

June 2016



Specialised in Growth

## Ladies and gentlemen,



This time around, we would particularly like to provide you with some insight in to the market activities of several SHS investments. The dental company TRI, for example, is entering the US market after

having attained FDA approval. And our drug-delivery investment AMW is currently intensifying its capacities in order to serve the market.

Tremendous potential still exists on the regulatory side of things when it comes to ensuring growth in the area of medical technology. SHS Partner Reinhilde Spatscheck provides further details on this in her analysis.

You will also get to know the new managing director of puracon GmbH. We asked her for an interview and asked about her plans for growth.

I hope you enjoy reading,



Hubertus Leonhardt

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**ARTICLES**

**Awakening innovative strength**

The field of medical technology is facing major challenges. An aging society plagued by chronic diseases requires new diagnostic and therapeutic approaches. However, young innovative companies can often no longer finance the increasing regulatory requirements including generating clinical data, establishing and maintaining a sustainable quality assurance system and the often long and expensive road to standard reimbursement.

Solving this problem simply by increasing available capital is too shortsighted. Other barriers to innovation must be eliminated. For young companies, this particularly includes secure access to notified bodies; rapid standardization of approval processes for clinical trials across Europe including binding review of trial designs and reliable approval periods among national supervisory authorities; automatic inclusion of new procedures in standard reimbursement throughout Europe, as is the case for new medicines.



This is the only way physicians can try safe (CE approval) and effective (clinical trials) technologies for the good of their patients, evaluate the advantages and disadvantages, initiate improvements and make these available for all patients.

Find out more: <http://trendreport.de/innovationskraft-wecken/>

*Author: Reinhilde Spatscheck, Managing Partner at SHS*

**PORTFOLIO COMPANIES NEWS**

**AMW delivers first drug**

**KEY FACTS**

**Year established:** 2004

**Business purpose:** Development, production and marketing / out-licensing of speciality pharmaceuticals

**Products:** Transdermal systems (drug patches) and active implants for medical applications in oncology, neurology, psychiatry and endocrinology

**Location:** Wargau

After Arzneimittelwerke Wargau GmbH received approval at the end of 2015 for its 3.6 and 10.8 mg goserelin implants in several European countries, it reached another milestone this April with its launch of serial production and the first delivery of goserelin implants for sale.

In addition to the original manufacturer, AMW is the first and only company to have received approval for all dosages of goserelin. Approval processes are currently underway in other countries. Among other things, goserelin is used in the treatment of prostate cancer, breast cancer and endometriosis.

In order to be able to deliver the expected quantities, AMW is now boosting its production and investing in increased capacity. Among other things, a new production annex is currently being constructed on AMW's property.



*AMW delivers first implants and boosts production*

## Interview with Ruth Ch. Geßner of puracon GmbH

**SHS:**

Ms. Geßner, you have been Managing Director of puracon GmbH in Rosenheim since February. What exactly does puracon do?

**Geßner:**

puracon is a specialized full-service provider for the cleaning, assembly, packaging, sterilization and logistics of medical devices.

What makes puracon special are our processes, which ensure just-in-time processing of our orders. Our customers also appreciate the up to seven-year minimum shelf life we guarantee for products sterile-packaged by us.

A further core competence, we offer our customers, consists of the validation of processes. Over 300 products have been approved with our support.

Of course we are also registered with the FDA in the United States and accredited by the Japanese authorities.

**SHS:**

What is your personal experience in the medical technology industry?

**Geßner:**

I have been working in the medical technology market for over 17 years now. Among other things, I worked at large companies like Dentsply and the Danaher Corporation. The things I find most interesting about this industry are its dynamic development and the constantly changing environment.

**SHS:**

What are your further plans for puracon?

**Geßner:**

That's easy - we want to grow! The increasingly demanding regulatory environment is certainly one of the growth drivers. We see numerous opportunities for organic growth by way of customer acquisition and a broadening of our service offering.



At the same time, we are looking abroad. We see great opportunities in the US market. But entering the market has to be well-planned and prepared.

We also specifically looking for acquisitions, which means that we would like to acquire companies that fit well with puracon.

On the whole, I can say that I and my highly motivated team are looking forward to the exciting times ahead.

**KEY FACTS**

**Year established:** 2003/2015

**Business purpose:** Specialist for sterile assembly, packaging, certification and validation of medical products

**Products:** Processing implants primarily in the areas of dental, endoprosthetics and traumatology. Additional processing of various single-use products

**Location:** Rosenheim

*Ruth Ch. Geßner, Managing Director at puracon GmbH*

**SIS Medical organizes a symposium at the EuroPCR and appoints a top-notch advisory board**

**KEY FACTS**

**Year established:** 2007

**Business purpose:** Development, production and distribution of products for the treatment of vascular disease with a focus on balloon catheters

**Products:** PTCA Balloons, PTCA guide wires, catheters and accessories

**Location:** Winterthur (CH)

For the first time, SIS Medical organized a symposium at the EuroPCR. The event with the title "Super High Pressure PCTA" included presentations by experts on high-pressure balloon catheters for heart specialists from around the world as well as distribution partners and others who were interested in learning more on the subject. "The symposium at the EuroPCR was a complete success and the listeners were impressed by Super High Pressure PCTA", says Willi Zwahlen, co-founder and Managing Director of SIS Medical AG. "We had many inspiring conversations, further maintained our sales partnerships and expanded our network."

In addition to the successful trade fair presentation, SIS Medical established a medical advisory board within the past few weeks, which will be strengthening the link between practice, university research and SIS research. The company managed to attract world-class physicians as members of its advisory board: Professor Dr. med. Bernhard Meier from the

cardiology center of the University of Bern in Switzerland, Dr. med Achim Büttner, Head of Interventional Cardiology at the university cardiology center in Freiburg / Bad Krozingen in Germany, and PD Dr. med. Florim Cuculi, Head of Cardiology at the Lucerne Canton Hospital will be available to SIS Medical for consulting in the future. "We are very proud to have these outstanding physicians and scientists in our newly formed advisory board. The members of our advisory board are true luminaries in the field of interventional cardiology and will provide our research with impetus," explains Willi Zwahlen.



*SIS Medical Boost at EuroPCR*

**TRI receives FDA approval and launches an innovative contactless packaging concept**

TRI Dental Implants reached yet another important milestone in December 2015 in achieving approval of its products by the US Food & Drug Administration (FDA). This allows TRI now to sell its dental implant systems in the United States as well. In addition to this, the FDA is considered to be one of the leading registration authorities and thus serves a reference for many countries around the world.

In May 2016, TRI also launched the TRI® Pod, an exciting handling and design innovation. The contactless packaging concept allows for access to the implant using the surgical instrument directly in a single step, thus guaranteeing the highest possible level of surface cleanliness of the TRI® SBA surface. This serves to simplify, accelerate and streamline the treatment procedure.



Here an animation for TRI® Pod: [https://www.youtube.com/watch?v=tSSwr\\_ORthw](https://www.youtube.com/watch?v=tSSwr_ORthw)

**KEY FACTS**

**Year established:** 2010

**Business purpose:** Development, production and commercialization of implants and implant related products for the dental market

**Products:** Product lines TRI Vent/TRI Narrow/TRI Octa, TRI prosthetic portfolio (notably abutments), TRI surgery KIT

**Location:** Baar (CH)

*The innovative octal implant made by TRI*

**INSIDE SHS**

**Manfred Ulmer-Weber explains commercialization strategies at the MedTech Investing Europe Conference**

At the 22nd MedTech Investing Europe Conference, SHS investment manager Manfred Ulmer-Weber talked with capital-seeking growth companies. As a panel discussion participant, Ulmer-Weber providing several "dos and don'ts" with regard to commercialization strategies. In doing so, he particularly analyzed the advantages and disadvantages of direct versus distributor sales as well as the challenges in gaining access to markets with special regulations.

**Diagnostics expert Lubenow at SHS: What's in store for molecular diagnostics?**

With a market potential of 19 billion US dollars, DNA diagnostics has become a significant component of the diagnostics market as a whole and still has a great potential for growth. In light of this fact, the SHS team discussed current trends pertaining to Companion Diagnostics, Point of Care Testing, Next Generation Sequencing and anticipated developments with Dr. Helge Lubenow, an expert in this field. With 20 years of experience, Helge Lubenow supports diagnostics companies. Among other things, she previously headed the MolekularDx division at Qiagen.



*Dr. Helge Lubenow of Agos Consulting and Dr. André Zimmermann at SHS*

**CAREER**

**Jobs at SHS**

**Managing Director/MBI candidate (m/f) for medical technology, succession solution**

We are regularly seeking executives who would like to become entrepreneurs with us and drive the performance of companies. Together we develop a corporate vision and strategy, which you then put into action with our support. [Find out more >>](#)

**Internships for students**

Are you studying business, economics or engineering? We offer you the opportunity to apply your previously acquired knowledge as part of an experienced team of SHS professionals. You will benefit from a project-oriented, flexible working atmosphere, a flat hierarchy and diverse employment opportunities offered by SHS throughout the entire investment activity cycle. [Find out more >>](#)

## Jobs at SHS portfolio companies

### **Project Manager Research & Development (m/f)**

This job includes the development of medical devices from the idea to the production stage in interdisciplinary cooperation with the involved teams as well as the technical leadership of a project team during the entire project phase, ensuring documentation and traceability of all products created within the project phase, assisting in the creation of marketing materials and maintaining contact with partners and medical doctors. [Find out more >>](#)

### **Manager Regulatory Affairs (m/f)**

This job entails the registration of medical devices around the world, the preparation of the dossiers for approval and the support of the participating teams during the entire development phase. [Find out more >>](#)

### **Strategic Sales Manager (m/f)**

You have at least three to five years of experience in the management of international distributors and would like to take the next step with a rapidly growing Swiss medical technology company with market-leading products. [Find out more >>](#)

### **Head of Sales (m/f)**

c-LEcta is seeking a highly committed candidate to strengthen its upper management team. The successful candidate will be primarily responsible for developing and implementing commercialization strategies for new products, managing existing distribution partnerships and accounting for the company's own sales activities. The candidate is expected to have experience in the B2B ingredient market with a focus on food applications. This exciting assignment comes with excellent career opportunities. [Find out more >>](#)

### **General Manager (m/f) Cardiovascular**

Are you a leader with a pronounced sense of responsibility and quality? We offer you a management position in a rapidly growing medical technology company with a focus on production and R&D. [Find out more >>](#)

### **Project and design engineers in the fields of chemometrics methods and analytics, electronics and laser spectroscopy (m/f)**

SECOPTA analytics GmbH provides solutions for analytical tasks in industrial environments. The focus is on laser spectroscopic systems for elemental analysis based on laser-induced breakdown spectroscopy (LIBS). Applications for the robust inline industrial measurement technology include quality assurance, confusion inspection and process analysis. For primary and secondary raw materials, SECOPTA provides fast sensors for sorting (precision recycling) and volume flow evaluation.

If you already have experience with industrial laser analysis and LIBS, we look especially forward to receiving your application. [Find out more >>](#)

## PRESS REVIEW

### Selected press starting in March 2016

A selection of relevant articles about us and our portfolio companies:

**BioMedTech regional, March 2016: „SHS übernimmt Verpackungsspezialist puracon“ (SHS acquires packaging specialist puracon)**

Funds advised by SHS have acquired the packaging specialist puracon. The company assembles and packages sterile medical devices and implants in GMP certified clean rooms. In addition to this, puracon advises its customers on all regulatory issues. The investment is already the sixth in the fourth fund, which focuses on expansion financing, changes of shareholders and succession situations. [Find out more >>](#)

**GoingPublic Magazin, 02/2016 "Personalisierte Medizin" (Personalized Medicine), April 2016: "Der Stoffwechsel in der Diagnostik- so individuell wie sein Patient" (Metabolism in diagnostics - as individual as its patients)**

Even after a kidney transplant, the period of uncertainty does not end for patients as they wonder how the body will respond to the new organ. Investigations within the context of follow-ups are time consuming and sometimes unpleasant. numares has set its sights on limiting the use of invasive kidney biopsies using a urine test and identifying any complications at an early stage to respond faster. [Find out more >>](#)

**Börsen-Zeitung, June 4th, 2016: "Deutschland wagt zu wenig in Venture-Capital-Regulierung" (Germany risks too little with regard to venture capital regulation)**

Germany's prosperity is largely based on constant innovation and new competitive products. Great potential exists for this due to excellent research facilities, but legislation is making it hard for young founders to raise sufficient capital for their businesses. Reinhilde Spatscheck explains why this is the case in her guest article for Börsen-Zeitung [Find out more >>](#)

**Welt am Sonntag, June 6th, 2016: „Crash auf Raten“**

Startups with multi-billion dollar valuations are called unicorns because they were so rare for a long time. In recent years, their number has grown rapidly and now there are more than 160 of them. And some of them were valued too euphorically as indicated by recent devaluations seen in subsequent funding rounds. Hubertus Leonhardt is not surprised by this as he also views several other valuations as too high. He explains how he arrives at this assessment in the Welt am Sonntag newspaper. [Find out more >>](#)

**Investment focus:**

<b>Sector:</b>	life sciences (medical technology, diagnostics, applied technologies, industrial biotechnology/pharmaceutical industry; no drug development)
<b>Geographical Focus:</b>	Germany, Austria, Switzerland
<b>Reasons for investment:</b>	growth capital, strengthening equity, MBO/MBI, change of shareholders/succession, M&A financing, spin-off
<b>Company situation:</b>	growth/expansion, succession/company sale, internationalization; operating profit may be negative for growth, or for technology-related reasons
<b>Transaction value and Investment size:</b>	transaction value: up to € 100 mn; investment amount SHS IV: € 2-20 mn, with a co-investor from the SHS-network up to € 50 mn
<b>Investment types:</b>	majorities or minorities, equity & financial instruments similar to equity