



QUICK FACTS

Pre-money Valuation: \$22.5M

Total Raise Target: \$5M-\$6M

Option Pool Increase: 12%

Lead Investor: Anthro Ventures (\$2M)

VCapital Pro-Rata: \$535,000

SentiAR is a young digital health company located in St. Louis, Missouri, which has developed a wearable command center platform for physicians during surgery. The platform utilizes Augmented Reality / Mixed Reality technology for use clinically during surgery, which solves low success and surgical complexity. With its first application, SentiAR developed the world's first FDA-cleared system, CommandEP, for data activation and

precision guidance in Cardiac Ablation Procedures, one of the very few remedial surgical procedures for Atrial Fibrillation (AF). The system has been proven to increase catheter targeting accuracy by over 80% and reduce communication load by 90% in clinical studies:

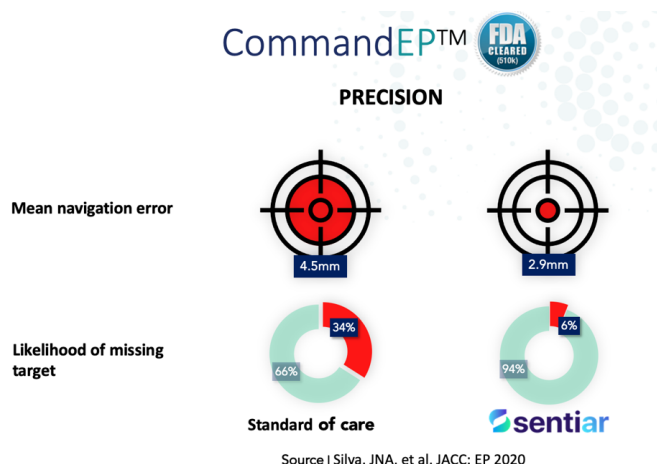


Figure 1: CommandEP's improved precision

SENTIAR STRATEGIC COLLABORATIONS AND ACHIEVEMENTS

SentiAR is now partnered with Biosense Webster (a Johnson and Johnson Company, the market leader in electrophysiology) and is proceeding to clinical deployments with this new integration. There was a strategic decision not to commercialize the Abbott integration as it was with their now older system. Biosense Webster proposed integrating SentiAR with their newest platform (CARTO 3). Biosense has over 50% market share, and their newest platform allows SentiAR access to a large majority of their installations. Instead of diluting their efforts, SentiAR decided to focus on Biosense Webster integration and launch into a much more lucrative and ready market. SentiAR decided to add Magic Leap's newest hardware onto their platform. It is the lightest hardware and has the highest image quality.

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SentiAR has integrated with Biosense Webster and updated its headset, but SentiAR's current CommandEP FDA approval is with Abbott Ensight (one of the approved imaging systems for EP). As a result, new approval is needed with the newly integrated technology stack. Since CommandEP already has a predicate, a relatively easy, low-risk submission is expected. An additional clinical study is NOT needed for FDA Clearance; however, an additional clinical study has been pursued to collect more market validation data and publish the findings. The clinical study will enroll up to 296 patients for the first arm (PARADIGM adults). It is expected to be completed in up to six months and cost \$200k.

Finally, SentiAR signed a \$1.1M non-dilutive financing deal, which helped them integrate the latest technologies before commercial release without any impact on their capital strategy. Summarizing the achievements since the last fund-raising round:

- CARTO 3 (Biosense Webster Mapping System) <> SentiAR integration is completed
- Next-generation headset integration with Magic Leap 2 (hardware) is completed
- Agreement for \$1.1M in non-dilutive funds from one of their strategic partners is completed
- Multi-site PARADIGM clinical study in the Harvard Medical System: 500 patients (250-300 patients in each arm), 16 electrophysiologists are initiated (Includes two arms PARADIGM adults and PEDs)

SERIES B LAUNCH

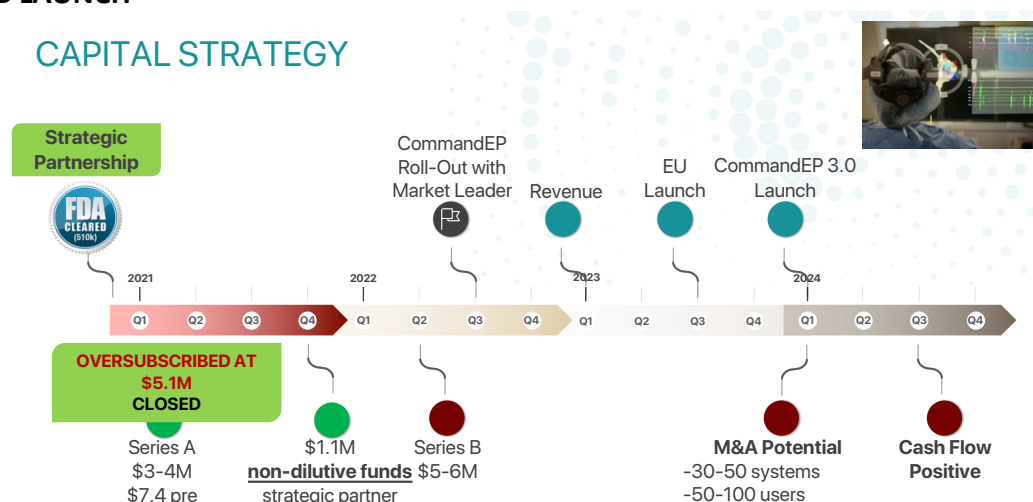


Figure 2: SentiAR's capital funding milestones (achieved & future)

SentiAR has launched a Series B round for \$5.5M focused on reaching clinical deployment critical mass and an acquisition event by 2024. The following milestones are planned post B round:

3Q2022: Finish First Arm of the PARADIGM Study

2Q2023: CE Mark (CE marking proves compliance with EU health, safety, and environmental protection legislation and confirms a product's compliance with relevant requirements.)

4Q2023: FDA Clearance with Biosense Webster Integration and expand total commercial install base to 60 deployments (0.2% EU and US Market)

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2022	\$60k
2023	\$1.7M
2024	\$7.5M
2025	\$29M
2026	\$65M

Figure 3: SentiAR's Revenue Projections

CURRENT EXIT OUTLOOK

SentiAR believes that it could possibly exit right now if an M&A process was run. However, it estimates the exit valuation would be below \$100M. SentiAR anticipates the number of installed sites to be the key indicator for valuation and expects around 50 installations to be an inflection point leading to considerable M&A potential. After achieving the milestone of 50 installations, SentiAR believes a \$200M exit is possible. There are also plans for spinning out an ultrasound application (Excera) in 1Q2023 before any M&A activity.








Target	Acquirer	Price	Date	Status Stage
Affera • Map/Nav and PFA Solution		\$675M (+\$250M)	2022	Pre-submission
Farapulse • PFA system for AF		\$450M (+\$125M)	2021	CE Mark
Nuvera Medical • ICE Catheter		Undisclosed	2020	Pre-submission
Cryterion Medical • Cryoablation for AF		\$202M	2018	Pre-submission
EPD Solutions • Mapping/Navigation System		\$293M (+\$246M)	2018	Pre-submission
Apama Health • RF balloon catheter		\$175M (+\$125M)	2017	CE Mark late 2018
CardioInsight Technologies • Electrocardiographic imaging		\$93M	2015	Tested in 1400+ patients

Figure 4: Comparable Pre-Revenue Exits in EP

EXCERA TECHNOLOGY

Excera Technology is an ultrasound application company to be spun off using IP developed at SentiAR. As discussed, an Excera spin-off is planned for 1Q2023 before any SentiAR M&A activity. The equity ownership in SentiAR will also be transferred to equity ownership in Excera. Excera M&A exit is anticipated at 3-5 years post-spin-off.

There are significant issues with current ultrasound-guided procedures. These challenges arise from inherent ergonomics, mobility, visualization, and targeting limitations with current ultrasound-guided procedures. Excera, Inc. is formed as a wholly-owned subsidiary of SentiAR and has developed the alpha

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prototype of the MantUS™ product, which provides wireless components/tracking with hands-free display and control. These enhancements provide full needle guidance aiding the angle of approach, distance, and tip location during procedures. It also provides a completely mobile solution that does not require a cart.

The MantUS™ system has improved time, attempts, and needle positioning for vascular access. A 30-subject study was completed with MantUS™. All metrics assessed have shown improvements up to:

- 46% reduction in access time (149 sec to 80 sec)
- 60% reduction in access attempts (4 to 1.6)
- 83% reduction in needle repositions (3.5 to 0.6)

This system's first application being pursued is for ultrasound-guided central line placement. The reason for this choice is the vast potential of savings with this application:

- >5 million central lines are placed yearly in the US alone
- 4-7% immediate complication rate: vascular, cardiac, pulmonary, and placement
- These complication costs vary from \$11k-\$90k
- Potential 75% reduction in complications leading to \$3.1B in savings

Last, mobility of the MantUS system will improve over the standard ultrasound and increase utilization of ultrasound.

OUR TAKE

We continue to believe in this company and remain supportive. With its strong leadership, the company had to make some adjustments with their potential partners in the EP space, costing them some time, but we believe it's a much better solution. Investing in this Series B can lead to an exit with a potential high single-digit multiple based on comps in around 1.5 years. This return does not include the potential for Excera, which is likely to spin off before an exit. An investment in SentiAR will also be an investment in Excera. This ultrasound application would have a later timeframe for an exit (4-6 years from now) with a value of around 300 million. This ultimately can lead to a cumulative exit of \$500M. Although the exit will not be in the billions as some of our other portfolio companies may have, the \$22.5M valuation is a reasonable price that can provide a great return with a little under half in the short term and then the other 60% in the mid-term. VCapital CEO, Len Batterson, had a similar situation with his investment in [Software.net](#) which led to two spin-offs: [Beyond.com](#) and Cybersource, both of which had a 20:1 return. This will not be a 20x return for SentiAR or Excera, but it has the potential to be a 10x for each.

DISCLAIMER

A more detailed description of the investment and the related risk factors are outlined in the Offering Memorandum, which should be read before any investment decision is made.

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