

Success Story: MatriSys Bioscience, Inc.

The Challenge: - Mark S. Wilson, co-founder and CEO of MatriSys Bioscience, Inc., and his team obtained an exclusive license from University of California, San Diego (UCSD) for a microbiome based therapy for skin disease. They engaged Procopio Business Advisors, LLC (PBA) to assist with the commercialization strategy and access to capital.

Our Solution: PBA assisted with the development of an overall commercialization strategy, the development of a business model, the go-to-market plan and funding strategy. The first task was to define the commercialization potential of the technology licensed by MatriSys from UCSD. During this phase, we determined that the technology opens up opportunities to the \$12.9B dermatology pharmaceutical market and the \$121B cosmetics/skin care market. Our targeted approach created a capital efficient business model, where the development of the first product for atopic dermatitis, could result in a licensing deal with a leading pharmaceutical company and/or a leading, multi-national skin care/cosmetics company. Research of recent industry licensing deals showed significant out-licenses to big pharmaceutical marketing partners, including 18 deals with an average upfront payment of \$71M and an average total value of \$275M. In addition, there were 14 comparable company acquisitions with an average deal value of \$827M.

MatriSys' first deal could fund the development of four additional projects for licensing or acquisition by a pharmaceutical company and/or a cosmetics company to substantially increase the company's value (total: 5x \$275M) and create value to initial investor(s). Additional IP/patents will be necessary to define and protect add-on deal development following the initial atopic dermatitis deal.

Initial funding required to complete the first project is approximately \$4M. We structured this into a \$1M convertible note to attract Angels/High Net-worth Individuals, followed by a \$3M seed round. The team then developed a compelling investor presentation and began engaging with potential strategic licensing partners and investors.

Our Success: MatriSys is currently in licensing negotiations with many potential strategic partners, five or six in late stage review. MatriSys has now raised \$1.7M through convertible promissory notes, and has a term sheet from a potential lead investor

"Ruprecht's coaching was instrumental in the fine-tuning of our business model," said Mark S. Wilson, MatriSys Bioscience Co-founder and CEO. "We're a science driven company, but Ruprecht's guidance allowed us to more effectively communicate our story to both investors and scientists. It is thanks to his advice that our pitch has been so well received."

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