

Agile Therapeutics (AGRX : US\$12.32)

Agile Therapeutics soars 95% in 2015, leads Healthcare-Products sector

Agile Therapeutics Inc., NASDAQ's 29th largest Healthcare-Products company by market cap, soared US\$6.0 (or 94.9%) year to date in 2015 to close at US\$12.32. This makes the stock the highest riser in the Healthcare-Products sector which is up 11.5% in 2015. Compared with the NASDAQ-100 Index which has risen 4.4% YTD, this is a relative price increase of 90.5%. The volume YTD has been 0.7 times the average trading of 65,314 shares. In 2015 the market cap has jumped US\$155.4 million.

Introduction with Trends

We are currently bullish on this stock in the short-term based on technical indicators, but are more bearish in the long-term based on fundamental metrics

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

- Its Moving Average Convergence Divergence indicators are rising, with its 12-day EMA higher than its 26-day EMA.
- The price to 200-day MAP ratio is 1.03, a bullish indicator.
- In the last three months the number of rises outnumbered falls 43:19 or 2.3:1.
- It is beating 95% of the market the past 6 months.

However, there are some reasons why we remain bearish on the stock for the long-term:

- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 5. Compared with the rest of the market the stock is overvalued and ranks in the bottom 10% of stocks by value of Q Ratio.

Stock Summary

Sector	Healthcare-Products
Market Cap	US\$272.9 million
Shares Outstanding	22,154,365
ISIN	US00847L1008
Relative Strength (3 mo)	99

Financial Summary

Year ended	Dec 2014	Dec 2013	Dec 2012
Pretax (USD M)	(19.7)	(14.3)	(23.3)
Net (USD M)	(16.1)	(14.3)	(23.9)
EPS (USD)	(1.41)	(289.39)	(1.72)

MCap: A Historical Perspective

	Share Price (USD)	Market Cap (US\$)
Last	12.3	272.9 million

Analysis

Bullish Signals

- Rises to Falls: In the last three months the number of rises outnumbered falls 43:19 or 2.3:1.
- In the NASDAQ market of 2,406 stocks and 1 unit traded today, the stock has a 6-month relative strength of 95 which means it is beating 95% of the market.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 11.81 minus the 26-day EMA of 11.0 is positive suggesting a bullish signal. Both the 12-day EMA as well as the 26-day EMA are rising, another bullish signal.
- The Price/MAP of 1.03 for AGRX is higher than the Price/MAP for the NASDAQ-100 Index of 0.9.
- The price to 200-day MAP ratio is 1.03, a bullish indicator. In the past 200 days this ratio has exceeded 1.03, four times suggesting further upside. The 50-day MAP of US\$15.43 is higher than the 200-day MAP of US\$11.97, a bullish indicator. The 200-day MAP has increased to US\$11.97. An increase is another bullish indicator.
- The current short volume is 0.8 times its own historical average of 0.04%.

Undervaluation:

- The company is cash rich with Cash to Market Capitalisation at 14.7%.

Other Bullish Signals:

Also, the following criteria set by Benjamin Graham:

- "Current ratio of two or more"; current assets are 4.6 times current liabilities.

Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
Relative Strength (6M)	95	In Top 6%
%Prem To Vol Wtd Price	7.9	In Top Quartile

Bearish Signals

- The price is at a premium of 7.9% to the 1-month volume weighted average price of US\$11.42. Given that this premium has been under 7.9% one hundred forty-five times and over 7.9% seventy-seven times in the last year, the downside:upside probability is estimated at 145:77 or 1.9:1.

- The Stochastic indicator of 91.7 has broken through the overbought line of 80.

Overvaluation:

- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 5. Compared with the rest of the market the stock is overvalued and ranks in the bottom 10% of stocks by value of Q Ratio.

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 0.3 to 4.6.

Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Volatility %	5.0	In Bottom Quartile
Price/MAP50	0.8	In Bottom Quartile
Price to Book Value	7.6	In Bottom Quartile
Price Change %	-3.1	In Bottom 6%

Note

Neutral Indicators and Rank in Market:

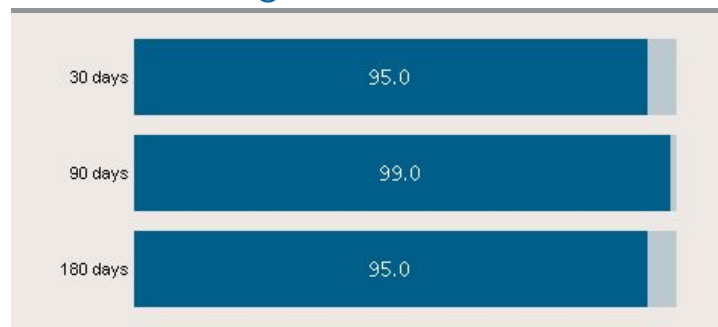
Description	Value	Rank In Market
MCap	US\$272.9 million	In 3rd Quartile
Turnover in Quarter	US\$37.1 million	In 3rd Quartile

Insider Trades

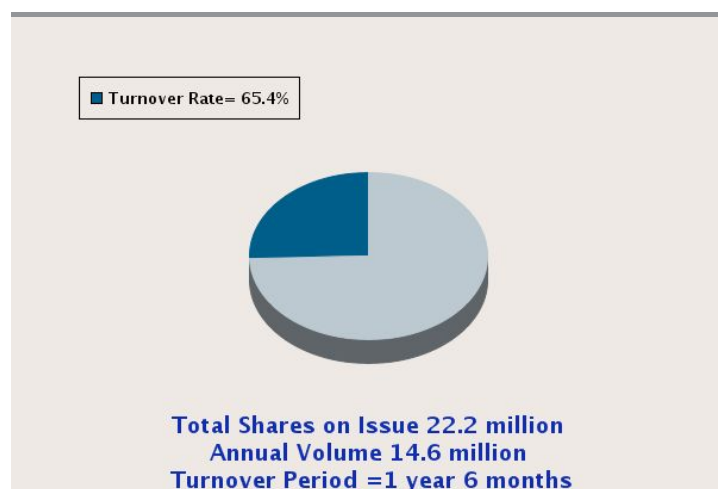


Analysis (continued)

Relative Strength



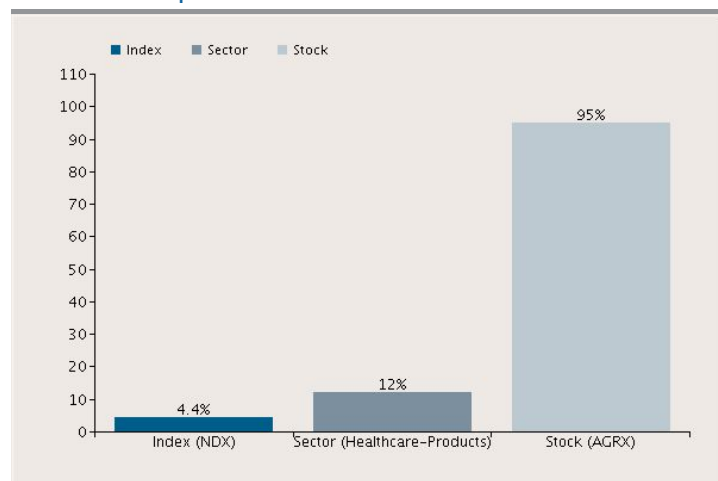
Turnover Rate & Turnover Period



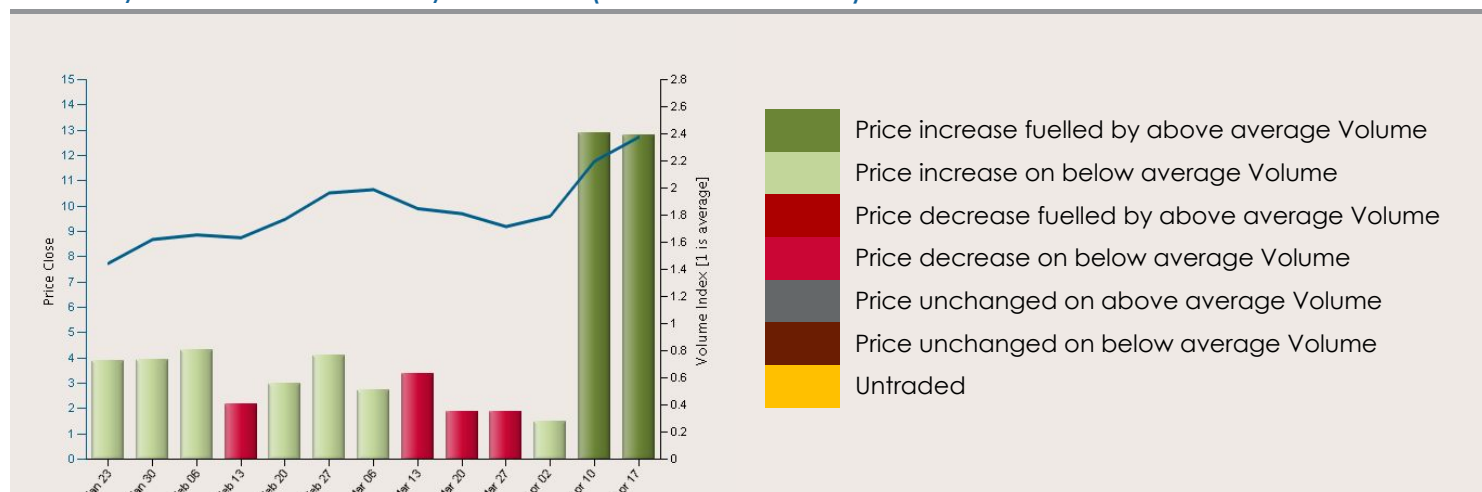
Trailing 3 months

Turnover	US\$37.1 million
Volume	3,519,886
Volume Index (1 is avg)	0.9

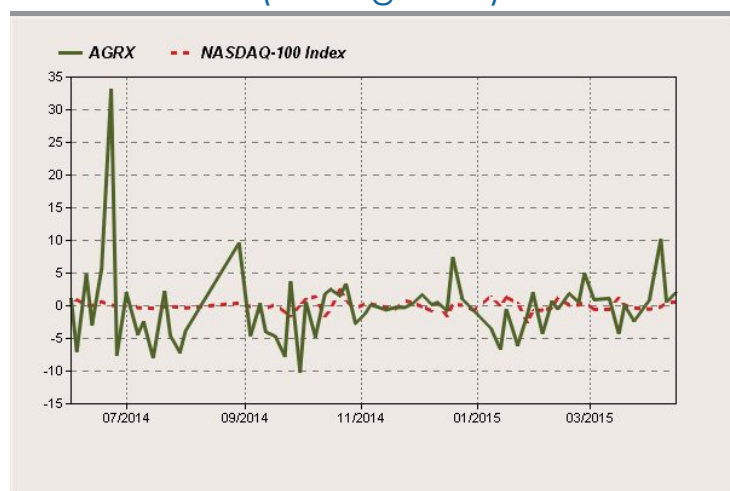
YTD Comparison Stock Sector Index



Weekly Price Volume Dynamics (Last 12 Weeks)



Stock v Index (Trailing Year)



Price/Moving Average Price [P/MAP]



Peer Group Analysis

Name	Last Price	Relative strength (6-months)	MCap (USD)	PV \$1000 (1 yr)	Revenue (USD)	Net Profit (USD)	Total Assets (USD)
Chemocentrx	US\$7.89	88	342M	1,489		(46.9M)	117M
Adamas Pharmaceuticals	US\$17.81	70	314.2M	1,349	55.8M	9M	161.2M
Oxford Immunotec Global	US\$13.72	25	308.8M	768	38.8M	(8.7M)	92.7M
Agile Therapeutics	US\$12.32	95	272.9M	0		(16.1M)	54.8M
Ardelyx	US\$12.77	5	236.7M	0			
Loxo Oncology	US\$13.02	60	216.5M	0		(20.7M)	114.5M
Nanostring Technologies	US\$11.74	57	215.6M	742	47.6M	(50M)	102.7M

Recent Analyst Recommendations

Date	Brokerage	Action	Past Rating	Current Rating	Prev Target	Price Target
02-Apr-2015	FBR & Co.	Initiated Coverage	-	Outperform	-	17
27-Mar-2015	Cantor Fitzgerald	Set Price Target	-	Buy	-	20

Company Overview

Activities

Agile Therapeutics Inc. develops women's healthcare products. The Company provides contraceptive patch containing the active ingredients levonorgestrel and ethinyl estradiol, as well as progestin-only birth control patch. Agile Therapeutics discovers and develops a pipeline of investigational contraceptive products in the United States.

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

Economic Sector

Healthcare

Regulatory Announcements

Conferences/Exhibitions

April 07: Events Calendar: Agile Therapeutics to Present at the 14th Annual Needham Healthcare Conference

PRINCETON, N.J., April 7, 2015 Agile Therapeutics, Inc. (Nasdaq:AGRX) a women's health specialty pharmaceutical company focused on the development and commercialization of new prescription contraceptive products, announced today that Al Altomari, President and Chief Executive Officer will present at the 14th Annual Needham Healthcare Conference on April 15, 2015 at 4:20 PM Eastern Time.

To access the live and archived webcast of the presentation, visit the Investor Relations section of Agile Therapeutics website at www.agiletherapeutics.com.

[For more details click here.](#)

Financial Results

March 27: Agile Therapeutics Reports Fourth Quarter and Full Year 2014 Financial Results

[News Story] Begins 2015 in a Stronger Financial Position

PRINCETON, N.J., March 26, 2015 (GLOBE NEWSWIRE) -- Agile Therapeutics, Inc. (Nasdaq:AGRX), a women's health specialty pharmaceutical company focused on the development and commercialization of new prescription contraceptive products, today reported financial results for the fourth quarter and year ended December 31, 2014.

Fourth quarter 2014 and other recent corporate developments include:

In November 2014, expanded its Board of Directors with the appointment of John Hubbard, Ph.D., FCP, President & Chief Executive Officer of BioClinica, Inc., and former Senior Vice President and Worldwide Head of Development Operations for Pfizer, Inc., who has strong expertise leading global clinical trial operations and research and development programs.

In January 2015, completed the private placement of approximately 3.4 million shares of common stock at \$5.85 per share with a group of accredited investors, including both existing and new investors, resulting in net proceeds of approximately \$19.3 million.

In February 2015, entered into a loan and security agreement with Hercules Technology Growth Capital, Inc.

[For more details click here.](#)

Conferences/Exhibitions

March 02: Events Calendar: Agile Therapeutics to Present at the 27th Annual ROTH Conference

[News Story] PRINCETON, N.J., March 2, 2015 Agile Therapeutics, Inc. (Nasdaq:AGRX) a women's health specialty pharmaceutical company focused on the development and commercialization of new prescription contraceptive products, announced today that Al Altomari, President and Chief Executive Officer will present at the 27th Annual ROTH Conference on Monday, March 9, 2015 at 4:30 PM Pacific Time.

To access the live and archived webcasts of the presentation, visit the Investor Relations section of Agile Therapeutics website at www.agiletherapeutics.com.

[For more details click here.](#)

February 25: Agile Therapeutics Secures Debt Facility From Hercules Technology Growth Capital of Up to \$25.0 Million and Provides Update on Status of Clinical Trial

[News Story] PRINCETON, N.J., Feb. 24, 2015 -- Agile Therapeutics, Inc. (Nasdaq:AGRX), a women's health specialty pharmaceutical company focused on the development and commercialization of new prescription contraceptive products, announced today that it has entered into a loan and security agreement with Hercules Technology Growth Capital, Inc.

[For more details click here.](#)

Company Overview (continued)

Directors Option Buying

February 23: Agile Therapeutics Insider awarded Employee Stock Options

Agile Therapeutics (NASDAQ:AGRX) Insider Macfarlane Katie, has been awarded Employee Stock Options on 21,000 shares at an exercise price of US\$9.45. The transaction date was February 19, 2015. The shares last traded at US\$9.53.

Directors Option Buying

February 23: Agile Therapeutics Director awarded Employee Stock Options

Agile Therapeutics (NASDAQ:AGRX) Director Altomari Alfred, has been awarded Employee Stock Options on 90,000 shares at an exercise price of US\$10.75. The transaction date was February 19, 2015. The shares last traded at US\$9.53.

Directors Option Buying

February 23: Agile Therapeutics Insider awarded Employee Stock Options

Agile Therapeutics (NASDAQ:AGRX) Insider Coiante Scott M, has been awarded Employee Stock Options on 37,500 shares at an exercise price of US\$9.45. The transaction date was February 19, 2015. The shares last traded at US\$9.53.

8-K people news

October 02: Agile Therapeutics appoints James P. Tursi as director 09 October 2014

Agile Therapeutics has appointed James P. Tursi as Director. The appointment takes effect from Oct 01, 2014.

8-K other news

March 26: Agile Therapeutics: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1261249_000110465915023108_0001104659-15-023108.txt

Source: 8-K United States Securities and Exchange Commission

February 24: Agile Therapeutics: Entry into a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1261249_000110465915013539_0001104659-15-013539.txt

Source: 8-K United States Securities and Exchange Commission

January 23: Agile Therapeutics: Entry into a Material Definitive Agreement

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1261249_000110465915004196_0001104659-15-004196.txt

Source: 8-K United States Securities and Exchange Commission

January 12: Agile Therapeutics: Regulation FD Disclosure

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1261249_000110465915001716_0001104659-15-001716.txt

Source: 8-K United States Securities and Exchange Commission

August 14: Agile Therapeutics: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1261249_000110465914061051_0001104659-14-061051.txt

Source: 8-K United States Securities and Exchange Commission

Issued Capital

Based on 22,154,365 issued equity shares the market capitalisation is US\$272.9 million.

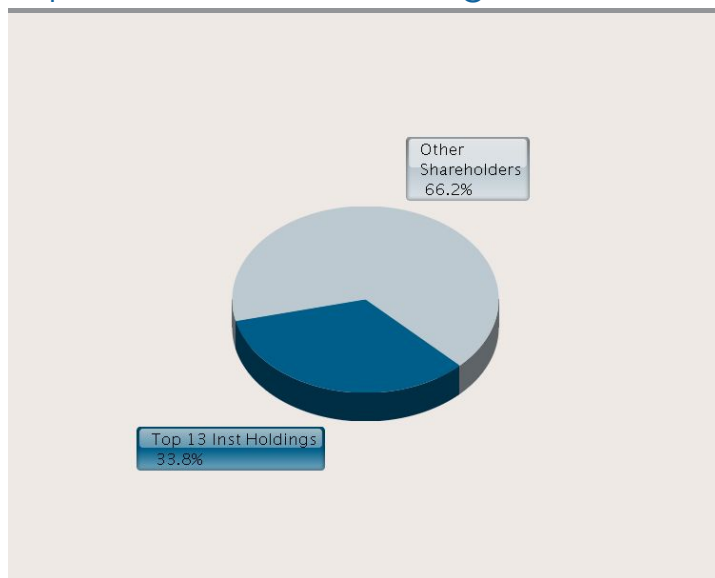
The top thirteen shareholders hold 33.8% of the issued capital leaving a float of 66.2%.

Top 10 Shareholders

Name of Shareholder	No. of Shares	% Held
Proquest Associates Iv Llc	3,856,697	17.41
Aisling Capital Llc	2,171,831	9.8
Sio Capital Management Llc	749,887	3.38
Royce & Associates Llc	455,282	2.06
Nea Management Company Llc	130,644	0.59
Goldman Sachs Group Inc	56,641	0.26
Geode Capital Management Llc	28,214	0.13
Vanguard Group Inc	19,411	0.09
Northern Trust Corp	10,378	0.05
Blackrock Investment Management Llc	1,507	0.01
Total	7,480,492	33.77

Company Overview (continued)

Top 13 Institutional Holdings



Board and Management

Alfred Altomari
CEO & President & Director



Alfred Altomari has served as our Chief Executive Officer and as a member of our board of directors since October 2010. Prior to being named President and Chief Executive Officer, Mr. Altomari served as Agile's Executive Chairman from 2004 to 2010. From 2008 to September 2010, Mr. Altomari was also a consultant. From 2003 to 2008, Mr. Altomari held multiple senior management positions at Barrier Therapeutics, Inc., including Chief Commercial Officer, Chief Operating Officer, and Chief Executive Officer. In 2008, in his role as Chief Executive Officer and as a member of Barrier's board of directors, Mr. Altomari completed the successful sale of Barrier to Stiefel Laboratories, which was subsequently acquired by GlaxoSmithKline plc. From 1982 to 2003, Mr. Altomari held numerous executive roles in general management, commercial operations, business development, product launch preparation, and finance with Johnson & Johnson. Mr. Altomari also serves on the board of directors of Inmed Inc. and Recro Pharma, Inc. Mr. Altomari received an M.B.A. from Rider University and his B.S. from Drexel University.

Scott M. Coiante
CFO & Vice President



Scott M. Coiante has served as our Vice President and Chief Financial Officer since June 2011. He joined us in December 2010 and served as our Vice President of Finance between then and June 2011. Beginning in 2005, he served as Vice President Finance, Treasurer, Principal Accounting Officer at Medarex, Inc., a publicly listed biopharmaceutical company, which Bristol-Myers Squibb Co., acquired in September 2009 and during 2002 through 2005, he served as Director of Finance. While at Medarex, he was responsible for corporate financial functions including treasury, accounting, SEC reporting, tax and assurance. From 1989 to 2002, he held management positions of increasing responsibilities at Ernst & Young LLP, which included managing audit engagements, financial preparation, and financial reporting for client public offerings, both initial and follow-on, and SEC registration filing statements for both public and private companies, predominantly within the life science and pharmaceutical industries. He holds a B.S. in accounting from Villanova University.

William T. McKee
Director

William T. McKee has served as a member of our board of directors since March 2014. Mr. McKee served as Chief Operating Officer and Chief Financial Officer for EKR Therapeutics, Inc., or EKR, from July 2010 until June 2012 when EKR was sold to Cornerstone Therapeutics Inc., or Cornerstone. He has served as a financial consultant to Cornerstone from June 2012 to the present. Until March 2010, Mr. McKee served as the Executive Vice President and Chief Financial Officer of Barr Pharmaceuticals, LLC, a subsidiary of Teva Pharmaceutical Industries Limited, or Teva, and the successor entity to Barr Pharmaceuticals, Inc., or Barr, a NYSE listed company, which was acquired by Teva in December 2008. Mr. McKee was also Executive Vice President and Chief Financial Officer of Barr prior to its acquisition by Teva, after having served in positions of increasing responsibility at Barr from 1995 until its acquisition. Prior to joining Barr, Mr. McKee served as Director of International Operations and Vice President-Finance at Absolute Entertainment, Inc. from June 1993 until December 1994. From 1990 until June 1993, Mr. McKee worked at Gramkow & Carnevale, CPA's, and from 1983 until 1990, he worked at Deloitte & Touche. Mr. McKee currently serves as a director of Auxilium Pharmaceuticals, Inc., and Cerulean Pharma, Inc. Mr. McKee received his Bachelor of Business Administration degree from the University of Notre Dame. Through his years of experience as a chief financial officer and a public accountant, Mr. McKee provides valuable financial and leadership experience to the Board.

Board and Management (continued)

Andrew Schiff Director

Andrew Schiff, M.D. has served as a member of our board of directors since July 2012. Dr. Schiff joined Aisling Capital, a healthcare focused private equity firm, in September of 1999 and has served as a Managing Partner since 2002. Prior to Aisling Capital, Dr. Schiff practiced internal medicine at The New York Presbyterian Hospital where he maintains his position as a Clinical Assistant Professor of Medicine. Dr. Schiff currently serves as a director of Zeltiq Aesthetics as well as several other portfolio companies. Dr. Schiff received his M.D. from Cornell University Medical College, his M.B.A. from Columbia University, and his B.S. with honors in Neuroscience from Brown University. He is a long-time supporter of the Visiting Nurse Service of New York as well as other charitable organizations. We believe Dr. Schiff's medical background, venture experience, and myriad of directorships make him qualified to serve on our Board.

John Hubbard Director

Dr. John Hubbard currently serves as Senior Vice President and Worldwide Head of Development Operations for Pfizer Inc., and is responsible for the global clinical trial operations and management of more than 450 clinical projects from Phase 1 to 4. He recently announced that he will leave Pfizer in January 2015, to pursue an executive leadership role in the healthcare services area. Dr. Hubbard has been leading pharmaceutical research and development activity for nearly thirty years and held positions of increasing responsibility in the biopharmaceutical and clinical research & development services industries. Prior to joining Pfizer in 2010, he was Group President, Clinical Research Services at ICON Clinical Research, a leading global clinical research organization, where he was responsible for the global business and operations. During his career, Dr. Hubbard has been directly responsible for drug discovery and non-clinical pharmacology, clinical pharmacology, project management, product development optimization, commercial assessment of new chemical entities, and clinical development operations. He has led several drug development teams to successful commercialization of new chemical entities and has participated at FDA meetings to support end of Phase 2 and end of Phase 3 data presentations for psychiatric, neurological, cardiovascular, and anti-infective drugs.

He is a member of the Society of Clinical Pharmacology and Therapeutics, Drug Information Association and served on the Special Interest Advisory Committee on Project Management. He also served as Chairman of the Fellow of the American College of Clinical Pharmacology (ACCP) Public Policy Committee from 1999 to 2007. Dr. Hubbard is a Board Certified Diplomate in Applied Pharmacology and elected to Fellow of the ACCP in 1994. Dr. Hubbard received a Bachelor of Science degree in Biopsychology from the University of Santa Clara and a Doctorate from the University of Tennessee, with a research focus on the genetic basis of hypertension and autonomic dysfunction. He was a National Institute of Health Postdoctoral Fellow in Cardiovascular and Clinical Pharmacology at the University of Texas Health Sciences Center. Dr. Hubbard has authored and co-authored several book chapters and published numerous articles and abstracts in the areas of biopsychology, cardiovascular and autonomic pharmacology, clinical pharmacology, and global drug development. He is a Board Member of TransCelerate Biopharma, Inc., a Business Advisory Board Member of SAFE Biopharma, and an Advisory Board Member and Fundraising Vice-chair for the Children's Brain Tumor Foundation.

Creation of shareholder value in Agile Therapeutics:

Since appointment as Director: The present value of USD1,000 invested on the appointment date of November 18, 2014 at close price of US\$5.87 is US\$2,044, for a capital gain of US\$1,044.

Board and Management (continued)

Abhijeet Lele Director

Abhijeet Lele has been a member of our board of directors since May 2010. Since 2009, Mr. Lele has served as a Managing Director and Head of Healthcare Investing at Investor Growth Capital, or IGC. IGC focuses on late-stage venture capital and growth equity investments in healthcare and technology companies. Before joining IGC, Mr. Lele spent ten years as a Managing Member of EGS Healthcare Capital Partners, or EGS, a venture capital firm focusing on private and public investments in biotechnology, specialty pharmaceutical and medical device companies. Prior to EGS, Mr. Lele was a consultant at McKinsey & Co., where he primarily served medical device, pharmaceutical and health insurance clients. He previously held operating positions with Lederle Laboratories, Inc., Progenics Pharmaceuticals, Inc. and Clontech Laboratories, Inc. Mr. Lele previously served on the board of directors of Stereotaxis, Inc., Medarex Inc. and Aptalis Pharma Inc. He received an M.B.A. with Distinction from Cornell University and an M.A. from Cambridge University, where he studied Natural Sciences. We believe Mr. Lele's years of experience in the venture capital and healthcare industries make him qualified to serve on our Board.

Karen Hong Director

Karen Hong, Ph.D. has served as a member of our board of directors since May 2006. Dr. Hong joined ProQuest Investments in 2001, was promoted to Principal in 2004, and to Partner in 2013. She and her team at ProQuest have guided over thirty investments to a successful exit and Dr. Hong has led working teams on many of these exits. Prior to joining ProQuest Investments, Dr. Hong provided technical consultation to the healthcare group at BancBoston Ventures and conducted biomedical research in cancer and mammalian genetics. Dr. Hong also serves on the board of directors of Clarus Therapeutics. Dr. Hong received a B.S. in chemistry and a B.A. in molecular biology from the University of California at Berkeley. She received a Ph.D. in biology from the Massachusetts Institute of Technology. Dr. Hong's scientific background and business experience, coupled with her experience as a venture capitalist advising life science and technology companies, provides her with the qualifications and skills to serve as a director.

James P. Tursi Director

Since 2011, Dr. Tursi has served as the Chief Medical Officer of Auxilium Pharmaceuticals. He served as Vice President of Clinical Research and Development from 2009 to 2011. Prior to Auxilium, Dr. Tursi was at GlaxoSmithKline Biologicals from 2006 to 2009, where he was the Director of Medical Affairs for cervical cancer vaccines in North America. From 2004 to 2006, Dr. Tursi served as a Medical Director for Procter & Gamble Pharmaceuticals where he worked in various therapeutic areas including female sexual dysfunction, overactive bladder, and osteoporosis. Dr. Tursi is a board certified OB/GYN and practiced medicine for over 10 years. He was the founder of the medical education company, I Will Pass(Registered), which assisted physicians in the process of board certification. Dr. Tursi received his doctor of medicine degree from the Medical College of Pennsylvania and completed his residency fellowship training at The Johns Hopkins Hospital. The Company believes Dr. Tursi's significant clinical and regulatory expertise in the pharmaceutical industry coupled with established experience as an OB/GYN physician will make him a valuable addition to the Board.

Creation of shareholder value in Agile Therapeutics:

Since appointment as Director: The present value of USD1,000 invested on the appointment date of October 01, 2014 at close price of US\$6.41 is US\$1,872, for a capital gain of US\$872.

Board and Management (continued)

Elizabeth Garner
Senior Vice President



Elizabeth Garner, M.D., M.P.H. has served as our Chief Medical Officer since January 2014. Previously, she served as Vice President, Medical Affairs, Women's Health and Preventive Care at Myriad Genetics Laboratories from 2012 to 2014. From 2011 to 2012, she was Senior Medical Director, Women's Health at Abbott Laboratories where she served as the Clinical Lead, Endometriosis Program. Prior to that, Dr. Garner served as Associate Director and then Director, Vaccines Clinical Research at Merck Research Laboratories from 2007 to 2011. Dr. Garner received joint M.D. and M.P.H degrees from Harvard Medical School and the School of Public Health. She completed her residency in obstetrics and gynecology at Brigham and Women's/Massachusetts General Hospitals; her subspecialty fellowship in gynecologic oncology at Brigham and Women's and the Dana Farber Cancer Institute; and received board certification in both general Obstetrics and Gynecology and Gynecologic Oncology. Prior to entering the pharmaceutical industry, she had several years of experience in academic clinical practice, research and teaching at Harvard Medical School.

Katie MacFarlane
Chief Commercial Officer

Katie MacFarlane, Pharm.D., has been our primary commercial advisor since 2009, and became our Chief Commercial Officer in March 2014. Ms. MacFarlane also serves as a Managing Partner of SmartPharma LLC., a pharmaceutical consulting firm specializing in new product commercialization since 2007. Previously, she served as President and Chief Executive Officer at Xintria Pharmaceutical Corporation, a start-up company in the development of berberine for treatment of dyslipidemia and Type II diabetes from 2006 to 2007. Prior to that, Ms. MacFarlane served as Vice President of Women's Health and New Product Planning at Warner Chilcott, an international pharmaceutical company focused on women's healthcare, dermatology and urology from 2001 to 2006. From 1991 to 2000, she served in management positions of increasing responsibility in clinical research, marketing and sales management with Parke-Davis, a division of Warner-Lambert and also held the position of Regional Sales Director and was responsible for sales force planning and implementation, including the integration with Pfizer, Inc., following the merger in 2000. She received her B.S. degree in Pharmacy and Doctor of Pharmacy from Purdue University and completed a Postdoctoral Fellowship in Industrial Pharmacy Practice with Rutgers University and Hoffmann-LaRoche. Ms. MacFarlane is also a member of the board of directors for Cortex Pharmaceuticals, Inc.

Financial Results (Annual)

31 December, 2014

Annual Report for the year ended December 31, 2014

year-on-year comparisons with previous corresponding period

Total liabilities to Total assets of 0.3.

Favourable Changes

- EPS continued to be negative like in the previous year
- However, there was an improvement from \$US-289.39 in the previous year to \$US-1.41.

Unfavourable Changes

- Loss of \$US16.1m
- EBIT loss of \$US18.2m
- Losses in all of the last 3 years
- EBITDA loss of \$US18.2m
- Operating cash flow is negative.

Major Common Size Ratios

- Total current assets to total assets up from 15.7% to 74.8%
- Cash to total assets up from 14.7% to 73.3%
- Fixed assets to total assets down from 83.0% to 22.0%.

INCOME STATEMENT

Currency in USD	2014-12-31	2013-12-31	Change %
Operating expenses:			
Research and development	13,364,704	9,154,484	Up 46.0
General and administrative	5,150,512	3,573,893	Up 44.1
Total operating expenses	5,150,512	12,728,377	Down 59.5
Loss from operations	5,150,512	-12,728,377	Recovery
Other income (expense)			
Interest expense	1,565,730	1,512,911	Up 3.5
Interest income	2,563	1,658	Up 54.6
Change in fair value of warrants	348,430	-80,990	Recovery
Loss before benefit from income taxes	-19,729,953	-14,320,620	Deterioration 37.8
Benefit from income taxes	-3,652,485		
Net loss	-16,077,468	-14,320,620	Deterioration 12.3
Beneficial conversion charge			
Net loss attributable to common stockholders	-16,077,468	-14,320,620	Deterioration 12.3
Net loss per share (basic and diluted)	-141.0c	-28,939.0c	Reduced 99.5
Weighted-average shares outstanding (basic and diluted)	11,394,971	49,486	Up 22,926.7

BALANCE SHEET

Currency in USD	2014-12-31	2013-12-31	Change %
Assets			

Financial Results (Annual) (continued)

31 December, 2014

Current assets:

Cash and cash equivalents	40,182,141	2,119,646	Up 1,795.7
Prepaid expenses	803,775	146,704	Up 447.9
Total current assets	40,985,916	2,266,350	Up 1,708.5
Property and equipment, net	12,046,267	11,963,079	Up 0.7
Prepaid expenses, long-term	1,677,434		
Deferred financing costs, net	98,401	157,499	Down 37.5
Other assets	18,208	18,208	Steady
Total assets	54,826,226	14,405,136	Up 280.6

Liabilities, convertible preferred stock and stockholders' equity (deficit)

Current liabilities:

Accounts payable	2,631,217	715,454	Up 267.8
Accrued expenses	1,062,113	379,164	Up 180.1
Loan payable, current portion	5,003,143	5,105,407	Down 2.0
Warrant liability	296,048	644,478	Down 54.1
Total current liabilities	8,992,521	6,844,503	Up 31.4
Loan payable, long-term	9,827,758	9,769,528	Up 0.6
	18,820,279	16,614,031	Up 13.3

Commitments and contingencies

SeriesA-1, 8, non-cumulative convertible preferred stock.0001 par value, authorized 284,743 shares; 0 shares issued and outstanding as of December31, 2014 and 137,787 shares issued and outstanding as of December31, 2013

898,305

SeriesA-2 convertible preferred stock.0001 par value, authorized 99,178 shares; 0 shares issued and outstanding as of December31, 2014 and 66,116 shares issued and outstanding as of December31, 2013

543,623

SeriesB, 8 non-cumulative, convertible preferred stock.0001 par value, authorized 4,510,066 shares; 0 shares issued and outstanding as of December31, 2014 and 4,510,066 shares issued and outstanding as of December31, 2013

44,928,382

SeriesC, 12 non-cumulative, convertible preferred stock.0001 par value, authorized 2,711,734 shares; 0 shares issued and outstanding as of December31, 2014 and 1,578,400 shares issued and outstanding as of December31, 2013

22,862,367

Financial Results (Annual) (continued)

31 December, 2014

Stockholders' equity (deficit):

Common stock.0001 par value, authorized 150,000,000 shares; 1,864 18,634,872 shares issued and outstanding as of December31, 2014 and 109,321 shares issued and 103,536 shares outstanding as of December31, 2013;	10	Up 18,540.0
Additional paid-in capital	170,395,934	46,872,801 Up 263.5
Accumulated deficit	-134,391,851	-118,314,383 Deterioration 13.6
Total stockholders' equity (deficit)	36,005,947	-71,441,572 Recovery
	36,005,947	-2,208,895 Recovery
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	54,826,226	14,405,136 Up 280.6

CASH FLOW

Currency in USD	2014-12-31	2013-12-31	Change %
Cash flows from operating activities			
Net loss	-16,077,468	-14,320,620	Deterioration 12.3
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	12,551	11,876	Up 5.7
Noncash stock bonus	80,000	79,509	Up 0.6
Noncash stock based compensation	1,380,713	1,337,857	Up 3.2
Noncash interest	185,731	132,911	Up 39.7
Change in fair value of warrants	-348,430	80,990	Deterioration
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	-2,334,504	107,399	Deterioration
Accounts payable and accrued expenses	2,598,712	-448,748	Recovery
Net cash used in operating activities	-14,502,695	-13,018,826	Deterioration 11.4
Cash flows from investing activities			
Acquisition of property and equipment	-95,739	-4,945,379	Reduced 98.1
Net cash used in investing activities	-95,739	-4,945,379	Reduced 98.1
Cash flows from financing activities			
Proceeds from convertible bridge notes	3,000,000		
Proceeds from issuance of term loan			
Proceeds from issuance of preferred stock, net of offering costs			
Proceeds from issuance of common stock in initial public offering, net of offering costs			
Cash paid for financing costs	-150,000		
Proceeds from exercise of stock options	67,288	70,097	Down 4.0
Net cash provided by financing activities	52,660,929	70,097	Up 75,025.8
Net increase (decrease) in cash and cash equivalents	38,062,495	-17,894,108	Recovery
Cash and cash equivalents, beginning of year	2,119,646	20,013,754	Down 89.4
Cash and cash equivalents, end of year	40,182,141	2,119,646	Up 1,795.7

Financial Results (Annual) (continued)

31 December, 2014

PERFORMANCE RATIOS

	2014-12-31	2013-12-31	Change %
Return on Equity (%)	-44.65		
Return on Assets (%)	-29.32	-99.41	Reduced 70.5
Total Liabilities to EBITDA	-1.04	-1.3	Reduced 20.1
Total Liabilities to Operating Cash Flow	-1.3	-1.28	Deterioration 1.7
Total Liabilities/Total Assets	0.34	1.15	Down 70.2
Interest Cover	-11.6	-8.47	Deterioration 37.0
Current Ratio	4.56	0.33	

PER SHARE FIGURES

	2014-12-31	2013-12-31	Change %
EBIT	-159.41c	-25,881.48c	Reduced 99.4
EBITDA	-159.30c	-25,857.48c	Reduced 99.4
Cash	US\$3.53	US\$42.83	Down 91.8
Working Capital	US\$2.81	-9,251.41c	Recovery
Shareholders' Funds	US\$3.16	-4,463.68c	Recovery
Total Liabilities	US\$1.65	US\$335.73	Down 99.5
Total Assets	US\$4.81	US\$291.10	Down 98.3
Net Tangible Assets	US\$3.16	-4,463.68c	Recovery
EPS Final	-141.0c	-28,939.0c	Reduced 99.5

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