
EXECUTIVE SUMMARY

PharmaSilk Company Limited was established by a group of four students from Sasin Graduate Institute of Business Administration and Professor Pleumchitt Rojanapanthu, a leading researcher at Mahidol University's Faculty of Pharmacy, to develop and commercialize pharmaceutical products derived from silk. This plan concerns the introduction of FibroCure, a silk-protein-based topical medication with outstanding cell-regeneration properties for the treatment of deep and/or chronic wounds (such as "bed sores", diabetic ulcers, ischemic ulcers, burns, and trauma wounds), to the Thai and international markets, and seeks US\$1,000,000 funding for working capital and R&D activities.

FibroCure, with the active ingredient Fibroin, purified from short silk yarns often discarded during the silk-weaving process, in an 'emulgel' base, is proven (through both animal and clinical trials to date) to reduce wound healing time by 60% as compared to conventional wound management methods (i.e. conventional nursing care and the usage of normal saline with non-medicated dressings). And, by acting through the body's own natural wound-healing process, FibroCure has the added benefit of scar minimization upon healing.

The obvious benefits of FibroCure are protected in the medium term by intellectual property protection (a combination of both patents and tightly-guarded trade secrets) and sustained over the long-term by brand name and reputation building, as well as new products/features arising from our ongoing R&D activities.

In Thailand alone, annually, it is estimated that there are approximately 724,000 deep/chronic wounds patients, resulting in a US\$41.7 million potential market for FibroCure, with bedsores accounting for approximately a quarter of this market.

However, in order to rapidly establish our brand and dominate a niche in which we can dominate relatively profitably, yet not so profitably as to attract the attention of the large players in the pharmaceutical world, we aim to adopt a penetration-pricing strategy to initially focus specifically on the hospital in-patient bedsore cases, consisting of approximately 37,300 patients, translating into a US\$2.7 million market. Once FibroCure has established a strong acceptance and uptake in this initial market, we shall pursue the deep/chronic wound market in general.

PharmaSilk management team consists of four soon-to-graduate MBA students from the top business school in the region, as well as Professor Rojanapanthu, the head researcher and inventor of the FibroCure formula. The CEO, Nick Pisalyaput is a seasoned investor and entrepreneur, with over 10 years' hands-on experience.

FibroCure is expected to be granted FDA approval in mid-2006 and launched accordingly. Thus, PharmaSilk's revenue is expected to begin in the 2007 fiscal year (ending 30th June) at US\$0.33 million, rising to US\$6.04 million in 2011. Such projection is extremely conservative and takes into account only revenue arising solely from FibroCure without taking into account a multitude of new products already in the pipelines. This business plan will yield an NPV of US\$2.99 million with a payback period of less than 4 years, whilst the IRR is an impressive 80.2%.

PharmaSilk is offering investors a US\$100,000 option (valued at US\$188,000), now, for the opportunity to invest US\$1 million with us upon FDA approval of FibroCure in mid-2006. In return, investors will be offered a 37.7% equity stake and 2 (of 7) seats on the board of directors of PharmaSilk. This investment would be recovered in full from dividends and capital gains in the event of an IPO and or sell out to outside investors.

Alternatively, investors may opt to invest US\$1 million with us now, in return for a 43.1% equity stake and 2 seats on the board of directors.

PharmaSilk presents an exciting and potentially rewarding investment opportunity. Our management team looks forward to further discussions with you at your earliest convenience.