



# REPORT



Laureano  
Turienzo  
CEO

**W**e have plenty to celebrate. **2015 was the year we started making international sales.** The first phase of our expansion plan started with the Incosmetics Barcelona exhibition, in April 2015, and we have recently completed that phase. Over the past 15 months, we have established a presence for ADPARTICLES — through its ADPCOSMETICS business line and via 20 market-leading distributors — in countries on all 5 continents. In just this short period of time we have developed the biggest international presence of any Spanish nanotechnology company working in cosmetics ingredients.

We can confirm that, to date, no other company in the sector anywhere in the world has seen so much development in so little time. We are

**“end clients  
all over the world  
are choosing  
our products”**

competing with businesses with over 20, 30 or 40 years' market experience, and yet we can say that we are

present in more markets than they are, and in record time.

And this rapid expansion is bearing fruit: we can now announce that over the coming months **our filters will be included in leading cosmetics products.** In response, we have multiplied our production capacity, acquiring cutting-edge machinery

custom-made for ADPARTICLES, and have recruited new staff to our team.

During this phase of taking our products to market, we have exceeded our highest expectations and we estimate that thousands of clients all around the world have tested our filters this year. Judging by the feedback we are getting from our distributors, the success rate has been significant.

**ADPcosmetics has successfully communicated its differentiating value to the market, and its products will set new trends over the coming years.**

**Over the past 15 months, we have gained ECOCERT, HALAL, ISO 9001:15 and ISO 22716 certification, as well as US FDA approval.**

**We have successfully implemented an innovative strategy to bring our brands ADP-COSMETICS and ENHANCEU to market.** We have featured on the covers of several major trade publications, such as SOWFT Journal. We have launched two new websites with interactive product sheets (<http://www.ad-particles.com/> and <http://adpcosmetics.es/>), both of which are now attracting high volumes of traffic. Our new LinkedIn page received over 50,000 visits in just 6 months (January–June 2016), which is unprecedented in the sector.

As a result of this strategy, which has already made our brands familiar to the sector, **we have joined the industry's two main European associations: Cosmetics Europe and the EFfCI.** Similarly, **we have been accepted into the European Working Group on use of titanium dioxide in cosmetics.** We are the only cosmetics raw materials supplier in the world to form part of this working group. Other members include brands like L'Oréal, Shiseido and Chanel. ADParticles provides technical consultancy for these major brands within this working group.

**But the most important things for us are the alliances we have created** with our distributors, with whom we work side by side. Between now and the end of the year, several of our leading distributors will be running **“ADPCOSMETICS DAYS”** in various countries, and we will be there to provide technical support. These exclusive events will be held over a number of days and will be attended by leading cosmetics brands, who will be presented with our products.

Over this short period of time, we have also attended — via our distributors — international trade fairs around the world, where our products and their novel technology were very well received.

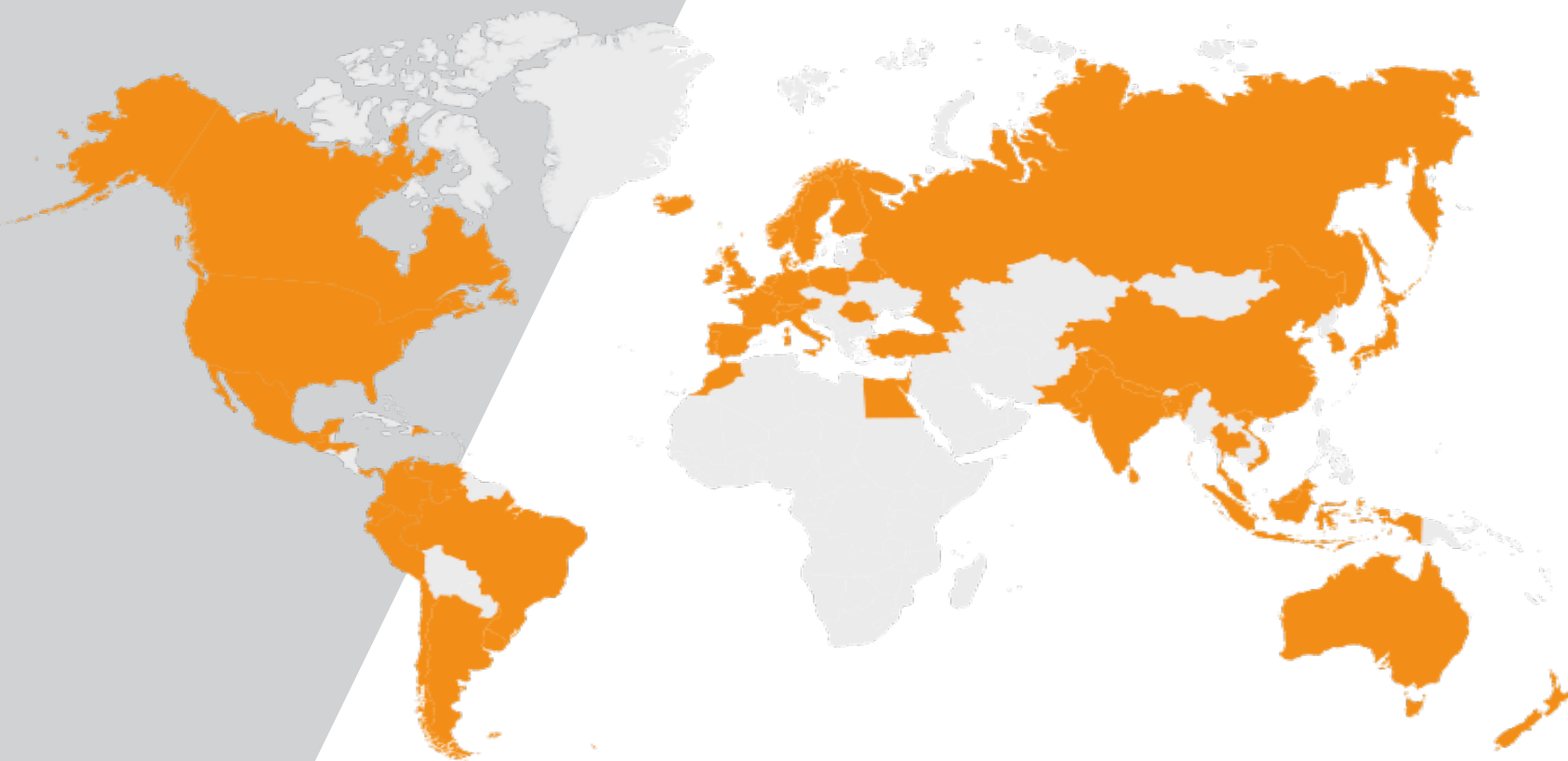
Beyond our cosmetics business line, **ADPARTICLES has been elected to chair Spain's newly created AEINA nanotechnology industry association.** The Spanish nanotechnology sector is estimated to be worth over €25 billion.

And **we have opened new lines of business, like catalysis, permanent magnets and polymers,** closing deals with multinationals to develop bespoke projects in some of them.

We are pleased with how things are going, but we are not stopping there: the best is yet to come. We continue to progress, setting new priorities and assigning more resources to projects whilst working to four broad objectives: to consolidate our products' presence in strategic markets, to increase our brands' value, to launch cutting-edge new products onto the market, and to commit to R&D. But our main aim over the coming months and years

will be to work together with our distributors and end clients to meet the common goals we have set for ourselves.

**“ADParticles has been elected to chair Spain's newly created AEINA nanotechnology industry association.”**



ADP  
around  
the world

ADParticles is a Spanish technology company. Founded in 2011, **it is a nanotechnology sector leader** and is present in over 90 countries.

**ADParticles is a spin-off of the CSIC (Spain's national research council)**, the third-largest public institution in Europe dedicated to research with over 15,000 staff, 3,000 of whom are researchers generating approximately 20% of all Spain's scientific output.

**W**e have only been trading for 15 months. We unveiled our products to the international market for the first time at Incosmetics 2015 Barcelona (April 2015), since when we have:

- **Expanded internationally.** We are currently present in over 90 countries through some of the world's leading cosmetics raw material distributors.
- **Created worldwide recognition for the ADPcosmetics brand.** We have featured in several of the sector's top publications and our distributors have represented us at trade fairs around the world.
- **Gained ISO, Halal, Ecocert and FDA certification.** All these certifications verify our uniqueness.

- **Joined the main European institutions.** We have been accepted by Cosmetics Europe and the EFfCI.
- Become the **only raw materials producer in the EUROPEAN WORKING GROUP ON USE OF TITANIUM DIOXIDE**, alongside the sector's major brands (L'Oréal, Shiseido, Unilever, P&G, etc.).
- Helped found the **AEINA, Spain's nanotechnology industry association**, taking the role of chair.
- Opened 4 business lines in addition to cosmetics (catalysis, cements, permanent magnets and polymers).

We are  
ADP



# PRODUCTS



## REVOLUTION in COSMETIC INGREDIENTS



**ENHANCEU** is a range of **PREMIUM-QUALITY** ingredients:

The SPF, UVA PF and LOC ratings are indicative of the high level of protection EnhanceU products offer.

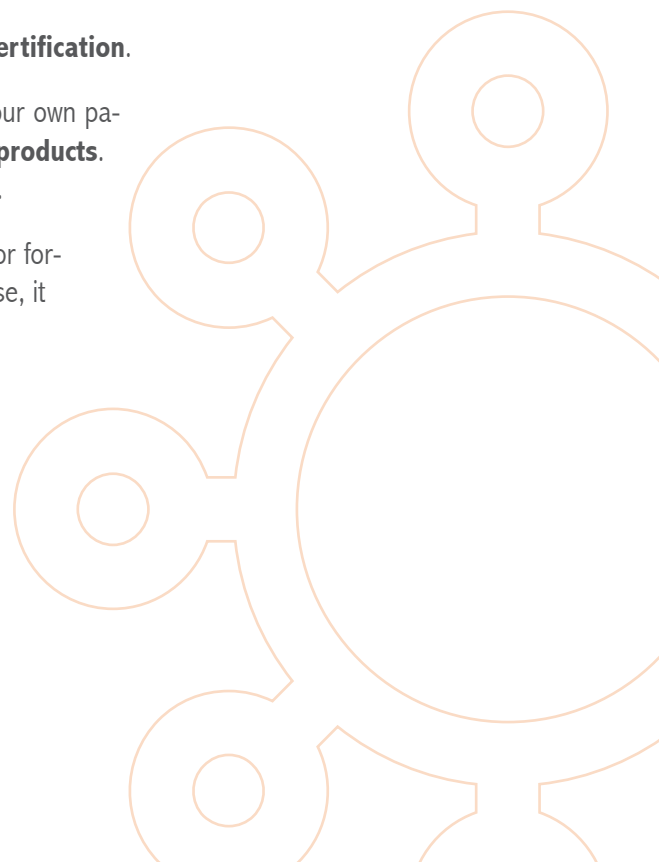
EnhanceU's Premium range holds **ECOCERT natural and organic cosmetics certification**.

EnhanceU is based on TiO<sub>2</sub>, SiO<sub>2</sub> and mineral pigments and is created using our own patented technology that produces **non-nanometric or non-nanometric-sized products**. This ingredient provides two functions in a single product: sunscreen and colour.

This combination of features makes EnhanceU-T colour the perfect candidate for formulating face moisturisers, BB creams, CC creams or make-up powders. Likewise, it is suitable for organic and/or hypoallergenic formulae.

**EFFECTIVEU** This product also provides a high level of broad-spectrum protection. It is specially designed to provide extra UVA protection.

It can be used in combination with other filters without that characteristic.



# PRODUCTS



## REVOLUTION in COSMETIC INGREDIENTS



### ENHANCEU-T-LIGHT

Inorganic tinted UV filter designed for use in cosmetic formulations to give delicate, paler skin a light rosy glow.

### ENHANCEU-T-WARM

Inorganic tinted UV filter designed for use in cosmetic formulations to give delicate skin a deeply tanned look.

### ENHANCEU-T-MEDIUM

Inorganic tinted UV filter designed for use in cosmetic formulations to give delicate skin a lightly tanned look.

### ENHANCEU-T-EXCLUSIVE

Inorganic filter with customised tinting to client specifications.



# PRODUCTS











## Sun FILTERS

NANO-FREE

### ENHANCEU

This is an **inorganic UV filter** designed with our own patented technology that allows us to create composites outside the nanometric range. It combines TiO<sub>2</sub> and SiO<sub>2</sub>, offering **broad protection from the entire UV radiation spectrum** and well balanced UVB and UVA protection. Its inorganic nature makes this ingredient perfect for hypoallergenic and organic sunscreens and moisturisers.

### ENHANCEU VS ORGANIC FILTERS

	UVA protection	
	Broad-spectrum protection	
	Hypoallergenic	
	ECO mark	

### EFFECTIVEU

This is the name of a new range of products with an **improved price-to-quality ratio**. It maintains key characteristics like the stabilising silica coating and **aluminium-free** content. These inorganic composites are compatible with formulae containing organic filters. Their properties include broad-spectrum UV absorption.





# PRODUCTS



## Sun FILTERS **NANO-FREE**

### ENHANCEU-T

It combines TiO<sub>2</sub> and SiO<sub>2</sub>, offering broad protection from the entire UV radiation spectrum and well balanced UVB and UVA protection.

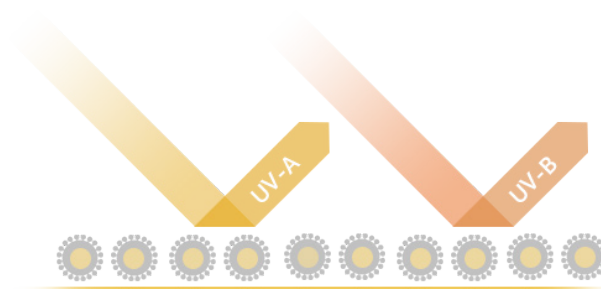
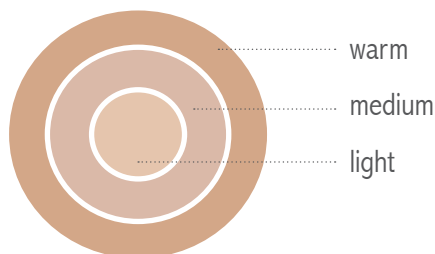
### ENHANCEU-S

It combines TiO<sub>2</sub>, ZnO and SiO<sub>2</sub>, offering broad protection from the entire UV radiation spectrum and well balanced UVB and UVA protection.

### EFFECTIVEU

Find out more about our range of sunscreen, beauty and skin care product ingredients.

- effectiveU-T
- effectiveU-Z





We create **cutting-edge technology** that delivers premium-quality products and services that help differentiate our clients. We also provide society with **products that encourage sustainable industrial development, improve health and protect the environment**. Our goal is to help improve our clients' customers' quality of life.

Our corporate philosophy focuses on quality, exclusivity and cutting-edge development. We are a young business with a bright future and a single **objective: to become an innovation leader** in our sector and meet the challenge of constantly innovating and creating products that add value to society.

## ADPARTICLES' PHILOSOPHY

The people who work at ADParticles are its most valuable asset, and we all identify fully with the company's values and principles. ADParticles is a constantly growing company with a **multi-disciplinary team** spanning doctors, scientists, researchers, lab technicians, operators, administrative staff and managers, all passionate about their work and keen to create innovative ideas.

## TEAM

**ADParticles is a spin-off of the CSIC (Spain's national research council), the third-largest public institution in Europe dedicated to research with over 15,000 staff, 3,000 of whom are researchers generating approximately 20% of all Spain's scientific output.**

Our alliance with the CSIC gives us **access to technology and latest-generation research facilities**. Ongoing collaboration with CSIC-ICV scientists allows us to develop differentiated products and services that give us an advantage over our direct competitors.

## ALLIANCE WITH CSIC

ADParticles is the only company in the cosmetics raw materials sector to form part of the European Working Group on titanium dioxide set up by the industry's leading European association: Cosmetics Europe. ADParticles is involved in this Group as an expert.

The group includes most of the world's leading cosmetics brands (L'Oréal, Procter & Gamble, LVMH, Estée Lauder, Chanel, Unilever, etc.). We will work alongside the sector's biggest brands to defend continued use of this cosmetics ingredient and find solutions to meet market demands.

## ASSOCIATIONS

## NEW LEGISLATION

**A new European regulation has been published on the use of titanium dioxide in cosmetics.** Main points:

1. The legal loophole under which nano TiO<sub>2</sub> was not regulated has now been closed.
2. Use of TiO<sub>2</sub> NPs is safe (except in sprayable products).
3. In order to use TiO<sub>2</sub>, the nanoparticles must comply with the terms of the new regulation. **ADP complies with this new European Regulation.**

## R&D. NEW PRODUCTS

Our differentiated value is based on **INNOVATION and DEVELOPMENT**, and over the next few months we will be launching **new environmentally friendly, cutting-edge product lines** in our target distribution channels.

## ADPARTICLES' INTERNATIONALISATION

In April 2015, ADParticles started making international sales. Within ten months, we had signed **over 20 contracts with the global sector's leading distributors**, and had a sales presence in over 90 countries, fully confirming market interest in our products.

## PRODUCTS

ADParticles' technology is based on a **revolutionary dry nanoparticle dispersion technique** that produces composites that maximise nanoparticles' effectiveness and benefits.

At ADPARTICLES, Corporate Social Responsibility (CSR) is at the heart of our strategy as an essential part of creating and maintaining a sustainable business.

Our operations are grouped into four areas:

- **Products:** quality, innovation, safety and efficacy. Our products constantly focus on improving health and protecting the environment.
- **Environment:** ISO 9001:15 and ISO 22716 certification and Ecocert certification for the entire EnhanceU product line.
- **Community:** partnership with local authorities and sponsorship of sports teams.
- **Employees:** work-life balance, training and professional development plans.

In the first half of 2016,  
we **expanded our production area**  
**to achieve greater scale and further automate**  
our production process.

**In 2016**, via our distributors, **we have participated in major international trade fairs on several continents.** In 2016, we will have our own stand at Cosmetorium Barcelona, and in 2017 at Incosmetics London.

Over the coming years we have no doubt that we **will become a benchmark** in the sectors in which we work, developing cutting-edge products and services that improve quality of life for our end clients.

## SOCIAL RESPONSIBILITY

## PRODUCTION LINE EXPANSION

## TRADE FAIR ATTENDANCE

## CHALLENGES

# Other BUSINESS lines

## CATALYSIS

The dry dispersion method also allows us to create **heterogeneous catalysts for use in the chemicals and petrochemicals industries**, as well as in environmental remediation.



## CEMENTS

**Safe-by-design sustainable cement-based products.** Nanoadditive-based, high-durability mortars and concretes.

## PERMANENT MAGNETS

Permanent magnets made from new ferrite-based compounds.

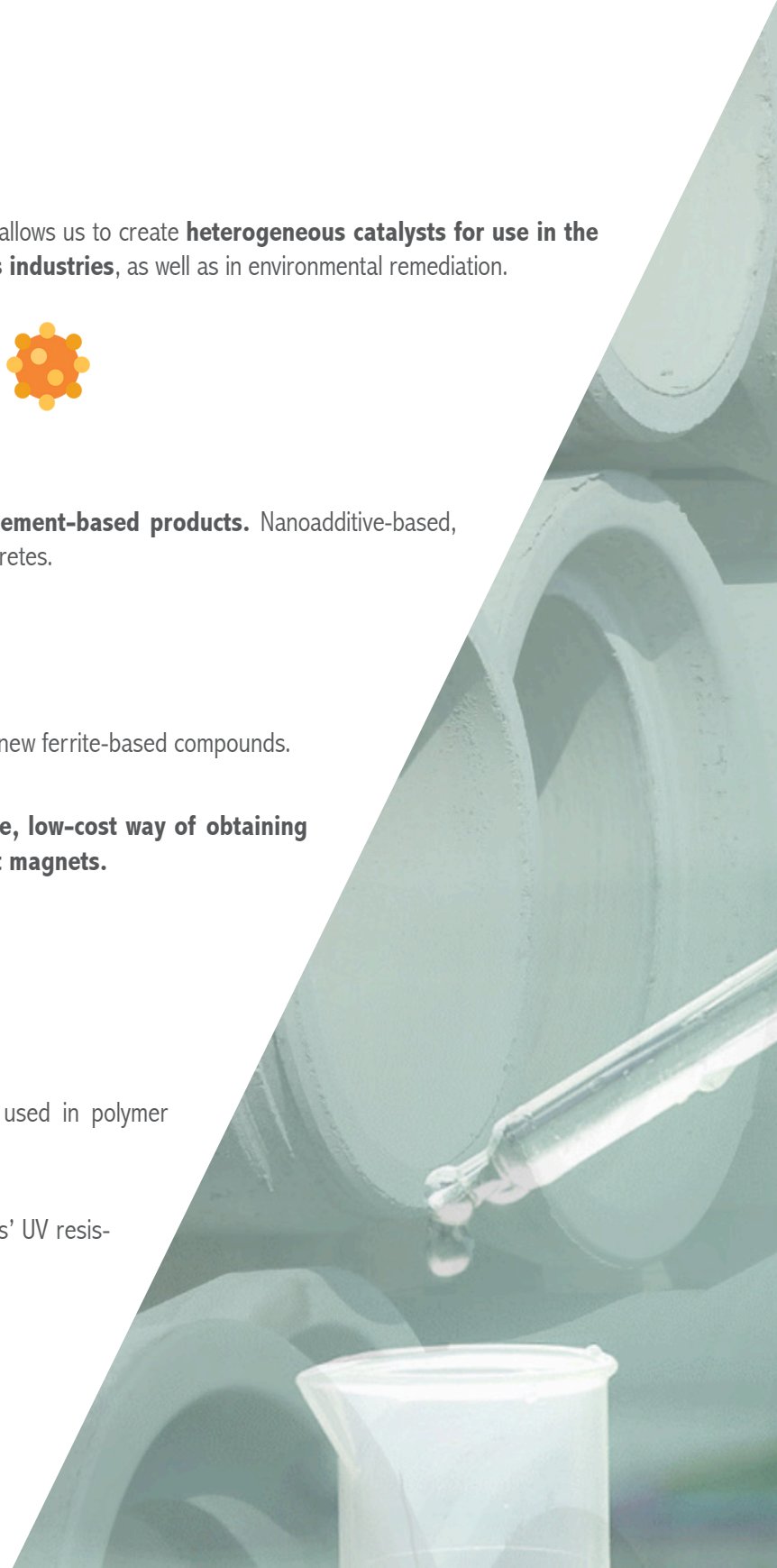


**Sustainable, low-cost way of obtaining permanent magnets.**

## POLYMER NANOPARTICLES

Simple and safe nanoparticles used in polymer functionalisation.

Improve polymer-based materials' UV resistance.





[www.ad-particles.com](http://www.ad-particles.com)