



Company Profile



Investment Opportunity

The National Agency of Investment and Privatization of the Republic of Belarus considers selling 99.94% of the share capital in Open Joint-Stock Company "Medplast" ("Medplast" or the "Company") to a strategic investor.

Medplast is the major producer of disposable medical syringes in Belarus and is the principal supplier of this product to Belarusian hospitals, medical clinics and pharmacies. Located on the border of Ukraine and the Russian Federation, the Company is actively developing export markets.

The consortium of Mattig Management Partners, Alfa Bank, and Egorov, Puginsky, Afanasiev and Partners, was appointed adviser to the National Agency of Investment and Privatization of the Republic of Belarus through an international public tender.

The privatization procedure implemented with the support of World Bank currently envisage a sale of the 99.94% stake of the Company equity capital to a strategic investor in line with best international practices.

Tender Documentation will be available to investors in September 2013, following which they will be entitled to carry out detailed due diligence reviews at the Company.

The Company



Full Name	Open Joint-Stock Company "Medplast"
Industry	Production, distribution and sale of disposable medical syringes of various sizes and types
Established	1936
Shareholders	99.94% state-owned; 0.06% private individuals
General Manager	Vladimir M. Reznikov
Employees	270

Medplast's factory and administrative offices are located on a 6.7 hectare industrial site near the western city limit of Gomel, Belarus, close to major East-West and North-South highway and rail corridors, near the border of the Russian Federation and Ukraine.

Products

Medplast manufactures 2 ml, 5 ml, 10 ml and 20 ml sterilized disposable medical syringes, as well as clamps for rebar. In addition, Medplast assembles parts bought from third-party manufacturers, packages insulin and tuberculin syringes (1 ml) and sells these in the domestic market. The Company is planning to commence production of vacuum blood testing tubes in 2014.



Markets

Medplast is the principal Belarusian manufacturer of disposable medical syringes, with 77.2% market share (2012). Since beginning production, the Company has been the main supplier to the national hospital and pharmacy networks and distributors of Belarus.

The main competitors of the Company in the domestic market are:

- Shandong Zibo (China, through U.E. Unixfarm, Belarus);
- JSC Hemoplast (Ukraine);
- Becton Dickinson (Spain);
- Troge Medical (Germany);
- KD Medical (Germany).

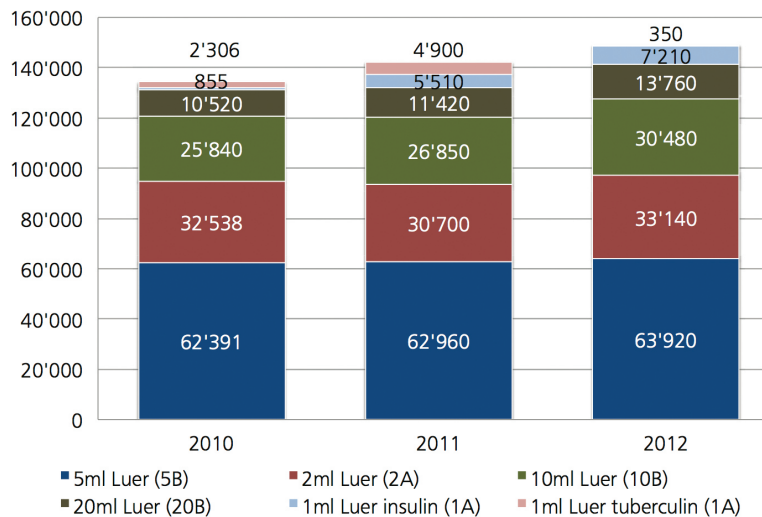
The Company is also active in the Russian market (which is part of the Customs Union of Belarus, Russia and Kazakhstan) and the Ukrainian market, and has all necessary registrations for these markets. The Company has not yet applied for CE registration.

Sales and Production

In 2013, the Company plans to produce 151 million syringes.

With injection molding and packing equipment from Arburg, Multivac and Sortimat (Germany) commissioned 2007 and later, Medplast has modern production facilities, meeting GMP and international quality standards (ISO 14644 compliance, with high class clean rooms meeting ISO 5, ISO 7, and ISO 8 standards). Gas sterilization facilities have recently been added. The Company is in compliance with industry environmental standards.

Syringe manufacturing capacity is 190 million units per year; current production (2012) is 149 million units (78 % capacity utilization). The following chart shows production volumes over the last three years:





Infrastructure

The Company has excellent logistics, being adjacent to main highway corridors (North-South, from St. Petersburg through Gomel to Kiev, Bucharest and points South; East-West, from Moscow, through Bryansk, Gomel, Brest, to Warsaw, Poznan, Berlin and Western Europe; as well as to Minsk, Vilnius and Klaipeda). The Company is adjacent to major railway lines. The Company's site permits very significant expansion of production; the direct HV/MV electricity connection will permit a 4-1/2-fold increase in production.

Workforce

The Company has a well-trained and motivated workforce. All members of the workforce have secondary or vocational training, and over 25 % of employees (including not only management but also workers) have higher education. There is a formal program of on-the-job training, which has resulted in a very capable workforce and a virtual 100 % occupational health and safety record. The average wage at the Company in 2013 is BYR 4.4 million (or USD 513 per month).

Financial Data (according to IFRS)

Financial results prepared according to IFRS are provided below (in USD thousand).

Selected Balance Sheet Items

Positions in USD '000	2012	2011	2010
Non-current assets	23,846	18,146	20,607
Current assets	1,754	1,599	3,458
Total assets	25,600	19,745	24,065
Share capital	16,403	6,888	8,737
Total equity	23,077	17,289	16,099
Total liabilities	2,523	2,456	7,966
Total equity/liabilities	25,600	19,745	24,065

Selected Income Statement Items

Positions in USD '000	2012	2011	2010
Revenue	8,450	7,810	8,316
Gross Profit	2,012	2,036	2,646
Operating Profit	373	608	393
EBITDA	1,061	863	1,186
Gross Margin	24%	26%	32%
Operating Margin	4%	8%	5%
EBITDA Margin	13%	11%	14%



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Disclaimer

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