

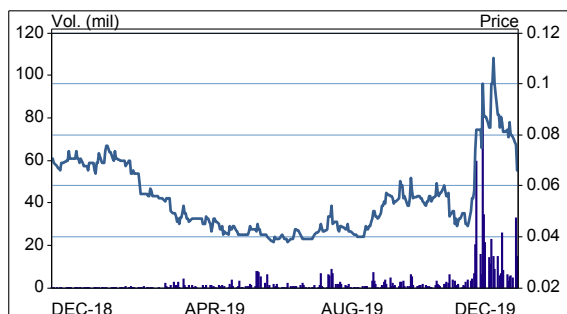
**Prescient Therapeutics Limited (PTX.AX)**  
**Rating: Buy**

Joseph Pantginis, Ph.D.  
646-975-6968  
jpantginis@hcwresearch.com

**PTX-200 Continues Its Positive Push Forward in Breast Cancer; Target Upped to A\$0.20**

Stock Data		12/24/2019		
Price		A\$0.07		
Exchange		ASX		
Price Target		A\$0.20		
52-Week High		A\$0.15		
52-Week Low		A\$0.04		
Enterprise Value (M)		A\$16		
Market Cap (M)		A\$26		
Public Market Float (M)		132.9		
Shares Outstanding (M)		394.3		
3 Month Avg Volume		8,419,320		
Balance Sheet Metrics				
Cash (M)		A\$9.60		
Total Debt (M)		A\$0.00		
Total Cash/Share		A\$0.02		
<i>General: U.S. to AUS exchange rate of 1.44347 on 12/26/19.</i>				
EPS (A\$) Diluted				
Full Year - Jun	2018A	2019A	2020E	
1st Half	(0.01)	(0.01)	(0.01)	
2nd Half	(0.01)	(0.01)	(0.01)	
FY	(0.01)	(0.02)	(0.01)	
Revenue (A\$M)				
Full Year - Jun	2018A	2019A	2020E	
1st Half	0.0	0.0	0.0	
2nd Half	0.0	0.0	0.0	
FY	0.0	0.0	0.0	

Quarterly EPS may not add to full year due to increases in share count and rounding.



**Path in breast cancer continues to make sense.** On Sunday evening, Prescient announced the anticipated update from its ongoing Phase 2a study using PTX-200 in HER2 negative, locally advanced breast cancer. The data are described further below, but in short: (1) overall response rate (ORR) of 91%; (2) two patients had pathologic complete responses (pCR); (3) one patient with clinical complete response (cCR); and (4) durability continues to be encouraging with nine of 10 evaluable patients free of disease progression to date (up to 40 months of disease-free progression). The study enrolled 11 patients with HER2-negative tumors; nine with ER+ disease and two with triple negative disease. While the data are from a small group of patients, they are still encouraging, in our belief.

**Intriguing responses.** The patient that achieved the cCR was termed non-evaluable due death prior to scheduled surgery due to adverse events (cardiac complications) from doxorubicin, and unrelated to PTX-200. However, the patient had a large ER+ that had a complete response following PTX-200 and paclitaxel. The Simon two-stage design's goal was to demonstrate three pCRs in the first eleven patients; two pCRs were seen, and the cCR was confirmed by autopsy, which appears to have established proof-of-concept for the study. While it is difficult to compare data interstudy, the expected pCR rate from locally advanced ER+ and HER2 negative is approximately 16% (Green et al. *J Clin Oncol* 23; 2005). A summary of the responses is found in the table below.

**Ongoing PTX-200 Positive Efficacy Results in Locally Advanced Breast Cancer**

	ER positive	Triple negative	Total
pCR	2	0	2
pPR	6	2	8
SD	0	0	0
PD	0	0	0
NE (cCR)*	1	0	
<b>ORR</b>			<b>90.9%</b>

Source: December 23, 2019 PTX release.

**Durability appears to be pointing in the right direction.** Progression-free intervals in the study are encouraging thus far. The current PFS ranges from 6.7 to 40 months (average of 22 months), with nine of the 10 patients being progression-free, to date. Assessment of overall survival (OS) continues, and is currently 22.4 months. The benchmark for durability is the 24-month mark, with many women progressing within this period.



**Next steps to add further personalization.** According to management, the data point to moving the study into ER positive disease, which appears to be the most responsive group. The goal is to combine PTX-200 with hormone therapy (SoC for locally advanced ER positive tumors). Investigators have stated to management their expectation of a more favorable safety profile vs. the current combination with chemotherapy (paclitaxel, doxorubicin-cyclophosphamide). In consideration of costs, the company is seeking to conduct the study in Australia, potentially in conjunction with an investigator-sponsored study to help defer costs.

**P-Akt is a promising pharmacological target in AML.** Regarding the relevance of targeting Akt in AML, we highlight that, despite this disease being highly dependent on a wide range of oncogenic genetic aberrations, it is also subject to the activation of defined tumor niches, where survival factors including hyperactivated Akt may play a role. To this end, high p-Akt levels are correlated with inferior survival in AML (Nepstad et al., *Cancers* 2018; Liang et al., *Sci Rep* 2017)

**Long-term focus is on novel targeted compounds for therapy resistant cancers devoid of treatment options.** Prescient's assets share a key feature of being not only targeted, but also being able to tackle a wide spectrum of malignancies. The company's clinical focus is on those cancers or metastases that become addicted to Akt, RAS and downstream effectors of these two clinically relevant oncogenes (e.g., RhoA). Of note, market opportunities are significant and we think underappreciated as these two targets alone could trigger tumorigenesis in the vast majority of cancers spanning hematological and solid tumors (e.g., pancreatic cancer or PDAC). For example, regarding PDAC, KRAS is the major tumor driver, and there are currently no targeted therapies, representing a significant unmet clinical need, in our view. Thus, as the clinical programs mature, we think that Prescient could potentially deliver new therapies for key diseases including aggressive cancers. For a more detailed analysis of our investment thesis on Prescient, refer to our initiation document here referenced: ([\*Targeted Oncology From Down Under: Initiating Coverage at Buy and A\\$0.20 PT\*](#)).

**PTX-200 rationale in breast cancer. program in HTR breast cancer represents the near-term value driver for the shares; 4Q19 data readout.** There are multiple PI3K and Akt inhibitors in clinical trials; however, preliminary data, literature, and our due diligence suggest that PTX-200 therapy could be successful in HTR BCa, where others have faltered thus far. Importantly, we highlight the strong scientific rationale for targeting Akt signaling in HTR cancer, which includes: (1) increased PI3K/Akt genetic aberrations lead to higher tumor growth; (2) higher dependency on PI3K/Akt pathways in patients that do not respond to targeted therapy (ERa inhibitors) and/or chemo; (3) Akt drives increased estrogen receptor (ERa) activity following the inhibition of the pathway from hormonal therapies (HT); and (4) there is a ubiquitous and strong consensus from clinical and laboratory practices highlighting the need for targeting Akt in HTR tumors. Overall, we believe that PTX-200 may deliver promising data in HTR disease with the potential of becoming a new therapy for these patients.

**Valuation and risks to price target achievement.** We maintain our Buy rating and are increasing our price target to A\$0.20 from A\$0.16 based on the following factors: (1) increasing our projected chance of success for PTX-200 in HTR breast cancer from 14% to 18%; (2) adjustment to base year; and (3) adjustment to exchange rate. Our valuation is based on our clinical net present value (NPV) model, which allows us to flex multiple assumptions affecting a drug's potential commercial profile. Our valuation is currently based on PTX-200 in breast cancer: (1) 91% contribution from HTR-BCa; and (2) 9% contribution from TNBCa. We currently do not include AML and ovarian in our projections, as well as any indications for PTX-100, both of which we consider to be free call options currently in our valuation. As the programs progress and data are released, we would look to reassess potential contribution from these indications and assets. Factors which could impede reaching our price target include failed or inconclusive clinical trials or inability of the company to secure adequate funding to progress its drugs through the development pathway.

(AUD\$ in millions except per share data)

<b>Profit &amp; Loss - June fiscal</b>	<b>2016A</b>	<b>2017A</b>	<b>2018A</b>	<b>2019A</b>	<b>2020E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>2029E</b>
Licensing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
R&D collaborations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Product and Royalties	0.0	0.0	0.0	0.0	0.0	0.0	2.1	44.5	93.0	195.5	308.1	431.6	396.7	416.8
Other revenues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Revenues</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.1</b>	<b>44.5</b>	<b>93.0</b>	<b>195.5</b>	<b>308.1</b>	<b>431.6</b>	<b>396.7</b>	<b>416.8</b>
CoGS	0.0	0.0	0.0	0.0	0.0	0.0	0.3	6.7	14.0	29.3	46.2	64.7	68.9	72.7
<b>Gross Profit</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.8</b>	<b>37.8</b>	<b>79.1</b>	<b>166.2</b>	<b>261.9</b>	<b>366.8</b>	<b>327.9</b>	<b>344.1</b>
<i>Gross margin</i>	0%	0%	0%	0%	0%	0%	85%	85%	85%	85%	85%	85%	83%	83%
SG&A	2.0	1.4	1.6	1.8	2.2	3.7	20.6	26.6	29.2	31.5	34.1	35.4	37.6	40.6
R&D	0.8	2.4	2.1	3.7	7.9	14.6	17.0	21.2	39.5	41.9	45.2	48.4	49.8	52.8
Other op ex	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>(2.8)</b>	<b>(3.8)</b>	<b>(3.6)</b>	<b>(5.5)</b>	<b>(10.1)</b>	<b>(18.4)</b>	<b>(35.8)</b>	<b>(10.0)</b>	<b>10.4</b>	<b>92.8</b>	<b>182.6</b>	<b>283.0</b>	<b>240.5</b>	<b>250.7</b>
<i>EBIT margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	11%	47%	59%	66%	61%	60%
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation Intangibles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>(2.8)</b>	<b>(3.8)</b>	<b>(3.6)</b>	<b>(5.5)</b>	<b>(10.1)</b>	<b>(18.4)</b>	<b>(35.8)</b>	<b>(10.0)</b>	<b>10.4</b>	<b>92.8</b>	<b>182.6</b>	<b>283.0</b>	<b>240.5</b>	<b>250.7</b>
<i>EBITDA margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	11%	47%	59%	66%	61%	60%
Non operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest Income/Other	1.0	1.2	1.1	1.7	3.4	6.4	7.4	9.2	17.2	18.2	19.7	21.0	21.7	23.0
Interest expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>(1.8)</b>	<b>(2.6)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(6.7)</b>	<b>(12.0)</b>	<b>(28.4)</b>	<b>(0.8)</b>	<b>27.6</b>	<b>111.0</b>	<b>202.3</b>	<b>304.1</b>	<b>262.2</b>	<b>273.7</b>
<i>EBT margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	30%	57%	66%	70%	66%	66%
Provision for taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.3	60.7	91.2	78.6	82.1
<b>Net Income</b>	<b>(1.8)</b>	<b>(2.6)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(6.7)</b>	<b>(12.0)</b>	<b>(28.4)</b>	<b>(0.8)</b>	<b>27.6</b>	<b>111.0</b>	<b>202.3</b>	<b>304.1</b>	<b>262.2</b>	<b>273.7</b>
Participation of preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Income to common</b>	<b>(1.8)</b>	<b>(2.6)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(6.7)</b>	<b>(12.0)</b>	<b>(28.4)</b>	<b>(0.8)</b>	<b>27.6</b>	<b>77.7</b>	<b>141.6</b>	<b>212.8</b>	<b>183.5</b>	<b>191.6</b>
<i>net margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	30%	40%	46%	49%	46%	46%
NoSH	82.2	210.0	211.4	244.5	451.3	545.0	632.2	644.8	696.4	752.1	812.3	877.3	947.5	1,023.3
<b>EPS - basic</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.04)</b>	<b>(0.00)</b>	<b>0.04</b>	<b>0.10</b>	<b>0.17</b>	<b>0.24</b>	<b>0.19</b>	<b>0.19</b>
<b>EPS - diluted</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.04)</b>	<b>(0.00)</b>	<b>0.04</b>	<b>0.10</b>	<b>0.17</b>	<b>0.23</b>	<b>0.19</b>	<b>0.18</b>

Source: Company reports and H.C. Wainwright estimates

Joseph Pantginis, Ph.D. [jpantginis@hcwco.com](mailto:jpantginis@hcwco.com)

Half-yearly P&L - June fiscal	Dec	June	June	Dec	June	June	Dec	June	June	Dec	June	June
AUD\$ in millions	FH1'18A	FH2'18A	FY'18A	FH1'19A	FH2'19A	FY'19A	FH1'20E	FH1'20E	FH1'20E	FH1'21E	FH1'21E	FH1'21E
Licensing	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R&D collaborations	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Product and Royalties	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Revenues</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
CoGS	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Gross Profit</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Gross margin	100%	100%	0%	100%	100%	0%	100%	100%	0%	100%	100%	0%
SG&A	0.74	0.84	1.6	0.81	1.02	1.83	1.06	1.14	2.20	1.63	2.11	3.74
R&D	0.90	1.16	2.1	1.54	2.14	3.68	2.61	5.31	7.92	5.87	8.78	14.65
Other op ex	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>(1.6)</b>	<b>(2.0)</b>	<b>(3.6)</b>	<b>(2.3)</b>	<b>(3.2)</b>	<b>(5.5)</b>	<b>(3.7)</b>	<b>(6.4)</b>	<b>(10.1)</b>	<b>(7.5)</b>	<b>(10.9)</b>	<b>(18.4)</b>
EBITDA margin			nm			nm			nm			nm
Non operating expenses	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Interest Income/Other	0.46	0.61	1.1	0.75	0.97	1.72	1.42	2.02	3.44	2.60	3.77	6.37
Interest expense	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBT</b>	<b>(1.2)</b>	<b>(1.4)</b>	<b>(2.6)</b>	<b>(1.6)</b>	<b>(3.9)</b>	<b>(5.5)</b>	<b>(2.3)</b>	<b>(4.4)</b>	<b>(6.7)</b>	<b>(4.9)</b>	<b>(7.12)</b>	<b>(12.0)</b>
EBT margin			nm									
Provision for taxes	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Participation of preferred stock												
<b>Net Income to common</b>	<b>(1.2)</b>	<b>(1.4)</b>	<b>(2.6)</b>	<b>(1.6)</b>	<b>(2.2)</b>	<b>(3.8)</b>	<b>(2.3)</b>	<b>(4.4)</b>	<b>(6.7)</b>	<b>(4.9)</b>	<b>(7.1)</b>	<b>(12.0)</b>
net margin			nm									
NoSH - basic	209.96	211.37	211.37	211.88	310.50	244.55	395.60	507.00	451.30	515.00	575.00	545.00
NoSH - diluted	209.96	211.37	211.37	211.88	310.50	244.55	395.60	507.00	451.30	515.00	575.00	545.00
<b>EPS - basic</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>
<b>EPS - diluted</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>

Source: Company filings and H.C. Wainwright estimates

Joseph Pantginis, Ph.D. - jpantginis@hcwco.com

**Important Disclaimers**

This material is confidential and intended for use by Institutional Accounts as defined in FINRA Rule 4512(c). It may also be privileged or otherwise protected by work product immunity or other legal rules. If you have received it by mistake, please let us know by e-mail reply to unsubscribe@hcwresearch.com and delete it from your system; you may not copy this message or disclose its contents to anyone. The integrity and security of this message cannot be guaranteed on the Internet.

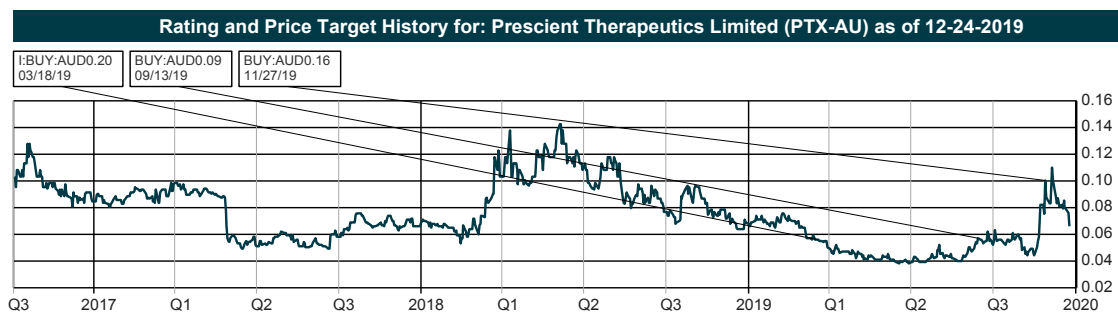
**H.C. WAINWRIGHT & CO, LLC RATING SYSTEM:** H.C. Wainwright employs a three tier rating system for evaluating both the potential return and risk associated with owning common equity shares of rated firms. The expected return of any given equity is measured on a RELATIVE basis of other companies in the same sector. The price objective is calculated to estimate the potential movements in price that a given equity could reach provided certain targets are met over a defined time horizon. Price objectives are subject to external factors including industry events and market volatility.

**RETURN ASSESSMENT**

**Market Outperform (Buy):** The common stock of the company is expected to outperform a passive index comprised of all the common stock of companies within the same sector.

**Market Perform (Neutral):** The common stock of the company is expected to mimic the performance of a passive index comprised of all the common stock of companies within the same sector.

**Market Underperform (Sell):** The common stock of the company is expected to underperform a passive index comprised of all the common stock of companies within the same sector.



Investment Banking Services include, but are not limited to, acting as a manager/co-manager in the underwriting or placement of securities, acting as financial advisor, and/or providing corporate finance or capital markets-related services to a company or one of its affiliates or subsidiaries within the past 12 months.

Distribution of Ratings Table as of December 24, 2019				
Ratings	Count	Percent	IB Service/Past 12 Months	
			Count	Percent
Buy	381	90.93%	133	34.91%
Neutral	36	8.59%	6	16.67%
Sell	0	0.00%	0	0.00%
Under Review	2	0.48%	2	100.00%

H.C. Wainwright & Co, LLC (the "Firm") is a member of FINRA and SIPC and a registered U.S. Broker-Dealer.

I, Joseph Pantginis, Ph.D. , certify that 1) all of the views expressed in this report accurately reflect my personal views about any and all subject securities or issuers discussed; and 2) no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report; and 3) neither myself nor any members of my household is an officer, director or advisory board member of these companies.

None of the research analysts or the research analyst's household has a financial interest in the securities of Prescient Therapeutics Limited (including, without limitation, any option, right, warrant, future, long or short position).

As of November 30, 2019 neither the Firm nor its affiliates beneficially own 1% or more of any class of common equity securities of Prescient Therapeutics Limited.

Neither the research analyst nor the Firm knows or has reason to know of any other material conflict of interest at the time of publication of this research report.

The research analyst principally responsible for preparation of the report does not receive compensation that is based upon any specific investment banking services or transaction but is compensated based on factors including total revenue and profitability of the Firm, a substantial portion of which is derived from investment banking services.

The Firm or its affiliates did not receive compensation from Prescient Therapeutics Limited for investment banking services within twelve months before, but will seek compensation from the companies mentioned in this report for investment banking services within three months following publication of the research report.

The Firm does not make a market in Prescient Therapeutics Limited as of the date of this research report.

The securities of the company discussed in this report may be unsuitable for investors depending on their specific investment objectives and financial position. Past performance is no guarantee of future results. This report is offered for informational purposes only, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such would be prohibited. This research report is not intended to provide tax advice or to be used to provide tax advice to any person. Electronic versions of H.C. Wainwright & Co., LLC research reports are made available to all clients simultaneously. No part of this report may be reproduced in any form without the expressed permission of H.C. Wainwright & Co., LLC. Additional information available upon request.

H.C. Wainwright & Co., LLC does not provide individually tailored investment advice in research reports. This research report is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this research report.

H.C. Wainwright & Co., LLC's and its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed in this research report.

H.C. Wainwright & Co., LLC and its affiliates, officers, directors, and employees, excluding its analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this research report.

The information contained herein is based on sources which we believe to be reliable but is not guaranteed by us as being accurate and does not purport to be a complete statement or summary of the available data on the company, industry or security discussed in the report. All opinions and estimates included in this report constitute the analyst's judgment as of the date of this report and are subject to change without notice.

Securities and other financial instruments discussed in this research report: may lose value; are not insured by the Federal Deposit Insurance Corporation; and are subject to investment risks, including possible loss of the principal amount invested.