

Magnus Health Technology
It's Your Health

www.magnushealth.com

Industry: Healthcare IT and Professional Services

Management:

Chas Scarantino – President
Will Pittman – Vice President Finance
Erkang Zheng – Chief Developer
Allen Cobb – Director Business Development

Board of Advisors:

Dr. Charles Scarantino – Chairman
Frank Mascia – Former CEO United HC - NC

Revenues:

2007 actual \$7.4K (in 4.5 months)
2008 projected \$131K
2009 projected \$1.2M
2010 projected \$5.0M

Current Debt:

Line Of Credit: \$50K

Previous Investment:

Founders: \$105K
F&F: \$100K Convertible Notes in Series A round

Financing Sought:

\$750K Raised to Date: \$375K

Use of Proceeds:

- Continued growth of technology and features
- Development of brand recognition and market presence
- Support working capital requirements

Business Description: Magnus Health provides medical information on demand. Magnus collects, stores, analyzes, and distributes health and medical information on behalf of individuals and corporations. Combining service, technology, and software as a service scalability, Magnus Health Technology is able to attack two distinct target markets – **1) Self-insured employers** (usually those with >350 employees) whose healthcare costs are rising exponentially. There are approximately 50M employees in the US covered by self-insured companies. At \$100/year/employee, we estimate this market to be worth \$5B; **2) Individuals** (initial targets are parents of young athletes and nurses) who need to manage the flow of their medical information for personal reasons or to participate in specific activities. These two markets represent over 60M individuals all representing themselves, their families, and the caretaker market. At a subscription price of \$96/year, this market equals \$5.79B. Overall, Magnus Health has a portfolio of revenue streams, all of which offer the opportunity for explosive growth.

Unique Value Proposition: Our single, flexible technology platform allows for the servicing of multiple customer types. For self-insured employers, we analyze the health of their workforce and implement targeted programs designed to lower high dollar healthcare expenditures. We also provide each employee with a private healthcare portal useful at work, at home and in a medical clinic. ROI for employers are 4:1 for this type of investment. For individuals, we provide a means to collect and share their medical information with their athletic leagues, universities, doctors and caretakers so that they comply with participatory requirements and receive the best care possible in any medical setting.

Key Success Factors:

- Execution on deliverables to Castle Branch, a leading provider of background checks for nursing students. Current contract worth a potential 1.5M annually.
- Continue rapid growth of MVP Cheerleading market (parents of young athletes). Currently secured contracts with 16 competitions representing over 80,000 unique athletes and families.
- Successful sale and execution of first corporate customer in fall of 2008 (Municipality of Douglas, GA, 300 employees).

Key Risk Factors:

- Economy causing corporations to limit spending, in spite of ROI projections
- Change in public sentiment toward personal health records

Status:

- Contracts in place in both markets with revenue potential of 2.5M for 2009
- 1 third party administrator and 2 consulting groups distributing corporate product to self insured companies
- Raised \$375K towards \$750K goal

Funding structure preferred: Preferred Series A stock with 8% dividend; NC QBV status.

Exit Strategy: Acquisition candidate by companies in the following industries: technology, health IT, insurance, pharmaceutical, athletic retail corporation

Documents Available: Private placement offering, ROI projections, investor presentation, and business plan.