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Zacks Small-Cap Research

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Steakholder Foods (STKH-NASDAQ)

STKH: The company announced a strategic business shift in May and June in which they plan to sell 3D bio-printers and bio-inks to other food manufacturers.

Utilizing a DCF valuation process containing conservative estimates combined with other valuation methodologies, we believe STKH could be worth $5.00. There is a wide range of outcomes which could materially increase or decrease our target price.

Current Price (7/19/23)	$0.77
Valuation	**$5.00**

OUTLOOK

Steakholder Foods (formerly MeaTech 3D) is a food technology company that seeks to produce food products or technologies that provides an alternative to industrialized animal farming that reduces carbon footprint, minimizes water and land usage, and prevents the slaughtering of live animals. The company hopes to develop a modular factory design which will be able to offer a sustainable solution for producing a variety of beef, chicken and pork products, both as raw materials and whole cuts. Steakholder has sufficient funding at this time for its operational plans through the middle of the 4th quarter of 2023.

SUMMARY DATA

52-Week High	**$4.38**
52-Week Low	**0.55**
One-Year Return (%)	**-77.6**
Beta	**N/A**
Average Daily Volume (sh)	**172,790**
Shares Outstanding (mil)	**211.7**
Market Capitalization ($mil)	**$16.5**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**1**
Insider Ownership (%)	**N/A**
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 2022 Estimate	**N/A**
P/E using 2023 Estimate	**N/A**

Risk Level	**Above Avg.**
Type of Stock	**Small-Growth**
Industry	**Food Technology**

ZACKS ESTIMATES

Revenues
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2021	0.00 A	0.00 A	0.00 A	0.00 A	0.00 A
2022	0.00 A	0.00 A	0.00 A	0.00 A	0.00 A
2023	0.00 E	0.30 E	0.50 E	1.00 E	1.80 E
2024					24.00 E

EPS / Loss Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2021	-0.03 A	-0.04 A	-0.04 A	-0.05 A	-0.16 A
2022	-0.04 A	-0.03 A	-0.02 A	-0.02 A	-0.11 A
2023	-0.02 E	-0.02 E	-0.02 A	-0.01 A	-0.07 E
2024					-0.01 E

Quarterly revenues may not equal annual revenues due to rounding.
Quarterly EPS may not equal annual EPS due to rounding or dilution.

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WHAT'S NEW

Strategic Business Shift

On May 25th, 2023 Steakholder Foods announced that it has refocused its business model to target B2B meat manufacturers and cultivated meat producers. The company plans to offer these food companies the technical ability to produce a cultivated meat product that aims to closely mimic the taste, texture, and appearance of traditional meat. The company intends to monetize its 3D printers and bio-inks that are needed to support printer operations by selling these products to cultivated meat producers.

The company's competitive advantage lies in its advanced expertise in 3D bio-printing technology and its ability to create highly sophisticated, structured end products that aim to closely mimic real meat.

The products it plans to offer include:

3D Bio-Printers

Steakholder Food's 3D printers utilize state-of-the-art technology designed to produce cultivated meat products that mimic the texture, taste, and appearance of conventional meat. The company is developing two types of printer platforms:

1) Ready to Cook (RTC) printer

The flagship product, the RTC printer, produces a hybrid cultivated meat product made from a mixture of cultivated and plant-based ingredients.

The company plans to offer lab-sized and industrial-scale printers using one of two versions of proprietary technology to produce different end products. The first is **DropJet** technology, based on drops of gel-based materials to create a 3D structure, which is ideal for producing fish and seafood products. The second is **Fusion** technology which extrudes paste materials through a narrow nozzle, enabling the creation of fiber texture that best simulates conventional meat fibers.

2) 3D printer for incubated products

The company's research and development team are developing a 3D printer for an incubated product, such as tissue-engineered steak, which is considered to be a major goal and accomplishment of the industry. This printer is expected to be a future value proposition for the company when economies of scale support a market for fully cultivated products. This printer is designed to produce a fully matured, cultivated, printed meat product. This will require live cells to grow, differentiate, and mature, forming complex fibrous tissue that resembles the texture and taste of conventional meat.

Bio-inks

Bio-inks are an important part of the company's 3D printing technology. Steakholder Foods' bio-inks are made of plant-based ingredients and cultivated cells. They are developed to ensure the production of tasty, safe, and consistent cultivated meat products. The company plans to offer customization options intended to allow clients to create bio-inks for any type of species they would like to produce, tailored to their specific needs and preferences. The bio-inks will be available for purchase alongside the 3D printers.

Arik Kaufman, CEO of Steakholder Foods stated, *"By offering 3D printing production methodologies to B2B clients, Steakholder Foods has the opportunity to become a backbone supplier that enables the production of products that consumers seek and expect. Our 3D bio-printing technology and customized bio-inks reflect our commitment to revolutionizing the food industry."*

Subsequent to the initial announcement, on June 9th, the company announced that it has completed the upgrade of its industrial-scale 3D bio-printer. The integration of electronic cards and printheads with a fully digital ink delivery system now enables high-throughput printing for a variety of species through hundreds of printhead nozzles, with the potential to print tons of meat per month.

High-throughput 3D printing can be used to create complex meat structures at a commercial scale. The complete upgrade includes hundreds of nozzles that work simultaneously on a carousel to allow the high-throughput volume, with a modular structure that is expected to enable the addition of printheads per specifications of Steakholder Foods' customers. The printheads are controlled and managed through a DropJet printed circuit board (PCB).

In the final part of the upgrade, printheads were connected to Steakholder Foods' proprietary, in-house software, which models and reads design files and creates the slicing that manages printing through the printheads. This software enables the printing of complex 3D structures with extreme precision. The system's adaptability is expected to allow the printing of almost any species, as the printer systems keep cells alive and undamaged throughout the printing process.

Future development is expected to include further automation capabilities, cost optimization, and validations for commercialization. Additional development may also include modification and customization for partner needs.

Itamar Atzmony, VP of Engineering at Steakholder Foods stated, *"Steakholder Foods' 3D printer cutting-edge technology is fully developed in-house. From the mechanical design to the software and electronics, this upgrade brings us one step closer to mass production, creating sophisticated meat and fish structures for the cultivated meat industry."*

The company is not abandoning its original goal of producing cultivated meat products themselves for distribution to various food related outlets. However, this is not the primary business focus at this time.



Source: Steakholderfoods.com/

Valuation and Estimates

The company is changing its financial reporting to six month periods and will report financial results for the six month period June 30th, 2023 in July or August of 2023.

We are maintaining our current EPS estimates and our price target of **$5.00** per share at this time. We will re-evaluate our price target and earnings estimates after the release of the six-month financial results as well as further clarification of the company's new manufacturing business model.

We believe the company is funded to execute on its operational plans until the middle of the 4th quarter of 2023.

Recent News

Peace of Meat Restructuring and Closure

On March 7, 2023, the company announced a restructuring plan for Peace of Meat aimed at supporting the submission of a cultivated avian food product for regulatory approval in Singapore which is the first country that has completed the approvals process for the consumption of cultivated meat. The company had planned to implement a series of changes designed to streamline its operations and position it for success.

However, on April 4, 2023, the company announced the closure of Peace of Meat (PoM) as a means to optimize its funds and overall investment strategy. As part of the original acquisition, PoM management was granted full autonomy of its operations for 2021 and 2022. Following this period, Steakholder Foods further evaluated the expected return on its investment and decided not to further fund PoM in order to focus its efforts on the advancement of its core technology 3D printing of cultured products. As a result, PoM has ceased operations and is expected to be liquidated. As part of this process, Steakholder Foods expects PoM's assets to be realized, following which the company shall consider how and when to continue development of cultivated avian products. The closure of PoM is expected to reduce total company expenses by about $4.5 million annually compared to 2022.

Business Updates

Steakholder Foods® to Participate in Danone-Led Strategic Investment Round in Cultured Milk Company Wilk Technologies

On April 3, 2023, the company announced its participation in a strategic investment round in Wilk Technologies Ltd. (TASE: WILK), alongside leading players in the food industry, such as Danone and the Central Bottling Co. Ltd. (owner of Tara, Coca Cola Israel and more).

As part of the investment, Steakholder Foods will purchase ordinary shares of Wilk in the amount of $450,000 at a 15% discount below their 45-day average closing price which would give the company a 2.5% stake in Wilk. In addition, Steakholder Foods aims to identify synergies with Wilk, including various types of strategic cooperation with the company involving Steakholder Foods' proprietary biology and printing technologies.

Steakholder Foods® Demonstrates the Same Nutritional Value as Beef in its Cultivated Meat

On February 8th, 2023, the company announced that it has analyzed its muscle cells and found that they offer the same amino acid profile as that of the native tissue. The amino acid profile has two important roles in Steakholder Foods cultivated beef products – taste and nutritional value.

The biology team at Steakholder Foods analyzed its cultivated muscle, testing 17 amino acids and comparing them to native tissue. The results showed that the team was able to create the same amino acid profile in the lab as in animals, which proves that cultivated meat has the same biochemical composition as conventional meat.

Steakholder Foods® Achieves 50X Yield in Cell Production Using a Filtration System

On January 25th, 2023, the company announced that it has developed a process that has achieved 50 times more growth in cell production yield than previously. This breakthrough process uses a filtering system integrated with the company's growth method and is expected to result in greater outputs.

Steakholder Foods Ltd. Announces Closing of $6.5 Million Public Offering

On January 10th, 2023, the company announced the closing of its previously announced underwritten public offering of 6,500,000 American Depositary Shares ("ADSs") and warrants to purchase up to 6,500,000 ADSs at a public offering price of $1.00 per ADS for total gross proceeds of $6.5 million. The warrants issued have a five-year term, are exercisable immediately and have an exercise price of $1.00 per ADS.

Collaborations

In July 2022, Steakholder Foods signed a memorandum of understanding with Umami Meats, a Singaporean cultured seafood company. This collaboration opens a door for both companies into the Asian market, particularly in Singapore, which is currently the only country that has authorized the production and distribution of cultivated meat. Steakholder Foods also sees this collaboration as an opportunity to make a valuable contribution to the preservation of marine ecosystems and wildlife.

Patents

In February 2023, the company announced that it has received approval for its patent on Physical Manipulation of Cultured Muscle Tissue in Canada. This patent, which has already been granted in the US, Australia, and New Zealand, covers systems and methods for applying external forces to muscle tissue, resulting in the development of high-quality complex structured meat.

In October 2022, the company filed a provisional patent application with the U.S. Patent and Trademark Office (USPTO) regarding methods and systems for adipocytes differentiation. The patent application details a new and improved process for differentiating stem cells into fat and is more easily reproducible and cost-effective than current methods.

In October 2022, the company was granted a patent by the USPTO for systems and methods to apply external forces to muscle tissue that result in the development of high-quality complex structured meat. In November 2022, the company was granted the equivalent patent in Canada. This patent is another boost to the company's growing global patent portfolio. The process behind the patent represents a breakthrough in the methodology and technology used to "exercise" muscle tissue to achieve a desired texture. It is a mimicking of natural muscle development that occurs when animals roam or graze.

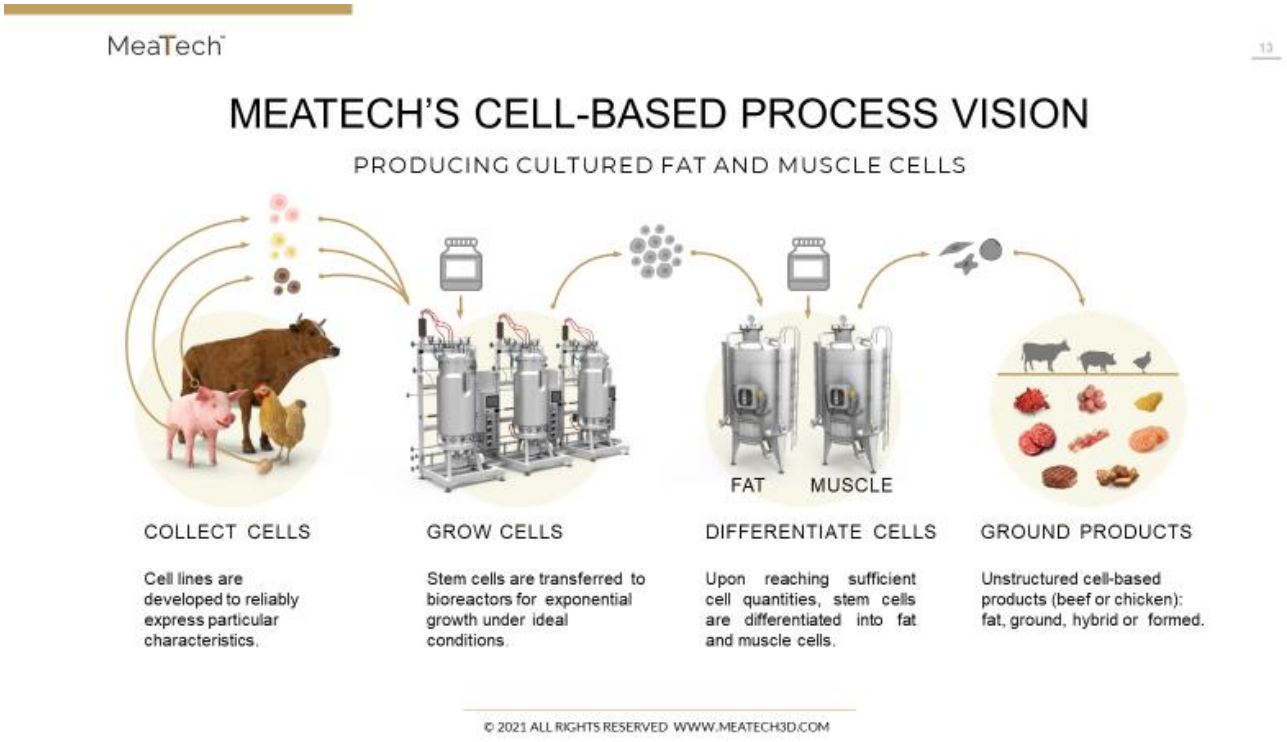
In November 2022, the company filed a provisional patent application for the mimicking of the texture of cooked fish. The company achieved the unique flaky texture of fish using its new approach along with its proprietary 3D printing technology and custom-made bio-inks. The new methodology is expected to enable the production of a wide variety of fish, seafood and related cuts. The provisional patent application puts the company on a path toward global leadership in the field of structured cultivated fish production.

Marketing and Branding

In August 2022, the company rebranded itself as Steakholder Foods Ltd. and changed its ticker on the Nasdaq stock market to STKH. The new name and brand reflect the company's commitment to cultivating a new community of meat lovers who wish to support and participate in the company's mission to make high-quality real meat sustainably. Steakholder Foods has recently received a registered trademark in Japan, reflecting plans to penetrate the Japanese market and other markets in the Asian region.

In September and October 2022, the company participated at the Future Food-Tech Summit in London and the World Congress of Food Science & Technology in Singapore. The company showcased its 3D bioprinting capabilities, allowing visitors to 3D print their own personalized steaks. This helped generate a significant amount of general interest, traction and leads.

In November 2022, the company hosted its first US tasting event. Guests were treated to a variety of hybrid canapes with cultivated meat that was grown from cells sourced from Texas cattle. The event also included a live 3D printing demonstration with attendees given the opportunity to print personalized steaks. The event brought together top leaders from the industry and included a panel discussion entitled, "The Future of Food and Our Planet." The event was covered by major media outlets.



Source: Steakholderfoods.com/

KEY INVESTMENT POINTS

- Launched in 2019, Steakholder (NASDAQ:STKH) is a pre-revenue food technology company based in Israel with over 80 employees at this time.

- The company believes that cultivated meat technologies hold significant potential to improve food security and meat production, simplify the meat supply chain, and offer consumers a tasty range of new food product offerings. The company aims to provide an alternative to industrialized animal farming that reduces carbon footprint, minimizes water and land usage, and does not require animal slaughter.

- Steakholder's core processes involve collecting animal cells, growing cell cultures, differentiating them into fat and muscles cells, and then creating unstructured cell-based meat products. Eventually, the company plans to scale a 3D bio-printing technology to create structured meat products such as steak.

- In December 2021, the company successfully printed a 3.67oz (100 gram) cultivated steak comprised of real, living muscle and fat tissues, without using any soy or pea protein. This was the largest living tissue 3D printed ever, to the best of the company's knowledge.

- The company plans a go-to-market strategy that encompasses both a B2B and B2C approach. The company may work with established food product companies as well as alternative plant-based companies by providing cultured fat or muscle products or hybrid products.

- Conventionally farmed beef products can be environmentally unfriendly as it requires substantial amounts of land, feed, water and also contributes significantly to greenhouse gas emissions.

- The addressable market of meat, meat substitutes, and cultured meat is expected to reach $1.0 trillion by 2025. In the subsequent 15-year time frame, cultured meat is expected to have the highest growth rate followed by plant-based meat alternative with conventional meat products showing a decline.

- The company went public in January 2020 on the Tel Aviv Stock Exchange and became listed on the NASDAQ in March 2021.

- Steakholder currently has $6.3 million of available cash at the end of 2022. Subsequent to year end, the company raised an additional $6.5 million in equity capital.

- The company is likely funded to support its operations through the middle of the 4th quarter of 2023.



Source: Steakholderfoods.com/

OVERVIEW

Steakholder Foods is a pre-revenue, developmental stage food tech company that aims to revolutionize the meat product industry by providing a cell-based alternative to industrialized animal farming that reduces carbon footprint, minimizes water and land usage, and prevents the slaughter of animals.

The company is developing cultivated meat technologies which include cultured growth of cells to produce biomass and differentiated fat and muscle cells for various food applications. For example, these cells could be added to existing plant-based alternative protein products as well as forming the basis of unstructured meat products, such as ground beef and or chicken nugget-style poultry products in order to improve taste and texture relative to current plant-based alternatives.

Further development efforts include the creation of structured products (such as steak) by utilizing a novel, proprietary three-dimensional bioprinter to deposit layers of differentiated cells, scaffolding, and cell nutrients in a three-dimensional form of structured cultured meat.

The cultured meat production processes that are being developed are intended to offer customers an alternative to industrial slaughter, have the potential to improve the quality of the environment, shorten global food supply chains, and reduce the likelihood of health hazards such as zoonotic diseases transferred from animals to humans (including viruses, such as virulent avian influenza and COVID-19, and drug-resistant bacterial pathogens, such as some strains of salmonella).

In December 2021, the company announced that they had successfully three-dimensionally printed a 3.67 oz cultivated steak, primarily composed of cultivated fat and muscle tissues. Currently, some cultivated meat companies have made some progress developing unstructured alternative meat products such as minced meat or sausage. However, the industry has been largely unsuccessful at producing a high quality, high-value structured cultured meat products such as a steak.

In February 2021, Steakholder announced had completed the acquisition of Peace of Meat, a Belgian company that has made advancements in developing cultured avian meat directly from using cells extracted from eggs. This acquisition provided the company with another important avenue of cultured meat development in the form of avian cultured cell products, in addition to their core beef-related research and development. This subsidiary was closed down in April 2023.

The Company has begun planning the establishment of its pilot plant to develop cultured meat products which it hopes to complete by the middle of 2023. Commercial revenues from cultured meat products such as cells or cultured fat or muscle could occur in that year and be material in 2024. The structured meat products from 3D bio-printing technologies could be ready as soon as 2025.



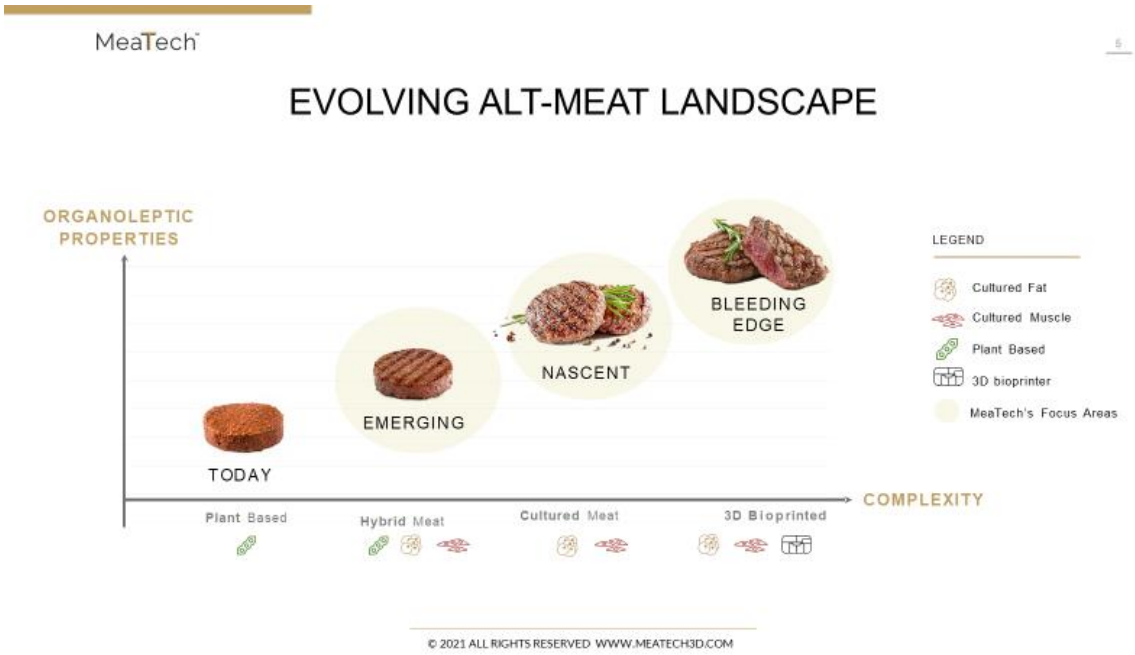
Source: Steakholder3d.com/

Steakholder has a unique and perhaps unprecedented opportunity to attract and perhaps bring together communities that may be in opposition or conflict on the surface. The company's vision to bring together a meat-loving culture with an environmentally friendly community may be unparalleled in todays society and has the potential to create substantial shareholder value going forward.

In October 2021, the BlueSoundWaves collective (now called Sound Ventures), led by actor Ashton Kutcher, Guy Oseary and Effie Epstein, partnered with the company with the goal of accelerating growth and development toward commercializing proprietary cultured meat production technologies. The organization works closely with Steakholder management to advance their strategy, go-to-market activities and brand by leveraging the collective's marketing and strategic expertise and network.

Cash balances as of 12/31/22 stood at $6.3 million and the company has no material long-term debt. Subsequent to year end, the company raised an additional $6.5 million in capital through a new equity offering.

ALTERNATIVE MEAT LANDSCAPE



Source: Steakholderfoods.com/

There are expected to be roughly four stages of progression in the alternative meat industry. Currently the landscape is primarily comprised of Plant-Based meat substitutes produced by leading industry players such Beyond Meat (BYND), Impossible Foods (Private), and MorningStar Farms, owned by the Kellogg Company (K).

The second stage, and likely the first area of commercial revenues for Steakholder, is the Hybrid Meat segment. This entails taking existing plant-based meat offerings from other companies and combining them with Steakholder's cultured fat or cultured muscle cells. This combined product should greatly enhance the organoleptic properties of these products, namely aroma, texture and color.

The third stage involves pure cultivated meat in an unstructured format derived solely from cultured cells. This would produce products such as ground beef or minced meat. The cell technology the company is developing to create these products is explained below.

The fourth evolution of cultured meat products and somewhat the holy grail, is a fully structured meat product such as steak. This technology builds on previous processes developed by the company and includes bio-inks, which are biological materials used for 3D bio-printing to create specific structures such as formed steaks. The last part of the process involves an incubation period. The successful completion and viability of this technology is not expected until 2025.

The industry still faces many challenges, yet surveys are consistently showing consumer openness toward cultivated meat. According to the Consumer Acceptance of Cultured Meat: An Updated Review (2018–2020) published by researchers at the University of Bath:

"…the evidence suggests that, while most people see more societal benefits than personal benefits of eating cultured meat, there is a large potential market for cultured meat products in many countries around the world. Cultured meat is generally seen as more acceptable than other food technologies like GMOs, and more appealing than other alternative proteins like insects. Although it is not as broadly appealing as plant-based proteins, evidence suggests it may be more uniquely positioned to appeal to meat-lovers who are resistant to other alternative proteins, and it is more appealing to certain demographic groups".

RISKS

- Steakholder is a development stage company that generates no revenues and is not currently marketing products or services. It has generated significant losses since inception that will continue for the foreseeable future.

- The company will require additional capital to complete its vision of manufacturing and marketing hybrid meat products, cultured meat products, and structured meat products. The company's annual operating expenses including research & development are expected to be approximately $20 million in 2022. The capital markets, which includes both equity and debt sources, may not always be available during times of economic distress.

- Although the company plans on pursuing multiple avenues of marketing its products including both Business-to-Business and Business-to-Consumer applications, the company's success at this time is solely reliant on hybrid meat, cultured meat, structured meat, and related products. The company has not indicated other sources of revenues besides this particular industry.

- If the business is successful, the company will have to manage addition design projects, materials procurement processes, develop comprehensive marketing plans and significantly expand relationships with suppliers, distributors and end customers. These additional responsibilities will incur additional costs and consume further management resources.

- The manufacture and marketing of food products is highly regulated. Cultured or structured meat is currently not available to be marketed in the United States and must be approved by the United States Department of Agriculture (USDA) and the U.S. Food and Drug Administration (FDA). There is no clear regulatory framework or timeline for these approvals, however the company expects these authorizations to occur in 1-2 years.

VALUATION

According to an A.T. Kearney study, the global meat market is expected to reach $1.4 trillion in sales by 2030. The study estimates cultured meat will comprise 10% of that addressable market, or $140 billion. Another study by McKinsey & Company estimates the global addressable market could reach $25 billion by 2030 (*Cultivated Meat: Out of the lab, into the frying pan, June 2021*). Using the more conservative estimates from McKinsey, if Steakholder was to obtain a 2.0% market share of the cultured meat industry, revenues in 2030 could exceed $500 million.

Our primary valuation tool utilizes a Discounted Cash Flow process.

Base Case – The company achieves success in selling its 3D bio-printers and bio-inks as well as success in selected developmental programs, primarily hybrid meat applications and unstructured meat products. Under this scenario, revenues in 2030 could be approximately $300 million. This would create a value of **$5.00**. The discount rate was raised to 15.0% to account for today's higher interest rate environment.

SUMMARY

2022 was a transformative year Steakholder Foods, during which the company were able to make substantial progress in terms of core biology and printing capabilities as well as commercially in terms of its go-to-market strategy and industry collaborations and funding. The business pivot shift in 2023 where the company plans to sell bio-printers and bio-inks to other food manufacturers should produce revenues sooner than expected.

After full commercialization of its products comes to fruition, the company is capable of generating substantial levels of revenue and profits. The addressable market for cultivated meat is expected to be very large and capable of experiencing strong double digit growth rates in the future.

Currently, investor sentiment remains very low on Steakholder Foods which creates an opportunity for investors as the long-term value of the company is substantially higher than today's share price.

PROJECTED FINANCIAL STATEMENTS

Income Statement		Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Net Sales		**0**	**0**	**1,800,000**	**24,000,000**	**54,500,000**
Growth		*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*1233.3%*	*127.1%*
Cost of Goods Sold		**0**	**0**	**1,800,000**	**13,350,000**	**31,550,000**
%		*N/A*	*N/A*	*100.0%*	*55.6%*	*57.9%*
Depreciation & Amort		**0**	**0**	**0**	**0**	**0**
Gross Profit		**0**	**0**	**0**	**10,650,000**	**22,950,000**
Margin		*N/A*	*N/A*	*0.0%*	*44.4%*	*42.1%*
Sales & Marketing Expenses		**1,628,000**	**3,044,000**	**2,244,000**	**2,580,600**	**3,225,750**
% of sales		*N/A*	*N/A*	*124.7%*	*10.8%*	*5.9%*
General & Administrative Expenses		**8,010,000**	**6,937,000**	**3,043,300**	**3,347,630**	**2,678,104**
% of sales		*#DIV/0!*	*#DIV/0!*	*169.1%*	*13.9%*	*4.9%*
Research & Development		**7,594,000**	**9,801,000**	**6,401,000**	**6,721,050**	**6,048,945**
% of sales		*#DIV/0!*	*#DIV/0!*	*355.6%*	*28.0%*	*11.1%*
Amortization		**0**	**0**	**0**	**0**	**0**
% of sales		*N/A*	*N/A*	*0.0%*	*0.0%*	*0.0%*
Operating Income		**(17,232,000)**	**(19,782,000)**	**(11,688,300)**	**(1,999,280)**	**10,997,201**
Margin		*#DIV/0!*	*#DIV/0!*	*-649.4%*	*-8.3%*	*20.2%*
EBITDA		**(17,232,000)**	**(19,782,000)**	**(11,688,300)**	**(1,999,280)**	**10,997,201**
Margin		*N/A*	*N/A*	*-649.4%*	*-8.3%*	*20.2%*
Other Expenses/(Income)		**(509,000)**	**(4,878,000)**	**4,409**	**56,749**	**60,373**
%		*N/A*	*N/A*	*0.2%*	*0.2%*	*0.1%*
EBIT		**(16,723,000)**	**(14,904,000)**	**(11,692,709)**	**(2,056,029)**	**10,936,828**
%		*N/A*	*N/A*	*-649.6%*	*-8.6%*	*20.1%*
Total Interest Exp (net)		**1,299,000**	**286,000**	**286,000**	**286,000**	**0**
%		*N/A*	*N/A*	*15.9%*	*1.2%*	*0.0%*
Net Profit Before Tax		**(18,022,000)**	**(15,190,000)**	**(11,978,709)**	**(2,342,029)**	**10,936,828**
%		*N/A*	*N/A*	*-665.5%*	*-9.8%*	*20.1%*
Income Tax		**0**	**0**	**0**	**0**	**1,093,683**
% Effective Rate		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*10.0%*
% Cash Tax Rate		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*10.0%*
Minority Interests		**0**	**0**	**0**	**0**	**0**
Net Profit		**(18,022,000)**	**(15,190,000)**	**(11,978,709)**	**(2,342,029)**	**9,843,145**
%		*N/A*	*N/A*	*-665.5%*	*-9.8%*	*18.1%*
Non-recurring income (expense)			**(15,577,000)**			
Average Diluted Shares Outstanding		115,954,501	135,900,869	161,971,677	162,046,304	162,120,931
Reported FD EPS			(0.23)			
Zacks Cash EPS		**(0.16)**	**(0.11)**	**(0.07)**	**(0.01)**	**0.06**
Zacks EPS		**(0.16)**	**(0.11)**	**(0.07)**	**(0.01)**	**0.06**

HISTORICAL STOCK PRICE



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