

Summary

1. **Volume of investments required – \$ 1400 thousand.**
2. **Production** – Medical devices as a prefix to the phone for definition of sugar level without blood sampling intended for monitoring a state of patients with diabetes. The sector market is medicine and telecommunications.
3. **Trade marks** – none.

Company profile

Date of establishment – 13.04.2006 for working in the “START-2006” program (Bortnik Fund). Earlier this project on the device was realized on the basis of the license contract with Dutch firm “Sanet”. Working on thermopuncture monitoring of a person’s condition is being conducted during 15 years.

Signs of public recognition – winner of competition under the state program “START-2006”, have successfully executed 1 year of the grant. Two monographs, and more than 30 publications on this theme have been published; a doctor’s degree thesis is prepared to defend.

Number of employees – 3 persons permanently, and up to 12 under contracts.

Team

Muzhikov Valery – Director, 56 y.o. PhD, the author of techniques, patents and the project.

Muzhikov Nikolay – Sales Manager, 43 y.o. Co-owner of the “Transas” and “Transforms” companies.

Bessmertny Igor – Head of the mathematicians and programmers group. Senior lecturer at the Cybernetics faculty of the “LITMO” Institute.

Products characteristics

Devices for estimating a level of blood sugar and other physiological and biochemical parameters by a non-invasive method through estimation of thresholds of temperature pain sensitivity or through «pulse diagnostics» – by variability of a heart rhythm. Estimations of the parameters are conducted by the computation way on the basis of high correlation of thresholds of pain sensitivity of the certain points with the sugar of blood level or other physiological and biochemical parameters. Except for this way, the initial information can be obtained on the basis of estimation of variability of a heart rhythm by special techniques. Thus all the initial information comes to the device from the gauge pulse, that it is convenient for users. Since 2005 under our license the devices of 1st generation (“Merid”) have been issued by the Dutch firm Sanet for general monitoring at various illnesses. These devices are certificated in EC and Australia. Under the program “Start-2006” the devices of 2nd generation with GPRS-communication were created, that sharply simplifies working with it. Under this project the devices of 3rd generation arranged as a small block to the mobile phone or built in it are offered. Except for monitoring various parameters of an organism, the devices can carry out its reflex correction by means of influence modulated IR-radiation. At presence of databases on dynamics, the devices can carry out the forecast of condition of a separate physiology systems for several days forward. The devices can be reprogrammed through the Internet for monitoring of various diseases. Now they are successfully applied in sports medicine. Accuracy of estimation of level of blood sugar at calibration on the household standard device is at 75–85%. According to the technology we have 7 patents in Russia.

Analogues of the developed device is “The watch for estimation of sugar level at diabetics” of the American company Ciros based on estimating a degree of skin sweating, however specificity of such devices is low since the level of sweating changes not only from a level of sugar. The big individual statistics is necessary for work of the device. Besides, the price of these devices is more than \$ 4000, and over 5 years of manufacturing they have not occupied a considerable market. Thus our devices are more reliable, simple, multipurpose and cheap, that gives them essential advantages. In the West in we are helped in distribution of this production by the TNO company (Holland) which is one of the most authoritative scientific centers in the world.

Current state

Now, under the program “Start” the device of 2nd generation with GPRS-communication is created and tested, the researches at 400 patients with diabetes for estimating a level of blood sugar are conducted. Two applications on PCT patents are registered.

Development strategy**Use of funds**

- | | |
|----------------------------------|-----|
| 1. R&D | 30% |
| 2. Acquisition of fixed assets | 30% |
| 3. Marketing | 30% |
| 4. Acquisition of current assets | 10% |

Prospective outcome of investment

Devices of 3rd generations with «Home-doctor» function in the mobile phone for estimating of level of blood sugar and other major parameters of functioning of an organism will be created. The device will be reprogrammed for monitoring and treatment of various pathologies through the Internet. It can be used in sports medicine and fitness.

Marketing & Markets

Now in Russia about 4.5 million people suffer from diabetes, and there are officially more than 160 million of such people all over the world. Basic control of a patient’s condition is carried out by estimating the level of sugar of

blood taken from a finger 2-3 times a day. Thus 1 strip costs 1 \$. We offer non invasive way of estimation of sugar with our device built in a mobile phone. In this case we use system of connection, the screen, the battery of the phone that markedly reduces the price of a product. On a Sim-card we determine the user and we receive the basic money due to service on a server where data processing is made. This principle is favourable also to the telephone companies due to granting new «Home-doctor» service in the phone. We plan to obtain the basic money in the Western market, where the certification of the device of 2nd generation through our company in Ireland "Meridian energy" Ltd has begun. Now under our license the devices of 1st generation were issued by the Dutch firm Sanet ("Merid") are realized – 270 device at the price of 3000 euros. As a matter of fact, we offer a new kind of telephone services – «Home-doctor», the market volume for which is unlimited, and user could be any owner of a mobile phone.

Interaction with investor

In exchange for investments we are ready to give 30–40% of the company. A pay-back period – 2–3 years. A guarantee can become participation in management of firm.