

# Netcapital Inc.

A Digital Private Capital Markets Ecosystem

FACT SHEET

JANUARY 2023

Nasdaq: NCPL

[netcapitalinc.com](https://netcapitalinc.com)

Fintech company **Netcapital Inc. (Nasdaq: NCPL)** is a digital private capital markets ecosystem dedicated to empowering entrepreneurs to succeed. The company hosts an SEC-registered funding portal that enables private companies to raise capital online, while investors are able to invest from almost anywhere in the world, at any time, with just a few clicks. Companies can accept investment from virtually anyone, including friends, family, customers, and employees.

Netcapital's management consulting group, [Netcapital Advisors](#), helps companies at all stages to raise capital. Netcapital Advisors provides strategic advice, technology consulting and online marketing services to assist with fundraising campaigns on the Netcapital platform. It also acts as an incubator and accelerator, taking equity stakes in select disruptive start-ups.

## Netcapital

|   | Key Metrics                           |
|---|---------------------------------------|
| 1) Empowers private companies to raise capital online   |                                       |
| 2) Provides both accredited and non-accredited investors with access to new investment opportunities in private companies | Users.....>100K                       |
| 3) Markets private capital raises   | Deals funded.....200                  |
| 4) Incubates and takes equity positions in select, early-stage companies with disruptive technologies                     | \$ raised through platform.....>\$50M |

## Netcapital Inc.

### Recent Highlights

- Jan 4, 2023 - Martin Kay named CEO of Netcapital Inc.
- Dec 13-16, 2022 - Announced public offering of common stock, pricing, and closing
- Dec 12, 2022 - Announced revenue growth of 71% for first half of fiscal 2023
- Dec 9, 2022 - Appointed Arnie Scott to Board of Directors
- Oct 27, 2022 - Netcapital Funding Portal CEO participates as panelist and award nominee for Equity Crowdfunding Week conference

### Investment Highlights

#### Significant opportunity to disrupt private capital markets

- Private capital markets reached \$7.4 trillion at year-end 2020, \$13 trillion expected over the next five years\*
- Within this market, private equity represents the largest share, with assets of +\$3 trillion and a 10-year CAGR of 10%
- \$42 trillion held in retail investment accounts representing a large pool of potential account holders\*\*

#### Multiple industry tailwinds driving growth in digital capital markets

- Pandemic accelerating push to bring processes online
- Regulatory changes increasing digital funding opportunities
- Private equity outperformance drives growing investor demand for private investments

**Robust business model** of fee income (Netcapital Funding Portal) plus equity stakes (Netcapital Advisors).

**Management team** comprised of experienced institutional investors, angel investors and entrepreneurs.

\* Morgan Stanley

\*\*Boston Consulting Group

## Market Opportunity

**\$7T**

Private capital markets reached \$7.4 trillion in 2020.

*Morgan Stanley*

**\$3T**

Private equity assets of \$3 trillion growing at a 10 year CAGR of 10%.

*Financial Times*

**3x**

Private capital markets expanding at three times the rate of public markets.

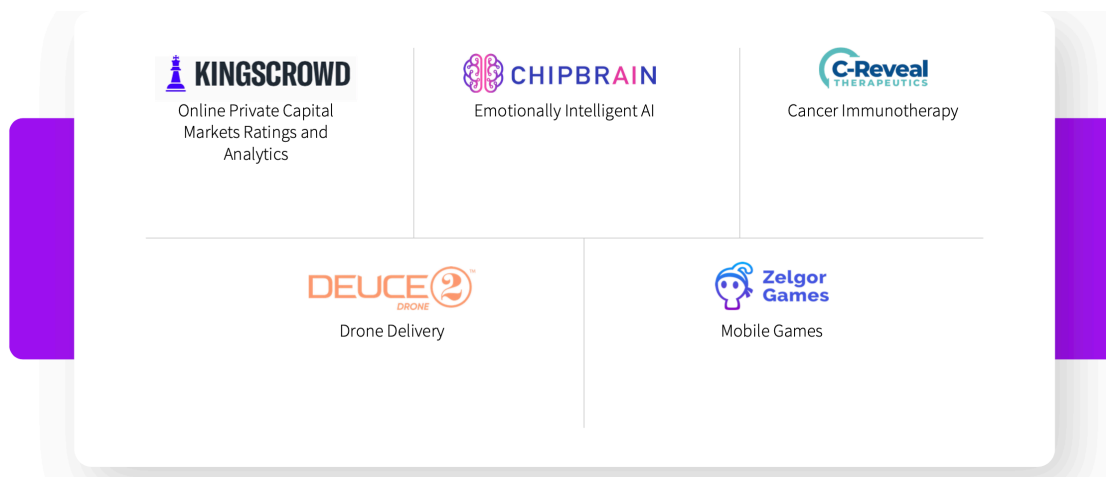
*McKinsey*

**\$42T**

In retail assets represents large pool of potential account holders.

*BCG*

## Select Equity Stakes



## Case Study-MAGFAST

MAGFAST, a wireless charger company, launched an equity offering on netcapital.com in November of 2020.

- Goal raise: **\$1.07 million**
- Sold out entire offering in one day
- Almost 1,000 investors successfully invested through the platform in a 24-hour period
- Raised approximately **\$2 million** in 2 hours in November 2021 follow-on offering

## Management Team



**MARTIN KAY**  
CEO

MA, Oxford; MBA, Stanford  
Accenture, IBM, Bain & Company,  
venture investor, CEO and CRO



**COREEN KRAYSLER, CFA**  
CFO

SM, MIT Sloan  
Former Morningstar 5-star rated  
portfolio manager



**JASON FRISHMAN**  
Founder

BS, Summa Cum Laude, University of  
Miami  
Advisor, The Capital Network

## Market Snapshot

Share Price  
\$1.43 (1/3/23)

52-Wk. Range  
\$1.15- \$12.25

Avg. Vol.  
690K

Shares O/S  
5.8M

Market Cap  
\$8.4M

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Price and volume quotes from Yahoo! Finance

**Forward-Looking Statements:** This fact sheet contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of Netcapital Inc.'s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause Netcapital Inc.'s actual results to differ materially from those described in the forward-looking statements can be found in Netcapital Inc.'s Annual Report on Form 10-K for the year ended April 30, 2022 which have been filed with the Securities and Exchange Commission and are available on [netcapitalinc.com](https://netcapitalinc.com) and on [sec.gov](https://sec.gov). Netcapital Inc. does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.