Global Cancer Technology

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PROFIT ANALYSIS

$1,000 Investment in the stock of Global Cancer Technology

www.globalcancertechnology.com

To determine how much GCT could be worth in the future, let's do some analysis.
First, remember that GCT's drug-delivery platform could disrupt two major markets:

$128 Billion cancer therapeutics market.	**$320 Billion** market for NDDS.

If you recall, many companies like Merck, Novartis, and Eli Lilly are developing cancer medications, and these medications could potentially be delivered using GCT's technology. With so many potential customers, GCT's revenues could quickly skyrocket.

In a moment, we'll explore just how high those revenues could get. But first, let me show you why early investments in the biotech industry can be so profitable.

You see, even if a biotech company is losing hundreds of millions of dollars, or even if it has zero revenues, as long as it has great potential, it can still be incredibly valuable.

FOR EXAMPLE:

Allogene Therapeutics
(Nasdaq: ALLO)
launched in 2017. It has zero revenue, and is years away from receiving FDA approval. But its market cap is $3.4 billion.

Rubius Therapeutics
(Nasdaq: RUBY)
has a market cap of more than $1 billion, despite the fact that it hasn't tested its drugs on humans yet.

Homology Medicines
(Nasdaq: FIXX)
whose lead product just started clinical trials this year, has a market cap of more than $877 million.

Here's another telling statistic: in the first three quarters of 2018, among the 209 biotech companies that went public on U.S. exchanges, 37% were still at their earliest stages. Either they were in early Phase I studies, or their products still hadn't been tested in human clinical trials at all.

This is the stage that GCT currently occupies: early-stage, with enormous potential.

As you'll recall, GCT has many medical technologies aimed at the global cancer therapeutics market, and each of them could become incredibly valuable.

But for now, let's see what GCT could be worth if its drug-delivery platform comes to market and it starts creating revenue. In particular, let's focus on its efforts to disrupt the $320 billion NDDS market.

Based on the Mordor Intelligence chart that you saw earlier, roughly 1/6th of this market's revenues fall under the "others" category, which applies to GCT.

One-sixth of this market would represent $53 billion.
Accordingly:

$53 Million

If GCT captured just a tiny piece of this market — let's say just 1/10th of 1% — that would equal revenues of $53 million.

$100 Million

At 2/10th of 1%, its revenues would reach ~$100 million.

$200 Million

And even if it captured less than 1⁄2 of 1% of the market, it could still reach annual revenues of more than $200 million.

To get a sense what a biotech company with such revenues would be worth, let's look at some Price-to-Sales ratios.

- In May 2019, **Catalent (NYSE: CTLT)**, a global provider of advanced delivery technologies for drugs and consumer health products, acquired Paragon Bioservices for $1.2 billion.

  Paragon specializes in delivering DNA to cells, focusing on the gene therapy market. According to a Reuters article from April 2019, Paragon's annual revenues were expected to reach $200 million in 2019, so this deal would equate to a 6x"Price-to-Sales" multiple.

  (The Price-to-Sales, or "P/S," multiple represents how much value the market puts on each dollar of a company's sales. As an example, if a company is generating $10 million in annual revenue, and the P/S multiple for its industry is 10x, the company would likely be worth about $100 million).

- In November 2019, **Dare Bioscience (Nasdaq: DARE)** acquired Microchips Biotechfor roughly $100 million. This deal was done to secure Microchips' innovative drug- delivery technology, designed to store and deliver multiple therapeutic doses of treatment over months or years in a single implant.

  According to Owler, Microchips' annual revenues were around $10 million, equaling a 10xP/S multiple.

- And in 2018, **Gerresheimer**, a manufacturer of drug delivery devices, acquired Sensile Medical, a tech company developing devices for liquid drug delivery, for $410 million. At the time, Sensile's revenues were just $10 million, equating to a 41xP/S multiple.

For our purposes, let's be conservative in terms of which multiple we apply to GCT. Averaging the three multiples would give us a figure of nearly 20x. But instead, let's just use the lowest multiple: 6x.

If we multiply the three revenue projections we came up with for GCT — $53 million, $100 million, and $200 million — by our 6x multiple, we can estimate that GCT's future potential value could be between $318 million and $1.2 billion.

Based on GCT's $11.5 million valuation today, investors in this round could potentially earn between 27x and 104x their money.

Here's what that would mean with a $1,000 investment:

ACQUISITION VALUE	$318 MILLION	$600 MILLION	$1.2 BILLION
Initial Investment ($1,000)	**$27,650**	**$52,170**	**$104,350**
% Return on Investment	**2,665%**	**5,117%**	**10,335%**

Of course, if GCT gets acquired or goes public before it reaches these revenue milestones, it's possible your returns could be less. But in that case, investors would get their money back sooner than expected.

On the other hand, if GCT's drug-delivery platform becomes the standard of care in the industry, or if its other technologies get commercialized, your returns could be even higher.

Editors Note: None of the projections contained herein reflect the Company's new patent application for treating COVID-19 using nanoparticles and UV light.