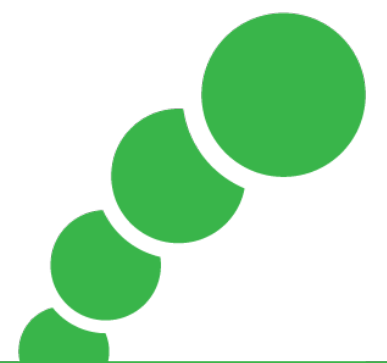




## PRE-MONEY VALUATION (PMV)

This report contains the venture's current estimated pre-money valuation, a snapshot illustration of where the business currently stands with respect to certain investment criteria, the questions from Worthworm's questionnaire, and the account holder's answers to them.



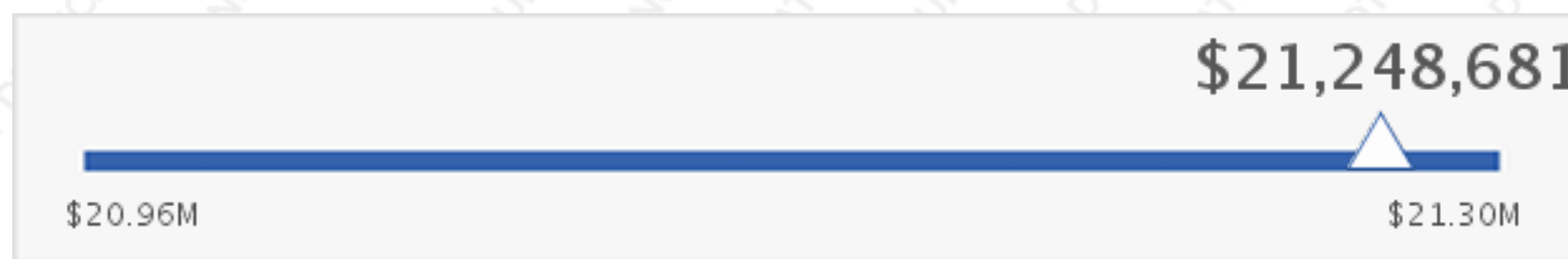
# PMV REPORT

**\$21,248,681** | P|S Multiple per Worthworm - 1.5000, P|S Multiple per User - 3

## PMV Summary

Venture Name:	BioLeonhardt	Account Holder:	Howard Leonhardt
Industry Sector:	Healthcare	Date of Report:	07/10/2016
Stage of Development:	Early production	Desired Funding:	\$1,000,000

## Pre-Money Valuation Report (PMV)



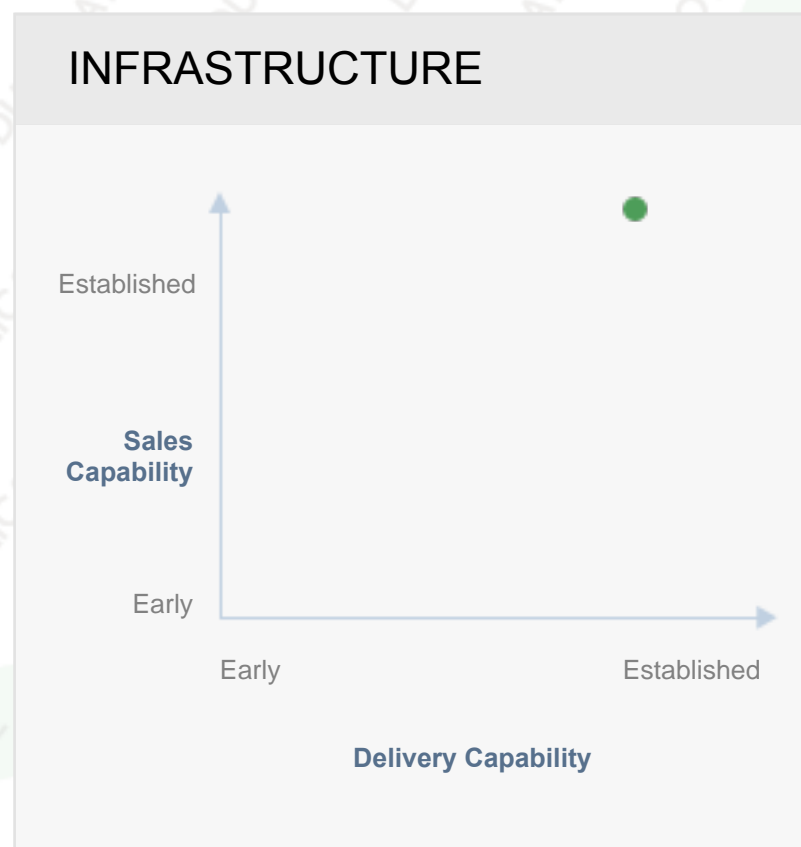
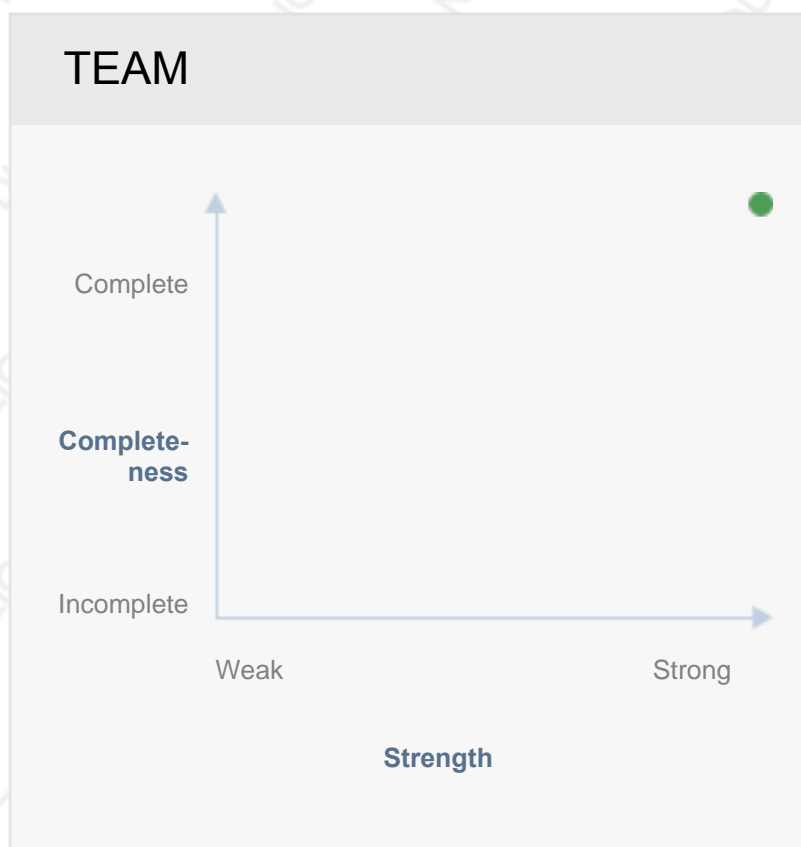
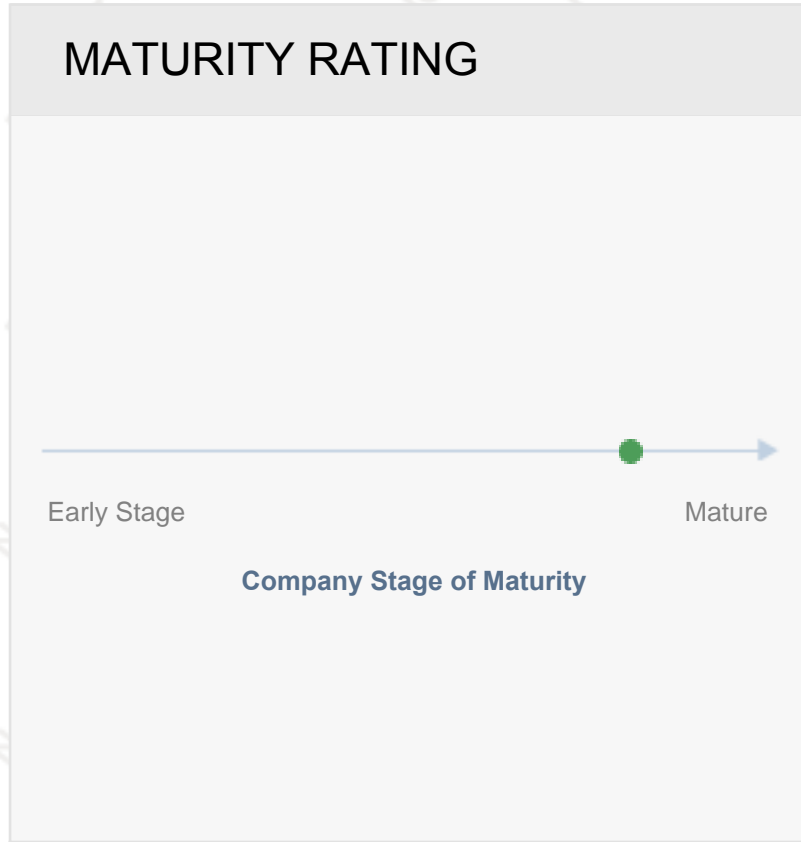
This is a valuation bar. The triangle indicates the venture's current estimated PMV, and the bar on which the triangle rests illustrates how much higher or lower the venture's PMV could be based on operational and other risks, as well as the levels of confidence the account holder expressed when answering the questionnaire

## VENTURE SNAPSHOT

These charts illustrate where the venture currently stands with respect to certain investment criteria. The two axes represent the investment criteria, and the green dot shows the venture's current position based on the account holder's answers to the Worthworm questionnaire.

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## THE WORTHWORM QUESTIONNAIRE

The estimated PMV calculation in this report started with the account holder answering a guided questionnaire comprised of more than 70 questions focusing on key valuation drivers of his or her business. Those answers were put through an algorithm that used nearly 1,100 analytic parameters and over 4,000 outputs, applied a blend of the most widely respected valuation methods for early stage ventures, and compared the venture to third-party research data about companies at the same maturity level and within the same vertical and geographic region. The result is this credible estimated PMV that entrepreneurs and angel investors may confidently use as a reasonable basis for entering into negotiations.

For your convenience and understanding, a complete list of the questions posed to the account holder and his or her answers are presented below. Please note that for many questions, Worthworm asks the user to state his or her confidence in the accuracy of the answer given. Worthworm then uses those confidence levels to analyze the risks and opportunities associated with the user's venture as modeled.

## INDUSTRY + MARKET SIZE

1) What industry does your product(s)/service(s) concern?

1.1) Sector

Healthcare

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1.2) Group

**Healthcare Devices and Supplies**

1.3) Industry

**Therapeutic Devices**

2) How large is that market?

**Over \$1B | Confidence: HI**

3) How fast is the market growing annually?

**>20%, <=35% | Confidence: HI**

4) If successful, what is the maximum share of the market you believe you can capture before exit?

**>75% | Confidence: HI**

5) How concentrated are the companies in your target industry/market?

**A few large companies**

### PRODUCT MATURITY

1) What stage of development is your product at?

**Early production**

2) Do you have paying customers now?

**Yes: Trial**

2a) If yes, are your sales:

**Consistent and growing | Confidence: HI**

2b) If yes, customer feedback is:

**Excellent as-is | Confidence: HI**

3) How far away are you from a demonstrated ability to deliver your product(s)/service(s) reliably at scale and a competitive cost?

**Can deliver at scale now | Confidence: HI**

### COMPETITIVE POSITION

1) Does your product(s)/service(s) make something possible that wasn't possible before?

**Yes | Confidence: HI**

2) Has something changed in recent years that made your product(s)/service(s) possible, whereas previously it was not?

**Yes | Confidence: HI**

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3) Do other companies currently offer competing products/services? **No | Confidence: LOW**

3g) If your product(s)/service(s) is successful, what prevents other companies from launching competing products/services?

3g.1) Patents **Yes | Confidence: HI**

3g.2) Proprietary technologies **Yes | Confidence: HI**

3g.3) Licenses or contracts **Yes | Confidence: HI**

3g.4) First to market **Yes | Confidence: HI**

3g.5) First to achieve scale **Yes | Confidence: HI**

### SALES

1) How will prospective customers learn about your product(s)/service(s)?

1.1) Direct Sales Force **Yes**

1.1a) What is the current state of development? **Proven and scalable**

1.2) Indirect Sales **Yes**

1.2a) What is the current state of development? **Proven and scalable**

1.3) Sales Partners and Their Channels **Yes**

1.3a) What is the current state of development? **Proven and scalable**

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1.4) Direct Marketing (Infomercials, Online Sales, Catalogue, Direct Mail, etc.)

Yes

1.4a) What is the current state of development?

Proven and scalable

2) Does your product(s)/service(s) meet an acknowledged need or enable something new?

Some of both | Confidence: HI

3) Will buyers of your product(s)/service(s) have to change their daily habits to use your product/service, or incur significant cost to switch?

No | Confidence: HI

4) Do you rely on taking market share from well-entrenched companies?

No | Confidence: HI

### MANAGEMENT

1) Is there a CEO or president in place?

In place

1a) Will the CEO or president serve full time or part time?

Full time

1b) Does the CEO or president have prior experience in that role?

Yes

1c) What is the CEO's or president's experience in your company's market?

>=10 years

2) Is there a sales executive in place?

In place

2a) Does the sales executive have prior experience in that role?

Yes

2b) What is the sales executive's prior leadership experience?

>=10 years

2c) What is the sales executive's experience in your company's market?

>=10 years

3) Is there a marketing executive in place?

In place

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<b>3a)</b> Does the marketing executive have prior experience in that role?	<b>Yes</b>
<b>3b)</b> What is the marketing executive's prior leadership experience?	<b>&gt;=10 years</b>
<b>3c)</b> What is the marketing executive's experience in your company's market?	<b>&gt;=10 years</b>
<b>4)</b> Is there a customer service executive in place?	<b>In place</b>
<b>4a)</b> Does the customer service executive have prior experience in that role?	<b>Yes</b>
<b>4b)</b> What is the customer service executive's prior leadership experience?	<b>&gt;=10 years</b>
<b>4c)</b> What is the customer service executive's experience in your company's market?	<b>&gt;=10 years</b>
<b>5)</b> Is there an engineering executive/product development executive/CTO in place?	<b>In place</b>
<b>5a)</b> Does the technical executive have prior experience in that role?	<b>Yes</b>
<b>5b)</b> What is the technical executive's prior leadership experience?	<b>&gt;=10 years</b>
<b>5c)</b> What is the technical executive's experience in your company's market?	<b>&gt;=10 years</b>
<b>6)</b> Is there an operations executive in place?	<b>In place</b>
<b>6a)</b> Does the operations executive have prior experience in that role?	<b>Yes</b>
<b>6b)</b> What is the operation executive's prior leadership experience?	<b>&gt;=10 years</b>
<b>6c)</b> What is the operations executive's experience in your company's market?	<b>&gt;=10 years</b>

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7) Is there a financial executive in place? **In place**

7a) Does the financial executive have prior experience in that role? **Yes**

7b) What is the financial executive's prior leadership experience? **>=10 years**

7c) What is the financial executive's experience in your company's market? **>=10 years**

### FUTURE ROUNDS

1) How many rounds of capital do you expect to require after completing the current round? **1 | Confidence: HI**

2) How much dilution do you expect in each of these future rounds?

2.1) Dilution in Future Round 1 **>15%, <=35% | Confidence: MED**

### INVESTOR EXIT

1) If your company is successful, how do you expect investors to exit from their investment? **Acquisition | Confidence: HI**

2) If you think your price/sales exit multiplier should differ from 1.5, please select your multiplier from the drop-down menu. **3**

### RISK FACTORS

1) For each of the following, check "Yes" if you consider it to be a significant risk to your success. Check "No" if you don't consider it to be a significant risk to your success.

1.1) Market size and growth **No**

1.2) Building the management team **No**



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1.3) Product(s)/service(s) development	No
1.4) Competition	No
1.5) Intellectual property	No
1.6) Customer acquisition	No
1.7) Legal Issues such as Regulatory Approvals and Product/Brand Liability	No
1.8) Product(s)/service(s) delivery	No
1.9) Key hires	Yes
1.10) Acquiring key resources (not including people)	No
1.11) Margin / profitability of business	No

## FUNDING

1) What is your current monthly cash burn?	< \$25,000
2) Do you have positive cash flow from operations?	No
2a) In which round do you expect to achieve positive cash flow?	Current   Confidence: HI
3) Excluding the founders'/company formation round, how many rounds of funding preceded the current round?	1
3a) How much was raised in each of the rounds preceding the current round?	

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<b>3a.1)</b> How much was raised in round 1 (the first round after the Founder's Round)?	<b>550,000.00</b>
<b>3b)</b> What was the pre-money valuation sustained in each of the rounds preceding the current round?	
<b>3b.1)</b> What was the pre-money valuation in round 1 (the first round after the Founder's Round)?	<b>3,000,000.00</b>
<b>4)</b> How many shares of stock or membership units were issued to the founders in the Founder's Round? (For LLCs and other companies for which no shares are issued, please enter the percentage as the number of shares, e.g., 80 shares for 80%).	<b>5,000,000.00</b>
<b>5)</b> How many shares of stock or membership units were initially reserved for employees? (For LLCs and other companies for which no shares are issued, please enter the percentage as the number of shares, e.g., 80 shares for 80%).	<b>150,000.00</b>
<b>6)</b> How much cash, if any, did the founders invest in the company during the Founder's Round?	<b>2,000,000.00</b>
<b>7)</b> How much cash, if any, will employees be required to invest in exchange for ownership assigned during the Founder's Round?	<b>0.00</b>
<b>8)</b> How much investment are you seeking to raise in this current round?	<b>1,000,000.00</b>
<b>9)</b> If this funding is secured, how long do you expect that funding to support your cash needs?	<b>1 year to 18 Months   Confidence: HI</b>
<b>10)</b> How much do you intend to raise in each of the rounds following the current round?	
<b>10.1)</b> What is the amount to be raised in future round 1?	<b>5,000,000.00</b>
<b>11)</b> To project the pre-money valuation for each round following the current round, enter a multiplier to be applied to each future round.	
<b>11.1)</b> What is the multiplier for future round 1?	<b>1.5</b>

ABOUT WORTHWORM

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