

Contact

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Type of Entity

Delaware C Corp

Leadership Team

Richard Russo - CEO
Piyush Modak- VP, R&D
pmodak@endomedix.com

IP

9 Issued Patents +
1 application

Company Resources

Lab & Office at Montclair
State University

Current Investors

3 small funds & angels,
26 surgeons & physicians
CEO is lead cash investor.

Prior Financing

NIH SBIR Grants - \$3.2M
F&F Round \$1.4M

Current Round \$5.4M

- Invested \$4.9M
- Open \$500K

Investment Terms

Premoney valuation - \$7M
Preferred stock \$1.00 ea. +
10% warrant coverage
1x Liquidation preference

Uses of Funds / Next Value Inflection Point

Polysaccharide processing
scale up
Dispenser development
Preclinical studies

Professionals

Legal – Nixon Peabody LLP
IP – Goodwin Procter LLP
Acct – JJP Accounting LLP

Overview

Endomedix has developed a new class of absorbable hemostats. Initially targeting neurosurgery, PlexiClot Absorbable Hemostat™ eliminates 3 major sources of bleeding-related complications produced by current methods. These complications cost hospitals hundreds of millions of unreimbursed costs and cause patients to suffer avoidable reoperations and other morbidities. Due to the unique mechanisms of action of its patented biomaterial, PlexiClot introduces the first fundamental innovation in this space since the standard of care was adopted in 1945. PlexiClot leapfrogs current devices & technologies in terms of performance, safety, and ease of use for surgeons. PlexiClot will be the first absorbable hemostat specifically approved for brain surgery by FDA. Endomedix will establish its beachhead in the \$1.9B neuro segment before expanding to other segments of the \$4.5B absorbable hemostat surgical procedure market.

A Big Problem - Current Methods and Results

Bleeding control in brain and spinal CNS surgery is a challenge. Hemostasis must be meticulously complete to avoid major complications. Standard ligature cannot be used, and electrocautery is not appropriate for all bleeding. Current absorbable hemostats have weak slow action, swell in place, and require manual pressure for effectiveness, all contributing to complications. These devices are also opaque (obscuring the surgical field). A study of 7,376 brain surgeries found that bleeding was the number one cause of reoperations within 30 days (5.1%); readmissions within 30 days (11.5%); and hospital stays longer than 10 days (15.6%).

PlexiClot™ Absorbable Hemostat & Progress

PlexiClot is delivered as a spray via a handheld instrument. The spray forms a structured and dynamic device on a bleeding site within seconds. It is not a passive barrier that “waits” for coagulation to occur. Instead it builds upon nature’s methods of clot formation with patented features and is about 20x faster than the standard of care and updates. 9 issued patents protect its composition of matter, method of manufacture, and 4 mechanisms of action. PlexiClot’s performance has been tested on benchtop and 4 large animal trials. The Company has had 3 meetings with FDA to outline testing requirements for superiority claims. A second physical form of the device designed for endoscopic & MIS procedures has been developed and tested.

Market Opportunity & Market Validation

The obtainable serviceable market is 8 million relevant brain & spinal procedures in this \$1.9B segment. To date, 26 surgeons & physicians have invested \$2M in equity and NIH has awarded the Company 7 competitive SBIR grants.

Leadership Team

CEO is a 35+ year Medtech vet with success in new products & two prior start-ups with successful exits. Strong regulatory, clinical & international experience. VP-R&D is an accomplished biomaterial scientist, main inventor of technology platform, led product development program. Company uses lean internal staff leveraged via renown consulting scientists and leading clinical advisors.

Financial Projections – 000’s omitted (USD \$)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Revenue	-	-	-	1,786	25,225	82,197	142,136	207,277
Gross Margin	-	-	-	44%	68%	72%	72%	72%
Op Exp.	1,464	3,900	4,864	9,353	16,432	26,615	37,084	46,282
EBIT	(1,464)	(4,024)	(5,131)	(8,569)	831	32,332	65,813	103,514