

**Russia, Moscow****Summary**

1. **Volume of investments required – \$ 10 000 thousand.**
2. **Production** – instrument engineering, medical technology.
3. **Trade marks** – MACDEL.

Company profile

Date of establishment – October 9, 2002 (at the market since 1992). In 2006, OCULATEK, Inc. (USA) was established for promotion of MACDEL technologies to the world market.

Signs of public recognition – winner of the Russian Venture Exposition, 2004; winner of the Competition of Russian innovation, 2003.

Number of employees – 17 persons.

Team

Orbachevskiy Leonid – Director General of JSC MACDEL-Technologies, Vice President of R&D OCULATEK,TM Inc., 57 y.o. Doctor of technical sciences, retraining in the Academy of National Economy, the Master rank is awarded. Probation in the USA (5iTech and Valtronic companies). He is the developer of the MACDEL concept, awarded by 2 medals of All-Russian Exhibition Centre and the Silver medal "Arkhimed-2002".

Tarutta Elena – Scientific Adviser, 55 y.o. Doctor of mathematical sciences, Professor, head of Myopia Laboratory in Helmholtz Moscow Research Institute, member of European Society of eye investigators, member of the organizing committee of the International Myopia Conference. She also supported approval of the direction of functional curing at the world level.

Current state

The Company expands its presence in the niche of ophthalmology. A device for curing the accommodation-refraction disturbances of vision (OCULATEK,TM Inc.) are promoted to the market protected by the RST application (priority of 2004), and the instrument for refraction surgery protected by the patent of the Russian Federation and national applications of the USA and Europe. The company is targeted at the technologies of diagnostics, curing and prophylaxis of vision. For example, the technology allows contraction on the amount of the near-sighted by prophylactic measures. Over 400 devices have been sold, and the number of patients is over 500 ths. R&D completeness and promotion of a series of devices, an instrument, refraction lens, and a complex for diagnostics to the market strengthen the company state at the market. The market exceeds \$ 2 billion.

Development strategy**Use of funds**

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| 1. R&D | 10% |
| 2. Acquisition of fixed assets (metering devices for production monitoring and equipment for ophthalmologic investigations) | 10% |
| 3. Marketing (promotion in the Russian Federation and abroad, IP protection) | 45% |
| 4. Acquisition of current assets | 15% |
| 5. Obtaining a permit for the use (FDA) | 20% |

Prospective outcome of investment

Over a half of the Globe population requires diagnostics and correction of vision. The Company is the leader in promoting the methods of functional curing and is preparing for promotion to the market of new apparatuses for functional curing and a complex of diagnostics by the sclera state. The investments may give a possibility for medical use (FDA) of the apparatus MACDEL-09 and the instrument for refraction surgery. It is desired to place American modification of the device in optometry offices for rendering paid services (USA, inscribed in the applied system of diagnosis and curing, OCULATEK,TM Inc.), recognize the program of prophylaxis of vision in the Russian Federation, and, respectively, expand sales of the devices (MACDEL), and transfer the devices to other perspective markets. The number of refraction operations with the thin refraction lenses should be increased in times (as predicted, 75 000 operations per year). The competitive advantage of the MACDEL technology in curing of refractive diseases is high efficiency (3–5 times compared with the known methods) and high durability of the result preservation. The sector of therapeutic devices in Russia are covered by 5–6 times manufacturers. MACDEL is the leader in therapeutic devices.

Marketing & Markets

The potential volume of the Russian market of the curing of functional apparatuses exceeds \$ 100 mln, the world market – \$ 2 bln (as assessed by some consulting companies, USA), and the instrument – \$ 75 mln. We are selling in Russia, Kazakhstan, Ukraine, and Vietnam. The market sector of therapeutic devices for ophthalmology in Russia is occupied by 5–6 manufacturers. MACDEL is the leader in manufacturing therapeutic devices for laser ophthalmology (over 50% possessing the highest price/efficiency ratio).

The prospects of the company development: reservation of 50% share for MACDEL with simultaneous increase of the real market of physiotherapeutic devices for ophthalmology in the Russian Federation up to \$ 10 mln and the market development of approx. \$ 100 mln.

Potential customers are 45–75% of the population of the developed countries.

According to the agreement with OCULATEK™, Inc. the market for MACDEL-09 device is represented by the states of the former USSR and Arabian East.

So far as concerns MSCDEL-09 devices, in the OCULATEK™, Inc. zone they are suggested for free of charge installation at optometric offices. This decreases the level for entering the market (expected price of the device is near \$ 20 ths). The money is earned from the curing services. An electronic card is available for purchase, which allows for switching on the device for a definite number of times. In the MACDEL zone both devices and services are available for purchase.

As for the surgical instrument, sales of the sets is suggested (PRL lens produced by C. Zeiss self manufactured lens and a device of single use).

In 2008, as a hope, the MACDEL company will sell up to 1–3 modifications of 5–6 types of the devices, an instrument for refraction operations, and self manufactured lenses.

Interaction with investor

Since the MACDEL company develops other innovation projects, both medical and non-medical, we suppose to transfer up to 30% share to the investor. The real time of investment return is 4–5 years. As concerns the expected expansion of the company, the profit will be \$ 250–300 mln. Investor can exit the project by selling its share to a strategic partner or by company buy-back.