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Volume of investments required – \$ 4 000 thousand

Summary

1. Production – SUN LLC produce UV-LED wide format printers for printing on all types of substrates, UV-LED blocks that can be used in wide range of applications (digital printing as well as offset), UV and solvent ink Sun-Flower for different types of print heads.

At the moment, SUN LLC is finishing testing and soon we are going to offer new products:

- a. True flatbed UV-LED printer.
- b. HS electronics and software kit for use with any printers equipped with any types of print heads, so it suits for printers made by other manufactures.
- c. Water based ink for SOHO-printers (office printers for printing on different paper).
- d. Low toxic eco-solvent ink.
- e. Sublimation ink (for thermo printing and textile printing). This ink is widely used in printing of POS.
- f. Ink for textile printing.
- g. Cationic UV ink that might be use for food package printing.
- h. Nan oink – the ink produced with Nan chemicals; best solution for trouble-free printing – if you use this ink the lifetime of print heads increases up to 30%!!

2. Trade marks – Sunflower, Infiniti.

3. Sales 2007 – \$13.637 ths – sales volume including our own products and products produced by our partners.

Company profile

Date of establishment – SUN LLC was founded in 1998 to sell printing equipment to the industry. In 2005, SUN established a service center and R&D laboratory to stimulate product innovation. The first solvent inks from Russia were formulated by SUN. In 2006 the first ink factory in Russia was established and SUN launched Sunflower ink: solvent and UV, UV-LED (since 2007). Since 2007, SUN has expanded pro-actively into the international market with exclusive products. The revolutionary innovation – NEO UV-LED printer – which has no analogues in the world aroused great interest. At the moment, printers using LED technology are manufactured only by SUN.

SUN keeps developing its production facilities; trade turnover increases greatly. We believe that investments will help us to finish research and design of new products that are going to be very profitable in future. Also that will surely increase turnover and provide quick ROI.

Description and value of capital assets – \$200 ths. The key assets consist of equipment for ink manufacturing (millings, dispersant, etc), IT (PC, laptops, and servers), and cars. The depreciation period is about 24 months; in operation from 1 to 2 years.

Previous rounds of investments – none.

Signs of public recognition – In order to demonstrate the potential of our equipment to the market, we have participated in important international exhibitions: FESPA (Germany, India, and Switzerland), SGIA (USA), VISKOM (Spain, France), DRUPA (Germany) and Glasstec (Germany). UV-LED printers produced by SUN LLC are very popular in the world among customers and experts – it is really a Hi-Tech product. That's why world famous magazines keep writing about our company and its achievement in the industry. We have got positive comments from "Digital Graphics", "The Big Picture", "SIP", "Specialist Printing", "PrintWeek", "Naruzhka", "Naruzhnaya Reclama Rossii", "CMYK", "Shire Metra". In May 2008 our own plant where we produce the SunFlower ink won the second place in regional stage of competition "Golden Mercury" in nomination "Best exporter in international innovation collaboration". Moreover, since August 2008 SUN is a full member of Association "SibAcademInnovation" as a company producing Hi-tech products.

Number of employees – about 300 persons.

Structure of ownership

Legal entities (Companies)	100%
Aggregate share of government property	0%

Team

Mirchev Vlad – Founder, 38 y.o. Higher technical education. In the last 10 years was involved in wide-format business, focused on development of innovation technologies for successful printing. The main achievement is foundation of own company and leading it to the international market.

Stasuyk Natalya – Manager, 37 y.o. 2 higher educations: economical and juridical. Has been working for SUN for the last 4 years. Succeeded in making a team of professionals, company's development, keeping close business relationships with world leading suppliers and international promotion at exhibitions.

Production

Aim of the project is production of qualitative and environmentally friendly products for different markets (wide-format printing, furniture printing, glass printing, textile printing). Unique feature is innovative technology of using UV-LED light source for ink curing. This is really cool because enable to decrease production cost as well as improve environment. This way we get end product of unmatched quality.

In July 2007, we applied for registration of uv-ink, uv-led light curing method and curing device. In 2008 we applied for registration of trademarks: Sunflower, Nanoink, and Infiniti.

Current state

At the moment, SUN company produces 23 ton of solvent ink SunFlower and 1 ton of UV-ink Sunflower per month. Monthly we sell 5-10 printers produced by our company. Net earnings – around \$ 1400.

Development strategy

Use of funds

1.	R&D	10%
2.	Acquisition of fixed assets	25%
3.	Marketing	15%
4.	Acquisition of current assets	25%
5.	Other	25%

Investment usage – is for ink factory facilities development, launch of new printers, service support improvement, opening of consulting centers for the new products promotion, advertising companies.

Prospective outcome of investment

Due to investment, SunFlower ink factory will be able to increase ink production up to 40 ton per month. As a result SUN will have a market share equal to 50% of Russian ink market.

Purchasing of new equipment will enable production of new types of printers, that will wide our product range and attract more clients. This way the turnover of SUN will increase many times.

Marketing & Markets

At the moment, the demand for solvent inks on local market is about 60-80 ton per month, for uv-ink – around 1 ton per month. Our clients are advertising agencies, printshops, organizers of exhibitions and other events, and other companies who make printing for themselves. Now our market share in Russia is 25% but we are planning to increase it up to 25%. Also we work with distributors worldwide. At the moment we have 12 distributors. We make everything possible to improve our position abroad and for this purpose our strategy is to take part in exhibitions, to wide distribution net and to present our product in European showrooms.

Interaction with investor

We offer 25% share, with prospected exit in 3-5 years. Organization structure determines according to agreement and needs to be discussed.

Financial characteristics, \$ thousand

Data	Facts			Forecast	Forecast with the investment required			
	2005	2006	2007		2005	2006	2007	
Sales	9917	13 382	13 637	10 499	23 553	27 662	29 398	31 221
Operating income	3431	4381	5602	6175	11 215	13 172	13 999	14 867

Before 2007 the company used to sell imported equipment, and at the end of 2006 started to produce ink; by the end of 2007 the first UV printer had been produced. Indictors of 2005-2007 include trade turnover, 2008-2012 forecast is based on production that needs required investment for development.