

TRANSFORMATIONAL EPICENTER HOLDINGS, LLC

Private Placement Memorandum

DRAFT -- FOR STRUCTURAL REVIEW ONLY

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Document 03 | Data Room - Investment **Date:** January 2026 **Classification:** Confidential - Investor Distribution Only **Version:** 0.1 -- DRAFT **Prepared by:** Transformational Epicenter Holdings, LLC

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SUBJECT TO ATTORNEY REVIEW. All terms, structures, representations, and disclosures contained herein are preliminary and subject to material revision by securities counsel. No reliance should be placed on any information in this document.

FORWARD-LOOKING STATEMENTS. This document contains forward-looking statements based on current expectations, estimates, and projections. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied. Financial projections are illustrative only and do not constitute guarantees of future performance.

ACCREDITED INVESTORS ONLY. Any offering of securities, when made, will be limited to accredited investors as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended.

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Section I: Summary of Terms

[DRAFT -- Subject to securities counsel review and revision]

TERM	DETAIL
Issuer	Transformational Epicenter Holdings, LLC
Jurisdiction of Formation	State of Delaware, United States
Type of Security	[To be determined -- LLC Membership Interests / Preferred Units / SAFE]

Total Raise	\$13,773,500
Minimum Investment	[Pending -- to be set by counsel]
Investor Qualification	Accredited Investors only (Rule 501(a), Regulation D)
Exemption	Rule 506(b) or 506(c) of Regulation D [Pending counsel determination]
Use of Proceeds	Property acquisition, renovation, equipment, operations, working capital
Projected Timeline	[Pending -- to be coordinated with business timeline]
Governing Law	State of Delaware
Offering Period	[Pending -- to be set by counsel]
Closing Conditions	[Pending -- minimum raise threshold and other conditions to be determined]

Investor Rights Summary:

- Board representation for qualifying investors
- Quarterly and annual financial reporting
- Pro-rata participation rights in future rounds
- Tag-along rights on majority transfers
- Anti-dilution protection (weighted average)
- Liquidation preference and exit rights

[Note: All terms are preliminary. Final terms will be set by the Company in consultation with securities counsel and may differ materially from those outlined above.]

Section II: Investment Thesis

[DRAFT -- Content pre-filled from Executive Summary]

The Opportunity

Transformational Epicenter occupies the only position in the \$5.6 trillion global wellness economy where four high-growth market segments converge: medical tourism (\$48-94B), wellness tourism (\$850B-1.1T), longevity medicine (\$27-33B), and psychedelic therapy (\$3-5B).

No existing competitor integrates medical rigor, luxury hospitality, bio-optimization technology, and plant medicine within a single facility. This is not a competitive positioning claim but a structural observation: each discipline attracts different operators, regulatory frameworks, talent pools, and capital sources. Combining all four requires capabilities that no single existing organization possesses.

Why Now

- 1. Regulatory tailwinds:** Texas allocated \$50M for ibogaine research (2025). FDA breakthrough therapy designations for adjacent psychedelic compounds have normalized the treatment paradigm.
- 2. Demand acceleration:** Post-pandemic mental health demand and growing HNW willingness to pay for transformational outcomes have created an addressable market willing to invest \$14,000-\$56,000 per treatment program.
- 3. Supply vacuum:** First-mover advantage is available because no facility currently occupies the integrated position. Early entry defines the category and establishes structural advantages that compound over time.

The Moat

Four defensible advantages: (1) integration of four disciplines no competitor unifies, (2) 14-month care continuum from pre-treatment through 12-month aftercare, (3) AI personalization engine trained on growing proprietary outcomes data, and (4) outcome-anchored pricing supported by published clinical results.

Section III: Use of Proceeds

[DRAFT -- Content pre-filled from financial model]

The Company intends to use the net proceeds of this offering approximately as follows:

CATEGORY	AMOUNT	% OF TOTAL	DESCRIPTION
Property Acquisition	\$6,150,000	44.7%	Purchase of Riviera Maya Jungle Estate, Tulum, Q.R.
Renovation & Build-Out	\$4,050,000	29.4%	Phased renovation of 30 guest rooms, medical suites, treatment rooms, bio-optimization labs, communal spaces
Medical Equipment & Technology	\$1,200,000	8.7%	Cardiac monitoring systems, hyperbaric chambers, IV therapy infrastructure, neurofeedback equipment, laboratory equipment
Pre-Opening Operations	\$800,000	5.8%	Staff recruitment and training, clinical protocol development, supply chain establishment, operational systems
Regulatory & Legal	\$500,000	3.6%	Entity formation, COFEPRIS licensing, healthcare permits, securities counsel, international tax structuring
Technology Platform	\$450,000	3.3%	Digital ecosystem development, AI personalization engine, electronic health records, guest portal, outcome tracking

Working Capital Reserve	\$373,500	2.7%	Operating cash reserve to fund operations through cash-flow positive status
Marketing & Brand Launch	\$250,000	1.8%	Brand development, website, referral network establishment, launch campaign
Total	\$13,773,500	100.0%	

[Note: The Company reserves the right to reallocate proceeds among categories based on business needs and changing conditions. Actual expenditures may vary from the estimates above.]

Section IV: Business Description

[DRAFT -- Key business model elements pre-filled]

Overview

Transformational Epicenter operates a medical-grade wellness facility in Tulum, Quintana Roo, Mexico, delivering immersive residential treatment programs that integrate clinical medicine, plant medicine, bio-optimization technology, and luxury hospitality.

Treatment Programs

PROGRAM	DURATION	PRICE	DESCRIPTION
Reset	7 days	\$14,000	Introductory program: medical assessment, initial bio-optimization, single plant medicine session, integration therapy
Interruption	14 days	\$28,000	Core program: extended medical protocols, ibogaine-assisted therapy, bio-optimization suite, intensive integration
Recalibration	21 days	\$42,000	Comprehensive program: multiple plant medicine sessions, full bio-optimization cycles, deep trauma integration
Transformation	28 days	\$56,000	Complete program: maximum treatment depth across all modalities, extended integration, transition planning

Revenue Drivers

- Program fees:** Core revenue from residential treatment programs at \$2,000/night ADR
- Pre-care services:** Remote medical screening, pharmacogenomic testing, baseline diagnostics
- Post-care platform:** 12-month aftercare with digital coaching and follow-up assessments

- **Bio-optimization add-ons:** Premium modalities beyond standard program inclusion

Unit Economics

- Average revenue per guest: \$26,600
- Average direct cost per guest: \$4,629
- Gross margin: 83%

Eight Integrated Segments

The facility operates through eight business segments: (1) Medical Oversight, (2) Plant Medicine, (3) Bio-Optimization, (4) Trauma Integration, (5) Hospitality, (6) Digital Ecosystem, (7) Pre-Care, and (8) Post-Care. Each segment is detailed in the Executive Summary (Document 01).

Section V: Market Opportunity

[DRAFT -- Market segments pre-filled from research]

Addressable Markets

SEGMENT	CURRENT SIZE	CAGR	2030 PROJECTION
Medical Tourism (Global)	\$48-94B	16-18%	\$130-250B
Wellness Tourism (Global)	\$850B-1.1T	7-10%	\$1.3-1.8T
Longevity Medicine (Global)	\$27-33B	25-30%	\$85-130B
Psychedelic Therapy (Global)	\$3-5B	15-20%	\$8-15B
Combined Addressable Market	\$928B-1.23T		

Target Customer Profile

- High-net-worth individuals and ultra-high-net-worth individuals
- C-suite executives, entrepreneurs, and professional athletes
- Individuals with treatment-resistant conditions who have exhausted conventional options
- Biohacking and longevity-focused individuals seeking integrated optimization
- Veterans and first responders seeking PTSD and addiction treatment

Competitive Landscape

No single competitor integrates all four market pillars. SHA Wellness Clinic (Spain), Clinique La Prairie (Switzerland), and Lanserhof (Austria/Germany) deliver medical wellness without plant medicine. Beond (Mexico) delivers ibogaine without comprehensive bio-optimization or extended integration programs. Transformational Epicenter is the only operator positioned at the intersection of all four segments.

Section VI: Risk Factors

[DRAFT -- All eight risk categories pre-filled with descriptions and mitigations]

Prospective investors should carefully consider the following risks before making an investment decision. This is not an exhaustive list. Additional risks not presently known or currently deemed immaterial may also adversely affect the Company.

6.1 Regulatory Risk

Description: The Company's operations involve the administration of ibogaine and other psychoactive compounds in Mexico. While ibogaine is not a controlled substance in Mexico, its legal status could change. Additionally, COFEPRIS licensing requirements for medical facilities may become more restrictive, and the regulatory environment for psychedelic-assisted therapy is evolving globally.

Mitigations: The Company engages multi-jurisdictional regulatory counsel to monitor legal developments. Treatment protocols are diversified across multiple modalities and are not solely dependent on any single compound. The Company maintains ongoing relationships with Mexican healthcare regulatory authorities and participates in industry advocacy through appropriate channels.

6.2 Market and Demand Risk

Description: The Company's financial projections assume demand for ultra-premium treatment programs (\$14,000-\$56,000) at the projected occupancy rates (60% Year 1, 75% Year 2, 80% Year 3-5). Actual demand may be lower due to economic conditions, competitive alternatives, or insufficient market awareness of the integrated treatment model.

Mitigations: Conservative base case assumes 60% Year 1 occupancy, well below the 80% steady-state target. Gross margins of 83% provide substantial buffer against volume shortfalls. Tiered program pricing (\$14,000-\$56,000) provides multiple entry points. The Company's 12-month aftercare program drives referrals, reducing customer acquisition cost over time.

6.3 Clinical and Safety Risk

Description: Plant medicine administration carries inherent medical risk, including cardiac complications from ibogaine (QTc prolongation). An adverse medical event could result in liability, reputational damage, and potential regulatory consequences.

Mitigations: Hospital-grade safety protocols including comprehensive pre-screening, CYP2D6 pharmacogenomic testing, continuous cardiac telemetry, 1:1 nursing during acute phases, ACLS-certified staff, and hospital transfer agreements. The Company maintains medical malpractice insurance and has documented emergency response protocols. Published fatality data demonstrates that adverse events are associated with inadequate screening and monitoring, not with properly administered ibogaine under medical supervision.

6.4 Operational and Execution Risk

Description: The Company must renovate a property, obtain regulatory approvals, recruit specialized staff, and launch operations in a foreign jurisdiction. Construction delays, permit difficulties, staffing challenges, or operational failures could delay opening or increase costs.

Mitigations: Phased build-out approach (16 rooms initially, expanding to 30) de-risks capital deployment. Conservative timeline includes contingency buffers. Local legal counsel and contractors with Quintana Roo experience are engaged. The operating team includes individuals with prior experience in Mexican hospitality and healthcare operations.

6.5 Competitive Risk

Description: Existing luxury wellness operators, psychedelic therapy centers, or new entrants could develop integrated offerings that compete directly with the Company's positioning.

Mitigations: First-mover advantage in category creation establishes brand recognition and referral networks. Regulatory complexity (healthcare licensing + psychedelic protocols + luxury operations) creates a multi-dimensional barrier to entry. The Company's growing outcomes dataset creates a data network effect that improves personalization over time. The 14-month guest relationship creates switching costs.

6.6 Currency and Foreign Exchange Risk

Description: Revenue is primarily denominated in USD while a significant portion of operating costs are denominated in Mexican Pesos (MXN). Fluctuations in the USD/MXN exchange rate could adversely affect operating margins.

Mitigations: USD-denominated pricing provides a natural hedge for the revenue side. The Company will implement treasury management policies to manage MXN exposure. Hedging instruments may be utilized if currency exposure exceeds defined thresholds.

6.7 Political and Country Risk

Description: The Company operates in Mexico, which is subject to political risk including changes in government policy, security conditions, tax law, or foreign investment regulations. The Riviera Maya region, while a major tourism corridor, is not immune to broader national political dynamics.

Mitigations: Tulum and the Riviera Maya corridor are established international tourism destinations with significant government investment in infrastructure and security. The three-entity corporate structure (Delaware holding company with Mexican subsidiaries) insulates US investors from direct Mexican entity

exposure. Comprehensive insurance coverage addresses property damage, business interruption, and political risk.

6.8 Key Person Risk

Description: The Company's early-stage operations depend significantly on the founding team's vision, relationships, and domain expertise. Loss of key individuals could materially impact execution.

Mitigations: Clinical protocols and standard operating procedures are documented and institutional, not dependent on any single individual. An advisory board provides independent domain expertise across medicine, hospitality, and corporate governance. The digital platform captures institutional knowledge in systems rather than people. Key person insurance will be obtained for identified critical roles.

Section VII: Financial Projections

[DRAFT -- Key metrics pre-filled from financial model]

IMPORTANT: Financial projections are illustrative and based on assumptions that may not be realized. Actual results may differ materially. These projections do not constitute guarantees of future performance.

Summary Financial Projections

METRIC	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Occupancy	60%	75%	80%	80%	80%
Revenue	\$13,140,400	\$16,425,500	\$17,520,300	\$17,520,300	\$17,534,300
Net Income	\$5,146,072	\$6,932,590	\$7,548,129	\$7,548,129	\$7,555,159

METRIC	VALUE
5-Year Total Revenue	\$82,140,800
Gross Margin	83%
Year 1 Net Income	\$5,146,072

Return Metrics

SCENARIO	IRR	5-YEAR MOIC	ASSUMPTIONS
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Conservative	67%	2.5x	Lower occupancy, reduced pricing
Base Case	74%	3.0x	Target occupancy, target ADR
Aggressive	80%	3.5x	Accelerated ramp, premium program mix

Key Assumptions

- 30-room property with phased build-out (16 rooms at opening)
- Average Daily Rate of \$2,000/night across all programs
- Average revenue per guest of \$26,600
- Average direct cost per guest of \$4,629
- Occupancy ramp: 60% Y1, 75% Y2, 80% Y3-5
- No price increases modeled over the five-year period

[Note: Detailed financial model and assumptions available in Data Room -- Financial section.]

Section VIII: Management & Board

[PLACEHOLDER -- PENDING]

This section will include:

- Founding team biographies, qualifications, and relevant experience
- Medical Director credentials, board certifications, and clinical background
- Key management team members and their roles
- Board of Managers composition and governance structure
- Advisory board members with relevant domain expertise
- Key hire plan and organizational structure
- Compensation structure summary

[To be completed upon finalization of team and advisory board commitments.]

Section IX: Legal Structure

[DRAFT -- Three-entity structure pre-filled from Corporate Structure Overview]

Entity Structure

The Company operates through a three-entity corporate structure:

ENTITY	JURISDICTION	PURPOSE
Transformational Epicenter Holdings, LLC	Delaware, USA	Parent holding company; investor entry point; governance and cap table
TE Operations Mexico, S.A. de C.V.	Quintana Roo, Mexico	Operating entity; medical and hospitality services; employment; licensing
TE Real Estate Mexico, S.A. de C.V.	Quintana Roo, Mexico	Real estate holding via fideicomiso bank trust; property ownership

Structure Rationale

- Liability isolation:** Operating risks separated from real estate assets
- Investor protection:** US investors hold interests in Delaware LLC, not directly in Mexican entities
- Tax optimization:** Cross-border structure enables efficient capital flows under US-Mexico tax treaty
- Regulatory compliance:** S.A. de C.V. entities required for Mexican healthcare licensing and coastal real estate ownership (fideicomiso)
- Governance clarity:** Delaware LLC provides well-established corporate law framework for investor rights

Fideicomiso (Bank Trust)

Mexican law requires that real estate within 50 kilometers of the coast be held by foreign entities through a fideicomiso -- a bank trust where a Mexican bank serves as trustee holding legal title, with the foreign entity as beneficiary with full rights to use, develop, sell, and mortgage the property. The trust has a 50-year term, renewable for additional 50-year periods.

[Note: Full corporate structure details available in Document 14 -- Corporate Structure Overview.]

Section X: Subscription Terms

[PLACEHOLDER -- PENDING ATTORNEY REVIEW]

This section will include:

- Detailed subscription procedures and minimum investment amounts
- Representations and warranties required of subscribers
- Accredited investor verification requirements
- Closing conditions and mechanics
- Escrow arrangements (if applicable)

- Subscription agreement summary and cross-reference
- Wire transfer instructions and funding procedures

[To be completed by securities counsel upon finalization of offering terms.]

Section XI: Tax Considerations

[PLACEHOLDER -- PENDING TAX COUNSEL]

This section will include:

- US federal income tax considerations for LLC membership interest holders
- Pass-through taxation implications and K-1 reporting
- Foreign tax credit considerations for taxes paid in Mexico
- US-Mexico tax treaty implications
- State tax considerations
- Withholding tax obligations on cross-border distributions
- FATCA and international reporting requirements
- Tax considerations for non-US investors
- Estate and gift tax considerations

[To be completed by qualified tax counsel with international cross-border expertise. Investors should consult their own tax advisors regarding the tax consequences of an investment.]

Section XII: Additional Information

Investor Data Room

The following additional documents are available in the Transformational Epicenter investor data room:

- Executive Summary (Document 01)
- Pitch Deck (Document 02)
- Subscription Agreement (Document 04)
- Operating Agreement (Document 05)
- Corporate Structure Overview (Document 14)
- Ibogaine Research Summary (Document 18)
- Financial Model and Projections
- Property Evaluation Reports

- Market Research and Competitive Analysis

Document Completion Status

COMPONENT	STATUS	RESPONSIBLE PARTY	TARGET DATE
Sections I-VII, IX, XII	Pre-filled draft	Management	Complete
Section VIII (Management)	Pending	Management	Q1 2026
Section X (Subscription)	Pending	Securities Counsel	Q1-Q2 2026
Section XI (Tax)	Pending	Tax Counsel	Q1-Q2 2026
Full Legal Review	Pending	Securities Counsel	Q2 2026
Final PPM	Pending	Securities Counsel	Q2 2026

Professional Advisors

- US Corporate/Securities Counsel:** [Pending engagement]
- Mexican Legal Counsel:** [Pending engagement]
- International Tax Advisor:** [Pending engagement]
- Auditor:** [Pending engagement]

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