



11/11/2020

Hello CarePoint investors!

I hope you and your families are healthy and are enjoying the last of autumn as we hunker down for what could be a long Covid winter. Let me reassure you that CarePoint is very alive, very well, and is about to make your life very interesting. (-:

The Covid pandemic has been a blessing and a curse for CarePoint. Magellan Diagnostics and Perosphere Technologies, our two key clients for control solutions, have both had to delay product launches due to Covid. Both projects are expected to be back on track soon, but this pause has impacted our revenues and cash flow.

But Covid has also been a HUGE blessing. The market demand for CarePoint's Pro-QCP™, our first-of-its-kind diagnostic test QA software, due for a December launch, has increased exponentially. Without question, we are in a position to make a unique and significant contribution in the world-wide battle against Covid-19.

We have been working with an outsourced software development group and our clinical consultants to fast-track the completion of Pro-QCP and to develop modules specific to each major Covid test platform. That work is well underway and we expect to have a demo version of the program shortly. We are now on track for a December launch of over 300 program modules, contingent upon additional funding.

We have been pursuing several federal and state grants to fund the completion of Pro-QCP, but it is simply taking too much time. We were eagerly anticipating a \$145,000 payment upon the signing of our licensing agreement with Magellan, but as mentioned, that deal has been delayed. As the pandemic rages on and the value of Pro-QCP to society increases, time is of the essence and we are pursuing multiple funding options in parallel. Because of all this, I'm happy to say the door to equity participation in CarePoint has been – unexpectedly and briefly – cracked open.

Currently, we have about 60 investors in CarePoint averaging about \$50k each. Based on a recent, conservative company valuation of \$12M, my team and I have more than doubled or tripled your money. Now, with the launch of Pro-QCP for Covid, we plan to take that multiple to an exponentially higher level.

CarePoint Solutions, Inc.

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Considering the urgent demand for Pro-QCP due to Covid, as well as our first-to-market status, we believe we can reasonably capture 8% market share for Pro-QCP in the first 12 months. That estimate could be way low given that the market is expanding before our eyes, we have earned some key industry endorsements, we can count on quick and effective market penetration given the strategic channel partners that we have lined up, Pro-QCP's demonstrable value to end users, and Pro-QCP's contribution to medical science and to society.

For 2021, we are projecting an eight percent market share for Pro-QCP that equates to \$20M in new revenues for the company. If we can accomplish 8% market uptake in the first year, we will be on a trajectory to top over \$100M in annual revenues within five years. Again, that's a pretty conservative projection, so I'm holding out the possibility for much larger numbers.

All of this translates to some significant wealth creation for CarePoint stockholders. The earnings distribution we are targeting for next year *just by itself* represents a 180% return on your original investment. And we will just be getting started. If we can grow to \$100M in annual reoccurring revenues over the next five years, the company will be worth about 10x revenues or \$1 billion. This is referred to as a "unicorn" in investor circles because they are so rare. Even rarer are companies that have accomplished this feat by bootstrapping and leveraging angel money – avoiding having their precious equity 'crammed down' by venture capitalists.

So in addition to anticipating years of phenomenal earnings and dividend distributions, we plan on delivering a windfall return to our investors upon an acquisition or merger. If we succeed at hitting these targets, the anticipated proceeds from an acquisition are dreamy. \$5k in stock would be worth \$330,000, and \$50k would be worth \$3.3 million. Yes, you read that correctly... \$3.3 million. These are projections, but they are defensible and even conservative given the market demand, the exceptional value proposition of our product, and because we are a first mover in a brand new emerging \$500M market. Even if we fall shy of these targets, you can be sure we can count on several years of exceptional growth.

I'm incredibly proud of the business and wealth-creating machine that my team and I have built. We couldn't have done it without your support. After years of hard work and sacrifice, and lots of patience, we've been blessed with a phenomenal and unique market opportunity, one that is way beyond what I had originally imagined. For those of you shouting: "SHOW ME THE MONEY BILL!", that time has finally arrived and boy is CarePoint in a position to deliver.

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If you are interested in increasing your equity position and super-sizing your future dividend checks, let me know ASAP. I am aggressively pursuing multiple funding options, but always want to give 'first dibs' to you, our valued investors that have made this exciting potential possible.

For your reference, I'm enclosing a spotlight on Pro-QCP and a recent grant application we submitted to the Mass Life Science Center ACTS program. I know it's taken a while for CarePoint to deliver significant revenues and earnings, but that time is imminent and I expect 2021 and subsequent years to be excitingly profitable for all of us.

With great appreciation,

A handwritten signature in blue ink that reads 'Bill Donohue'.

Bill Donohue
President/CEO

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