

HealthLynked (HLYK) \$0.23

May 05, 2017 - Sep 29, 2017 ●HLYK



Enormous Potential from Patient Owned Health Records.

This is really one of the most exciting start-ups we have seen in the past decade and we are adding it to both the **Internet (ISR)** and **Biotech Stock Review (BSR)** Watch Lists. Start-ups are being 'pre-funded' (pre-revenue, pre-member) by VC's these days to the tune of tens of millions, so it's nice to see a company like this go public the old fashioned way, **by filing an S-1**. This allows speculative investors the opportunity to invest when both the potential risk **AND potential reward** are the greatest.

As an example and in contrast, when **Facebook (FB)** went public the greatest potential reward (10x or more) was clearly in the rearview mirror, with a first-day valuation of \$104 billion. Investors who purchased the shares at the opening price of \$42 per share were still facing stock market risk, despite Facebook having 845 million users at the time - as evidenced by the price plummeting from \$42 to \$26 a week after the IPO (a loss of \$40 billion for investors), to a low of \$18 four months later.

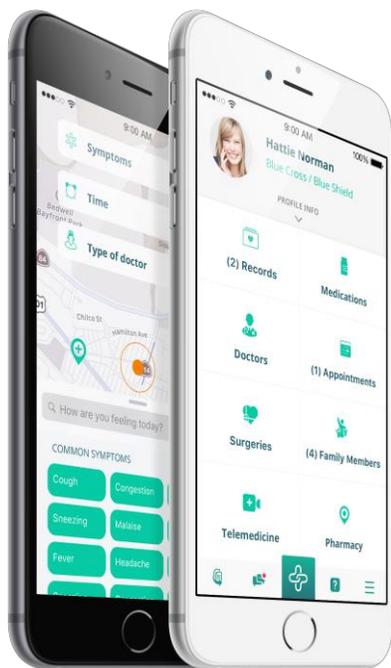
As for the upside, while Facebook currently trades at \$170 – this represents a gain of only 4x (in 5 years) for investors the day of the IPO – nothing compared investors who invested in the early years, shortly after it being founded.

We are initiating coverage of HealthLynked (HLYK) here, in its early days. The Company began trading on May 9th at \$0.40 and initial excitement (nothing of course like Facebook's 460 million first day of trading) pushed the shares to \$0.90 before drifting (very much like Facebook) to its current price of \$0.23. Yes, it's risky, but if the Company is successful in rolling out its network, we anticipate investors would be rewarded (the whole point of taking the risk), considerably more than Facebook provided for its investors since first going public.

OVERVIEW

HealthLynked plans to grow an online personal medical information and record archive system, the "**HealthLynked Network**", which will enable patients and doctors to **keep track of medical information via the Internet in a cloud-based system**. Patients complete a detailed online personal medical history including past

surgical history, medications, allergies, and family history. Once this information is entered, their current physicians (or any medical providers who treat the patient) will be able to update the information as needed, to provide a truly comprehensive medical history for life.



We're adding it to the BSR Watch List in that the cloud-based service, the '**HealthLynked Network**,' is medical related technology.

We're adding it to the ISR Watch List in that this really is an Internet-Cloud based powered network. In addition, it is a service which we immediately signed up for, shortly after discovering it.

Our long-standing opinion is anytime you come across an Internet-powered network and you immediately sign-up (think back to when you first joined Facebook, LinkedIn or Yelp) and there is an investment (private or public) opportunity - you must look further into it. Ease of use and minimal friction is the holy grail of network investing.

We joined the HealthLynked network **and it took minutes**. With no friction.

HealthLynked is free to users and again enables users to submit their health profile (encoded and encrypted of course), which can later be updated with Physician provided data to ensure it is both accurate and up to date. While the technology powering the database is undoubtedly complex - as is any relational database - the story is very, very simple.

Imagine you're in an accident out of state and you're pretty banged up. Next, imagine if the Doctor treating you could go online and immediately access all of your past health records (including medications you may have a deadly allergic reaction to) because you the patient, are in control of the records.

What we're talking about is a **PATIENT controlled** network. Not your local healthcare provider, not your local hospital - but you. Your records and with your HIPAA compliant permission to access.

The HealthLynked network solves a natural need - to a *'why didn't we think of this'* degree and feels a lot like it felt, when we first came across MySpace (a past client we were first to discover before it was acquired by NewsCorp for \$580 million which was started in a dorm room) - LinkedIn, Facebook and Yelp - which we mean to say it **offers an immediate "why not join" feel.**

Without delving too deeply into the technology – as we're more interested in the difficulty of use, cost, and friction (reasons not to join) - which can all hinder HealthLynked's ultimate goal, which is to have as many users as possible sign-up – we give HealthLynked ten stars (out of ten), in the 'no reason not to join category.'

On the flip side, there are **plenty of reasons to join** – namely, wouldn't it be nice to access your full medical records, even from home? Have you ever wanted to get a second opinion and needed a copy of your records and then found out there would be a charge (and wait) to get access to them? Wouldn't you like your child's medical records to be easily accessible from wherever they are – at school or on vacation?

Finally, how would you feel if you heard a friend or neighbor had real-time access to his or her medical records? And you didn't. That's a little like when you first heard your neighbor was sharing photos of their children with their Grandmother, who was six states away. Suddenly you wanted a Facebook account. Which is exactly how all networks grow.

That alone creates a powerful air of investment potential for HealthLynked as a Company and/or any social network with a market cap under \$100 million, in our opinion. The key is in getting in before the network becomes well known, as investors can quickly bid up the share price, once they see a network has legs.

At the same time and bigger picture, it is our firm belief that no one - with any degree of accuracy - can predict the future popularity of a networked organization. We've seen some come and go (MySpace for example) and we've all seen some come and go and go and go - like NextDoor.com which recently reached Unicorn status. Who would have thought of networking neighborhoods - of all things?

Similarly, who would have thought OpenTable, a network of restaurant reservation hosts (didn't every restaurant already have someone to do that) would someday be **acquired for \$2.6 billion** when it first started? Would you have invested in Chuck Templeton when he launched the idea after noticing "the difficulty his wife faced while trying to book a dinner reservation by phone."?

We believe HealthLynked has an excellent shot to become a nationally scaled network with millions, if not tens of millions of users as there is literally no reason, in our opinion, not to join HealthLynked - once you come across it.

MANAGEMENT

One of the more important things to look into in any speculative opportunity is the track record of management and/or the founders. In this regard, HealthLynked scores unusually high.

HealthLynked is lead By NeoGenomics (Nasdaq: NEO) founder **Michael Dent MD**. NeoGenomics is based in Naples FL, (the same city he launched HealthLynked) is one of America's premier cancer testing laboratories.

With a little digging into SEC filings, we discovered NeoGenomics was funded with a \$740,000 Private Placement @ \$0.25 a Share in 2005 and is currently valued at \$11.00 and a \$874 Million Market Value. HealthLynked's CFO George O'Leary, was also an early shareholder in NeoGenomics.

Below is a 10 Year chart of NeoGenomics from when it was a speculative high risk, potentially high reward start-up to today's status as a Nasdaq leader. Quite the ride for long-term shareholders, we think you'll agree. While past performance is no guarantee of future performance, it's nonetheless nice to see a chart which went from \$0.25 to \$11.00, rather than the other way around.



In 2005, NeoGenomics (NEO) had 27,498,252 shares outstanding and trading at \$0.50 a share, a market value of \$13.7 million.

Around the same time, in a [registration statement](#) filed for Cornell Capital Partners, it was revealed the Chairman Michael Dent MD, the current CEO of HealthLynked held 2,720,535 shares and George O'Leary the CFO of HealthLynked controlled 244,000 shares.

In the quarter preceding the filing it's interesting to note, NeoGenomics reported sales of \$230,192, a loss of \$818,985 in the prior year and reported a capital surplus of just \$25,800. Hardly a sure-bet at the time.

Fast forward to 2015, the year Dr. Dent retired from NeoGenomics Board of Directors, [SEC filings](#) showed he still owned 1,821,650 shares of NeoGenomics, worth slightly more than \$21 million - proving he is a long-term and very patient shareholder.

The overall value of NeoGenomics has during the same time rose from \$13.7 million to just shy of \$1 billion, creating enormous wealth for shareholders. For his part, Dent says the key to growing a company is accepting some dilution of ownership and finding the right people to run it. "I'm the idea guy," Dent has said in the past. "I couldn't do it all. In anything, you have to know your skill sets. What jizzes me is to create."

Dr Michael Dent is Chairman and CEO of HealthLynked Corp. Dr. Dent has held key leadership positions in business development, operations, corporate development, and strategy in the healthcare & technology industries since the mid-90s. He was the Founder, former Chairman and CEO of NeoGenomics Laboratories (Nasdaq:NEO), focusing on genetics and cancer diagnostics.



Dr. Dent is Co-Founder and Managing Director of InLight Capital Partners LLC and is responsible for Healthcare, Information Technology and Life Science investments.

He Serves currently as Chairman of MedOfficeDirect LLC, the largest online distributor of medical supplies direct to physicians and the general public.

Dr. Dent received his bachelors from Davidson College, where he majored in both Biology and Pre-Med, he received his Medical Degree from The Medical University of South Carolina in Charleston, SC. and his residency training in Obstetrics and Gynecology at the University of Texas in Galveston, Texas.

Dr. Dent Practiced for 20 years, making him uniquely qualified to understand the challenges and opportunities in healthcare and emerging technologies. He lives in Naples, Florida with his wife and two kids.

George G. O'Leary, Chief Financial Officer and Member of the Board of Directors. Mr. O'Leary has served as our Chief Financial Officer since August 6, 2014. He is a financially trained senior executive specializing in innovative



strategic problem-solving across functional and industry boundaries. Mr. O'Leary is currently the Chairman of the Board of Directors of Timios Holdings Corp. since March 2014 and on the Board of Directors of MedOfficeDirect since October 2013.

Mr. O'Leary is founder and President of SKS Consulting of South Florida Corp. ("SKS") since June 2006 where he works with public and private companies in board representation and/or under consulting agreements providing executive level management expertise, as well as helping the implementation and execution of their companies' strategic & operational plans.

From 1996 to 2000, Mr. O'Leary was Chief Executive Officer and President of Communication Resources Incorporated ("CRI"), where annual revenues grew from \$5 million to \$40 million during his tenure. Prior to CRI, Mr. O'Leary was Vice President of Operations of Cablevision Industries, where he ran \$125 million of business until it was sold to Time Warner. Mr. O'Leary started his professional career as a

senior accountant with Peat Marwick and Mitchell (KPMG). Mr. O'Leary holds a B.B.A. degree in Accounting with honors from Siena College.

Robert H. Horel, JR, Chief Commercial Officer. Mr. Horel has served as our Chief Commercial Officer since December of 2016. He brings with him significant corporate leadership success with a commercial concentration



and an advanced acumen in personnel and team development for focused achievement and execution. Prior to joining HealthLynked, Mr. Horel served as the Vice President of Sales for ViraCor, a Eurofins corporation (EPA: ERF, US OTC).

Mr. Horel also served as Vice President of Sales and Marketing at NeoGenomics from May 2011 to October 2015 - a period of outstanding commercial growth. He joined NeoGenomics in December 2006 as the Regional Sales Director for its Southeastern Region.

Prior to NeoGenomics, Mr. Horel held commercial positions of increasing prominence with Ventana Medical Systems (now a division of Roche), US Labs (now a division of LabCorp), and Radiometer America, a division of Radiometer (CPH:RADCb). Mr. Horel graduated from the United States Naval Academy in 1987, earning a Bachelor of Science Degree with Distinction in Mechanical Engineering, and he served as a pilot in the US Navy before beginning his business career in 1998.

SUMMARY

HealthLynked offers speculative investors an excellent risk to reward opportunity from proven management in an investment category (Intenet Networks) which commands outsized valuations – using any gauge of value (price to sales, book or earnings if any) you choose or can think of. While classified as an early start-up (easy to find), Companies like this that are publicly traded are very difficult to find, as they are typically snapped up by Venture Capital firms in the early stage - and on average are waiting 7 years before going public.

Networks additionally command gross valuations Facebook \$500 billion, LinkedIn \$26 billion, Snapchat \$17 billion, and Twitter \$12 billion, etc., which can fuel the enthusiasm of investors in small and microcap looking for the next big (or even moderately big) network play. What fuels investor attention is no one knows which network will grow to 1 million members, or which 1 million member network will grow to 10 million members - which in NextDoor.com's case has resulted in it being valued in excess of \$1 billion.

What investors do know is that if they wait until the 1 million-member mark has been reached, that in all likelihood, they will have to pay a considerably higher share price than they would when it's just starting up. That's just a fact of network investing.

With 70 million shares outstanding giving it a market capitalization of \$16 million, HealthLynked has the characteristics of a stock which can quickly attract investor attention and dollars, spurring the share price greatly ahead of what current fundamentals might normally warrant, with any evidence (user count) of the network catching steam.

In a follow-up report, we will get a little more granular and look at the revenue model and scaling plans.

Traditional: Record request - days to weeks



INSTITUTIONAL ANALYST INC. NY - CHICAGO - BEVERLY HILLS - ROLAND RICK PERRY, EDITOR.

Roland@InstitutionalAnalyst.com

310-594-8062

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