6494613.

Full Enrollment of TR-VENUS Study

On February 2, 2021, electroCore announced that TR-VENUS study of nVNS in acute treatment of stroke was now fully enrolled. TR-VENUS is a Phase II, double-blind, randomized, sham-controlled, multi-center clinical trial that is being conducted at nine medical centers across Turkey. The study is supported by the Turkish Neurological Society and partially funded through a research grant from electroCore. TR-VENUS has enrolled 60 subjects with ischemic stroke and eight with hemorrhagic stroke. The objective of the study is to evaluate safety of nVNS in acute stroke by monitoring arterial blood pressure, bradycardia, neurological deficit progression and death. Feasibility is also being assessed via the number of doses administered versus available. Secondary efficacy is being evaluated via neurological deficits and infarct growth. Topline results are expected later in 2021.

Stroke
Stroke occurs when blood supply to the brain is cut off, most often due to a clot or embolism occluding blood vessels in the brain, known as an ischemic stroke. Ischemic stroke can be temporary as well, known as transient ischemic attack (TIA). Stroke can also occur when blood-vessels rupture in the brain, known as a hemorrhagic stroke, which can be a result of hypertension, blood thinners or trauma. Without oxygen, brain cells begin to die. Symptoms of a stroke include trouble speaking, paralysis or numbness of the face, arm or leg, problems seeing, headache and difficulty walking.[4] Risk factors for stroke include obesity, inactivity and heavy consumption of alcohol. Hypertension, high cholesterol, cigarette smoking, diabetes, sleep apnea and family history are also factors. Standard of care includes rapid reperfusion with intravenous thrombolysis and thrombectomy.

nVNS in Stroke
As stroke implies ischemia, time is of the essence. The portability, ease of use and convenience of nVNS gives an opportunity to make a therapeutically meaningful intervention, and is the focus of the TR-VENUS study. nVNS has been evaluated preclinically in work done by Ilknur Ay's lab at Massachusetts General Hospital, Harvard Medical School suggesting a protective effect of nVNS against ischemia-induced brain injury.[5]

National Health Service (NHS)

On January 27, 2021, electroCore announced that gammaCore Sapphire had been included in a new long-term reimbursement policy. The policy was launched by Matthew Whitty, Director of Innovation Research and Life Sciences and Chief Executive of the Accelerated Access Collaborative, for and on behalf of NHS England and NHS Improvement.

The new policy, called MedTech Funding Mandate Policy 2021/22 (MTFM), will go into effect on April 1, 2021. It supports the use of medical devices, diagnostics and digital technologies that will improve patient outcomes. The new policy allows gammaCore to transition away from the Innovation and Technology Payment (ITP) program that we had reported on previously, which required periodic renewal. The MTFM policy will allow sustained regional reimbursement arrangements across England, providing more certainty of long term revenues from this program. Inclusion in MTFM validates gammaCore's efficacy, affordability and cost savings and is projected to save the NHS as much as £4.6 million over the next five years.

electroCore reported that gammaCore received a two year extension of its listing in the NHS supply chain catalog. Previously, the device was expected to be listed until June 3, 2021 and will now be extended for an additional two years through June 3, 2023. Availability in the catalog will ensure that gammaCore Sapphire is available to hospitals and listing as an e-Direct product will allow for easier and more cost effective direct delivery of gammaCore from the supplier.

Scottish Health Technology Group Recommendation for Use of gammaCore

Based on 2019 guidance by NICE, Health Improvement Scotland (HIS) published a Scottish Health Technology Group (SHTG) adaptation including gammaCore for cluster headache, announced January 21, 2021. The NICE guidance states that gammaCore plus standard of care can reduce frequency and intensity of cluster headache attacks and improve quality of life while saving costs through reduction of rescue medication use. The SHTG publication recommends gammaCore be available for 3-month trial for NHS Scotland cluster headache patients. The SHTG adaptation is now being disseminated across NHS Scotland health boards by HIS.

[4] Stroke - Symptoms and causes - Mayo Clinic
[5] Ay I, Nasser R, Simon B, Ay H. Transcutaneous Cervical Vagus Nerve Stimulation Ameliorates Acute Ischemic Injury in Rats. Brain Stimul. 2016 Mar-Apr;9(2):166-73. doi: 10.1016/j.brs.2015.11.008. Epub 2015 Dec 1. PMID: 26723020; PMCID: PMC4789082.

Establishment of Unique Level II HCPCS Code for nVNS

In the US, electroCore announced on January 19, 2021 that the CMS had published its most recent decisions regarding Level II Healthcare Common Procedure Coding System (HCPCS) on January 15, 2021. The decisions included the establishment of a unique code, K1020, for non-invasive vagus nerve stimulator, which covers gammaCore Sapphire. electroCore had submitted an application during CMS' second biannual 2020 Coding Cycle for non-drug and non-biological items and services. The application focused on the clinical and economic benefits of gammaCore therapy. Final coding decisions will go into effect on April 1, 2021, a major milestone in obtaining additional coverage within the US medical benefits space. The availability of the code simplifies negotiations with payors due to the nVNS-specific designator in contrast to the previous regime where a miscellaneous code would be used. The old code was commonly used for transcutaneous electrical nerve stimulation (TENS) devices, which have a lower reimbursement level than gammaCore, complicating negotiations. The availability of the code will also allow for a more rapid reimbursement process and patients will be able to access therapy sooner.

Recent Distribution Deals

Exclusive Distribution Agreement with Medistar in Australia
An agreement was signed between electroCore and Medistar on February 28 for the latter to serve as the exclusive distributor of the gammaCore Sapphire non-invasive vagus nerve stimulator in Australia. Approval for the device to be marketed on the continent was recently granted by the Australian Therapeutic Goods Administration (TGA). The term of the agreement is for three years and includes minimum purchase commitments. Official launch of the device will be in mid-March at the ANZHS Headache Annual Scientific Meeting.

Exclusive Distribution Agreement with RSK Medical Inc. in Canada
electroCore signed an agreement with RSK Medical Inc. to make RSK the exclusive distributor for gammaCore Sapphire in Canada. The agreement was announced January 26, 2021. The agreement marks a milestone for commercialization in Canada. RSK Medical is headquartered in Ontario and is a medical device supplier.

Agreement with Pro Medical Baltic to be Exclusive Distributor for gammaCore Sapphire in Eastern Europe
electroCore's agreement with Pro Medical Baltic was announced on December 21, 2020. Through the agreement, Pro Medical Baltic received exclusive distribution rights to gammaCore Sapphire for primary headache disorders in Lithuania, Latvia, Belarus, Kazakhstan and Ukraine. Pro Medical Baltic has experience with distributing another neuromodulation device, which is expected to help gammaCore accelerate its commercialization process.

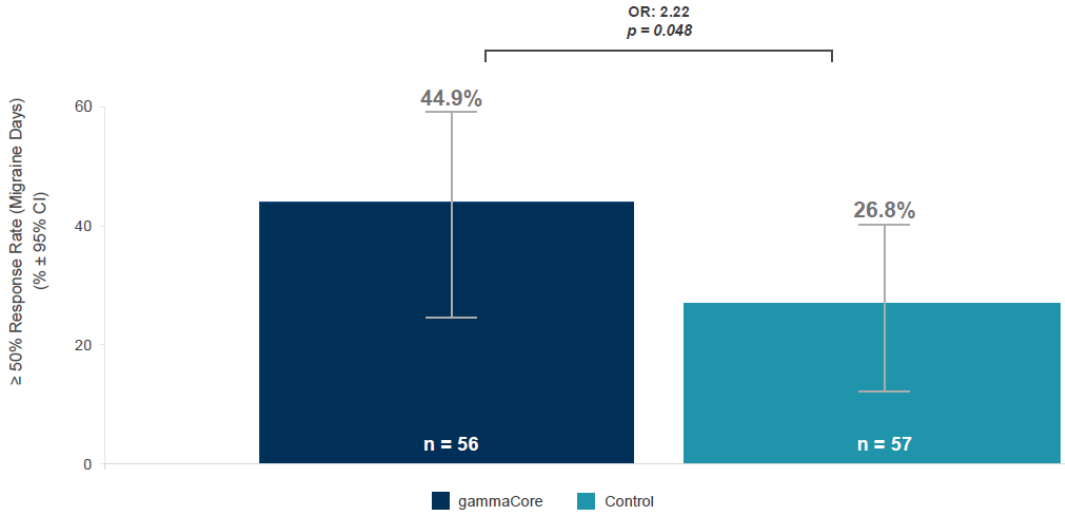
We anticipate additional deals to be announced in the coming months. Some of the regions that we think are likely to be high on the priority list for electroCore include Western Europe, Middle East and Asia. Revenues from each of the abovementioned agreements should be recognized in 2021. These arrangements are particularly attractive to electroCore given the low capital requirements and minimum purchase requirements.

Clinical Developments

Topline Results from PREMIUM II Migraine Prevention Study

On December 8, 2020, electroCore released topline results from its PREMIUM II (NCT03716505) migraine prevention study. The study was terminated early due to the pandemic and did not fully enroll, but all study endpoints including patient-assessed quality of life measures showed benefit from nVNS. Many endpoints demonstrated statistically significant improvement compared to sham. The modified intent to treat population of 113 patients had 3.1 fewer migraine days over final four weeks of the 12-week double blind study period versus the run-in period compared to 2.3 fewer migraine days in the sham group ($p = 0.233$). 44.9% of subjects using gammaCore had at least a 50% decrease in number of migraine days compared to 26.8% in the sham group ($p = 0.048$). Patients receiving gammaCore also reported statistically significant decrease in migraine-associated disability and improvement in all quality of life (QOL) endpoints in the study. Participants with aura achieved even greater benefits. This group had 5.5 fewer headache days compared to 2.7 fewer in the sham group ($p = 0.041$). No serious adverse events (SAEs) were reported in the study. Complete results are expected early 2021. Below we provide the comparison of patients that achieved a greater than 50% response rate from gammaCore as compared to the control. The difference between the two groups was statistically significant.

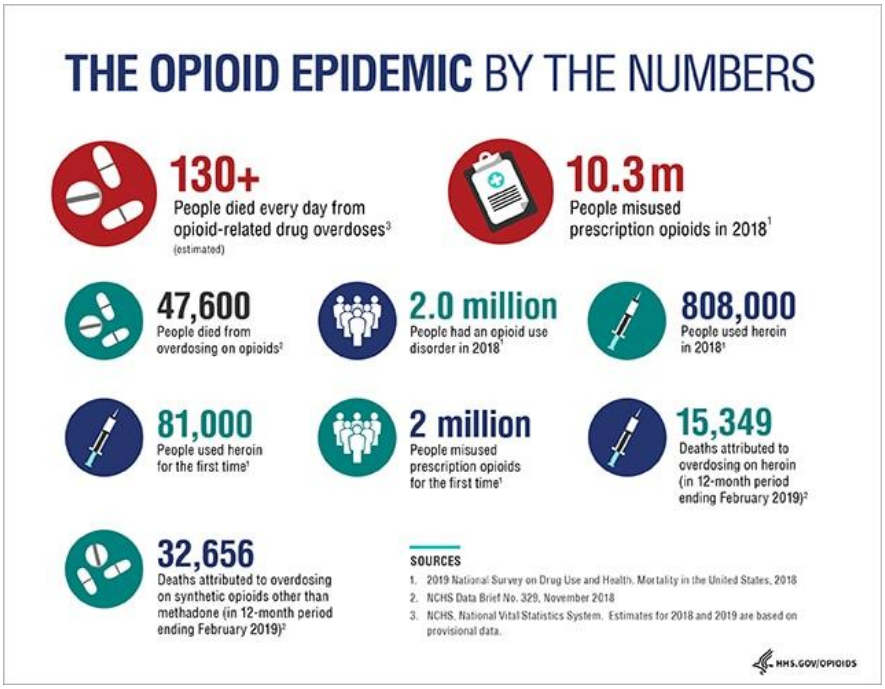
Exhibit I - ≥50% Responder Rate (Migraine Days) Premium II Trial[6]



Selection of gammaCore for NIDA-Sponsored Study in Opioid Use Disorder

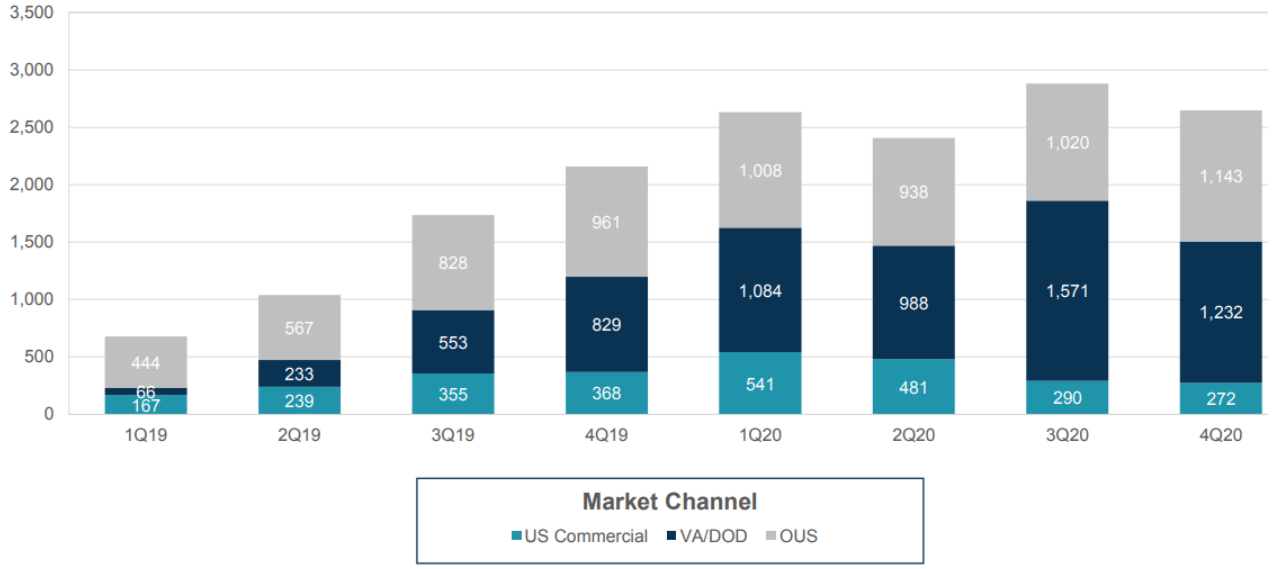
The National Institute on Drug Abuse (NIDA) selected gammaCore for evaluation in randomized controlled study (NCT04556552) for treatment of opioid use disorder in December. The study is being led by Dr. Douglas Bremner at Emory University in collaboration with Georgia Institute of Technology and City University of New York. The trial is supported by the National Institute on Drug Abuse (NIDA). The study is targeting enrollment of 40 subjects with confirmed opioid use disorder (OUD) based on DSM-5 criteria from the greater Atlanta metropolitan area. The subjects will be split into two groups. Each group will randomize subjects into nVNS treated and sham at 1:1. The objective of the study is to assess the ability and potential mechanisms of nVNS to decrease opioid cravings in subjects with history of opioid use disorder. According to the Substance Abuse and Mental Health Services Administration (SAMHSA), over 100,000 people in the Atlanta area engage in non-medical use of prescription pain relievers and half are thought to have an opioid use disorder. OUD, also called opioid abuse or dependence, is prevalent. nVNS may ameliorate the craving sensation in opioid addiction. Health and Human Services guidance suggests nVNS as an alternative to opioids in primary headache.

Exhibit II - Opioid Epidemic Statistics[7]



[6] Source: electroCore January 2021 corporate presentation.
[7] About the Epidemic | HHS.gov; accessed February 10, 2021.

Exhibit III - electroCore Paid Months of Therapy by Quarter[8]

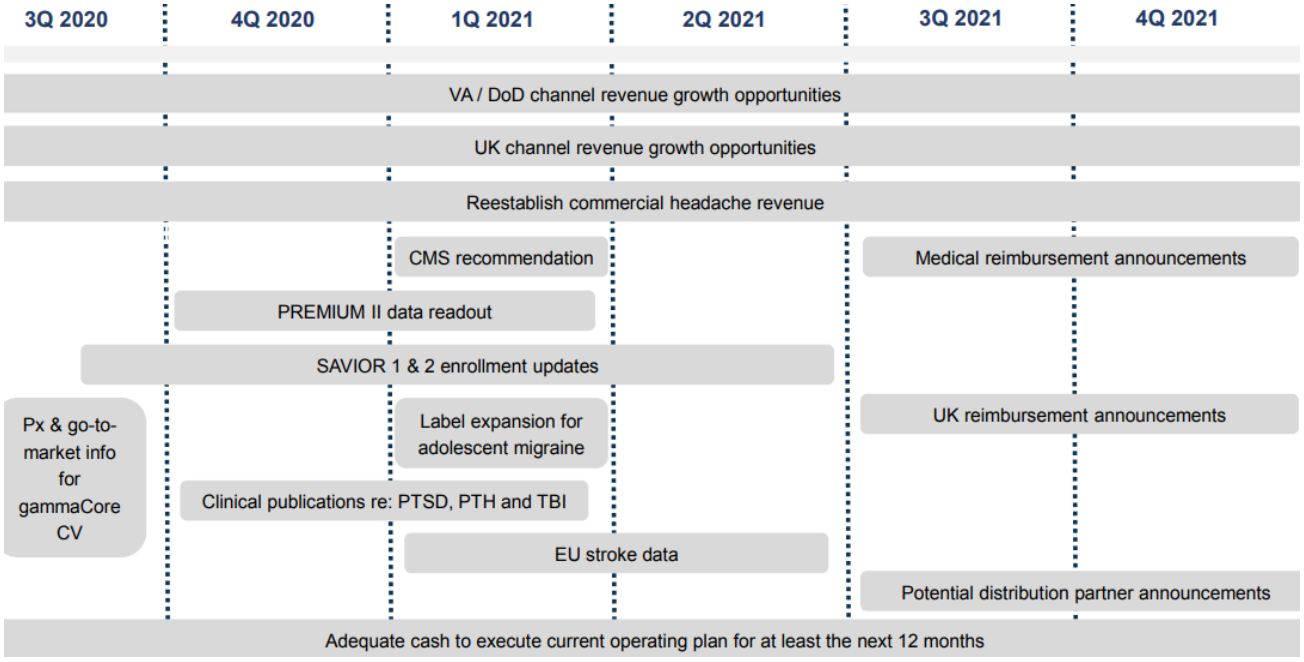


Corporate Milestones

electroCore has multiple approved indications and is currently pursuing additional ones with active studies in respiratory symptoms in COVID patients, stroke, post-traumatic conditions, traumatic brain injury and others which are at varying stages of advancement. Below we list recent milestones and anticipated future events.

- Complete enrollment for SAVIOR-1 – 1Q:21
- Clinical publications for PTSD, PTH & TBI – 4Q:20/1Q:21
- Premium II data readout – December 2020
- Grant of HCPCS code – January 2021
- EU stroke data – 1Q:21/2Q:21
- Distribution partner announcements outside US – Ongoing

Exhibit IV – Anticipated Achievements and Milestones[9]



[8] electroCore Corporate Presentation March 2021
[9] electroCore Corporate Presentation March 2021

Summary of Investment Thesis

- Effective, non-invasive, and non-pharmaceutical method to treat migraines
- Portable, simple and rapid solution for preventing and treating headaches
- Indicated for both migraines and cluster headaches
- Existing and expanding relationships with VA hospitals
- Recharge/refill business model
- Supply chain simplicity: direct to customer shipping
- gammaCore can be prescribed through telemedicine
- NHS relationship in UK may provide foundation for further global expansion
    - Continental Europe
    - Asia
- Multiple distributor agreements with additional agreements expected
    - Eastern Europe
    - Canada
    - Australia
- Opportunity for COVID-related sales following EUA award
- Extended indications
    - Stroke
    - Trauma injury related headaches
    - PTSD
    - Mild traumatic brain injury
    - Inflammation

Summary

electroCore has impressed us with its broad array of opportunities that either the company or investigator-led activity is pursuing. A study in Turkey, examining the benefit of gammaCore in stroke patients, multiple studies by the VA, two studies in the United States and Spain investigating the benefits of gammaCore in COVID patients and other studies that are reviewing efficacy of the stimulation device in opioid use disorder and to reduce ileus following colorectal surgery are all underway and funded by entities outside of electroCore. Success has also come in the British Isles with the Innovation Technology Program Award. This program is now transitioning to the more predictable MedTech Funding Mandate and a recommendation by Health Improvement Scotland for the NHS to use gammaCore for cluster headache in Scotland. Distribution is also advancing sales efforts with new arrangements signed with Pro Medical Baltic for activities in Eastern Europe, RSK Medical in Canada and Medistar in Australia.

Updated guidance calls for first quarter revenues of approximately $1 million and cash burn of $4.5 to $4.8 million. electroCore has many factors in its favor which are helping to expand its presence globally. Additional indications are also longer term opportunities such as those in respiratory distress, traumatic headache, mild traumatic brain injury, PTSD, stroke and inflammatory diseases. The incremental positives that have emerged support our recent target price increase to $4.50 per share.

PROJECTED FINANCIALS

electroCore, Inc. - Income Statement

electroCore, Inc.	2019 A	Q1 A	Q2 A	Q3 A	Q4 E	2020 E	2021 E	2022 E
Total Revenues ($US '000)	**$2,390**	**$734**	**$753**	**$1,081**	**$928**	**$3,496**	**$5,418**	**$10,078**
YOY Growth	141%	79%	21%	58%	38%	46%	55%	86%
Cost of Goods Sold	$1,157	$298	$273	$348	$819	$1,738	$2,167	$3,023
Product Gross Margin	52%	59.4%	63.7%	67.8%	12%	50%	60%	70%
Research & Development	$9,902	$1,523	$1,031	$629	$1,019	$4,201	$1,800	$1,000
Selling, General & Administrative	$35,422	$6,561	$5,273	$4,593	$5,414	$21,841	$19,000	$20,000
Restructuring & Other	$1,997	$365	$100	$0	$0	$465	$0	$0
Income from operations	($46,089)	($8,013)	($5,923)	($4,489)	($6,323)	($24,749)	($17,549)	($13,945)
Operating Margin	*-1928%*	*-1092%*	*-787%*	*-415%*	*-681%*	*-708%*	*-324%*	*-138%*
Other Expense	($958)	($54)	($11)	($2)	$1	($67)	$0	$0
Pre-Tax Income	($45,130)	($7,959)	($5,912)	($4,486)	($6,324)	($24,682)	($17,549)	($13,945)
Provision for Income Tax	$18	$0	($1,171)	$0	$0	($1,171)	$0	$0
Tax Rate	*0.0%*	*0.0%*	*-19.8%*	*0.0%*	*0.0%*	*4.7%*	*0.0%*	*0.0%*
Net Income	**($45,148)**	**($7,959)**	**($4,742)**	**($4,486)**	**($6,324)**	**($23,511)**	**($17,549)**	**($13,945)**
Net Margin	*-1889%*	*-1085%*	*-6.29722626*	*-415%*	*-681%*	*-673%*	*-324%*	*-138%*
Reported EPS	**($1.54)**	**($0.27)**	**($0.13)**	**($0.10)**	**($0.14)**	**($0.60)**	**($0.36)**	**($0.28)**
YOY Growth		*-43.5%*	*-68.6%*	*-72.0%*	*-54.0%*	*-61%*	*-40%*	*-23%*
Basic Shares Outstanding	29,380	29,774	36,659	44,031	45,398	38,999	48,468	50,000

Source: Company Filing // Zacks Investment Research, Inc. Estimates

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HISTORICAL STOCK PRICE

electroCore – Share Price Chart[10]



[10] Source: Zacks Research System

DISCLOSURES

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