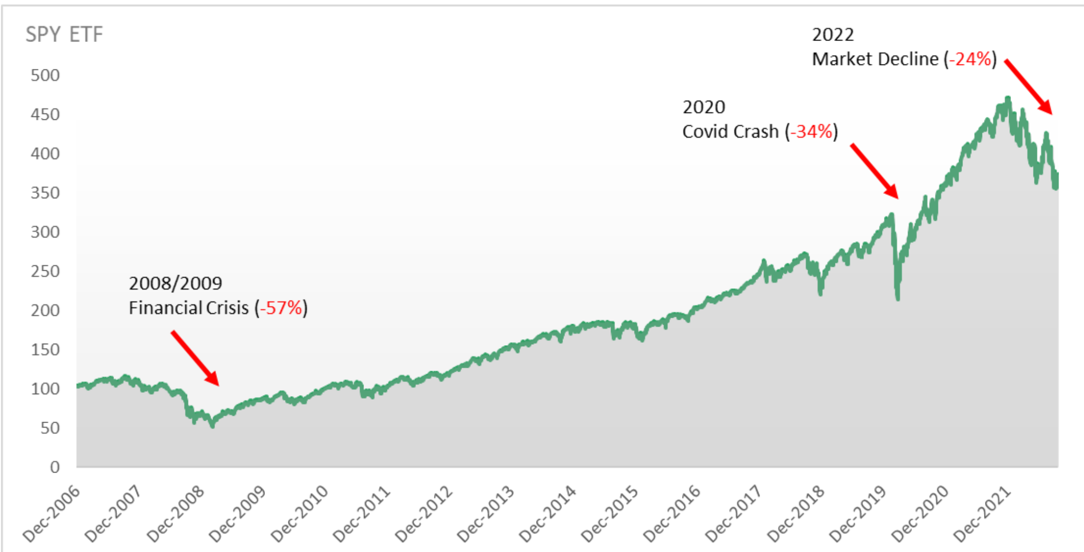
MEDICAL FUNDING PROFESSIONALS

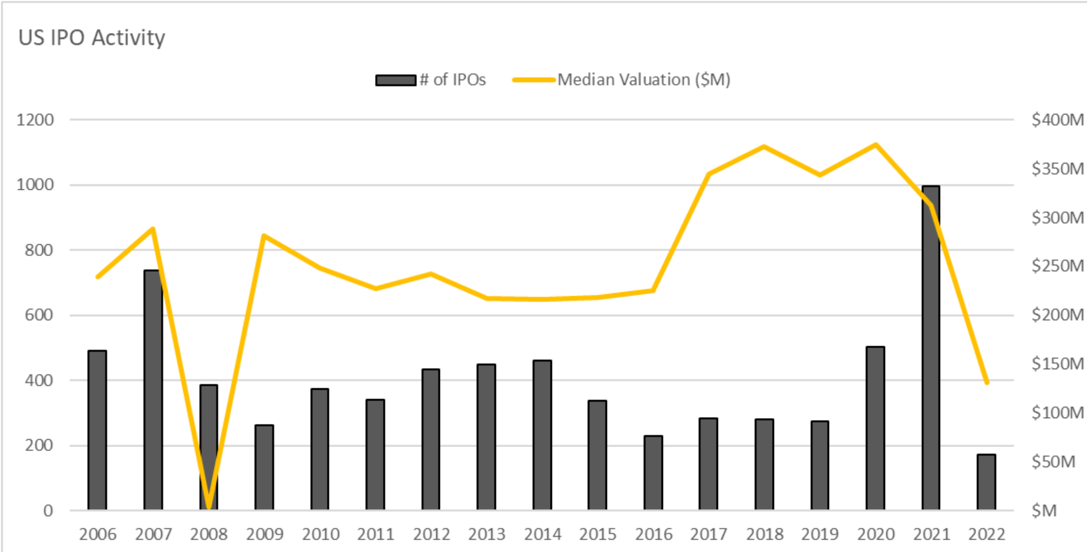
See How To Raise Capital

Growth Less than a month ago, US stocks, as measured by the benchmark S&P 500 index, tumbled to their lowest level since November 2020. While the index officially entered bear market territory in June, renewed fears over inflation and higher interest rates have pushed stocks further into the red. The index is now down nearly 25% for the year, making 2022 one of the largest and most persistent bear markets of the past two decades.



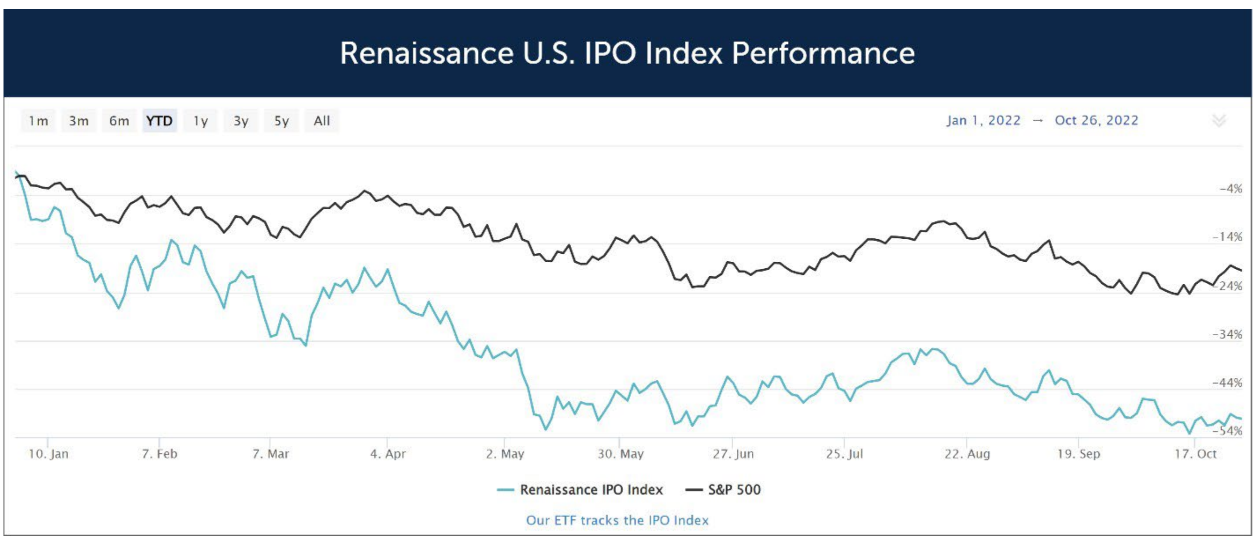
While not as severe or damaging as the financial collapse of 2008, this year's decline shares several things in common with its predecessor, including extended periods of high volatility, weak investor confidence, and catastrophic losses for companies irrespective of sector or industry. 30 companies have lost at least 90% of their value so far this year, and 990 have lost more than half. In total, stock market losses have wiped out [$9 trillion] in wealth from US households in 2022. In 2008, the combined losses from stock market declines and losses in housing equity amounted to [$10.2 trillion].

The impact on IPOs has been staggering. US IPO deal volume is down more than 80% so far this year while the valuations of companies seeking to raise money through IPOs have plummeted in lockstep with stock market valuations. And, as poorly as the broad market has performed, companies who recently IPO'd have fared even worse. The Renaissance IPO Index, which tracks the returns of the largest, most liquid, newly-listed US IPOs, declined 52% from January 1st through October, significantly lagging the S&P 500.



Source: Pitchbook (121 deals were completed in FY 2021. Includes deals that reported a raise amount)

Of the 997 US companies that went public in 2021, nearly two-thirds are trading below their IPO prices.

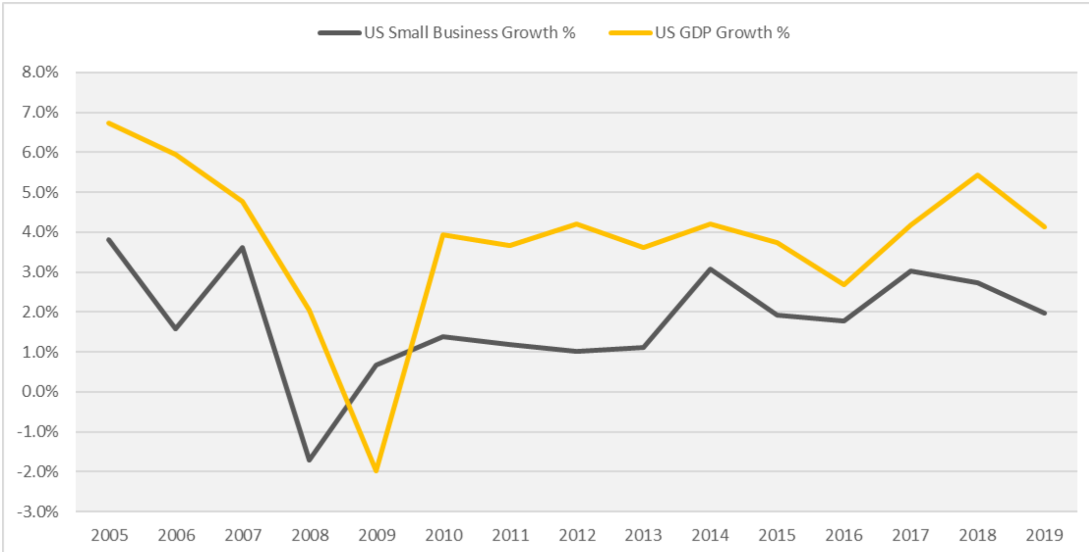


Source: renaissancecapital.com

The IPO trends of 2022 mimic those of the 2008 collapse when US IPO volume fell 65% over the period 2007 to 2009, and historically the relationship between stock market returns and IPO volume has been significant, with stock market strength encouraging IPO activity and declines inhibiting it. While a bull market in stocks is not a prerequisite for IPO success, traditionally, for IPOs to do well, markets need to be stable and investors must have faith that valuations won’t collapse within a reasonable investment window (the average mutual fund holding period is approximately 15-17 months). When markets crash, demand for IPOs craters as mutual funds struggle to re-collect assets and investors flee for safer alternatives, forcing IPO managers to postpone offerings. In 2008 it was recession, bankruptcy, and illiquidity that undermined sentiment and stalled IPOs. This year it’s geopolitics, inflation, and the question of whether financial markets (and the economy in general) can withstand further tightening from the Fed.

Historically, market crashes had an even greater effect on fundraising activity for startups and small businesses, who rely upon personal savings and contributions from family, friends, or small banks to fund their initial stages of growth. These groups are particularly vulnerable to market crashes due to their limited savings and capital resources, and funds quickly evaporate whenever household wealth tanks, as was the case in 2008. If funds are available, they typically flow into stable, defensive assets during downturns – not risky, unproven startups developing novel technologies.

Thanks, in part, to government bailouts and accommodative monetary policy, most of the country’s large corporations and financial institutions recovered from the 2008 collapse and IPO volume returned to normal levels in the years that followed. In the small business segment, however, hangover effects persisted into the latter part of the decade as tight lending standards and a scarcity of capital weighed heavily on startup activity and small business innovation. According to Federal Reserve Economic Data, the number of licensed small businesses in the US grew just 1.6% per year on average from 2010 to 2016, a period during which US GDP grew 4% annually and venture capital funding increased at a rate of nearly 25% per year.



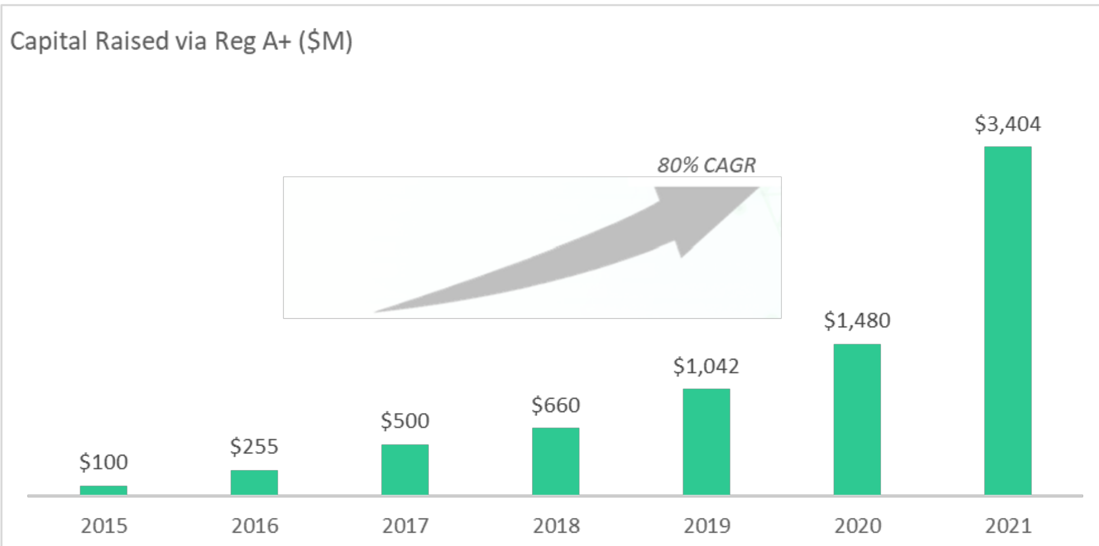
JOBS Act and Regulation A+

The Jumpstart Our Business Startups (JOBS) Act is a piece of legislation signed into law by President Barack Obama in 2015 that loosened SEC regulations on small businesses. It's intended goal was to revitalize the small business sector after the financial crisis by making it easier for entrepreneurs and small businesses to raise capital and grow. Specifically, the bill lowered burdensome SEC reporting and disclosure requirements for companies generating less than $1 billion in revenue and permitted issuers to advertise securities offerings through what's known as General Solicitation, directly addressing two of the biggest hurdles to growth that early-stage companies face (cost and access to capital). In addition, the JOBS Act allowed non-accredited "retail" investors to invest in startups through crowdfunding and mini-IPOs, significantly expanding the market of potential investors in a liquidity event.

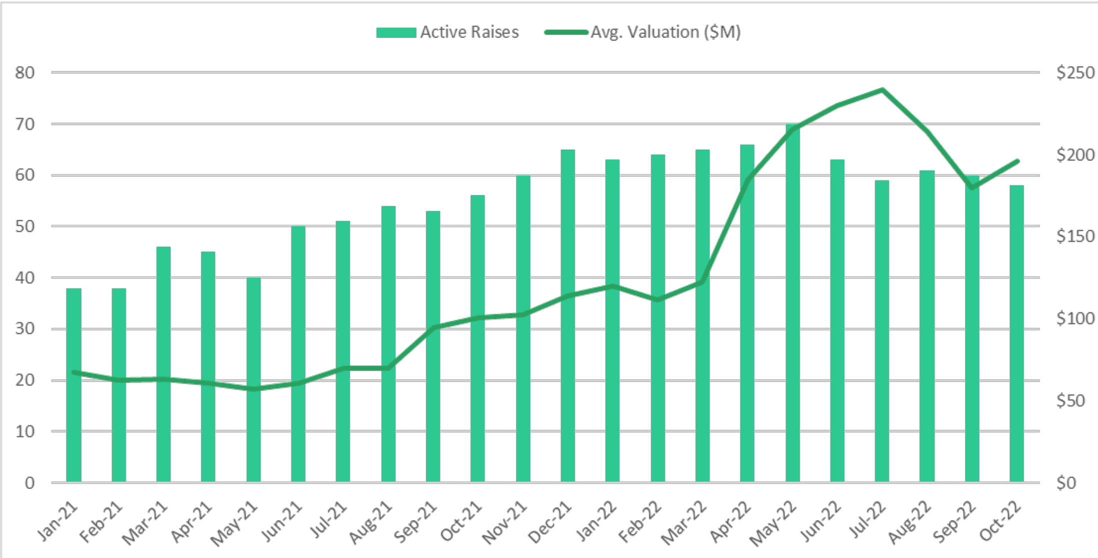
The most important measure of the bill was to expand a category under an exemption called Regulation A (Reg A), which allows companies to raise capital via public offerings of securities without having to register with the SEC. The expanded Reg A exemption, Regulation A+, increased the amount of money companies are allowed to raise each year from accredited and non-accredited investors to $75 million (under Regulation Crowdfunding, companies can raise up to $5 million per year).

The impact of this legislation, and Reg A+ in particular, on startup fundraising and growth prospects has been tremendous. Through October 2022, Reg A+

offerings have raised more than $7.7 billion with over $3.4 billion raised in 2021 alone – a 130% year-over-year increase. The completion rate of offerings more than doubled last year, from 24% to 55%, and companies targeting $50 million or more were particularly successful, completing 80% of their raises, reflecting a significant increase in the number of issuers utilizing Reg A+ for the largest amounts possible.



In stark contrast to stock and IPO markets, Reg A+ has maintained its momentum in 2022. Reg A+ deal volume through October is up 33% year-over-year (and has already eclipsed the total from last year), continuing the long-term trend in volume growth which extends back to 2015 when the JOBS Act was first implemented. Valuations, meanwhile, have climbed to record highs. The average pre-money valuation of a company engaged in Reg A+ was $239.4 million in July, compared to $120 million in January and $100 million a year ago.



The resilience of the Reg A+ market reflects several forces, most notably an increase in the number of issuers pursuing Reg A+ as an alternative to traditional funding approaches, and the rising popularity of crowdfunding spurred by a surge in retail investor participation on the demand side. Private market price stability, combined with the crowdfunding focus on long-term “big-picture” impact investments over short-term returns and price movements, has kept demand for Reg A+ offerings steady amidst widespread uncertainty in the traditional IPO market.

Notable Reg A+ Offerings in 2022

	BOXABL	NowRx PHARMACY	aptera
Industry	Housing Mass Production	Digital Health, HealthTech	Solar Electric Vehicles
Target Raise	$70 million	$73 million	$50 million
Valuation	$3 billion	$275 million	$200 million
Raised to Date	$11.4 million	$20.5 million	$44.6 million
Close Date	March 2023	June 2022	May 2022

Optimism in the Reg A+ market is perhaps best reflected in the number of companies registering large offerings. So far in 2022, 44 companies have filed offerings for $60 million or greater, an increase of 25% compared to the same period last year. They are listed below.

Company	Industry	Most Recent Filing Date	Aggregate Offering
Zergratran SA, Inc.	Water Transportation	10/28/2022	$75,000,000
Bran Urban Growth Fund LLC	Real Estate	10/28/2022	$75,000,000
EvolveX Equity Fund LLC	Real Estate	10/26/2022	$50,000,000
One World Ventures	Diversified	10/25/2022	$75,000,000
Value Add Growth REIT IV, LLC	REITs	10/21/2022	$65,000,000
Lee Pharmaceuticals, Inc.	Personal Care Products	10/18/2022	$50,000,000
Cardone REIT I, LLC	REITs	10/17/2022	$75,000,000
MacKenzie Realty Capital, Inc.	REITs	10/14/2022	$75,000,000
MXY Holdings Inc.	Miscellaneous Retail	10/13/2022	$75,000,000
Careerlink Holdings, Inc.	Recruitment Services	10/7/2022	$50,000,000
East Bay Permanent Real Estate Cooperative	Real Estate	9/26/2022	$72,000,000
Engage Mobility, Inc.	Business Software	9/22/2022	$75,000,000
The3rdBevco Inc.	Food & Beverages	9/21/2022	$72,000,000
Boxabl Inc.	Construction & Engineering	9/19/2022	$65,000,000
Iron Bridge Mortgage Fund, LLC	Financial Services	9/15/2022	$75,000,000
Landa App LLC	Software	9/15/2022	$50,622,266
Castle Placement Group, LLC	Financial Services	9/15/2022	$75,000,000
Emerging Fuels Technology, Inc.	Renewable Energy	9/12/2022	$74,953,625
FundRebel	REITs	9/9/2022	$75,000,000
Cityfunds I, LLC	REITs	8/30/2022	$70,000,000
Madre Tierra Mining Ltd.	Minerals and Mining	8/26/2022	$50,000,000
MHHC Enterprises, Inc.	Insurance	8/25/2022	$50,000,000

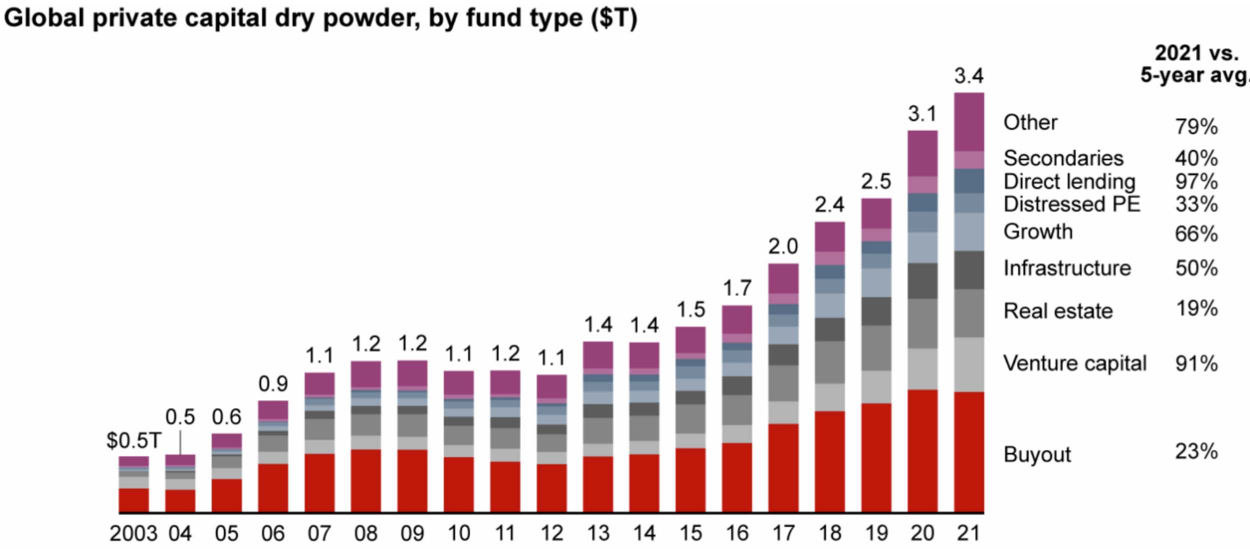
preREO LLC	Real Estate	8/10/2022	$75,000,000
Coyuchi, Inc.	Apparel	8/5/2022	$60,000,000
AHP Title Holdings LLC	Insurance	8/4/2022	$75,000,000
ReAlpha Asset Management, Inc.	Real Estate	7/29/2022	$75,000,000
Skid Row AHP LLC	Real Estate	7/22/2022	$75,000,000
Multi-Housing Income REIT LLC	REITs	7/18/2022	$75,000,000
Smart Rx Systems	HealthTech	7/13/2022	$50,000,000
CWS Investments, Inc	Real Estate	7/13/2022	$75,000,000
Fundrise Equity REIT, LLC	REITs	7/8/2022	$62,762,944
Fundrise Growth eREIT II, LLC	REITs	7/8/2022	$75,000,000
GenesisAI Corporation	Artificial Intelligence	6/30/2022	$52,400,539
AFRO DOLLAR MONEY INC	Financial Services	6/29/2022	$75,000,000
Legion Capital Corporation	FinTech	6/21/2022	$75,000,000
Triangle 9 Real Estate, Inc.	Real Estate	6/9/2022	$75,000,000
Energy Exploration Technologies, Inc	Renewable Energy	6/7/2022	$75,000,000
Howards MBS INC	Educational Services	6/1/2022	$75,000,000
PGD Eco Solutions, Inc.	Renewable Energy	5/24/2022	$50,000,000
Hoop Street Center I Corp	Recreational Services	5/23/2022	$50,000,000
REI Capital Growth LLC	Real Estate	5/17/2022	$75,000,000
Iroquois Valley Farmland REIT PBC	REITs	5/16/2022	$62,793,826
IdentifySensors Biologics Corp.	HealthTech	5/13/2022	$50,000,000
EquityLine Capital LLC	Financial Services	5/13/2022	$50,000,000
Cloudastructure	SaaS	5/6/2022	$66,375,323
NOYACK Logistics Income REIT II, Inc.	REITs	5/4/2022	$75,000,000
PF ROYALTY I LLC	Oil & Gass	4/26/2022	$75,000,000
Realm Metaverse Real Estate Inc.	Real Estate	3/28/2022	$75,000,000
GRASS QOZF, INC.	Business Services	3/14/2022	$50,000,000
Bear Village, Inc.	Real Estate	3/10/2022	$50,000,000
Tuscan Gardens	Senior Living	3/9/2022	$75,000,000
YS RE RAF I LLC	REITs	2/15/2022	$75,000,000
PHI GROUP INC	Business Services	2/9/2022	$75,000,000
Streamline USA, Inc.	Construction & Engineering	2/8/2022	$75,000,000
VictoryBase	Real Estate	1/31/2022	$75,000,000
WiPROSPER VENTURES, LLC	Crowdfunding	1/26/2022	$75,000,000
Veloce Cap Fund 1 LP	Financial Services	1/19/2022	$75,000,000
RAD Diversified REIT, Inc.	REITs	1/10/2022	$57,807,167
Park View OZ REIT Inc	REITs	1/5/2022	$72,501,700

As growing retail investor participation continues to transform the funding landscape, all signs point to a continuation of recent trends within both the Reg A+ market and broader crowdfunding sector, which encompasses peer-to-peer fundraising and lending platforms. According to Technavio Research Insights, the global crowdfunding market is projected to increase by $240 billion over the next five years, growing at a CAGR of 16.1%.

The increased success and popularity of Reg A+ has attracted newfound interest amongst traditional investor groups – namely venture capital funds, private equity groups, family offices, and other institutional type investors – who largely avoided crowdfunding investments in the past. Today, it's no longer uncommon for institutional investors to participate in Reg A+ offerings, and in fact their increased participation has been a driving force behind the rapid rise in valuations over the past 12 months. Companies undergoing Reg A+ offerings now view institutions as crucial targets for their outreach programs, and more and more issuers actively solicit VCs, PEs, and family offices in their primary Reg A+ and later funding rounds. These private funding sources are flush with idle capital seeking investment, and the capital continues to increase as crashing stock markets have pushed high-net-worth individuals into private investment alternatives.

A Staggering Amount of Private Capital

The amount of private capital seeking investment today is staggering. According to a recent report by Bain & Company, private equity firms are currently sitting on $3.4 trillion in uninvested funds. This unspent capital steadily built up thanks to growing investor demand for PE assets which can offer strong long-term returns that aren't correlated with stocks. The value of private equity buyout transactions jumped from $850 billion to approximately $1.1 trillion in 2021. In a similar vein, venture capital investments more than doubled, hitting $621 billion globally – which shattered the previous year's record of $294 billion.



Source: Bain & Company

The increased availability of private capital isn't just limited to traditional private equity firms: family offices, sovereign wealth funds, and pension funds experienced sweeping changes in 2021 and play a more prominent role in the private funding space. Participation in venture investments has grown considerably among these groups, particularly among family offices, with over three-quarters of family offices engaging in direct deals in 2021. While exact figures could not be found, it's estimated that $10 trillion to $30 trillion is currently available to companies through family offices, wealth funds, and other private sources.

13.7m
US Accredited Investors[1]

184.5m
Individuals Owning Stocks (US)[2]

746.5m
Individuals Owning Stocks (Global)

23%
Retail Share of Equity Trading[3]

250k
Active Angel Investors (US)[4]

100k+
Venture Capital Firms (US)[5]

300k+
Family Offices in the US[6]

350k+
Private Equity Firms (US)[7]

[1]DYQDJ, 2020; [2]Gallup, 2021; [3]Bloomberg, 2021; [4]Angel Investor Network; [5]NVCA; [6]ICSTD, 2020; [7]Capgemini, 2017

Registered Investment Advisors (RIAs) have also become more active in the private funding space. Securities legislation allows RIAs to allocation a portion of their clients' investment portfolios to Reg A+ offerings, and the relative stability of Reg A+ investments (compared to publicly traded stocks, currencies, and commodities) can reduce overall portfolio risk, making Reg A+ a suitable option for pension funds and 401k plans which are prohibited from investing in certain alternative or "risky" asset classes. In addition, RIAs can recommend Reg A+ investments for client portfolios, citing lower price risk as well as diversification benefits, since returns on private company investments have a low correlation with the market. As alluded to previously, this effect can be attributed to the lack of daily pricing for Reg A+, as well as the long-term nature of Reg A+ investments which emphasize technological innovation instead of short-term profits.

The options for accessing this wealth of capital are plentiful and diverse, and there's no one-size-fits-all solution for every company looking to raise capital. However, some general guidelines can help founders identify the proper funding strategy for their businesses, such as understanding the current stage of their companies, which will determine not only the optimal form of capital, but also the right source of capital for their businesses. There are generally four stages of funding for a business:

Pre-seed Stage: In this stage there is an idea or concept but no product or service to sell. Funds are required to develop the concept and bring it to market.

Seed Stage: In this stage there is a product or service but no sales. Funds are required for product development, marketing, and initial sales efforts.

Early Stage: In this stage there are sales but no profits. Funds are required to implement early growth, commercialization, and expansion plans.

Late Stage: In this stage a company is profitable and looking to scale. Funds are required to further expand the business into new verticals and/or geographies.

While investments from family, friends, or just a single angel investor can be sufficient to carry pre-seed companies through initial product conception, companies undergoing product development, clinical trials, and early commercialization require greater resources traditionally provided by venture capital, private equity, and other institutional investors. VC continues to dominate the landscape for early-stage funding, however this has begun to change with the emergence of Reg A+ and other JOBS Act exemptions. We now turn to the next section which will delve deeper into the key advantages and benefits of Reg A+.

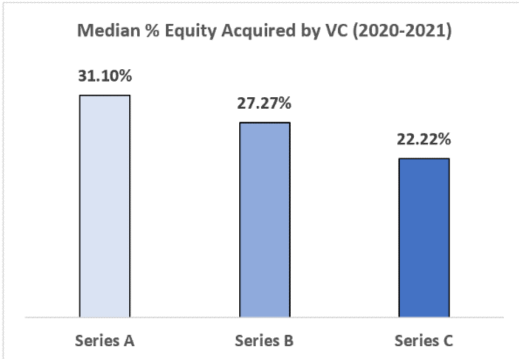
Why Reg A+

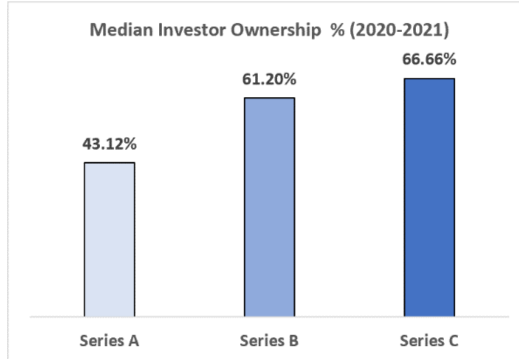
More and more companies are using Reg A+ to raise money. Here are some of the reasons why.

Viable alternative to venture capital: Reg A+ has disrupted the traditional financing model of startups and early-stage companies needing to go through VC networks to secure funding. It used to be that crowdfunding was seen as a last resort for startups and a "red flag" indicating a lack of interest from VC in any securities being offered. Today this is no longer the case with Reg A+ emerging as a viable competitive threat to VC. Reg A+ combines the benefits of the familiar IPOs associated with large Wall Street underwriters with considerable cost savings, less administrative hassles, and shorter time to market.

Wider capital market: Historically, private companies were limited to appeals to VCs and people who the founders knew personally when it came to raising money. Reg A+'s expanded solicitation provisions allow issuers to solicit not only accredited investors (defined as any individual or entity with a net worth exceeding $1 million and/or income in excess of $200,000 in each of the last two years), but to non-accredited retail investors as well. Existing shareholders can also participate in Reg A+ offerings, selling stock without a Rule 144 exemption or buying shares which can subsequently be resold anytime on liquid secondary markets.

Maintain control: Angel investors and VC firms leverage their positions as the primary providers of early-stage growth capital to obtain favorable financing terms, board control, and other protective provisions that suppress valuation. Under the VC route, founders give up approximately one-third of their companies in their first round (Series A) offerings and typically surrender total control to outside investors within the first two rounds of funding. Reg A+ minimizes dilution by spreading ownership across a broader and more diverse investor base, allowing founders to stay in control and determine the strategic direction of their companies going forward.





Dilution comes at a high cost to founders. Consider medtech company X valued at $200 million after successfully completing a $40 million raise. In the VC scenario, outside investors own a combined 60% stake worth $120 million, whereas in the Reg A+ investors collectively own just 20% ($40 million), allowing founders to maintain control. The ownership differential amounts to *$80 million* in lost equity value under the VC approach that would otherwise accrue to founders in a Reg A+. The cost of capital for the Reg A+ issuer is approximately $5 million and includes all relevant legal, filing, marketing, and promotion costs of a typical Reg A+ offering. In contrast, the "true" cost of capital for the same raise under the VC route considers the equity value forfeited to VCs, and is significantly higher as a result.

Maintain momentum: Traditional roadshow campaigns are painstaking and time-consuming, diverting precious energy and resources away from the day-to-day operations of running a company. From the drafting of initial investor materials to due diligence and close, it typically takes anywhere from 12 to 24 months to successfully pitch a VC and complete a round of funding. With Reg A+, companies can outsource investor outreach and acquisition to independent third-parties so the CEO doesn't spend six months raising money full-time. These entities raise money digitally, leveraging technology to streamline fundraising efforts and investor relations via Facebook and Instagram ads, LinkedIn, mass email, online PR, and other methods.

Monetization: Many of the same companies who perform investor acquisition also operate secondary market trading platforms providing investors with liquidity and the option to sell securities at any time. Upon completion of Reg A+ shares are freely tradable in secondary markets, allowing investors to cash out at stable prices while reducing the liquidity risk that often discourages investors from participating in private offerings. In addition, commissions generated from the purchase and sale of securities on these platforms can provide added incentive for broker-dealers to form strategic partnerships with issuers.

Lower compliance burden: Reg A+ issuers are not subject to blue sky laws governing state registration of qualification according to Federal Regulations, significantly reducing filing and listing fees compared to traditional IPOs. Companies who complete a Tier 1 offering are not required to file ongoing reports with the SEC, other than an exit report (Form 1-Z) at the completion of an offering. Companies who complete Tier 2 offerings are subject to an ongoing reporting regime but are only required to file annual, semi-annual, and current event reports with the SEC.

Lower cost: Simpler registration and filing protocols reduce legal fees and administrative hassle, making Reg A+ a cost-effective alternative to traditional IPOs. The graphic below compares projected direct costs of Reg A+ and traditional IPOs across different raise assumptions.

The average cost of an IPO over the period 2015-2020 was approximately $9.95 million based on an analysis of 238 companies generating less than $100 million in revenue whose IPOs raised $25-100 million. Reg A+, in contrast, can typically be completed for under $7 million inclusive of media spend, investor acquisition, broker-dealer, platform, filing, audit, and consulting fees. Miscellaneous expenses are included as well.

Summary of IPO Costs								
Aggregate Offering	$40,000,000	$45,000,000	$50,000,000	$55,000,000	$60,000,000	$65,000,000	$70,000,000	$75,000,000
Underwriter Fees	$2,800,000	$3,150,000	$3,500,000	$3,850,000	$4,200,000	$4,550,000	$4,900,000	$5,250,000
Exchange Listing	$217,586	$221,034	$224,483	$227,931	$231,379	$234,828	$238,276	$241,724
SEC Registration	$4,408	$4,959	$5,510	$6,061	$6,612	$7,163	$7,714	$8,265
FINRA	$6,500	$7,250	$8,000	$8,750	$9,500	$10,250	$11,000	$11,750
Legal	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000
Accounting / Audit	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000
IPO Consulting	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Printing Fees	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Miscellaneous / Other	$240,721	$254,542	$268,363	$282,185	$296,006	$309,828	$323,649	$337,470
Total IPO Costs	**$6,419,215**	**$6,787,785**	**$7,156,356**	**$7,524,927**	**$7,893,497**	**$8,262,068**	**$8,630,639**	**$8,999,209**
Rounded	**$6,420,000**	**$6,790,000**	**$7,160,000**	**$7,520,000**	**$7,890,000**	**$8,260,000**	**$8,630,000**	**$9,000,000**

Summary of Reg A+ Costs								
Aggregate Offering	$40,000,000	$45,000,000	$50,000,000	$55,000,000	$60,000,000	$65,000,000	$70,000,000	$75,000,000
Broker-Dealer	$1,614,211	$1,815,882	$2,017,552	$2,219,221	$2,420,893	$2,622,563	$2,824,232	$3,025,903
Platform (Hosting)	$71,000	$71,000	$71,000	$71,000	$71,000	$71,000	$71,000	$71,000
Filing	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000
FINRA	$6,500	$7,250	$8,000	$8,750	$9,500	$10,250	$11,000	$11,750
Legal	$75,250	$75,250	$75,250	$75,250	$75,250	$75,250	$75,250	$75,250
Accounting / Audit	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
IPO Consulting	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000	$140,000
Investor Acquisition	$480,000	$520,000	$560,000	$600,000	$640,000	$680,000	$720,000	$760,000
Media Spend	$2,600,000	$2,700,000	$3,125,000	$3,437,500	$3,600,000	$3,900,000	$4,200,000	$4,500,000
Miscellaneous / Other	$105,000	$105,000	$105,000	$105,000	$105,000	$105,000	$105,000	$105,000
Total	**$5,169,961**	**$5,512,382**	**$6,179,802**	**$6,734,721**	**$7,139,643**	**$7,682,063**	**$8,224,482**	**$8,766,903**
Rounded	**$5,170,000**	**$5,510,000**	**$6,180,000**	**$6,730,000**	**$7,140,000**	**$7,680,000**	**$8,220,000**	**$8,770,000**

Investor community: Soliciting a broad and diverse investor base allows issuers to increase visibility and grow community. Companies that raise capital via Reg A+ are attracting fans, followers, customers, clients, and strategic partners, and encouraging them to buy into their mission and be rewarded for their loyalty and support with a piece of the profits. This in turn breeds greater loyalty and turns these new investors into company ambassadors, who are more likely to refer new business and be vocal participants in the community.

These are just some of the benefits Reg A+ offers to early-stage companies looking to raise capital, and the market continues to expand as more founders and business owners utilize Reg A+ to meet their funding needs. One study of biotech startups who raised capital via Reg A+ offerings found that:

1. Companies raised funds 1.34 years earlier while in the FDA approval process, approximately 20 percent earlier than companies who raised funds through traditional sources.

2. Companies who participated in Reg A+ offerings raised an average of 29 percent more money in their subsequent traditional Wall Street-sponsored IPOs than did companies that went public before the passage of Reg A+ legislation.

3. Employment at the companies grew an average of 150 percent in the first three years after a Reg A+ offering, a rate significantly greater than the

rate of job growth at biotech companies raising public funds before the Act.

To learn more about the advantages and benefits of Reg A+ click here.

Capital Planning and Valuation Strategy™

Is a Reg A+ offering right for my company? What is my business worth as an investment? How much money do I need? How much might be raised? Will I be required to give up control? These are the questions business owners ask themselves when contemplating Reg A+, and we specifically designed our proprietary Capital Planning Valuation Strategy™ to provide the answers.

Capital Planning and Valuation Strategy™ (CPVS™) is a proprietary process of MFP that uses company-provided information to develop a custom, proposed pro forma presentation for the company's Reg A+ offering. The presentation establishes a powerful, forward-looking foundation to effectively implement a company's capital funding strategies.

MFP's 2-6 week process begins with review of the company's Due Diligence materials provided after receipt of a mutual non-disclosure agreement through our secure online portal. My Co-Chair, Scott Pantel, and I assess the amount of capital needed to launch and scale successfully with the most desirable schedule, propose a strategy to fit the company's funding needs, and suggest a governance structure that will maintain maximum control and ownership through the fundraising process.

At the end of the analysis, we deliver online copies of the following:

- **Pro-forma capitalization table** reflecting the current capitalization structure of the company and the projected capitalization table following potential investments,
- **Pre- and post-money valuations** of the company,
- **Selling shareholders analysis**, showing how current shareholders can have a limited liquidity event in the Reg A+ offering,

- **Custom marketing plan** for promotion of both the company and their offering,
- **Description of the sequential steps in the process** ending with a financial offering in spreadsheet form, and
- **Synopsis with the steps of the funding process**, i.e., the capital cash flow projection beginning post-registration and ending with receipt of offering proceeds.

Sample Valuation Output from MFP Cap Table Build

Cap Table Assumptions			
MedTech Co. Pre Reg A+		***Reg A+***	
Shares Authorized	150,000,000	Share Price - Reg A+	$5.10
Total Common Equity	15,201,488	Total Equity Invested - Reg A+	$30,000,000
Total Series B Converted Shares	40,772,825	Shares Issued to Reg A+ Investors	5,882,353
Total Options & Warrants	7,535,633	Reg A+ Investor Ownership	8.45%
Fully Diluted Shares Outstanding	65,459,946	Diluted Shares Outstanding	69,599,167
Original Cap Table Shares	63,509,946	Pre-Money Valuation	$333,845,723
Share Adjustment Factor	1.0x	Post-Money Valuation	$354,955,750

Valuation Summary	Pre Reg A+	Reg A+
Total Shares Outstanding	65,459,946	69,599,167
Pre-Money Valuation		$333,845,723
Post-Money Valuation		$354,955,750

Key Investor Ownership	Pre Reg A+	Reg A+
Founder #1	31.01%	28.29%
Founder #2	11.52%	10.51%
Founder #3	8.73%	7.97%
Total Founder Ownership	**51.26%**	**46.77%**

Cost of Capital Analysis	Reg A+ (MFP)	Traditional VC
Amount Raised	$30,000,000	$30,000,000
# of Investors	5,000	4
Avg. Investment	$6,000	$7,500,000
Post-Valuation	$354,955,750	$354,955,750
Investor Ownership	8.45%	30.00%
$ Val Investor Holdings	$30,000,000	$106,486,725
Cost of Raise	$5,000,000	$76,486,725

Dilution Summary	Pre Reg A+	Reg A+	Value
Common Equity	23.22%	21.42%	$76.0m
Series B Convertible	62.29%	56.91%	$202.0m
Options & Warrants	11.51%	10.50%	$37.3m
Reg A+ Investors		8.45%	$30.0m
Co-Chair: MFP of CPVS	1.37%	1.25%	$4.5m
Co-Chair: LSI of CPVS	1.53%	1.39%	$4.9m
Investor Acq: Ridge Growth	0.08%	0.07%	$.2m
Total	**100.00%**	**100.00%**	**$355.0m**

Deal Comps Summary ($M)	Deal Size	Post-Val	Inv. %
MedTech Co.	**30**	**355**	**8.5%**
Guardant Health	83	498	60.4%
Thrive Earlier Detection	257	677	NA
Bluestar Genomics	70	280	54.4%
Inivata	35	155	97.2%
PetDx	57	197	54.4%
Exact Sciences	32	156	62.3%

Business owners who have completed the assessment tell us that they can make funding decisions with greater confidence due to:

- Knowing how potential investors will view their company.
- Understanding how much capital they need to implement their business strategy and the funding realistically possible. This knowledge reduces the likelihood of leaving money on the table or losing control of their company at the economic and governance levels.
- Anticipating regulatory and compliance requirements associated with a funding.

- Recognizing the normal ebbs and flows of a funding process whether issuing equity, warrants, debt, or convertible securities. This knowledge enables owners to maintain and increase valuable momentum during scale up.

- Promoting A+ offerings as an incentive for a 506(c)-funding round (Seed, Series A, B, or more.)

A CPVS™ assessment provides a solid foundation of information for decisions about future capital funding efforts, and the CPVS™ perspective is invaluable for startups and early-stage companies considering a funding event – whether it be Reg A+ or a different route such as grants, convertible debentures, SAFE notes, or others. The assessment is the easiest and most efficient way for companies to determine how much money they need and to identify the fastest, least expensive method of raising capital.

Below are names and descriptions of several companies who found CPVS™ useful and have partnered with MFP to manage their Reg A+ offerings.

- **EyeMarker:** Developer of non-invasive assessment and tracking devices for traumatic brain injury (TBI) improving the speed, accuracy, and consistency of concussion detection and diagnosis. Currently raising capital via Reg D (506c).

- **Facible:** Developer of revolutionary biodiagnostics technology for infectious disease which simplifies the diagnostic testing process while increasing the accuracy of results, empowering patients to better understand their personal health and the quality of products treating their wellness. **Seeking to raise $40 million**.

- **HealthySole:** Disrupting the infection prevention market with ultraviolet shoe sanitizer technology clinically proven to kill 99.99% of infections, contaminations, and pathogens in only 8 seconds. **Seeking to raise $40 million**.

- **Kurve Therapeutics:** Provider of compact liquid drug delivery devices significantly enhancing the efficacy and safety of formulations treating Alzheimer’s, Parkinson’s LBD, and ALS. **Seeking to raise $50 million**.

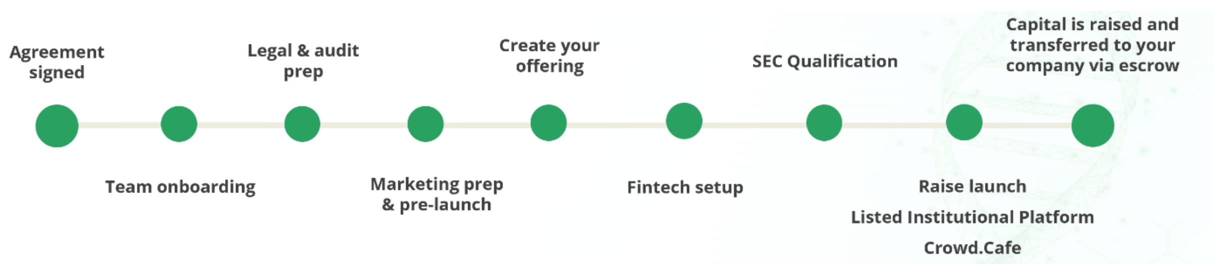
- **McGinley Orthopedics:** Manufacturer of orthopedic surgical devices employing cutting-edge sensing and navigation technology reducing surgical time and cost while improving patient outcomes. **Seeking to raise $40 million**.

- **Medical 21:** Reshaping the future of cardiac bypass surgery with an artificial graft which eliminates the harvesting of blood vessels, significantly decreasing procedure time and cost as well as the risk of infection, scarring, and pain for patients. **Seeking to raise $40 million**.

- **Pristine Surgical:** Simplifying endoscopy with 4K single-use surgical endoscopes and cloud-based software to make minimally invasive visualization more efficient, consistent, and safe. **Seeking to raise $40 million**.

Once a company decides that a Reg A+ offering is the right course of action to take, the next steps are simple and straightforward. MFP, alongside our platform partners, will create the offering, including compelling content to drive engagement which will serve as the foundation for sustainable investor and customer acquisition growth. MFP will then obtain SEC Qualification for the Reg A+ offering, a process that usually takes between 60 and 90 days. The client offering will then be launched on a Virtual Roadshow on the company's website and investor capital will be raised and transferred to the company via escrow.

Client Timeline

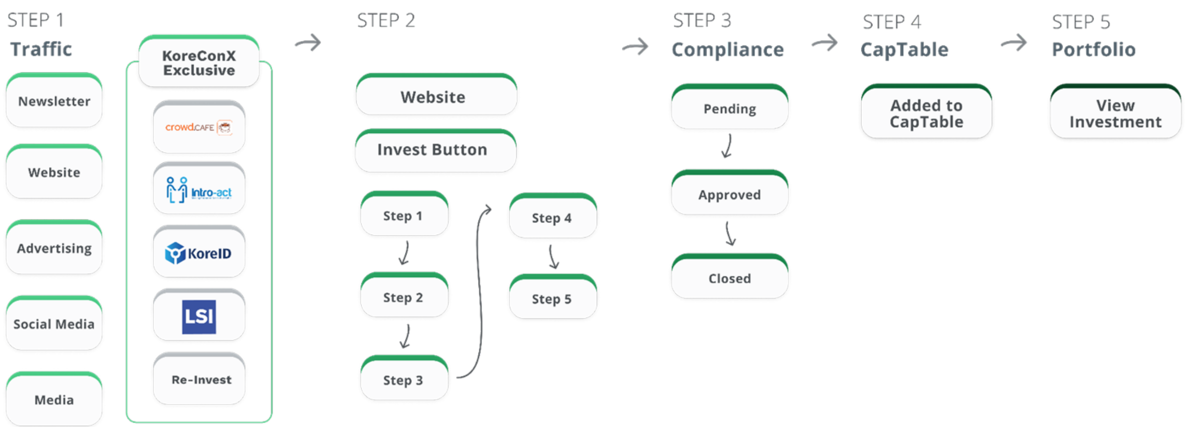


The next section details MFP's fundraising and marketing strategy allowing clients to raise capital cheaper and faster than traditional methods.

Fundraising Plan

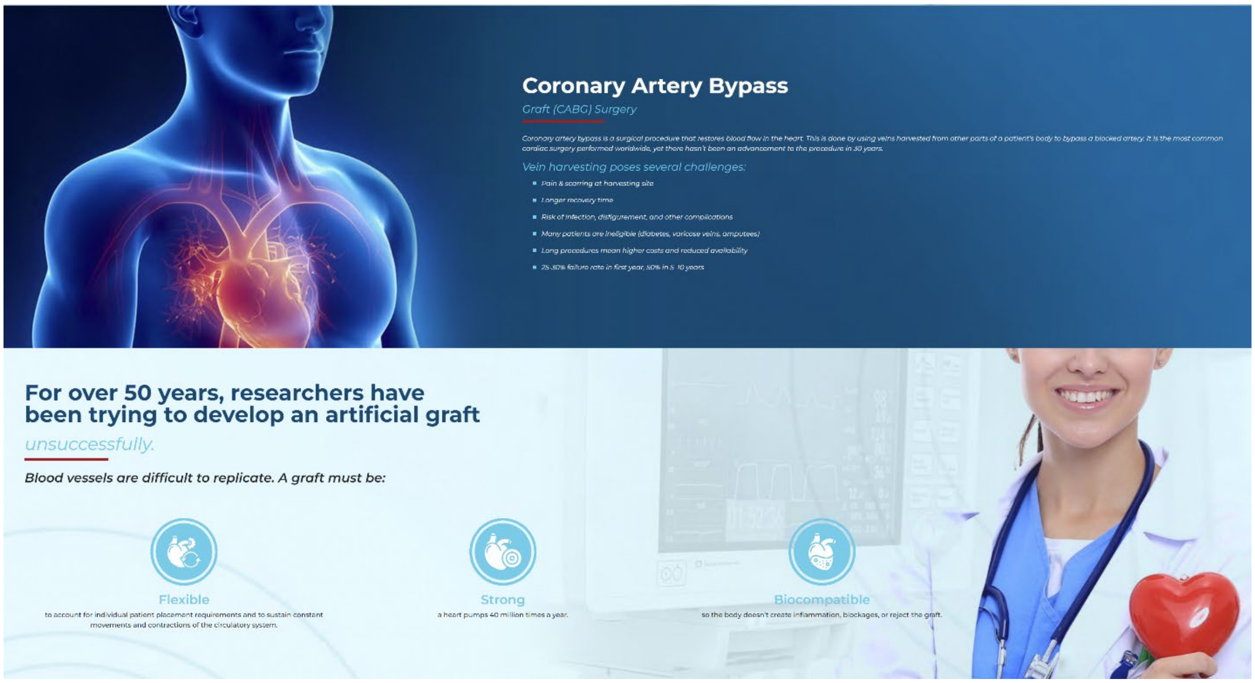
MFP leverages technology to streamline the fundraising process, providing a fully digital, end-to-end solution encompassing outreach, investor acquisition and investor relations. MFP's fundraising strategy is designed to raise capital quickly and efficiently utilizing CRM to elevate client brand awareness while educating potential stakeholders (including customers, investors, and the general public) about the company's unique mission to solve humanity's problems with a life-changing drug or therapeutic.

Investor Acquisition Journey



Companies can reach potential investors through Facebook and Instagram ads, LinkedIn, mass email, and online PR, and deliver their stories through engaging digital content, social media, videos, and webinars. In contrast to VCs, due diligence for non-accredited investors takes minutes or hours – not weeks or months – and typically consists of a Google search, a landing page, and several videos backed by informational content describing the company's product and market potential. And, while VCs base investment decisions primarily on profit potential, non-accredited investors are "impact investors", who in addition to the profit motive, consider the "why" aspect – how will a company's products improve peoples' lives and change the world. Emphasis is therefore placed on curated messaging around a company's brand, story and mission.

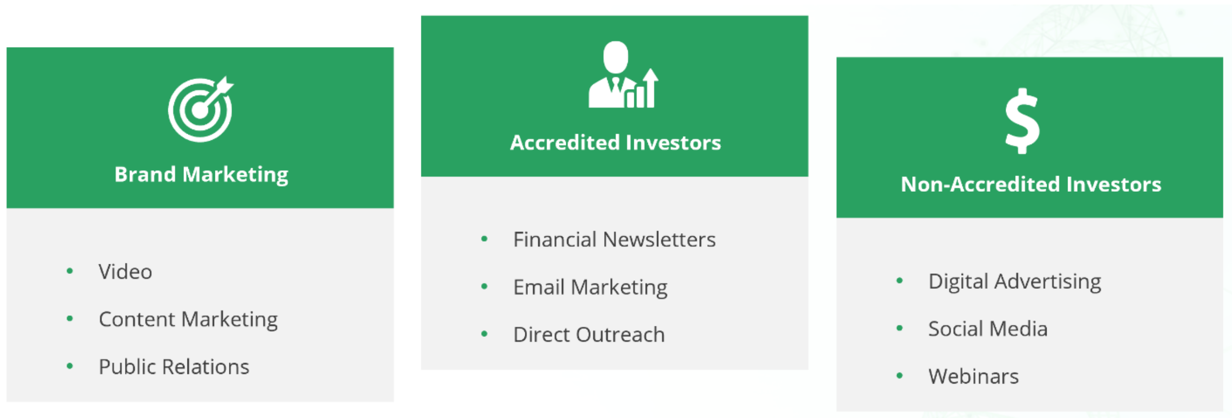
Snippet of Medical21's Invest Now Page



Click here to view Medical21's Reg A+ Virtual Roadshow:

By "*selling the story*" not the stock, clients get the added benefit of generating new customers, strategic partners, and potential M&A opportunities. At no point in time will MFP ask investors to buy shares, however the systems and infrastructure will be in place to allow for convenient purchase and transfer of securities prior to engagement, including NDA's automated by CRM, subscription agreements, paperless documentation, and a transfer agent to issue shares. The INVEST NOW portal on a company's landing page allows investors to buy stock with the click of a button from their mobile phones, computers, tablets, and other devices with automatic processing of investor audit procedures including tax forms, accreditation, and AML screening.

Investor Acquisition: 3 Lanes



Live meetings and webinars featuring broker-dealers (BDs), registered investment advisors (RIAs), and family offices are used to extend reach to institutional investors both domestically and abroad. Additional promotional initiatives include Shark Tank-style pitches, panel sessions, summits, and networking events allowing issuers to present and interface directly with MFP's exclusive network of over 50,000 medtech investors, strategics, and industry insiders.

It Takes a Team

Fundraising can be a complex process with lots of moving pieces and many places where things can go wrong. Firms looking to raise capital will typically enlist the help of multiple outside entities to manage separate aspects of their offering ranging from accounting and legal review to investor acquisition and broker-dealer operations. If these entities do not work together smoothly and in a coordinated fashion unforeseen costs can arise due to the duplication of efforts and filling of gaps stemming from poor communication. In addition, the likelihood of something being missed due to lack of coordination is significantly increased, resulting in a higher probability of failure. Assuring that all elements needed for a successful offering are in place and working in concert with one another significantly increases the chances of a timely and successful qualification process.

Fundraising success therefore requires a commitment to doing things the right way, and having a group there to guide companies through (and being committed to) the process is essential. That's why we've formed an integrated team of leading Reg A+ advisors and specialists to manage all aspects of a company's offering under one roof.

Capital Planning	Fintech Investment Platform	Stock Transfer Agent	FINRA Broker-Dealer	Blue Sky Registration & Compliance	Foundational Legal
Offering Preparation	Compliance	Market Research	Auditor	Investor Acquisition	Investor Relations
Admin Support	IRA Custodian	Escrow	Grants	M&A	ATS Secondary Market

Our partners are industry leaders in medtech capital planning and advisory services with over 300 Reg A+ offerings completed to date. Descriptions of MFP, LSI, and several of our affiliates can be found in the Appendix to this whitepaper.

MEDTECH A+ TEAM EXPERIENCE

300+ RegA+ Offerings

MFP LifeSci Fund Plan Overview and Investment Opportunity

This section outlines the launch and portfolio strategy of MFP's integrated capital funding solution for early-stage medtech companies via Reg A+ and Reg D (506c) offerings. MFP's goal is to partner with selected medical companies undergoing product development and/or clinical trials in-need of liquidity to form a diverse investment portfolio of high-growth clients enlisting the funding solutions of MFP and our platform partners, including I-Bankers, KoreConeX, and Regulation D Resources.

The venture will merge MFP's capital and cash flow planning solutions, including the company's proprietary CPVS™ process co-chaired by Stephen Brock of MFP and Scott Pantel of LSI, with I-Bankers' international investment banking and brokerage operations to deliver full-service, go-to-market solutions for startups and early-stage medtech companies seeking to raise growth capital via Reg A+. In exchange for its services, MFP will receive approximately 1 million shares of equity, for a nominal fee, in each company that engages MFP to implement their Reg A+ capital market solution.

The fund will seek to raise $5 million in seed equity via Regulation CF (Reg CF) financing, which will be used to accelerate growth through investor acquisition and outreach programs and further develop data resources and education materials in an effort to expand retail and institutional investor access for clients engaged in Reg D (506c) and Reg A+ offerings. The fund may generate income from partial sales of portfolio holdings in Reg A+ and secondary offerings but will predominately retain holdings for the purpose of maximizing exit value in potential acquisitions, buyouts, and other liquidity events.

The fund is offering an equity investment opportunity in the aggregate amount of either $500,000 or $1 million entitling the investor to 3% or 10% share respectively of all MFP shares received as part of any and all current and future client engagements. Fund proceeds will be distributed at the time of sale and/or exit on a pro-rata basis according to ownership as determined by the aggregate amount invested in the fund.

Target Clients and Deal Sourcing

The fund will target early-stage medical companies in the health tech, life sciences, biotech, and pharmaceuticals sectors undergoing product development and/or clinical trials with an innovative diagnostic or therapeutic and valuable patents but limited access to capital. For these companies, the flexibility and cost-efficiency of Reg A+ offers an ideal funding solution, providing access to both accredited and non-accredited investors while keeping founders in control of their businesses.

For companies who would pursue Reg A+ but lack the resources to market and promote their offering to a large investor base, MFP will provide a scaled-down Reg D (506c) solution as a stepping-stone to Reg A+, helping clients secure funds to cover operating expenses in the interim as well as the costs to complete Reg A+ in the future. Whereas historically the 506c market was limited to investors with personal ties to the issuing company, General Solicitation Rule 506c has greatly expanded the market to accredited investors.

Medical, pharma, and biotech companies are prime candidates for Reg A+ due to their scalability and potential for mass customer adoption when a breakthrough product or treatment hits the market. Opportunities will be sourced and ranked according to several criteria, including degree of innovation, strength of management, company vision, market potential, and long-term growth prospects.

The fund will leverage LSI's exclusive network of over 50,000 clients and industry contacts, including investors, strategics, and medtech insiders, to develop a pipeline of potential clients and source opportunities. Semi-annual Emerging Medtech Summits, sponsored by LSI, will spearhead the fund's lead generation efforts. These events are must-attend partnering and investment events attended by leading medtech startup CEOs and the investors and deal-makers shaping the industry's future. Past attendees have gone on to raise large sums of capital thanks to connections formed at these summits.

LSI Summit

Deals in Place

MFP's LifeSci portfolio currently consists of six companies undergoing Reg A+ offerings worth a combined pre-money valuation of $1.33 billion. They are listed below along with the number of shares our lead investor would receive in both the 3% and 10% allocation scenarios. Valuation is computed as total shares outstanding prior to Reg A+ multiplied by the Reg A+ offering price per share.

LifeSci Fund Reg A+ Deals in Place

	Facible	HealthySole	Kurve Therapeutics	McGinley Orthopedics	Medical 21, Inc.	Pristine
Industry	Diagnostic Testing	Disinfection Tech	Drug Delivery	Surgical Devices	Cardiac Devices	Surgical Devices
Business Stage	Product Development	Generating Revenue	Clinical Trials - Phase 3	Generating Revenue	Product Development	Commercialization
TAM	$420,600,000,000	$4,300,000,000	$20,000,000,000	$7,300,000,000	$10,000,000,000	$56,000,000,000
Annual Revenue Target	$365,000,000	$480,000,000	$500,000,000	$223,500,000	$2,100,000,000	$210,000,000
Shares Outstanding	38,343,659	37,027,568	50,308,155	45,292,178	38,065,830	26,270,157
MFP Allocation	1,000,000	1,000,000	1,000,000	900,000	1,000,000	1,000,000
3% of MFP Shares	30,000	30,000	30,000	27,000	30,000	30,000
10% of MFP Shares	100,000	100,000	100,000	90,000	100,000	100,000
Reg A+ Target Raise	$40,000,000	$40,000,000	$50,000,000	$40,000,000	$40,000,000	$40,000,000
Price per Share	$5.80	$5.80	$5.80	$5.25	$5.80	$5.80
Pre-Money Valuation	**$222,393,221**	**$214,759,894**	**$291,787,301**	**$237,783,935**	**$220,781,814**	**$152,366,911**

Facible, HealthySole, KurveTx, McGinley Orthopedics, Medical 21, and Pristine Surgical are revolutionizing healthcare with groundbreaking technologies in the areas of diagnostic testing, drug delivery, surgical procedures, and orthopedic implants. These technologies improve patient outcomes while saving health systems time and cost, and their long-term market potential is tremendous, amounting to billions of dollars in revenue per year.

Take for example Medical21, the developer of an artificial graft for cardiac bypass surgery founded by Manny Villafana – one of the preeminent figures in the medical industry – whose contributions have led to the most significant advances in cardiac health over the past 50 years. At Cardiac Pacemakers he co-invented the first lithium-powered pacemakers and defibrillators which became the standard for future implantable designs (the business was eventually sold to Boston Scientific for $27 billion). At St. Jude Medical he co-developed the St. Jude bi-leaflet heart valve, the top selling mechanical heart valve of all time (the company was acquired by Abbott in 2017 for $30 billion). And, at ATS Medical he co-invented the ATS open-pivot heart valve, which has been implanted in over 1 million patients to date (Medtronic acquired the company in 2010 for $400 million).

In total, Mr. Villafana has formed seven companies in the cardiac health space since 1972 and all of them went on to IPO. Medical21 is the eighth, and potentially the most interesting because of its enormous potential to improve conditions for the millions of cardiac bypass surgery patients around the world. This is not meant to be an endorsement for Medical21, the point here is to illustrate the profit potential of medtech investments and how our fund provides a unique opportunity for an investor to "get in on the ground floor" and grow wealth as these companies expand and grow.

Client Timeline

MFP divides clients into two categories: i) companies prepared to go direct to Reg A+; and ii) companies requiring a 506c prior to Reg A+.

Direct-to-Reg A+:

Pre-raise operations will commence after a one-to-two-month onboarding and prep phase for each client signed. Pre-raise lasts approximately four months and consists of the legal, auditing, filing, and marketing preparations that go into launching a Reg A+ offering. Upon completion of pre-raise, MFP will launch the client offering with platform partner [Partner Name] providing clients an end-to-end solution to manage their capital raise.

Reg D (506c)-to-Reg A+:

Clients requiring 506c will undergo a similar onboarding phase followed by a three-month pre-raise for filing, auditing, and marketing prep. MFP will subsequently launch and promote the client offering through platform partner [Partner Name]'s secure investor portal. 506c offerings are estimated to last 4-5 months with approximately 3-months of front-end live marketing, after which commitments will be collected and preparations for Reg A+ will commence.

Timelines will vary according to company-specific and general market factors, however MFP's objective is to transition swiftly from 506c to Reg A+ to capitalize on market momentum and minimize drag on liquidity.

Investment Opportunity Summary and Projections

Our investment opportunity gives a lead investor the chance to invest either $500,000 or $1 million of equity for 3% or 10% respectively of all MFP shares received as part of all current and future Reg A+ client engagements. This equates to 177,000 shares and 590,000 shares respectively for the six deals currently in place, representing an average paid price per share $2.82 and $1.69 compared to the average Reg A+ offering price of $5.69 per share, valuing the lead investor's holdings at $1 million and $3.3 million respectively. If the lead investor were to hypothetically sell his holdings at the Reg A+ prices he would earn a multiple on equity of 2.02x in the $500,000 investment scenario and 3.36x in the $1 million investment scenario.

But the real opportunity is the chance to profit long-term as MFP signs additional clients and these companies grow and potentially get acquired. Companies are worth far more in an exit event after reaching mass scale than they are in Reg A+, which will primarily be used to secure capital for product development and clinical trials prior to commercialization. Assuming that MFP signs 25 clients and that these companies are all eventually sold in future M&A events values the lead investor's holdings at $38.7 million in the $500,000 scenario (77.38x multiple on equity) and $128.9 million in the $1 million scenario (128.97x). Projected exit valuations are based on an analysis of comparable medtech transactions where the average company was acquired for 4.35x revenue at an average price per share of $37.00. These transactions are listed below.

Projected Reg A+ and M&A Exit Valuations – Deals in Place

				Reg A+		M&A Exit		
Company	TAM	Annual Rev Target	Shares Outstanding	Pre-Money Val	Price/Share	Projected Val	Estimated Val/Rev	Exit Price/Share
Facible	$420,600,000,000	$365,000,000	38,343,659	$222,393,221	$5.80	$2,455,454,545	6.73x	$64.04
HealthySole	$4,300,000,000	$480,000,000	37,027,568	$214,759,894	$5.80	$1,474,697,378	3.07x	$39.83
Kurve Therapeutics	$20,000,000,000	$500,000,000	50,308,155	$291,787,301	$5.80	$2,319,324,860	4.64x	$46.10
McGinley Orthopedics	$7,300,000,000	$223,500,000	45,292,178	$237,783,935	$5.25	$1,516,293,073	6.78x	$33.48
Medical 21	$10,000,000,000	$2,100,000,000	38,065,830	$220,781,814	$5.80	$10,465,948,111	4.98x	$274.94
Pristine Surgical	$56,000,000,000	$210,000,000	26,270,157	$152,366,911	$5.80	$1,056,933,484	5.03x	$40.23
Total Existing Clients		**$3,878,500,000**	**235,307,547**	**$1,339,873,076**	**$5.69**	**$19,288,651,451**	**4.97x**	**$81.97**
Total New Clients		**$7,236,245,000**	**745,140,566**	**$4,242,931,407**	**$5.69**	**$31,492,500,000**	**4.35x**	**$42.26**
Fund Total		**$11,114,745,000**	**980,448,113**	**$5,582,804,483**	**$5.69**	**$50,781,151,451**	**4.57x**	**$51.79**

Lead Investor Return Analysis (25 Clients)

Lead Investor Analysis	Scenario 1: $500K Inv.	Scenario 2: $1M Inv.
Amout Invested	$500,000	$1,000,000
Share Distribution %	3.0%	10.0%
Deals in Place		
Shares Distributed	177,000	590,000
Price Paid per Share	$2.82	$1.69
Reg A+ Price per Share	$5.69	$5.69
Value of Shares	$1,007,862	$3,359,540
Multiple on Equity (In Place)	2.02x	3.36x
Fund Total at Exit (Incl. New Clients)		
Total Shares Distributed	747,000	2,490,000
Price Paid per Share	$0.67	$0.40
Avg. Exit Price per Share	$51.79	$51.79
Value of Shares (Exit)	$38,689,982	$128,966,608
Multiple on Equity (Exit)	77.38x	128.97x

MedTech M&A Comps Analysis

Target	Acquirer	Industry	Business Stage	Post-Valuation ($M)	Revenue ($M)	Valuation/Revenue	Price/Share
Facible							
ERBA Diagnostics	Teva (TAE: TEVA)	Diagnostic Testing	Profitable	10,277.77	19.76	520.13x	--
Ortho-Clinical Diagnostics	QuidelOrtho (NAS: QDEL)	Diagnostic Testing	Generating Revenue	6,000.00	2,036.10	2.95x	$24.68
Abbott (Healthcare)	Abbott (NYS: ABT)	Diagnostic Testing	Profitable	4,500.00	2,332.93	1.93x	$402.00
GenMark Diagnostics	Roche (SWX: ROG)	Diagnostic Testing	Generating Revenue	1,934.36	171.55	11.28x	$24.64
Athena Diagnostics	Quest Diagnostics (NYS: DGX)	Diagnostic Testing	Profitable	740.00	110.00	6.73x	--
HealthySole							
CareFusion	BD (NYS: BDX)	Medical Supplies	Profitable	12,538.00	4,081.00	3.07x	$49.00
Cantel Medical	Steris (NYS: STE)	Medical Supplies	Profitable	3,600.00	1,138.39	3.16x	$16.93
Diversey (NAS: DSEY)	Sealed Air (NYS: SEE)	Commercial Products	Profitable	2,925.00	3,100.00	0.94x	--
ASP	Fortive (NYS: FTV)	Medical Supplies	Generating Revenue	2,736.50	800.00	3.42x	--
Avintiv	Berry Global (NYS: BERY)	Commercial Products	Generating Revenue	2,260.00	1,916.36	1.18x	--
Kurve Therapeutics							
Alza	J&J (NYS: JNJ)	Drug Delivery	Profitable	12,300.00	1,085.30	11.33x	--
GSX (Thrombosis Brands)	Aspen Pharmacare	Drug Delivery	Profitable	1,638.00	556.13	2.95x	--
Bespak	Recipharm	Drug Delivery	Generating Revenue	810.54	380.01	2.13x	$11.45
Skyepharma	Vectura Group	Drug Delivery	Profitable	678.82	146.34	4.64x	$4.60
Cima Labs	Teva (TAE: TEVA)	Drug Delivery	Generating Revenue	515.00	76.08	6.77x	--
McGinley Orthopedics							
Mako Surgical	Stryker (NYS: SYK)	Surgical Devices	Generating Revenue	1,677.00	106.02	15.82x	--
Mazor Robotics	Medtronic (NYS: MDT)	Surgical Devices	Profitable	1,600.00	57.98	27.60x	--
K2M	Stryker (NYS: SYK)	Surgical Devices	Profitable	1,380.00	280.62	4.92x	$27.50
Biomet	Zimmer Biomet (NYS: ZBH)	Surgical Devices	Profitable	1,335.00	3,263.80	0.41x	--
LDR Holding	Zimmer Biomet (NYS: ZBH)	Surgical Devices	Profitable	1,138.00	167.74	6.78x	$37.00
Medical 21							
C.R. Bard	BD (NYS: BDX)	Surgical Devices	Profitable	24,000.00	3,875.40	6.19x	$317.00
Sorin	LivaNova (NAS: LIVN)	Surgical Devices	Profitable	3,043.11	940.37	3.24x	--
HeartWare	Medtronic (NYS: MDT)	Cardiac Devices	Generating Revenue	1,072.00	257.05	4.17x	$58.00
AGA Medical	St. Jude Medical	Cardiac Devices	Generating Revenue	1,045.00	209.68	4.98x	$20.80
Vascular Solutions	Teleflex (NYS: TFX)	Surgical Devices	Generating Revenue	975.52	160.42	6.08x	$56.00
Pristine Surgical							
Covidien	Medtronic (NYS: MDT)	Surgical Devices	Generating Revenue	50,000.00	10,706.00	4.67x	$93.22
DePuy Synthes	J&J (NYS: JNJ)	Surgical Devices	Generating Revenue	20,000.00	3,973.76	5.03x	--
ArthroCare	Smith & Nephew	Surgical Devices	Profitable	1,546.00	381.70	4.05x	$48.25
Lumenis	Boston Scientifc (NYS: BSX)	Surgical Devices	Generating Revenue	1,070.00	200.00	5.35x	--
NeoTract	Teleflex (NYS: TFX)	Surgical Devices	Profitable	1,025.60	117.50	8.73x	--
Median				**1,657.50**	**380.86**	**4.35x**	**$37.00**

Granted, our model assumes a best-case scenario where each company successfully completes clinical trials and goes on to sell a product that achieves mass volume in its target market, attracting bids from strategic acquirers. However, a best-case outcome isn’t necessary for the investor to profit handsomely. As we displayed above, even if the fund failed to sign additional clients and MFP’s existing clients struggled to reach their targeted sales milestones, the investor would still double his money in all likelihood, assuming positions are exited at or near Reg A+ valuations. However, this worst-case scenario is unlikely given that several clients have already proven their concept and attained sell-through with key customers. MFP signs companies with revolutionary technologies that have a strong chance of being successful. These companies need capital so they can further expand on a viable idea – they aren’t raising funds to explore new concepts that may or may not pan out.

Conclusion

The deregulation of capital funding, specifically the introduction of Regulation A+ in 2015, brought long-needed changes to make funding easier, less expensive, and faster for smaller and medium-sized companies, whether in their initial funding round or later. Since 2015 the Reg A+ market has expanded in leaps and bounds, racking up billions in proceeds for companies who might not otherwise have been able to access the capital needed to grow. While deal volume and valuations for traditional IPOs have plummeted this year, the Reg A+ market is hotter than ever as public awareness of Reg A+'s unique advantages and benefits continues to spread.

MFP, alongside LSI and our strategic partners, provides business owners with a fully-integrated, one-stop shop solution for managing their company's Reg A+ offering. Engaging with MFP brings access to the industry's best and most experienced Reg A+ advisors specializing in every aspect of the raise – from investor outreach and marketing to brokerage, legal, filing, and platforming. Through the LifeSci fund, MFP aims to expand its existing portfolio of six clients to a total of 25 managed offerings within two years. The fund is offering a unique opportunity for a lead investor to obtain equity in MFP's portfolio of medtech clients at below-market prices with the potential for significant upside as these companies develop and grow.

Disclaimer

The financial projections prepared by Medical Funding Professionals ("MFP") are, in general, prepared solely for internal use and capital budgeting and other management decisions and are subjective in many respects, and, thus, susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. The financial projections also reflect numerous assumptions in addition to those described in this communication, all made by MFP management, with respect to SEC and FINRA qualifications as well as general business, economic, market and financial conditions and other matters. These assumptions regarding future events are difficult if not impossible to predict, and many are beyond MFP's control. Accordingly, there can be no assurance that the assumptions made by MFP in preparing the financial projections will prove accurate. It is expected that there will be differences between actual and projected results, and actual results may be materially greater or less than those contained in the financial projections provided by MFP. The inclusion of financial projections in this document should not be regarded as an indication that MFP or any affiliates or representatives consider the financial projections to be a reliable prediction of future events, and the financial projections should not be relied upon as such.

Appendix

Medical Funding Professionals

Medical Funding Professionals (MFP) is a registered investment advisory located in Nevada. MFP provides funding solutions for short- and long-term startups as well as mid-market private and public companies in the biotech, medtech, life sciences, and pharmaceuticals industries through Reg A+ and Reg D (506c) funding as well as government grants and other non-dilutive funding sources such as cooperative agreements and other non-traditional government-backed strategies. MFP has more than 25 years of experience securing funding for medical and life sciences companies, helping more than 40 companies access public capital markets. MFP's in-depth knowledge of capital raising rules and regulations, including Reg A+, NASD, SEC, Sarbanes Oxley Act Compliance, has proven invaluable in helping clients navigate the complex fundraising process and raise capital efficiently.

Life Science Intelligence

Life Science Intelligence (LSI) is a market research and advisory firm focused on the medtech space. Founded in 2006, the company provides consulting and advisory services to leading innovators, venture-funded startups, large strategics, investors and professional services companies. LSI helps its clients make the best strategic and investment decisions possible through unique data, insights and an unbiased perspective on existing and emerging markets. LSI's team of market researchers, economists, and analysts have a deep understanding of the global healthcare system and the medical device, diagnostic, and digital health technologies that are rapidly evolving. LSI is the producer of *Medtech Pro*, an online market intelligence tool delivering: market forecasts, share by supplier data, trend and opportunity assessments, procedure volume forecasts, startup company monitoring, deals data and more. The company is also the host of the annual *Emerging Medtech Summit* held annually in Southern California, which provides a global forum bringing together the industry's top medtech innovators, investors, and strategic buyers.

LSI Benefits

KoreConX

Founded in 2016, KoreConX is the first secure, end-to-end solution for private companies to manage their capital market activity and stakeholder communications. Removing the burden of fragmented systems and inefficient tools across multiple vendors, KoreConX offers a single environment to connect companies, investors and broker dealers. Leveraged for investor relations and fundraising, private companies can share and manage corporate records and investments including portfolio management, capitalization table management, virtual minute book, security registers, transfer agent services, and virtual deal rooms for raising capital. To ensure compliance with securities regulation and corporate law, the company's AI-based blockchain platform, the *KoreChain*, manages the full lifecycle of digital securities including the issuance, trading, clearing, settlement, management, reporting, corporate actions, and custodianship. KoreConX has over 120,000 clients in 23 countries and an estimated 40% market share of Reg A+ and CF offerings.

KoreConX FinTech Platform

Regulation D Resources

Regulation D Resources (RDR) was formed in 1999 to provide Private Placement Offering preparation and execution support services to entrepreneurs and growing private companies. Headquartered in Lakewood, Colorado, RDR is one of the leading Regulation D, Regulation CF and Regulation A+ private placement advisory service providers in the United States with a comprehensive matrix of services that spans transaction structuring, offering preparation, assistance with SEC and State securities compliance, and access to the capital markets through RDR's broker-dealer relationships and FINRA broker-dealer resources. Since its inception, the company has completed over 5,000 transactions and raised over $2 billion in capital for its clients.

Assurance Dimensions

Assurance Dimensions is a leading CPA firm in Florida offering assurance, tax, and advisory services to private, public and nonprofit clients nationwide and internationally. The company's mission is to help clients maintain financial viability in the present, while taking a proactive approach to achieve future goals. This requires open communication to reach an understanding of client needs through research and sound analysis. Assurance Dimensions specializes in auditing companies and preparing them for Form 1-A filing requirements, completing more than 40 audits for Reg A+ filings in fiscal 2021.