



Russia, 194292 St. Petersburg,
Pr. Culture, 22-1-316
Phone: +7 (901) 301-09-60
Fax: +7 (812) 558-88-66
E-mail: adsorba@narod.ru
www.adsorba.narod.ru

Volume of investments required – \$ 1.5 million

Summary

1. **Production** – medical equipment, apparatus for haemo- and plasma sorption of new generation and columns with sorbent.
2. **Trade marks** – «Gemma».
3. **Sales 2007** – none.

Company profile

Date of establishment – the company was founded on November 18, 2005, as a result of victory in the «Start» competition of Foundation for Assistance to Small Innovative Enterprises in Science and Technology.

Team consists of developers who have experience of creation, certification and manufacturing of sorbents for medical application and doctors – the authors of methods for the applications sorbents. The founders of our company in 1974–1979 developed at the Leningrad Institute of Technology named after Lensoviet a medical sorbent SKT-6A of high purity, and it was permitted for use in medicine and in medical technique (the state registration number 79/766–66). In 1979–1991 and up to present time it has been used in many clinics for complex cure of different diseases. In 2008 we became a finalist for the all-Russian magazine «Expert» (Russian Innovation Competition), and took the second place at BIT-2008 in St. Petersburg. It was signed in 2008 the Cooperation Agreement with the two companies for the production of new type of vehicles for haemo- and plasma sorption and in order to develop new type of medical sorbent on the base of cellulose.

Value of capital assets – \$ 110 ths – production line sorbents.

Previous rounds of investments – \$120 ths, including: own means of founders – \$95 ths, and funds from the program «Start-05» – \$25 ths.

Signs of public recognition – employees are the authors of more than 40 inventions and 400 scientific works.

Number of employees – 15 persons.

Structure of ownership

Natural persons:	100%
Averkov Alexander	30%
Loskutov Anatoly	20%
Sokolov Alexei	20%
Fedotov Valery	20%
Shishkina Lyudmila	10%
Aggregate share of government property	0%

Team

Loskutov Anatoly Iosifovich – CEO, 70 y.o., Ph.D. Works in technology medical sorbents since 1969. Specialist on carbon adsorbents and substances of high purity, chemistry and technology for environmentally friendly, low-waste or waste-free technologies and equipment. The developer of sorbent, authorized by the Ministry of Health of the USSR for applications in medicine and medical technique, and industrial scale production of this sorbent: SKT-6A of high purity (SKT-6A HP). The author of more than 190 scientific publications, 25 inventions.

Averkov Alexander Valerievich – Commercial Director, 42 y.o. Works in the field of medical sorbents technology from 1983. Has extensive experience to create business from «zero», to design and launch the industrial plants, in production certification, developing a strategy of working with clients, art client base, increase sales, crowding out competitors, product design matrix, long-term forecasting, supply through the head office and branches. Co-author of 6 invented lines.

Sokolov Alexey Albertovich – Scientific Adviser, 39 y.o. Ph.D. in Medicine, Dr. of Sci. in Medicine. Very highly educated specialist (intensive care, nephrology, immunology, clinical laboratory diagnostics, transfusion). He speaks all the methods extracorporeal haemocorrection. Has the experience of research and practical work in the field of clinical application of adsorbents more than 20 years. The author of 110 scientific publications, 3 patents. Secretary of the Russian Society of Professionals in haemophoresis and blood cleaning.

Production

Disposable sterile columns with sorbent for extracorporeal haemocorrection.

Methods for cleaning the blood by use of the carbon haemosorption were widespread thanks to their high-performance and recruitment of essential qualities, and also because the cost of equipment and supplies for other methods of haemocorrection is incomparably higher. Today on the territory of Russia there are 6-8 species of domestic carbon sorbents, half of them are not serially produced. Their main weaknesses – mostly high dust and a

lack of polymer-on coating, which leads to thrombotic risk. Carbon sorbents of the Ukrainian production in the form of ready-to-use sterile columns with sorbent CKN volume 50, 100 200 and 300 ml occupy not less than 65% of the market.

We invented new columns of a world level – providing multiple decline of dust creation having predefined filters, as well as meso porose carbon with granules coated by thin polymer film with a high sorption capacity and good haemo-compatibility. The features of columns design and the methods of sorbents preparation are protected by patents in Russia (patent holder – OOO NPC « Katyusha ») and more than 20 know-how. The price of a column with sorbent with volume of 200 ml will be about \$26.

Apparatus for haemo- and plasma sorption «Gemma-1» – designed for use with developed columns with sorbent, and is the finished product together with it.

Current state

Disposable sterile columns with sorbent for extracorporeal haemocorrection.

The experimental samples of columns for certification were prepared. Currently, there are works on certification of products, development and installation of production lines, issued patents to protect intellectual property rights. It is scheduled to begin production after 6-9 months from the beginning funding of the project. There is a detailed business plan.

Apparatus for haemo- and plasma sorption «Gemma» has all the necessary licenses and certificates, and in 2008 they were sold in quantity of 25 pcs. Work is under way to create technical documentation for a new modification of apparatus «Gemma-1».

Development strategy

Use of funds

1. R&D	30%
2. Acquisition of fixed assets	30%
3. Marketing	10%
4. Acquisition of current assets	20%
5. Other (contingencies)	10%

Prospective outcome of investment

Steadily employed modern high-tech manufacturing sterile disposable columns with sorbent. Manufacturing unit for a new generation of haemo- and plasma sorption. The withdrawal of the Russian market-NOC world-class products. The seizure of most of the Russian market and access to markets of the post-soviet space.

Marketing & Markets

The need of Russia medical institutions in columns with sorbent is estimated to be about 96 pcs per year, accounting for 160–240 mln rubles per year. (\$ 6.4–10 mln) in vehicles for haemo- and plasma sorption of at least \$ 86 mln. The market is growing 10% per year. By 2012, we plan to take up to 35% of Russian market of haemosorbents and at least 15% of the market for haemo- and plasma sorption.

Interaction with investor

The proportion of investors' share is up to 49%. NAV at the time of withdrawal from the project is \$3.5 mln (net asset method).

Financial characteristics, \$ thousand

Data	Facts			Forecast	Forecast with the investment required			
	2004	2005	2006	2007	2008	2009	2010	2011
Sales				92	3 100	6 000	6 800	7 500
Operating income				-	1 250	2 350	2 700	3 000