

TetraLogic Pharmaceuticals (TLOG : US\$4.50)

TetraLogic Pharmaceuticals plummets 57% in 2014, in bottom 8% of the market

TetraLogic Pharmaceuticals Corporation, NASDAQ's 18th largest biotechnology company by market cap, has now plummeted US\$6.05 (or 57.3%) year to date in 2014 to close at US\$4.50. This loss means the stock has underperformed 93% of NASDAQ-listed stocks in 2014. The volume YTD has been 0.9 times average trading of 93,229 shares. Compared with the NASDAQ-100 Index which has risen 20.2% YTD, this represents a relative price change of -77.5%. In 2014 the market cap has declined US\$131.3 million.

Introduction

We are currently bearish on this stock, both in the short-term based on technical indicators, as well as in the long-term based on fundamental metrics

What makes us most bearish on the stock is the following:

- Its Moving Average Convergence Divergence indicators are falling, with its 12-day EMA lower than its 26-day EMA.
- The price to 200-day MAP ratio is 0.7, a bearish indicator.
- It is trailing 79.33% of the market the past 6 months.

However, there are some reasons why some in the market are more bullish on the stock:

- The stock is oversold according to the Williams % R indicator of -85.4.
- The Price to Book of 2 lower than average of 9.6 for the Biotechnology sector and 7.0 for the Total NASDAQ Market.

Stock Summary

52-Week Range	US\$3.51-US\$14.75
Sector	Biotechnology
Market Cap	US\$100.4 million
Shares Outstanding	22,316,460
ISIN	US88165U1097
Relative Strength (3 mo)	60

Financial Summary

Year ended	Dec 2013	Dec 2012	Dec 2011
Pretax (USD)	-	-	(18.92M)
Net (USD)	(23.2003M)	(19.6529M)	(22.19M)
EPS (USD)	(10.11)	(20.26)	(1.15)

MCap: A Historical Perspective

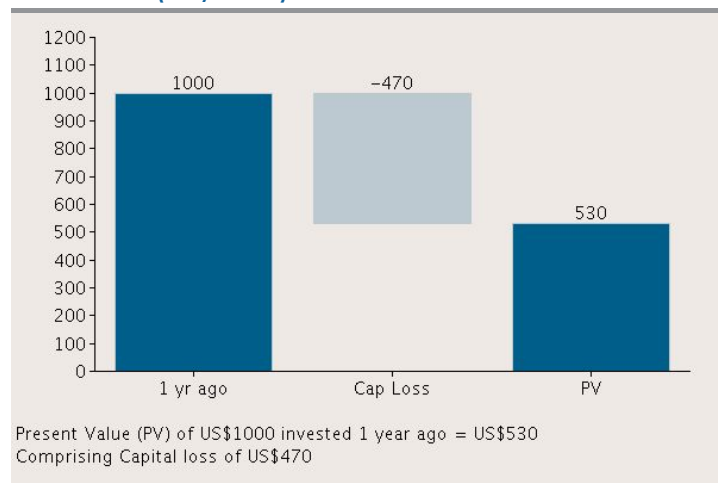
	Share Price (USD)	Market Cap (US\$)
Last	4.5	100.4 million
1 Year ago	8.5	186.5 million

Analysis

Bearish Signals

- In the last 10 trading sessions there has been a net decline of 7.6%; the stock has retreated eight times and the biggest one day decline was 25.6% on Dec 16.
- In the NASDAQ market of 2,417 stocks traded today, the stock has a 6-month relative strength of 21 indicating it is trailing 79.0% of the market.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 4.77 minus the 26-day EMA of 4.86 is negative suggesting a bearish signal. Both the 12-day EMA as well as the 26-day EMA are falling, another bearish signal.
- The Price/MAP of 0.7 for TLOG is lower than the Price/MAP for the NASDAQ-100 Index of 1.1.
- The price to 200-day MAP ratio is 0.7, a bearish indicator. In the past 200 days this ratio has been under 0.7 67 times suggesting further downside.
- The present value of US\$1,000 (PV1000) invested one year ago in TetraLogic Pharmaceuticals is US\$530, for a capital loss of US\$470.

PV1000 (1 year)



- The current short volume is 2.9 times its own historical average of 0.1%. It soared 32.6% from the previous day, soared 24.8% from a week ago and soared 163.2% from a month ago, a significant bearish indicator.

Other Bearish Signals:

The stock has a score of merely 1 out of 9 set by Joseph Piotroski [pass mark >=5]:

Improvement in current ratio from 1.5 to 11.2.

Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Relative Strength (6M)	21	In Bottom Quartile
Price/MAP200	0.7	In Bottom Quartile
Volatility %	7.4	In Bottom Quartile
Price/MAP50	0.38	In Bottom 2%

Note

- It is at a discount of 69.5% to the 12-month high of US\$14.75 on 15 Jan, 2014. It is also at a premium of 28.2% to the 12-month low of US\$3.51 on 13 Oct, 2014.

Beta & Standard Deviation (SD)

The Beta of this stock is 0.05. A Beta lower than 1 suggests this is a low risk, low return stock with volatility less than that of the market.

SD is a statistical measure of deviation from the mean. The SD of 5.4% gives it a percentile rank of 93 meaning that 93% of stocks in the NASDAQ market are less volatile than this stock.

Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
Turnover in Quarter	US\$26.1 million	In 3rd Quartile
MCap	US\$100.4 million	In 3rd Quartile

Bullish Signals:

- The price is at a discount of 13.2% to the 1-month volume weighted average price of US\$5.19, which may appeal as a value proposition.
- The Stochastic indicator of 12.3 has broken through the oversold line of 20; the stock is also oversold according to the Williams % R indicator of -85.4.

Undervaluation:

- The Price to Book of 2 lower than average of 9.6 for the Biotechnology sector and 7.0 for the Total NASDAQ Market.
- The company is cash rich with Cash to Market Capitalisation at 54.9%.
- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 1.8. Compared with the rest of the market the stock is undervalued.

Analysis (continued)

Other Bullish Signals:

- Return on Assets is negative but improving in recent years.

Annual Trend:

[Year ended, all figures in %]:

Year	ROE	ROA
Dec 13	-45.9	-41.8
Dec 12	-	-402.2

Also, the following criteria set by Benjamin Graham:

- "A stock price down to at least two-thirds of tangible book value per share"; the price is 0.2 times tangible book value per share of \$US22.02.
- "Current ratio of two or more"; current assets are 11.2 times current liabilities.

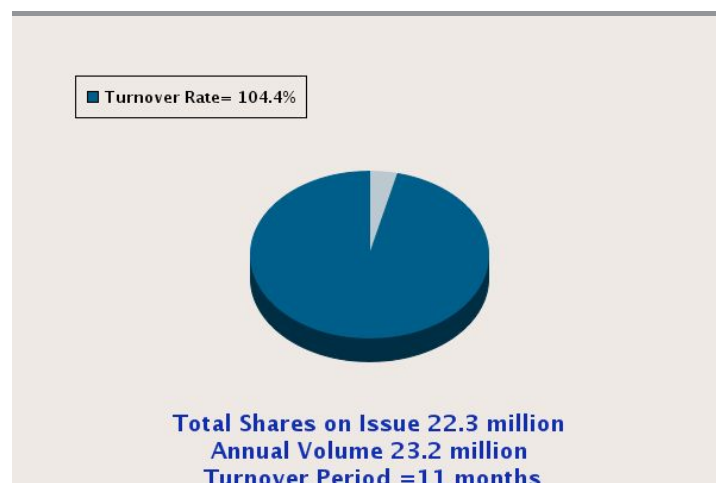
Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
Price Change %	0.9	In Top Quartile

Insider Trades



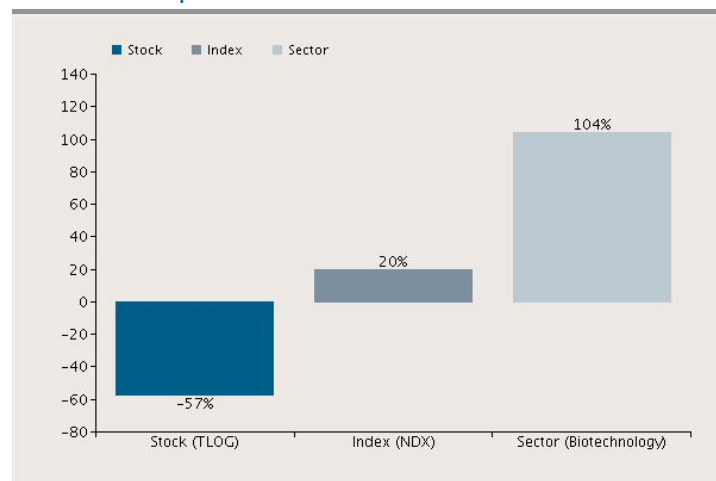
Turnover Rate & Turnover Period



Trailing 3 months

Turnover	US\$26.1 million
Volume	5,307,858
Volume Index (1 is avg)	0.9

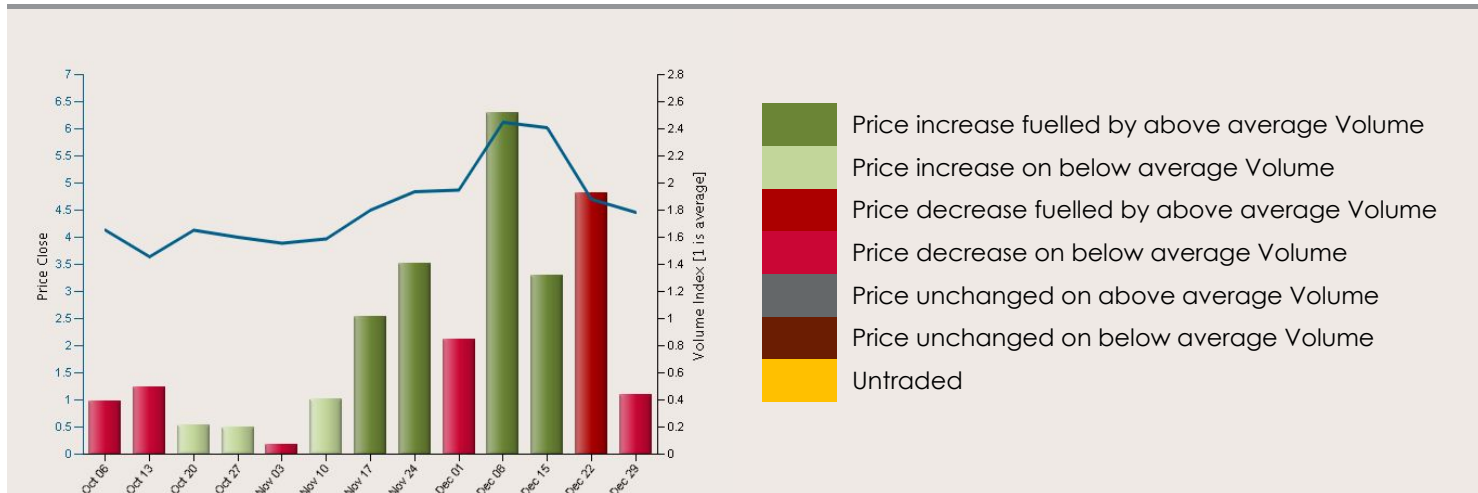
YTD Comparison Stock Sector Index



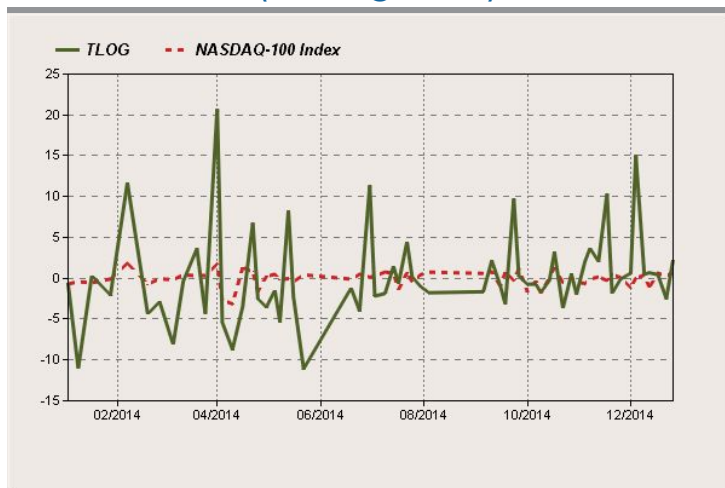
Price Volume Trend: Trailing Quarter



Weekly Price Volume Dynamics (Last 12 Weeks)



Stock v Index (Trailing Year)



Price/Moving Average Price [P/MAP]



Reported Buying by Insiders

Insider	Date	Transaction Type	No. of Shares	Price, US\$	Value, US\$
Begley Colin Glenn	Dec 10, 2014	Bought	5,900	6.16	36,344
Buchi J Kevin	Dec 09, 2014	Bought	5,000	6.01	30,050
Meyers Pete A.	Dec 04, 2014	Bought	1,034	4.94	5,108
Buchi J Kevin	Dec 02, 2014	Bought	10,000	4.99	49,900
Begley Colin Glenn	Nov 26, 2014	Bought	3,100	4.86	15,066
Russell Lesley	Nov 26, 2014	Bought	20,000	4.9	98,000
Begley Colin Glenn	Nov 25, 2014	Bought	2,000	4.85	9,700
Buchi J Kevin	Nov 18, 2014	Bought	10,000	4.82	48,200
Pecora Andrew L	Nov 17, 2014	Bought	20,000	4.53	90,600
Buchi J Kevin	Nov 11, 2014	Bought	10,000	3.93	39,300

Company Overview

Activities

TetraLogic Pharmaceuticals Corp operates as a biopharmaceutical company. The Company discovers and develops small molecule peptide-mimetic drugs for the treatment of cancers. TetraLogic offers its products throughout the United States.

Further details can be found at www.tetralogicpharma.com.

Economic Sector	Healthcare
Business Sector	Pharmaceuticals & Medical Research
Industry Group	Biotechnology & Medical Research
Industry	Biotechnology & Medical Research

Regulatory Announcements

December 18 2014: TetraLogic Announces Initiation of a Randomized Phase 2 Clinical Trial of SHAPE in Subjects With Cutaneous T-Cell Lymphoma

[News Story] MALVERN, Pa., Dec. 18, 2014 TetraLogic Pharmaceuticals Corporation (Nasdaq:TLOG) today announced the initiation of a randomized Phase 2 clinical trial of SHAPE in subjects with early stage cutaneous T‑cell lymphoma ("CTCL").

SHAPE has been evaluated in a randomized, dose escalation, placebo-controlled Phase 1 clinical trial in early-stage CTCL subjects that met safety endpoints and demonstrated clinical activity.

[For more details click here.](#)

December 16 2014: TetraLogic Provides Update on Ovarian Cancer Study

[News Story]

MALVERN, Pa., Dec. 16, 2014-- TetraLogic Pharmaceuticals Corporation (Nasdaq:TLOG) today announced that it intends to proceed with the expansion phase of its study in patients with ovarian cancer. The study is being conducted in patients who have failed up to three rounds of prior chemotherapy.

[For more details click here.](#)

December 04 2014: TetraLogic Pharmaceuticals Announces Clinical Data on Birinapant to be Presented at the 56th Annual American Society of Hematology Annual Meeting

[News Story] MALVERN, Pa., Dec. 4, 2014 TetraLogic Pharmaceuticals Corporation (Nasdaq:TLOG) today announced that two abstracts related to clinical data on birinapant will be presented at the 56th Annual American Society of Hematology meeting to be held in San Francisco from December 6-9, 2014.

The date and time of the poster presentations are as follows: Date & Time: Sunday, December 7, 2014; 6:00p.m.-8:00p.m. [For more details click here.](#)

Conferences/Exhibitions

December 02 2014: TetraLogic to Participate in Two Conferences in December

[News Story] MALVERN, Pa., Dec. 2, 2014 TetraLogic Pharmaceuticals Corporation (Nasdaq:TLOG) today announced that company management will participate in the following conferences in New York this month:

Piper Jaffray 26th Annual Healthcare Conference Hepatitis B Virus Panel C. Glenn Begley, MBBS, PhD, FRACP, Senior Vice President, Research & Development, Chief Scientific Officer Date: Wednesday, December 3rd Time: 10:00 a.m.

[For more details click here.](#)

November 11 2014: TetraLogic Pharmaceuticals Announces Results of Preclinical Studies in Hepatitis B

[News Story] MALVERN, Pa., Nov. 10, 2014 -- TetraLogic Pharmaceuticals Corporation (Nasdaq:TLOG) today announced additional results from preclinical studies that demonstrated the ability of the SMAC-mimetic, birinapant, to clear Hepatitis B Virus (HBV) in mouse models.

In studies performed by Dr. Marc Pellegrini and his colleagues at the Walter and Eliza Hall Institute of Medical Research, Melbourne, Australia, administration of birinapant to C57BL/6 mice hastened the clearance of HBV-DNA from blood and liver, and was associated with loss of HBV-surface antigen (HBsAg).

[For more details click here.](#)

Board and Management

November 10 2014: TetraLogic Pharmaceuticals appoints Director

TetraLogic Pharmaceuticals has appointed Mary Ann Gray as a Director. The effective date is November 07, 2014.

Board and Management

November 10 2014: TetraLogic Pharmaceuticals appoints Director

TetraLogic Pharmaceuticals has appointed Michael D. Kishbauch as a Director. The effective date is November 07, 2014.

Company Overview (continued)

8-K people news

January 29: John M. Gill - TetraLogic Pharmaceuticals director resigns

John M. Gill has resigned from TetraLogic Pharmaceuticals as Director. The resignation takes effect from Jan 29, 2014.

January 29: Brenda Gavin - TetraLogic Pharmaceuticals director resigns

Brenda Gavin has resigned from TetraLogic Pharmaceuticals as Director. The resignation takes effect from Jan 29, 2014.

8-K other news

November 05: TetraLogic Pharmaceuticals: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914077094_0001104659-14-077094.txt

Source: 8-K United States Securities and Exchange Commission

June 23: TetraLogic Pharmaceuticals: Entry into a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914047795_0001104659-14-047795.txt

Source: 8-K United States Securities and Exchange Commission

June 18: TetraLogic Pharmaceuticals: Regulation FD Disclosure

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914046671_0001104659-14-046671.txt

Source: 8-K United States Securities and Exchange Commission

June 18: TetraLogic Pharmaceuticals: Other Events

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914046620_0001104659-14-046620.txt

Source: 8-K United States Securities and Exchange Commission

April 14: TetraLogic Pharmaceuticals: Completion of Acquisition or Disposition of Assets

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914027609_0001104659-14-027609.txt

Source: 8-K United States Securities and Exchange Commission

April 11: TetraLogic Pharmaceuticals: Entry into a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914027326_0001104659-14-027326.txt

Source: 8-K United States Securities and Exchange Commission

April 08: TetraLogic Pharmaceuticals: Regulation FD Disclosure

[News Story]

On April 7, 2014, TetraLogic Pharmaceuticals Corporation (the "Company") issued press release relating to the entry into a definitive agreement to acquire Shape Pharmaceuticals, Inc. A copy of the press release is attached hereto and furnished herewith as Exhibit 99.1. The Company is also furnishing a Corporate Presentation dated April 2014 (the "Corporate Presentation"), attached as Exhibit 99.2 hereto, which the Company may use from time to time beginning on April 8, 2014 in presentations to investors and other stakeholders. The Corporate Presentation will also be available on the Company's website at <http://ir.tetralogicpharma.com>.

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1361248_000110465914026238_0001104659-14-026238.txt

Source: 8-K United States Securities and Exchange Commission

Issued Capital

Based on 22,316,460 issued equity shares the market capitalisation is US\$100.4 million.

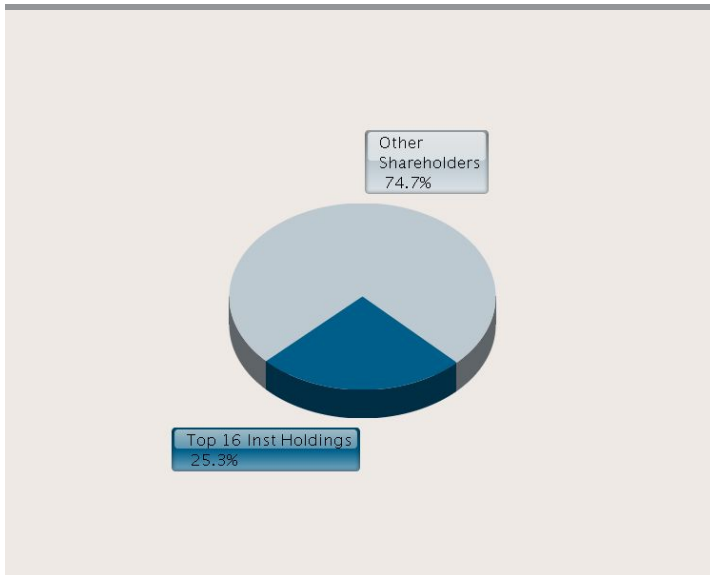
The top sixteen shareholders hold 25.3% of the issued capital leaving a float of 74.7%.

Company Overview (continued)

Top 10 Shareholders

Name of Shareholder	No. of Shares	% Held
Clarus Ventures LLC	4,644,705	20.81
Sphera Funds Management Ltd.	200,000	0.9
Nicholas Investment Partners Lp	178,166	0.8
Pine River Capital Management L.P.	166,800	0.75
First Eagle Investment Management LLC	152,800	0.68
Alyeska Investment Group L.P.	75,659	0.34
Goldman Sachs Group Inc	52,066	0.23
Bank Of New York Mellon Corp	36,604	0.16
Geode Capital Management LLC	34,164	0.15
California Public Employees Retirement System	30,282	0.14
Total	5,571,246	24.96

Top 16 Institutional Holdings



Board and Management

J. Kevin Buchi CEO & President

Mr. J. Kevin Buchi is President, Chief Executive Officer, Director of Tetralogic Pharmaceuticals Corp. He joined us in August 2013 as President, Chief Executive Officer and Director. Prior to joining us, from May 2012 through August 2013, Mr. Buchi served as a member of the board of directors on the companies referenced below. Mr. Buchi was Corporate Vice President, Global Branded Products at Teva Pharmaceutical Industries, or Teva, from October 2011 to May 2012 and Chief Executive Officer of Cephalon, Inc., or Cephalon, from December 2010 through October 2011 prior to Teva's acquisition of Cephalon in October 2011. Mr. Buchi joined Cephalon in 1991 and also held the positions of Chief Financial Officer from 1996 through December 2009 and Chief Operating Officer from January 2010 through December 2010. His previous experience includes supervising the accounting organization in the Medical Products Department at E.I. Du Pont de Nemours and Company as Accounting Manager.

Andrew L. Pecora Independent Chairman

Dr. Andrew L. Pecora, M.D., is Independent Chairman of the Board of Tetralogic Pharmaceuticals Corp. He has served as Independent chairman of our board of directors since March 2013 and as a member of our board of directors since 2007. Dr. Pecora has been Vice President of Cancer Services and Chief Innovations Officer of the John Theurer Cancer Center at Hackensack University Medical Center, or HUMC, and co-Managing Partner of the Northern New Jersey Cancer Center, which is a private physicians' practice group affiliated with HUMC, since 1992. Dr. Pecora currently serves on the board of directors of Neostem, Inc., or Neostem (NASDAQ: NBS) (2011 to present) and Cancer Genetics, Inc. (NASDAQ: CGIX) (2004 to present). From 1999 through January 2011, Dr. Pecora was the Chairman and Chief Executive Officer of Progenitor Cell Therapy, LLC, a client-based cell therapy services company supporting the development and commercialization of cellular therapies. He was also the co-Founder and Chief Scientific Officer of Amorcyte, Inc., or Amorcyte, a privately funded biotechnology company developing cell therapy products to treat cardiovascular disease, which was founded in 2004 and was merged with Neostem in 2010. He served as Chairman of the Board of Directors of Amorcyte from 2005 until 2010. Dr. Pecora is a Professor of Medicine at New Jersey Medical School (formerly, the University of Medicine and Dentistry of New Jersey). He has authored or co-authored numerous articles, abstracts, books, chapters and monographs and is a frequent lecturer in the field of cancer treatment. He received his B.S. in biology from Seton Hall University in 1979 and his M.D. from the University of Medicine and Dentistry of New Jersey in 1983. He completed both his postdoctoral internship in internal medicine as well as his residency in the Department of Internal Medicine at The New York Hospital, and completed a fellowship in hematology-oncology at Memorial Sloan-Kettering Cancer Center.

Pete A. Meyers CFO

Mr. Pete A. Meyers is Chief Financial Officer, Treasurer of Tetralogic Pharmaceuticals Corp. He joined us in August 2013 as Chief Financial Officer and was appointed as Treasurer in September 2013. Prior to joining us, Mr. Meyers worked in health care investment banking for 18 years, most recently as Managing Director/Co-Head of Global Health Care Investment Banking at Deutsche Bank Securities Inc., or Deutsche Bank Securities, where he worked in various roles from March 2005 to January 2013. From February 2013 to July 2013, Mr. Meyers took time off to pursue opportunities outside of the investment banking industry. Prior to joining Deutsche Bank Securities in 2005, Mr. Meyers held the position of Managing Director, Health Care Investment Banking, at Credit Suisse LLC. Among other experience, he also served as Vice President, HealthCare Mergers and Acquisitions at Dillon, Read & Co. (and successor firms). Mr. Meyers graduated from Boston College with a B.S. in finance in 1991 and received an MBA from Columbia Business School in 1995.

Board and Management (continued)

Michael D. Kishbauch Director

Creation of shareholder value in TetraLogic Pharmaceuticals:

Since appointment as Director: The present value of USD1,000 invested on the appointment date of November 07, 2014 at close price of US\$3.95 is US\$1,139, for a capital gain of US\$139.

Mary Ann Gray Director

Creation of shareholder value in TetraLogic Pharmaceuticals:

Since appointment as Director: The present value of USD1,000 invested on the appointment date of November 07, 2014 at close price of US\$3.95 is US\$1,139, for a capital gain of US\$139.

Paul J. Schmitt Independent Director

Mr. Paul J. Schmitt is Independent Director of Tetralogic Pharmaceuticals Corp. He served as a member of our board of directors since 2003, and has been a Managing Director of Novitas Capital, or Novitas, in Wayne, Pennsylvania since 1999. As Managing Director, he oversees Novitas's interests in early stage life sciences companies. Most recently, Mr. Schmitt assumed an additional role of Acting Chief Executive Officer of Amorcyte, a former Novitas portfolio company, developing cell therapies for acute myocardial infarction. Amorcyte was merged into Neostem in November 2010. Prior to Novitas, Mr. Schmitt was most recently Chairman, President and Chief Executive Officer of Chrysalis International Corporation (formerly known as DNX Corporation), or Chrysalis (1995 to 1999). Prior to his work at Chrysalis, Mr. Schmitt was President of Bioelectron, Inc. from 1986 through 1988, which developed therapeutic devices for treating a variety of debilitating orthopedic disorders. He also has eight years of experience with the BOC Health Care Group where he served as Vice President, General Manager of Ohmeda and as Corporate Manager of Strategic Planning and Corporate Group Finance Manager from 1979 through 1988. Mr. Schmitt currently serves on the board of trustees of the Wistar Institute. Mr. Schmitt currently serves on the boards of directors of three Novitas Capital portfolio companies: Cernostics (June 2013 to present), GelMed (2000 to present) and Logical Therapeutics (2009 to present). Mr. Schmitt also serves on the board of managers of JBS United Animal Health II LLC (August 2013 to present) and previously served on the board of directors of Amorcyte (2005 to 2010). Mr. Schmitt received his B.S. in Finance from Lehigh University in 1974, and his MBA from Rutgers University in 1979.

Lesley Russell Cooper Chief Operating Officer

Ms. Lesley Russell Cooper, M.B.Ch.B., M.R.C.P., is Chief Operating Officer of Tetralogic Pharmaceuticals Corp. She joined us in August 2013 as Chief Operating Officer. Prior to joining us, from June 2012 through August 2013, Dr. Russell was a consultant to a number of pharmaceutical companies. She served as Senior Vice President and Head of Research and Development for Global Branded Products at Teva from October 2011 to June 2012. Prior to this position, she was Executive Vice President and Chief Medical Officer at Cephalon from September 2006 to October 2011. Dr. Russell joined Cephalon in 2000 and held various positions of increasing responsibility, including Head of Clinical Research and Medical Affairs, prior to becoming Cephalon's Chief Medical Officer in September 2006. Before joining Cephalon in 2000, Dr. Russell held positions of increasing responsibility at Amgen Limited (U.K.), Lilly Industries Limited (U.K.) and U.S. Bioscience (acquired by MedImmune, LLC, or MedImmune, now a part of AstraZeneca). Dr. Russell currently serves on the board of directors of Amag Pharmaceuticals, Inc. (NASDAQ: AMAG) (December 2010 to present) and Endocyte (NASDAQ: ECTY) (January 2013 to present). Dr. Russell received a M.B.Ch.B. from the University of Edinburgh, Scotland, U.K. in 1984 and obtained her post-graduate qualification, M.R.C.P., as a Member of the Royal College of Physicians in 1987.

Board and Management (continued)

C. Glenn Begley **Chief Scientific Officer**

Until January 2012, Dr. Begley was Vice-President and Global Head of Hematology and Oncology Research at Amgen Inc. He joined Amgen in 2002, and was responsible for building the Hematology and Oncology research program. He also had scientific responsibility for marketed Amgen products which involved preparation and presentations at multiple FDA face-to-face meetings and FDA Drug Advisory Committee meetings. Before joining Amgen, he had over 20 years of clinical experience in medical oncology and hematology. His early studies first described human G-CSF, and in later clinical studies, he first demonstrated that G-CSF-"mobilized" blood stem cells hastened hematopoietic recovery compared with bone marrow transplantation. This finding revolutionized the approach to clinical hematopoietic cell transplantation. His basic research focused on hematopoietic regulation. He defined the function of the CSFs and their receptors using animal models. He was the first to molecularly clone the transcription factor SCL, and demonstrate its critical role in leukemia and normal hematopoiesis. Dr. Begley is Board Certified in Australia as a Medical Oncologist (F.R.A.C.P.), Laboratory Hematologist (F.R.C.P.A., Australia; F.R.C.Path, United Kingdom) and has a Ph.D. in cellular and molecular biology. He has published over 200 scientific papers and was elected to the prestigious Association of American Physicians in 2008.

Financial Results (Half Year)

30 June, 2014

INCOME STATEMENT

Currency in USD	2014-06-30	2013-06-30	Change %
Revenues			
Expenses:			
General and administrative	5,513,197	1,973,564	Up 179.4
Research and development	7,986,938	4,290,517	Up 86.2
Change in fair value of contingent consideration	918,000		
Total expenses	14,418,135	6,264,081	Up 130.2
Loss from operations	-14,418,135	-6,264,081	Deterioration 130.2
Change in fair value of derivative liabilities	-162,120	56,489	Deterioration
Interest and other income	31,196	12	Up 259,866.7
Interest expense	139,446	1,113,241	Down 87.5
Net loss	-14,688,505	-7,320,821	Deterioration 100.6
Cumulative preferred stock dividends		-1,712,514	
Net loss attributable to common shareholders	-14,688,505	-9,033,335	Deterioration 62.6
Per share information:			
Net loss per common share:			
Basic	-66.0c	-801.0c	Reduced 91.8
Diluted	-67.0c	-801.0c	Reduced 91.6
Weighted average shares outstanding:			
Basic	22,266,556	1,127,628	Up 1,874.6
Diluted	22,333,382	1,127,628	Up 1,880.6

BALANCE SHEET

Currency in USD	2014-06-30	2013-12-31	Change %
Assets			
Current assets:			
Cash and cash equivalents	40,242,102	55,135,508	Down 27.0
Short-term investments	29,758,608		
Deferred financing costs, short-term	375,808		
Prepaid expenses and other current assets	2,025,358	153,210	Up 1,221.9
Restricted cash		20,000	
Total current assets	72,401,876	55,308,718	Up 30.9
Property and equipment, net	466,395	139,577	Up 234.1
Long-term investments	3,033,840		
Intangible assets	35,230,516		
Goodwill	14,326,396		
Deferred financing costs, long-term	1,487,711		
Other assets	1,277,480	54,126	Up 2,260.2
Total assets	128,224,214	55,502,421	Up 131.0
Liabilities and stockholders' equity			

Financial Results (Half Year) (continued)

30 June, 2014

Current liabilities:			
Accounts payable	1,774,182	1,215,198	Up 46.0
Accrued expenses	3,926,456	2,921,458	Up 34.4
Derivative liabilities	427,144	793,744	Down 46.2
Total current liabilities	6,127,782	4,930,400	Up 24.3
Convertible notes payable, net of discount of 19,172,978	27,827,022		
Derivative liabilities	3,555,000		
Deferred taxes	14,303,589		
Contingent consideration and other liabilities	23,524,774	22,968	Up 102,324.1
Total liabilities	75,338,167	4,953,368	Up 1,420.9
Commitments and contingencies			
Stockholders' equity:			
Preferred stock, 0.0001 par value; 25,000,000 shares authorized, none issued and outstanding			
Common stock, 0.0001 par value; 100,000,000 shares authorized, 2,231 22,199,256 and 22,307,138 shares issued and outstanding at December 31, 2013 and June 30, 2014, respectively		2,220	Up 0.5
Additional paid-in capital	157,443,941	140,419,071	Up 12.1
Cumulative unrealized loss on investments	-2,004		
Cumulative translation adjustment	2,622		
Accumulated deficit	-104,560,743	-89,872,238	Deterioration 16.3
Total stockholders' equity	52,886,047	50,549,053	Up 4.6
Total liabilities and stockholders' equity	128,224,214	55,502,421	Up 131.0

PERFORMANCE RATIOS

	2014-06-30	2013-06-30	Change %
Return on Equity(%)	-27.77	-17.87	Deterioration 55.4
Return on Assets(%)	-11.46	-16.28	Reduced 29.6

PER SHARE FIGURES

	2014-06-30	2013-06-30	Change %
EPS	-67.0c	-801.0c	Reduced 91.6

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