

דוגמה להמחשה בלבד !!

ABC Medical LTD Pitch Business Plan

11/26/2008

"A 100 page business plan is not required... A 20 page presentation which clearly answers main questions is the best bet"

Index Ventures

The 10/20/30 Rule: "Pitch presentation should have 10 -15 slides, no more than 20-25 minutes, and contain no font smaller than 30-15 points"

Guy kawasaki



About David Solomon

David Solomon, one of Israel's leading experts in the field of High-Tech business development, is well connected in both the Israeli and international High-Tech sectors. Mr. Solomon is the Chairman of Micromedic Technologies Ltd, a public investment house listed in Tel Aviv Stock Exchange. Mr. Solomon was director of Scitex Corporation's Economic Department. Among Mr. Solomon's clients in the field of business development are leading organizations and corporations such as: IBM, Qualcomm, Scitex Corporation Bank Hapoalim and Bank Igud. Mr. Solomon lectures in M.B.A. courses in a number of universities and is the author of various books in the field of Business Planning.



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The Business

ABC Medical Ltd is an Israeli based company that was incorporate in 2005. Since its inception, the company has operated as part of CDA Corporation located in Israel. The company is developing state of the art Implant Navigation solutions **[IDS]**. In July 2008, ABC was merged with CDg, listed in NASDQ Stock exchange. Capital for initial research and patent application was provided by the founders and by the Israeli Ministry of Trade, Industry and Labor. Subsequent funding was received from the Office of the Chief Scientist of the Israeli Ministry of Industry.

Vision

Contributing to the Dental Bridge Industry through the development and marketing of novel and advanced Dental Navigation Software far better results and fewer complications.



Mission Statement

To develop and deliver safe, high-quality real time **Implant Navigation Solutions** based on ultrasonic wave technology that presents a new, revolutionary and safe dental implant operation, reducing clinical complications and improving the results in addition to patient's quality of life.

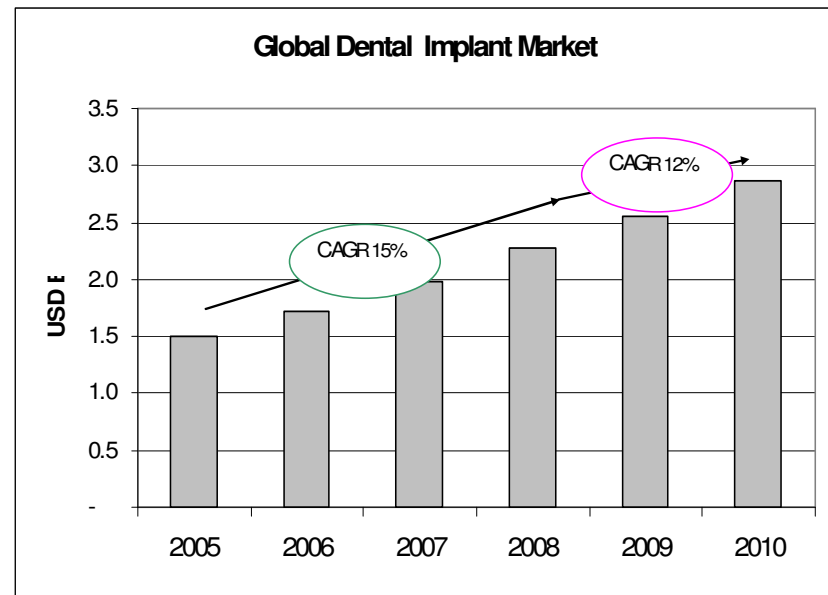
- To become one of the world leaders in the area of Real Time Implant Navigation solutions, earning a significant market share in this exciting growing niche market.
- To generate a substantial value to the company's current and future shareholders, employees, suppliers and clients.



The Problem & Opportunity

Over 200 million people lack one or more teeth. It is estimated that 40% of the western population is missing one tooth or more. The traditional fixed partial bridge is a large growing market. The worldwide market for dental reconstruction products will approach nearly \$3Bn by 2010, with a forecast growth rate of almost 18%. Currently, about 1 million dental bridges are performed annually in the United States.

There is a growing patient demand— and lucrative market opportunity — for dental simulation software improving the dental bridge accuracy and offering much more esthetic bridges.





Main Market Drivers

- **Demographics & Wealth:** With oral health improving and people living longer, the number of teeth to be maintained is increasing at a faster rate than the population is growing.
- **Growing patient awareness:** Patients became more aware to benefits of implants over conventional solutions and therefore the demand for esthetics solutions is rapidly increasing.

Current Solutions

Dentists today use imaging techniques, primarily computer tomography (CT) and panoramic x-rays, to familiarize themselves with the bone structure they will be drilling through. A high level of expertise is required to be able to accurately interpret and analyze these images in order to gain a thorough three-dimensional understanding of the pathway.

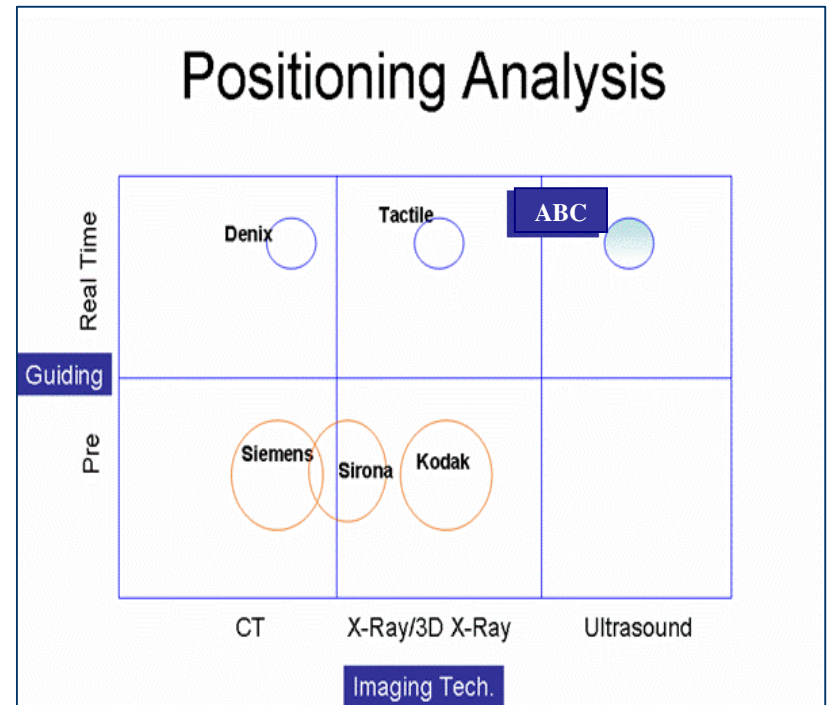


Our Solution

ABC Medical Ltd's **Dental Navigation Solution** [DNS] was developed to complement pre-procedure imaging techniques (CT, panoramic x-ray) by providing dentists with easy to use 3-D simulation improving dramatically bridge planning.

Competition and Position

Competition analysis reflects the fact that indirect competition, in the pre operational imaging systems, aims mainly for operation planning purposes, and direct competition will come from other real time dental imaging systems, mainly split into three main technologies: CT scan, X- Ray imaging and ultrasonic technologies. The main differentiation factors will be efficiency, cost, and simplicity for use. Our positioning analysis shows our unique position.





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Value Proposition

Benefits from our expertise in the Medical as well as the technology fields, our innovations will benefits everyone involves starting with the patients thru doctors and insurance companies.

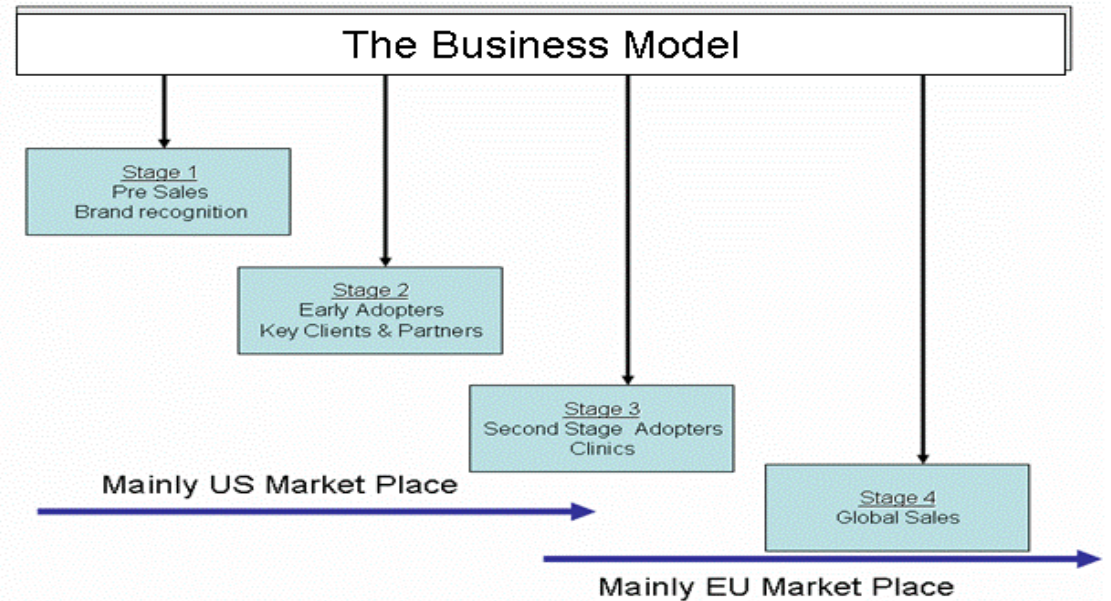
The main Value proposition is as follow:

- For Patients: improving esthetics results and providing better fitting of the bridge.
- For Dentists: patient satisfaction and encouragement for more dentists to perform dental bridges



The Business Model

The company market penetration is based on four main stages. Each stage represents a cornerstone in the overall marketing & sales strategy:





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Roadmap

ABC Medical Ltd has completed a proof of concept of its dental implant drilling guidance with the successful completion of laboratory tests on animal mandible. The company is now preparing to advance into *in-vivo* animal studies, followed by human trials in preparation for the U.S. FDA

marketing

clearance which is expected by Q4 2009.

	2008				2009				2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Prototype I completed												
Proof of concept testing												
Prepare business plan												
Prototype II development												
Animal trials												
Seek strategic partners												
Human trials												
FDA submission												
FDA clearance												
Marketing activities												
1 st sales activities												



Financial Highlights

The Company will start to generate revenues during 2012. Sales are expected to reach \$4.5 M in 2013 and will grow to \$ 16.2 M in 2015. The company is expected to be profitable in 2012 and expected net profit in 2013 is about \$ 0.7 M [about 15% of sales]. The expected accumulative cash flow demand until the company will start to generate revenues is about \$ 2.1 M.

The Investment Opportunity

- **The right Market:** the dental implant market is a large, fast growing market representing a real growing business opportunity. The business potential market for the company's new device is above \$ 200 millions a year.
- **The right needs:** nevertheless, while the dental implant is a very common procedure, it still involves complications, and therefore requires a real time guidance solution.
- **The right Solution:** our solution is a novel approach offering a real value proposition to the patients, physicians and insurance companies.

Financial Highlights

Company Name

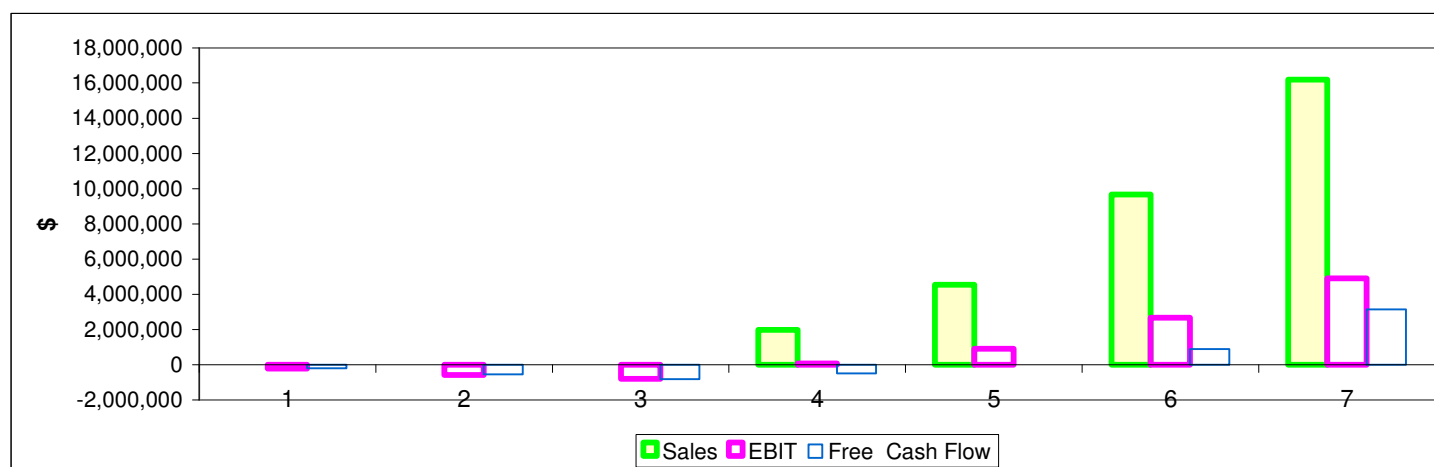
ABC Medical

Industry

Medical Device

In USD

	2009	2010	2011	2012	2013	2014	2015
Sales	-	-	-	1,977,138	4,547,416	9,654,515	16,191,425
EBIT	-214,750	-580,000	-790,755	71,655	909,807	2,673,898	4,909,870
Net Profit	-214,750	-580,000	-790,755	53,741	682,355	2,005,423	3,682,403
% Gross Profit	NA	NA	NA	69%	69%	69%	69%
% EBIT	NA	NA	NA	4%	20%	28%	30%
% Net Profit	NA	NA	NA	3%	15%	21%	23%
Free Cash Flow	-198,958	-554,125	-820,629	-481,907	-4,324	891,950	3,158,805
Acc Free Cash Flow	-198,958	-753,083	-1,573,713	-2,055,620	-2,059,944	-1,167,994	1,990,811

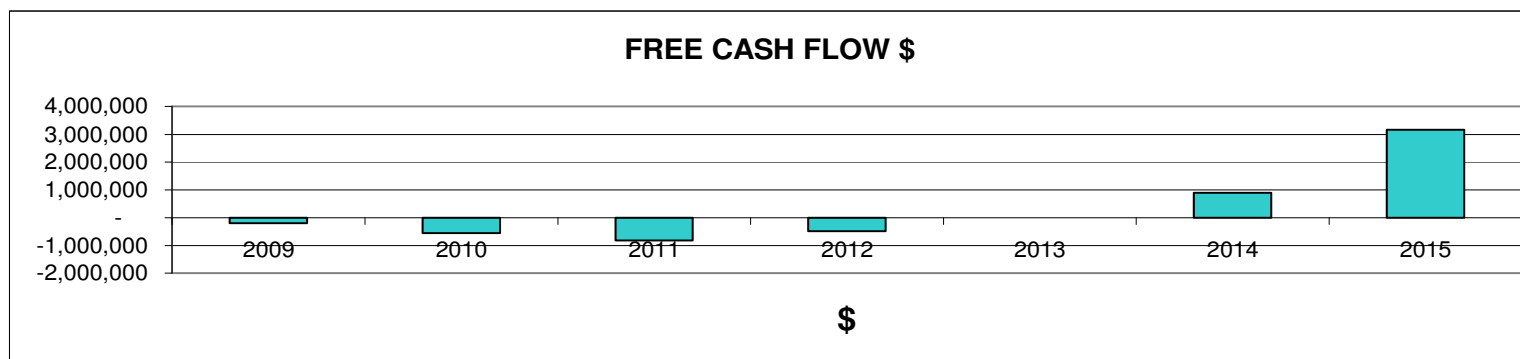


Profit & Loss Projection

Company Name	ABC Medical							
Industry	Medical Device							
In USD	2009	2010	2011	2012	2013	2014	2015	
Sales	-	-	-	1,977,138	4,547,416	9,654,515	16,191,425	5%
Customer Support	-	-	-	118,628	272,845	579,271	971,486	
C.O.G.S	-	-	-	494,284	1,136,854	2,413,629	4,047,856	75%
Gross Profit	-	-	-	1,364,225	3,137,717	6,661,615	11,172,083	
R&D	115,000	200,000	62,700	197,714	454,742	965,451	1,619,143	
R&D Grants	-40,250	-70,000	-21,945	-69,200	-159,160	-337,908	-566,700	
Clinical Trials	50,000	150,000	150,000	500,000	500,000	500,000	500,000	
IP Protection	25,000	50,000	100,000	150,000	250,000	350,000	500,000	
Marketing	50,000	150,000	350,000	395,428	909,483	1,930,903	3,238,285	5%
G&A	15,000	100,000	150,000	118,628	272,845	579,271	971,486	6%
EBIT	-214,750	-580,000	-790,755	71,655	909,807	2,673,898	4,909,870	
Financial Exp.	-	-	-	-	-	-	-	3%
Other Exp.	-	-	-	-	-	-	-	
Pre Tax Net Profit	-214,750	-580,000	-790,755	71,655	909,807	2,673,898	4,909,870	
Tax	-	-	-	17,914	227,452	668,474	1,227,468	25%
Net Profit	-214,750	-580,000	-790,755	53,741	682,355	2,005,423	3,682,403	

Cash Flow Projections

Company Name	ABC Medical LTD						
Industry	Medical Device						
In USD	2009	2010	2011	2012	2013	2014	2015
EBIT	-214,750	-580,000	-790,755	71,655	909,807	2,673,898	4,909,870
Dipreciation	5,000	15,000	35,000	75,000	300,000	370,000	200,000
Change in non Cash WC	-35,792	-60,875	-35,126	410,649	486,680	983,473	223,597
Capital Investment	25,000	50,000	100,000	200,000	500,000	500,000	500,000
Tax	-	-	-	17,914	227,452	668,474	1,227,468
Free Cash Flow	-198,958	-554,125	-820,629	-481,907	-4,324	891,950	3,158,805
Acc Free Cash Flow	-198,958	-753,083	-1,573,713	-2,055,620	-2,059,944	-1,167,994	1,990,811





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Break Even Analysis

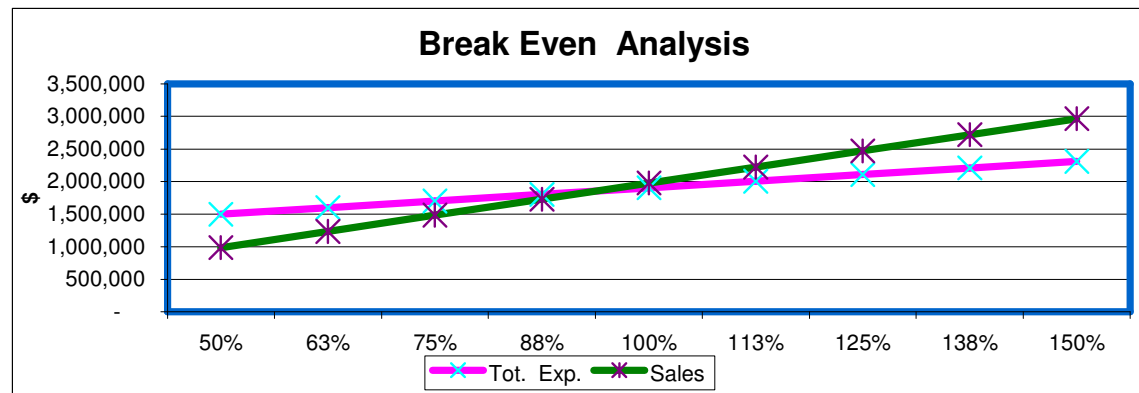
Tolerance

50%

Year

2012

In USD	Sales	Fixed Exp.	Var Exp.	Tot. Exp.	EBIT
50%	988,569	1,094,856	405,313	1,500,169	-511,600
63%	1,235,711	1,094,856	506,641	1,601,497	-365,786
75%	1,482,853	1,094,856	607,970	1,702,826	-219,973
88%	1,729,995	1,094,856	709,298	1,804,154	-74,159
100%	1,977,138	1,094,856	810,626	1,905,482	71,655
113%	2,224,280	1,094,856	911,955	2,006,811	217,469
125%	2,471,422	1,094,856	1,013,283	2,108,139	363,283
138%	2,718,564	1,094,856	1,114,611	2,209,467	509,097
150%	2,965,706	1,094,856	1,215,940	2,310,796	654,911



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WEB www.dsventure.com Tel -03-5756917