

ABOUT THE MARKET

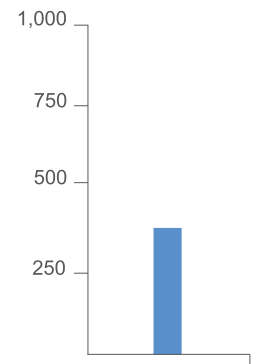
Safety medical devices are key to reducing the incidence of needlestick injuries and the subsequent spread of up to twenty blood-borne diseases including Hepatitis B, Hepatitis C and HIV/AIDS.

The incidence of needlestick injuries is on the rise, with a 2005 study estimating the rate of injuries on a global level to affect about 3.5 million individuals.

Medigard has focused its efforts on launching its products in the US where specific needlestick prevention legislation was introduced in 2005.

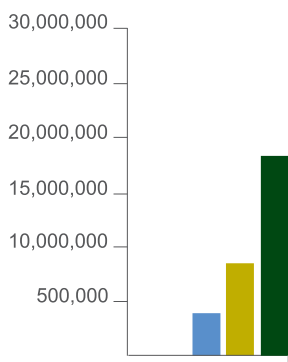
In addition to specific legislation, President Obama's recent healthcare bills add 32 million people to the US healthcare system, increasing demand for such devices.

IV VALVE MARKET SIZE AND VALUE (USD\$ MILLION)



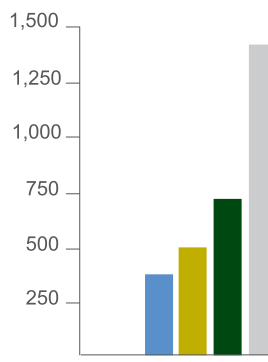
ANNUAL VALUE (USD\$M)

SYRINGE MARKET SIZE AND VALUE (USD\$ MILLION)



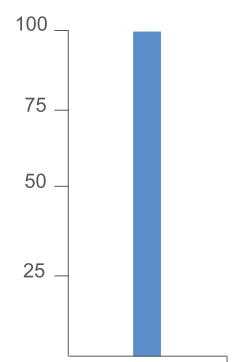
ANNUAL VALUE (USD\$M) ■
US MARKET (MILLION) ■
TOTAL MARKET (MILLION) ■

BCD MARKET SIZE AND VALUE (USD\$ MILLION)



ANNUAL VALUE (USD\$M) ■
ANNUAL US MARKET (MILLION) ■
TOTAL US MARKET (MILLION) ■
TOTAL GLOBAL MARKET (MILLION) ■

FLASH BACK NEEDLE MARKET SIZE AND VALUE (USD\$ MILLION)



ANNUAL VALUE (USD\$M) ■

THE BCD MARKET

There are as many as 700 million BCDs used in the US each year. The US market for safety BCD sets is about USD\$350 million a year.

The worldwide market for BCDs is about 1,400 million units per year. The market is growing at an annualised rate of about 10 percent.

In many developed countries such as the UK, Europe, Australia and Canada, safety blood collection devices are replacing traditional devices.

THE MEDIGARD FLASH BACK NEEDLE MARKET

Medigard has designed the Flash Back Needle as a complementary product for the BCD.

The Flash Back Needle is expected to be bundled with the BCD from 2012. It is expected about 50 percent of BCDs will be bundled with the Medigard Flash Back Needle.

Flash back needles allow health care workers immediate visual confirmation of a successful venipuncture and are expected to become standard attachment for BCDs.

The Flash Back Needle market is potentially worth USD\$100 million.

THE SAFETY SYRINGE MARKET

The Medigard Auto-retractable Syringe has been specifically designed for the US safety syringe market. Its vacuum mechanism is far less cumbersome than competitor's spring and sheath methods.

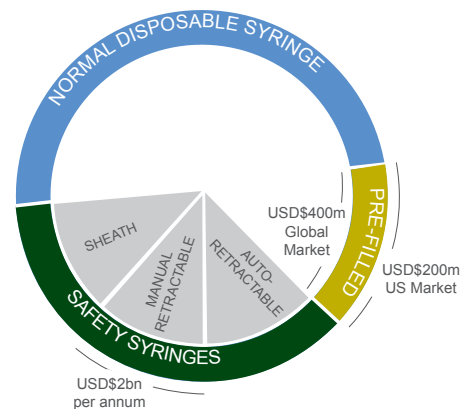
About 18 billion syringe units are sold worldwide each year, with about 47% sold in the US. The safety syringe market is about 8-10 billion units, valued at up to USD\$5 billion.



GLOBAL SYRINGE MARKET

About 18 billion syringe units are sold worldwide each year, with almost half sold in the US.

The safety syringe market is about 8-10 billion units, valued at up to USD\$5 billion.



SYRINGES SEGMENTATION

Normal disposable syringe

Safety syringes (three types)

- sheath protection
- manual retractable
- auto-retractable

Pre-filled syringes.

THE MANUAL RETRACTABLE SYRINGE MARKET

The market for the Manual Retractable Syringe is worth up to USD\$120 million.

THE IV MARKET

The worldwide market for IV access valves, ports and connectors is about USD\$200 million.

THE PREFILLED SYRINGE MARKET

The existing Prefilled Syringe market in the US is worth around USD\$200 million. The world market is estimated at US\$400 million.

The US market is expected to grow at a rate of 20 percent annually.

PRE-FILLED SYRINGE MARKET EXPECTED GROWTH

