PhorMed

A Biotech Company

EXECUTIVE SUMMARY

Introduction and Intellectual Property

PhorMed is a privately held Nevada corporation, a clinical stage biopharmaceutical company, which is developing a gene therapy/immunotherapy using 12-O-tetradecanoylphorbol13-acetate (TPA or RP-323), a targeted, platform technology. The drug is administered via IV infusion. RP-323 has shown to repair a variety of cell types, from cancer cells, to neurons, to blood cells, and has the ability to shield healthy cells. The company has five patents in its portfolio representing a pipeline of five indication: Acute Myeloid Leukemia (AML), Hodgkin's Lymphoma (HL), Parkinson's disease (PD)*, Stroke, and Immune Thrombocytopenia Purpura (ITP). The company continues to develop new indications, ITP being the most recent indication added to its pipeline. These types of disorders are all categorized as inflammatory diseases.

How does it works

There is a clear understanding of the mechanisms of action for each indication being pursued, primary functions being cell repair (*proliferation*) and stem cell signaling. When one of the proteins in the MAPK pathway is mutated, it can become stuck in the "on" or "off" position, within the DNA, which is a necessary step in the development of many cancers and neurological diseases. RP-323 has the ability to add the needed phosphate to the pathway turning the switch on or off, clearing the pathway allowing transcription of DNA and expresses a protein producing a change such as cell division (*proliferation*) or cause cell death (*apoptosis*). RP-323 has the ability to work along *multiple cell lines*, repairing a number of different cell types. Due to this broad profile and the ability to function through *multiple cell lines*, the company has been able to expand its pipeline; maintain a dominant IP position; develop multiple indications; allowing the company numerous shots at end-target; and increased future revenues.

Other functions of RP-323 is the very high activity and immune response with 85-90% efficacy, elevating white blood cells, neutrophil and T-cells, reflecting that it is a very powerful agent for immunology, assisting the body's immune system to defend itself, which is a current indicator for identifying cancer treatments.

Clinical Results and Clinical Trials

Animal studies and multiple clinical trials in humans were conducted in China prior to the start of US studies with close to 100 patients tested. The company benefited when the US FDA fast tracked the company's Phase I safety study due to the positive efficacy obtained in China. There was extension of life and remission in the China AML trial; there was positive immune response in the China immunology study; a tumor reduction in a HL patient in the US Phase I study; and Platelet Elevation when tracked as a secondary endpoint. More data will be required before a claim of efficacy can be published. The US phase I study was completed and shown to be safe for use in humans and the FDA again fast tracked the next clinical phase. The company is conducting trials under the IND # 124642.

Clinical Sites

The two clinical sites, Emory University School of Medicine and Winship Cancer institute of Emory University, have been actively working with the company to move towards clinical trials and patient enrollment in the company's selected indications. Emory has reviewed multiple company protocols and is presently in contract review for further involvement.

Key Investment Considerations

- All key personnel, consultants, vendors, and advisory staff have been identified.
- There has been roughly $10 Million invested in the technology between the founder, inventor, family and friends, development partners, and debt.
- The company is clean and current and carries no debt
- The company holds assets in the form of study drug inventory
- RP-323 represents a *New Drug Class* in the treatment of Parkinson's
- Company is raising $11 Million with a discounted post investment valuation of $50 Million (from $90mm), netting the investor a 22% equity position
- The Company has engaged investment banking firms Goldwater Corporate Finance and Emerson Equity for the companies funding needs

• **Discounted Post Money Valuation $50 Million** • **Common Shares outstanding after money 50 Million**	
Company Valuation:	$90 Million
Discount to Investor:	44.45%
Investment:	$11 Million
$90mm x 55.55 = $50mm valuation/50 million shares = $1.00 per share	
$11mm/$50mm = 22% equity	

Upcoming Milestones

- The completion of phase II in two indications, AML and PD;
  - It is estimated it will take 2 years to complete the AML phase II study
  - It is estimated it will take 2.5 years to complete the PD phase II study.
- Start enrollment for a Phase II study in two indications, HL and ITP.

Exit Strategies

The company executives have the know-how to enter into a go-public transaction by merger with an OTC Markets listed facility and will be willing to discuss the timing of such transaction if the investor desires to build in an early exit strategy. A relationship at Morgan Stanley is maintained so when the company completes any phase II study it can up-list from OTC to NASDAQ or similar. The company can also wait to go-public and IPO after the completion of any phase II study at NASDAQ or similar.

Transactions

The company will pursue non-dilutive strategic development partnerships with major and mid-size Pharmaceutical and Biotech companies at the onset of any phase II study, with the goal of raising working capital in exchange for licensing rights. Management and its advisors have relationships with Roche/Genentech, Novartis, Glaxo Wellcome, Merck, Amgen and others, who have the sales and marketing resources to penetrate all major markets world wide.

Competition

There are limited to no targeted first line treatments for all indications being pursued.

Market Potential

HL: The market is set to increase more than fourfold from $316 million in 2014 to $1.4 billion by 2024, representing a Compound Annual Growth Rate (CAGR) of 16%
AML: The AML global market was valued at USD 701.6 million in 2018, and is estimated to be valued at USD 1,539.99 million in 2024, witnessing a CAGR of 14%.
PD: The global PD therapeutics market was valued at US$ 2.18 Billion in 2016 and is projected to register a CAGR of more than 10.9% from 2017 to 2025
Stroke: The Global Stroke Diagnostics and Therapeutics market is expected to reach $49,698.98 million by 2026 growing at a CAGR of 7.9% during 2018 to 2026.
ITP: The Global Market for ITP is projected to surpass a valuation of USD 2.3 Billion by 2023, reflecting a CAGR of 5.78% between 2018 and 2023.

Management and Advisors

Directors
McCoy Moretz CEO/CMO Dr. Moretz has been Chief Executive Officer, Chief Medical Officer, Director, Founder and on the advisory board of multiple biopharmaceutical and medical device companies. He is an award winning Board Certified Surgeon with multiple certifications.
Ben Chang Chairman/CFO Mr. Chang has over 25 years of pharmaceutical and executive level experience. Mr. Chang also has experience in international banking, venture capital, M&A, finance, go-public transactions and organizational design and operations.
Inventor
Prof. Richard L. Chang CSO Mr. Chang has authored 122 peer-reviewed journal publications; has filed multiple patents for the treatment of cancer, infectious disease, hematology and neurological disorders; and has presented over 150 scientific abstracts.
Key Personnel
Isis Luna, COO Annette George, Director of Clinical Joseph Huffman CPA. Director of Finance. Steven J. Davis. Legal Counsel
Advisory Board
Professor Renping Zhou Mr. Zhou is the current Chairperson and Professor in the Department of Chemical Biology at Rutgers University in New Jersey. He has 36 years of experience in cancer research, has been awarded multiple grants and has 62 peer reviewed publications.
Professor Xi Zheng Mr. Zheng currently holds the positions of Director, Research Professor, Unilever Chair and Associate member at Rutgers Cancer Institute of New Jersey. He has 37 years of experience in cell biology, cancer research, immunohistochemistry and immunocytochemistry. He holds 5 patents and inventions in cancer, and has 102 peer reviewed publications.
Sean M. O'Connell, Ph.D Mr. O'Connell has over 25 years of experience as Director, Medical Director, Chief Operating Officer, Chief Medical Officer, Medical Director, Clinical Research Manager, and VP & SVP of Medical Affaires. He has 26 peer reviewed publications and 38 abstracts and speaking engagements.

Additional information is available upon request from Ben Chang at b.chang@rpaids.com