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FOR IMMEDIATE RELEASE

## **Netcapital Inc. Announces Revenue Growth of 198% YoY in the First Half of Fiscal 2021**

***First Half Earnings Review Conference Call to be Held on December 18, 2020***

### **Highlights:**

- Six-Month Revenues up 198% to \$2,493,486
- Growth in netcapital.com user metrics up triple digits year-over-year with new users up more than 3,000% in November
- Strong business momentum at Netcapital Advisors with meaningful impact on success of clients and portfolio companies

BOSTON, MA – December 15, 2020 – [Netcapital Inc.](#) (OTC: NCPL), a fintech company dedicated to democratizing private capital markets and empowering entrepreneurs to succeed, announced first half 2021 revenues of \$2,493,486, an increase of 198% over the previous year. The company reported a gross profit margin of 71% and positive shareholders' equity of \$760,012, an increase of 19% compared to last year. The value of our investment portfolio increased 186% year-over-year to \$3,721,514 and our portfolio companies continue to execute well.

Pro forma numbers reflecting the potential impact of the merger with Netcapital can be found in the company's Quarterly Report on Form 10-Q for the period ended October 31, 2020, which has been filed with the Securities and Exchange Commission.

### **Netcapital Inc. Achieves Significant Milestones During the First Half of Fiscal 2021**

During the first half of fiscal 2021, Netcapital Inc. entered into a merger agreement with longtime partner Netcapital, transforming the company into a powerful fintech leader with a proven and scalable technology platform. To better reflect its differentiated position within the private capital markets, Netcapital Inc. took on a new name and a rebranding initiative that included the introduction of two new websites, [www.netcapitalinc.com](http://www.netcapitalinc.com) and [www.netcapitaladvisors.com](http://www.netcapitaladvisors.com). In addition, Netcapital Inc. achieved Penny Stock Exempt status, making it easier for investors to transact in Netcapital Inc. shares (NCPL) and paving the way for potential new investors.

## **Netcapital Achieved Triple-digit Year-Over-Year Growth Across Key Metrics and Sold Out Issuer Offering Within a Few Hours, Underscoring Scalability of Platform and Brand Strength**

During the six months ended October 31, 2020, Netcapital achieved triple-digit year-over-year growth across several key metrics including new users, dollars invested and website traffic. This growth continued into the fiscal third quarter. As of the end of November, Netcapital experienced y/y growth of:

- 3,433% in Unique New Users
- 2,794% in Dollars Invested
- 809% in Traffic

In November, a digital capital raise on Netcapital by [MAGFAST®](#), a maker of innovative magnetic chargers, generated overwhelming investor interest and sold out within just a few hours. This record breaking offering drew thousands of new investors to Netcapital, underscoring the scalability of its digital platform and strength of its brand.

## **Netcapital Advisors Meaningfully Impacted the Growth and Success of Clients and Portfolio Companies, Continued to Establish a Reputation for Excellence**

Netcapital Advisors experienced strong business momentum in the first half of fiscal 2021. The company's team of former investment professionals and digital marketing experts have meaningfully impacted the growth and success of its clients and our portfolio companies.

Netcapital Advisors was instrumental in transforming [ChipBrain](#) from an idea around MIT and Harvard AI research to a thriving start-up that is growing swiftly, and all within a few months. The company sold out its Netcapital offering rapidly, funding the development of its emotionally intelligent AI platform. ChipBrain launched its pilot program with firms across a number of industries including healthcare, fintech, real estate and advertising. The company plans a full-scale launch of its self-serve subscription platform by mid 2021.

Netcapital Advisors' deep expertise, investor experience and commitment to [Vymedic](#)'s mission have been critical to the success of the company's ongoing capital raise and have helped bring Vymedic's initial product launch of Vymune to fruition.

With the help of Netcapital Advisors, [MustWatch](#) was able to create its MustWatch app which launched in the Apple App store this month.

In partnership with the Netcapital Advisors' team, Netcapital Inc. portfolio companies such as [Deuce Drone](#), [Zelgor](#) and [KingsCrowd](#) have also been executing well and progressing nicely.

## **SEC Approves Regulatory Enhancements, Lifting Limits on Key Exempt Offerings**

In November, the [Securities and Exchange Commission \(SEC\)](#) approved the exempt offering regulatory enhancements it initially proposed last May. The amendments increase the offering limits for Regulation Crowdfunding, Regulation A and Rule 504 offerings. They also harmonize and simplify disclosure, eligibility and communication rules across the exempt framework. These changes increase the attractiveness of digital fundraising options and pave the way for larger companies to utilize the framework.

"The first half of fiscal 2021 has been truly transformational for Netcapital Inc.," said Dr. Cecilia Lenk, CEO of Netcapital Inc. "I'm immensely proud of our accomplishments and I want to thank our incredibly talented team for their contributions."

Dr. Lenk continued, "We're successful when our clients are successful; it's been gratifying to our entire team to help so many talented entrepreneurs and investors. We look to the future with tremendous excitement about what we're building together and the impact we can have on start-ups, small businesses and democratizing access to early stage investments."

## **Netcapital Inc. Will Host An Earning Conference Call on December 18, 2020 at 12 EST**

Netcapital Inc. will discuss its 2021 first half results via an investor conference call on December 18, 2020 at 12:00 p.m. ET. To join the call, please use the following access numbers:

- Phone Numbers: 800-346-7359, 973-528-0008
- Conference ID: 967295

Those unable to listen to the call live may access a replay via the Investors section of Netcapital Inc.'s website: [www.netcapitalinc.com](http://www.netcapitalinc.com).

*For additional disclosure regarding operating results, please refer to the Quarterly Report on Form 10-Q for the period ended October 31, 2020, which has been filed with the Securities and Exchange Commission.*

### **About Netcapital Inc.:**

[Netcapital Inc.](http://www.netcapitalinc.com) is a publicly traded fintech company dedicated to democratizing private capital markets and empowering entrepreneurs to succeed. We help companies at all stages to build, grow and fund their businesses with a full range of services from strategic advice to raising capital. Our online private investment platform, [Netcapital.com](http://www.netcapital.com), employs powerful and scalable technology that connects entrepreneurs and investors, enabling companies to raise capital digitally. Netcapital.com provides investor access to pre-IPO investment opportunities as well as potential liquidity in privately held shares via a Secondary Transfer Platform provided by Netcapital Systems. [Netcapital Advisors](#), our team of professional investors and digital marketing experts, offers deep expertise across a range of verticals including biotechnology, technology and public policy. Netcapital Advisors has a strong track record of facilitating successful fundraising campaigns by leveraging its unique experience in digital capital raises as well as its extensive network of institutional and accredited investors. The company also acts as an incubator and accelerator, taking equity stakes in select disruptive start-ups. To learn more about how Netcapital Inc. can help your business please visit our website at <https://NetcapitalInc.com>.

The Netcapital funding portal is registered with the U.S. Securities & Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA), a registered national securities association. For more information, please visit <https://netcapital.com>.

*The information contained herein includes forward-looking statements. These statements relate to future events or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.*