



**BOOMERANG
STUDIO**

EB-5 INVESTMENT OPPORTUNITY

INVEST IN INNOVATION

WITH Boomerang Studio

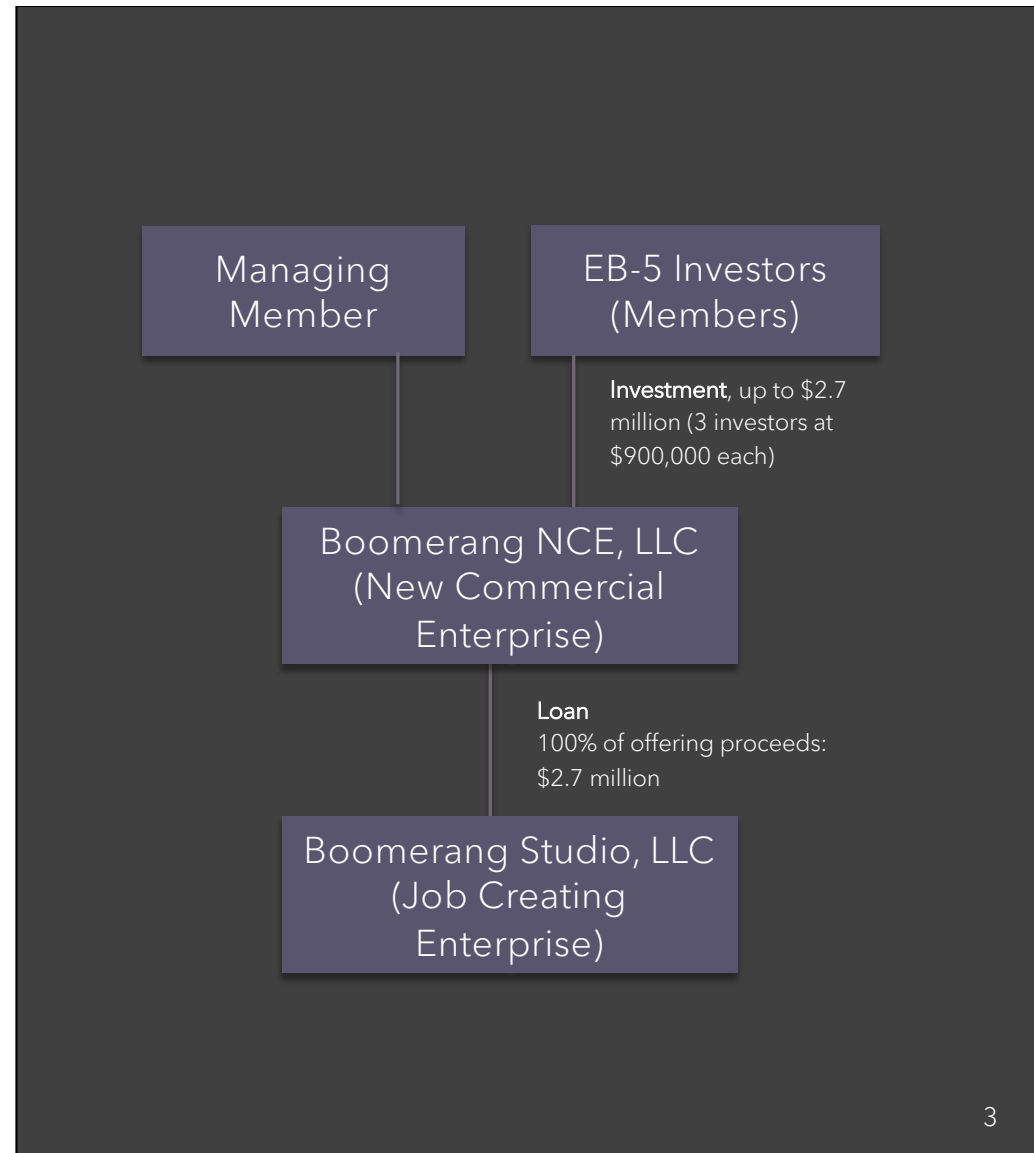
Boomerang Studio is a unique EB-5 project that will use EB-5 capital to accelerate the growth and success of innovative companies. As a venture studio, our objective is to transform disruptive concepts into large-scale, venture-funded companies. We work with experienced founders and industry leaders in the healthcare and health tech sectors to develop new business concepts, and foster their growth with capital, consulting, and resources. We develop multiple concepts every year, investing resources in those that pass our due diligence phase, and abandoning those that do not to ensure that the ventures we back have the highest likelihood of success. Put simply, Boomerang Studio is a manufacturer. But rather than producing products, we produce successful ventures.



EB-5 HIGHLIGHTS

INVESTMENT DETAILS

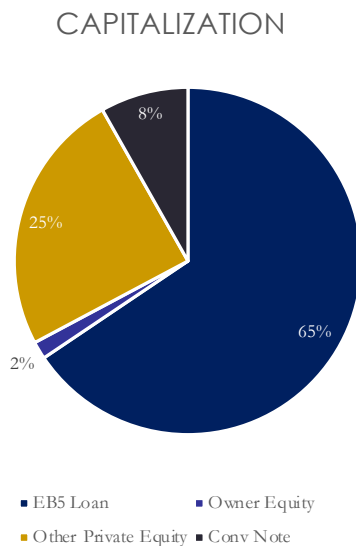
- Located in a Targeted Employment Area
- Minimum investment of \$800,000
- Structured as a loan model, wherein EB-5 investors invest capital in a New Commercial Enterprise, which in turn loans the capital to Boomerang Studio
- Loan is interest only, with 6% interest
- Offering three limited liability company interests
- 111 jobs created, four times the minimum required per investor



PROJECT COSTS & CAPITAL STACK

We require \$5.85 million in operating capital to implement our growth plans. To date, Boomerang Studio has been capitalized by \$100,000 in owner equity and \$1.5 million in private equity. We will raise an additional \$500,000 in private equity over the next four years.

We are raising \$4 million from five (5) EB-5 investors to complete our capital stack.



SOURCES & USES OF FUNDS	
Source of Capital	
EB5 Loan	\$4,000,000
Owner Equity	\$100,000
Other Private Equity	\$1,500,000
Conv Note	\$500,000
Total Source of Funds	\$6,100,000
Project Costs	
Concept Development	\$1,136,000
Overhead Expenses	\$4,717,305
Total Project Costs	\$5,853,305

The background is a dark grey field with faint, light-colored graphics. On the left, there are several faint diagrams: a cross, a circular diagram with text 'BLOOD-BALANCE-PRESSURE', and a bar chart. On the right, there are faint line graphs and network diagrams. The overall aesthetic is technical and data-driven.

PROJECT DESCRIPTION

OUR SERVICES &
MISSION



- Innovation, especially in the health tech sector is often born from ideas in the field and experienced doctors, researchers, or others in the field that see a problem and can envision a product or service that can fix it.
- But those that are experienced in the industry rarely have experience with starting and operating large, successful ventures.
- This is why nearly 90% of startups fail.
- Without support, groundbreaking concepts languish, creating a barrier to innovation.

WHAT WE DO

THE VENTURE STUDIO MODEL

Similar to a business incubator or accelerator, a venture studio functions to provide concepts and new ventures with the foundation and scaffolding to get to market and scale.

In contrast to incubators and accelerators, venture studios provide a more active, integrated approach to new venture development. We work with innovators to develop concepts internally, provide seed capital and access to venture funds in later rounds, and provide a more holistic suite of services.

Rather than assisting new companies in a passive way, we take an active approach in venture building, creating a manufacturing model for successful ventures.

DIFFERENT MODELS IN THE STARTUP ECOSYSTEM

	Business Incubator	Business Accelerator	Venture Fund	Venture Studio
Stage of development	Concept/Early	Post-Concept/Pre-Market	Late-Stage Startups/Go to Market	Concept
Ideation and De-risking				✓
Team building				✓
Foundational business services (offices, support services, etc.)	✓	✓		✓
Comprehensive business development (software development, market research, marketing)				✓
Provides seed funding	In Some Cases	In Some Cases		✓
Takes an equity position	In Some Cases	In Some Cases	✓	✓
Access to Venture Capital		✓	✓	✓

OUR SERVICES



ADMINISTRATIVE

Payroll services
Accounting & Finance
Office space and clerical support



NETWORKING

Industry connections
Facilitating partnerships with key service providers and organizations



MANAGEMENT & STRATEGY CONSULTING

Dedicated Project Lead to provide project management, business insight, and consulting.
Business coaching
Branding
Marketing and communications
Product development plans and go to market strategies



TECH & PRODUCT DEVELOPMENT SUPPORT

Software development
Regulatory guidance
Legal and IP
Navigating clinical trials
Manufacturing/prototyping



CAPITAL RAISING

Positioning for Capital Raise
Networking
Access to Boomerang Venture Fund (affiliated Venture Capital Fund)

- Our business model is designed to shepherd ventures from concept to venture funding and final exit.
- Each venture follows a systemized cycle from ideation to exit
- The system and cycle is built to weed out concepts that are not viable and cultivate those that are
- This approach allows for multiple ventures to be built at once.
- Up to eight concepts will work through the cycle at any time
- On average, 32% of concepts that complete the Boomerang Launch System will continue through to an exit.
- We retain a share of all ventures that cycle through our studio.

BUSINESS MODEL



BOOMERANG LAUNCH SYSTEM

The core of our involvement is at the front end of the process, where we partner with innovators to build the foundation of the venture. During this phase, we not only provide seed capital, but manage the process to keep the project moving forward in a timely fashion, identify and reduce risk in future phases, and create value through due diligence and initial development.



Market, technology, and risk assessments



Setting up intellectual property and legal documentation



Team building and recruitment of executive team



Entrepreneur in Residence (XiR) from Boomerang Studio is placed to direct and manage this phase



Early clinical research, software development, and product design



\$30,000 in capital from Boomerang Studio applied to market research, IP, legal fees, prototypes and software



At completion, concept is ready for full development and path to commercialization

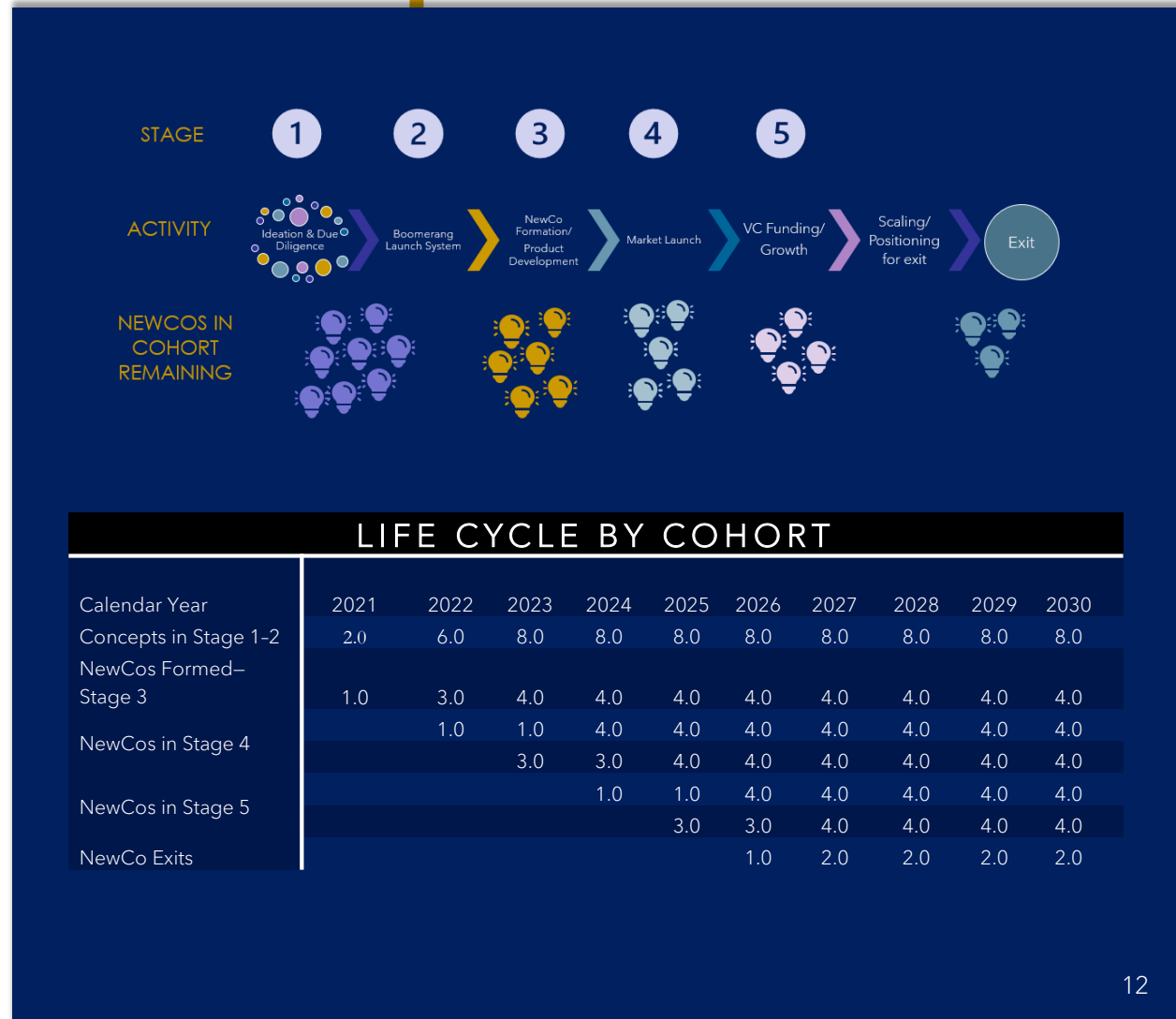


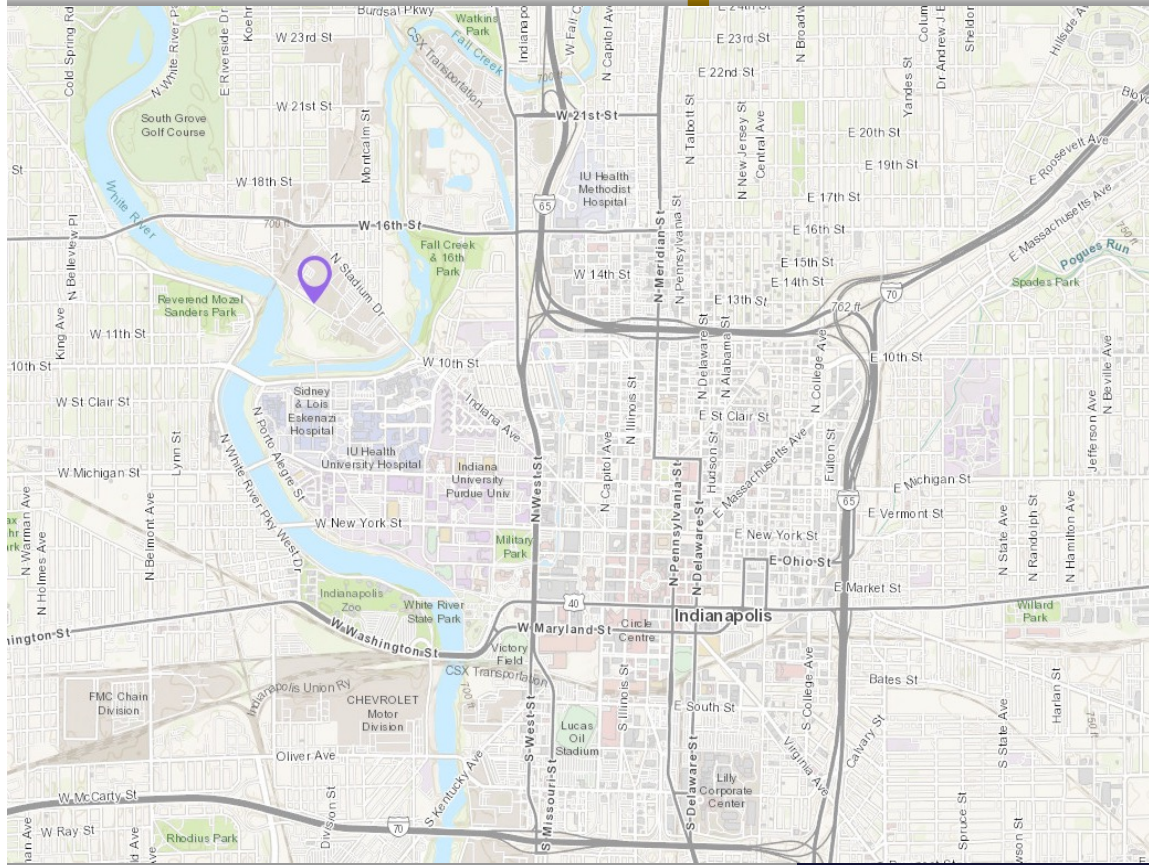
OPERATIONS

LOCATION &
STRATEGY

TIMELINE

- We have five concepts in the first cohort of our portfolio that are ready to proceed to the Boomerang Launch System
- We have secured \$1.0 million in private equity
- Cohorts progress through stages of development in cycles
- Second cohort expected to enter Stage 1 in Summer 2021
- First exit projected for 2026





LOCATION INDIANAPOLIS, IN

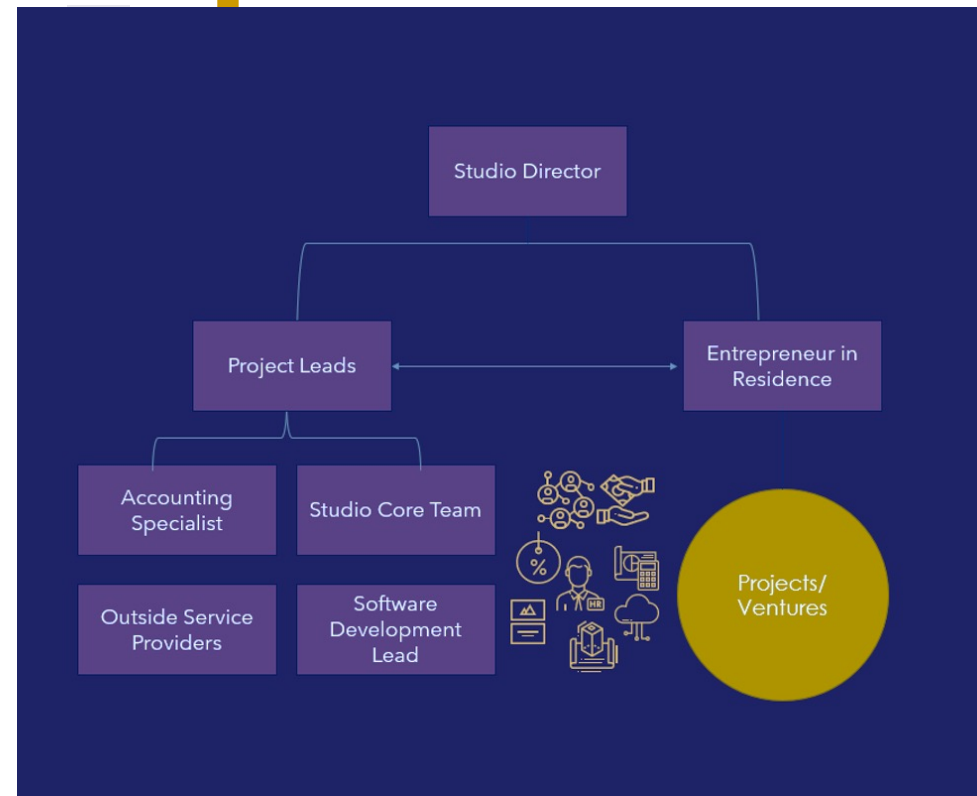
The city of Indianapolis has been steadily growing into an important hub for tech startups and venture capital. According to the National Venture Capital Association, over the past five years Indianapolis has seen a higher compound annual growth rate in venture funding than the top five hubs (San Francisco, New York, Boston, San Jose, and Los Angeles). Scientific Research and Development is the largest tech sector by output, at \$2.57 billion, according to Indiana's tourism and economic development department.

Boomerang Studio's headquarters are at the HqO building at 16 Tech. The 16 Tech Innovation District is a master-planned innovation district encompassing 50 acres within a larger, 250-acre technology park designated by the City of Indianapolis. The district is proximate to the economic, academic, medical, and research hubs of the city and region, including IUPUI, the IU School of Medicine, and Riley Hospital.

INTERNAL STAFFING

PROJECT SUPPORT

Boomerang Studio will maintain an internal staff to provide support to ventures during each stage of the cycle. A Studio Director will oversee all operations and logistics at Boomerang Studio. A Project Lead, as well as an Entrepreneur in Residence (EIR), will be assigned to ventures and will coordinate with a core team of support staff at Boomerang Studio. The Project Lead functions as a project manager, determining what each venture requires and coordinating with internal teams and external service providers to deliver services, consulting, and other administrative support. The EIR serves as a de facto CEO for each venture until a dedicated team is onboarded, ushering the founders and team through the early stages of business development and strategy planning.



STRATEGIC PARTNERS

- Boomerang Studio is affiliated with Boomerang Ventures, a VC firm that funds health tech companies and will provide late-stage capital to ventures cycling through Boomerang Studio.
- We maintain relationships with other venture funds and angel networks, including Elevate Ventures and VisionTech Partners
- We have cultivated a network of other partners to provide professional services, strategic consulting, and market and industry insights to new ventures.

Katz, Sapper, Miller, CPA

- Accounting and tax consulting

Leaf Software Solutions

- Software development

Pearl Pathways

- Regulatory and quality compliance consulting

Swan Software Solutions

- Custom application software

Ascend

- Talent recruitment

Regenstrief Institute

- Medical and healthcare research institute

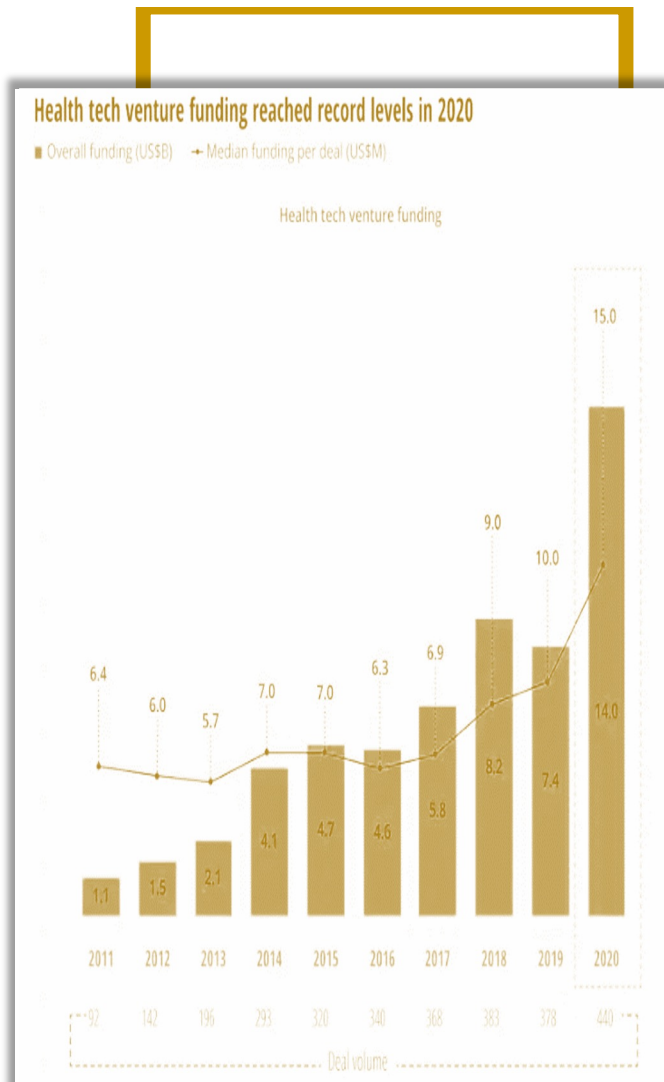


MARKET OPPORTUNITY

TARGET MARKETS

We focus on ventures in the healthcare and technology sector, specifically:

- Digital health (machine learning, IoT)
- Medical devices
- Software as a medical device (SaMD)
- Mobile medical applications
- Health IT
- Medical device data systems
- Telemedicine



GROWTH IN HEALTH TECH & VC FUNDING

- The global IoT healthcare market was valued at \$57.62 billion in 2019 and is projected to reach \$352.88 billion by 2027.
- Almost two-thirds of total funding in 2020 was advanced funding (series C and above) for projects that had proven value propositions and/or existing relationships to provide a near-guaranteed return on investment.
- The market is very receptive to health tech IPOs; a record 11 health tech innovators went public in the last two years, and in 2020, 33 innovators raised US\$100 million or more in late series funding (C+).

INDUSTRY SUMMARY

- Venture studios have become the new standard for the startup ecosystem.
- As of 2019, 200 venture studios were operating, compared to only a handful a decade ago.
- Pairing business infrastructure with strategy development and funding has proven to be highly effective in curbing the startup failure rate
- Venture studios can bring multiple concepts to market in a relatively fast time frame

VENTURE STUDIO SUCCESS METRICS

10.7

AVERAGE TIME (IN MONTHS) STARTUPS GO FROM DAY ZERO TO SEED ROUND

84%

PERCENTAGE OF STARTUPS GOING ON TO SEED ROUND

72%

PERCENTAGE OF VENTURES MAKING IT TO SERIES A

30-50%

EXIT RATES OF STUDIO-BASED VENTURES

3.85

AVERAGE AGE OF COMPANY AT EXIT (YEARS)



PROJECT TEAM

BOOMERANG STUDIO EXECUTIVE TEAM



Oscar Moralez, MBA
Founder and Managing
Partner

- 10+ years of VC and angel investing experience and 20+ years of technical, operations, and management experience in healthcare and life sciences sectors.
- Co-founder of VC firm, Boomerang Ventures
- Founder and managing director of VisionTech Angels, angel-investing network with more than 60 portfolio companies and ~\$25 million in invested capital
- Founder of BioStorage Technologies, which was acquired by Brooker Automation in 2015 for \$127 million



Eric Beier, MD, MBA
Partner and Chief
Medical Officer

- Extensive leadership experience as a physician, entrepreneur, and investor.
- On the startup team for Xillum, a healthcare business intelligence software company.
- Served as CEO for MedOptima, which successfully exited
- Startup CEO for Matrix-Bio, a cancer diagnostics company that raised more than \$1.3 M in angel capital and secured a commercialization development agreement with Quest Diagnostics.
- Co-Founder of two private equity groups and the Fort Wayne Chapter of VisionTech Angels.



Tony Petrucciani
Partner and Chief
Financial Officer

- Founder of Single Source Systems, a software company that grew to 1,000 customers in 29 countries and earned a spot on Inc 500's fastest growing companies twice before exiting in 2011
- Managing Partner of Vision Tech Angels
- Graduate of The Entrepreneurial Master's Program, sponsored by MIT University
- More than two decades of experience in technology, sales, management, and analytics

SMITH CENTRAL REGIONAL CENTER

EB - 5 COAST TO COAST

- EB5 Coast to Coast operates six regional centers spanning 41 states
- Over 380 EB-5 investors have been sponsored by our Regional Centers. Most have already received approval of their I-526 immigrant petitions and received conditional permanent residence; others are waiting.
- None of our investors have been denied approval of any petition.
- EB5 Coast To Coast has earned the 526 Award from *EB5 Investors Magazine*. The 526 Award recognizes successful EB-5 regional centers across the country for the important role they play as part of the EB-5 program's positive impact in our nation by helping to create American jobs while stimulating our economy.



KEY METRICS AND ASSUMPTIONS

Boomerang Studio, LLC generates income from:

- **NewCo Service Revenue:** Once a venture graduates from the Boomerang Launch System and is structured as a separate entity, the NewCo begins paying a monthly service fee. The estimated monthly fee will be \$5,000 per NewCo.
- **Corporate Service Revenue:** In the healthcare and medical tech sectors, many corporations invest in research and development for new projects and utilize business incubators or venture studios to cultivate new concepts. The Company will charge an annual fee of \$100,000 and expects to house 1-2 corporate clients each year.
- **Returns from NewCo exits:** While monthly income from services fees will provide steady cash flow in the first several years of operations, the bulk of the Company's cash flow and profits will arise from the exit of sponsored NewCos.

8

CONCEPTS IN
DEVELOPMENT
AT A TIME

\$30k

CAPITAL INVESTED
IN EACH NEW
CONCEPT

32%

PERCENTAGE OF
INITIAL CONCEPTS
PROCEEDING TO EXIT

17%

AVERAGE
OWNERSHIP IN
NEWCO AT EXIT

\$50M

AVERAGE NEWCO
VALUATION AT EXIT

\$8.4M

ESTIMATED
PROCEEDS PER
EXIT

PRO FORMA OPERATING STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
# of Ventures in Stages 3-4	1	3	6	8	9	9	9	9	9	9
Annual Fee For Services	\$0	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
Annual Fee For Services (Other)		\$46,000	\$66,000	\$86,000	\$106,000	\$126,000	\$146,000	\$166,000	\$186,000	\$206,000
Gross Revenue from Service Fees	\$0	\$154,000	\$282,000	\$374,000	\$430,000	\$450,000	\$470,000	\$490,000	\$510,000	\$530,000
Total Overhead Expenses	\$868,750	\$1,019,380	\$1,053,133	\$1,129,695	\$1,146,769	\$1,189,578	\$1,207,850	\$1,226,496	\$1,245,496	\$1,264,886
Total Concept Development Expenses	\$56,800	\$170,400	\$227,200	\$227,200	\$227,200	\$227,200	\$227,200	\$227,200	\$227,200	\$227,200
TOTAL EXPENSES	\$925,550	\$1,189,780	\$1,280,333	\$1,356,895	\$1,373,969	\$1,416,778	\$1,435,050	\$1,453,687	\$1,472,696	\$1,492,086
Net Operating Income	(\$925,550)	(\$1,035,780)	(\$998,333)	(\$982,895)	(\$943,969)	(\$966,778)	(\$965,050)	(\$963,687)	(\$962,696)	(\$962,086)

PRO FORMA CASH FLOW

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Investment/Financing Activities										
EB5 Loan		\$4,000,000						(\$4,000,000)		
Owner Equity	\$100,000									
Other Private Equity	\$1,000,000			\$500,000						
Convertible Note		\$500,000								
Studio Proceeds From NewCo Exits	\$0	\$0	\$0	\$0	\$0	\$8,412,781	\$16,825,562	\$16,825,562	\$16,825,562	\$16,825,562
Cash Flow From Investment/Financing Activities	1,100,000	\$4,500,000	\$0	\$500,000	\$0	\$8,412,781	\$16,825,562	\$12,825,562	\$16,825,562	\$16,825,562
Interest Expenses (EB5 Loan)										
								(\$1,679,333)		
Convertible Note Repayment		(\$550,000)								
Expense for Regional Center (EB5 Loan)		(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)		
Net Operating Income	(\$925,550)	(\$1,035,780)	(\$998,333)	(\$982,895)	(\$943,969)	(\$966,778)	(\$965,050)	(\$963,687)	(\$962,696)	(\$962,086)
Net Cash Flow	\$174,450	\$2,874,220	(\$1,038,333)	(\$522,895)	(\$983,969)	\$7,406,003	\$15,820,512	\$10,142,541	\$15,862,865	\$15,863,475
Cumulative Cash Available for Distribution	\$174,450	\$3,048,670	\$2,010,337	\$1,487,442	\$503,473	\$7,909,476	\$23,729,988	\$33,872,526	\$49,735,394	\$65,598,869

CONTACT

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