

October 2016



Specialised in Growth

Ladies and gentlemen,



The medical technology industry in Germany is particularly strong when it comes to exports. On the other hand, the sector is increasingly struggling with different market access procedures in each country.

Could the fiercely discussed transatlantic free trade agreement TTIP change this? Could the opportunities for German and European medical technology companies improve? Or is there room for improvement from the industry perspective? To find out more, read the opinion piece by David Santorum, who is foreign trade expert at SPECTARIS, the German industry association for optical, medical and mechatronic technologies.

You can also get to know our portfolio company, Tyromotion. It features an impressive and highly innovative product portfolio for stroke rehabilitation.

We plan to invest in other exciting companies in the medical and healthcare industry with our current fund in the next few quarters. Extension acquisitions are also planned for companies in our current portfolio. Please don't hesitate to contact us, if you would like to discuss exciting projects.

I hope you enjoy reading,



Hubertus Leonhardt

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ARTICLES

SPECTARIS continues to call for an ambitious TTIP agreement

The European Commission published new documents on July 14, 2016 – despite ongoing negotiations on the trans-Atlantic free trade agreement TTIP – as part of its transparency initiative. Among other things, the long-awaited European draft for a medical devices annex was made public. The Commission had already published a fact sheet and a position paper on medical devices.

The medical devices annex is intended to strengthen regulatory cooperation between the two sides. This is to include removal of unnecessary duplications and joint development of future standards for medical devices. The work of the International Medical Device Regulators Forum (IMDRF) is to serve as the basis for this. Specifically, the Commission proposes, among other things, that quality management system (QMS) audits be mutually recognized, that Unique Device Identification (UDI) be adapted on both sides of the Atlantic, and that a Regulated Product Submission (RPS) be introduced. In addition to this, the text proposal foresees that both sides can independently continue to determine their own regulatory principles. The European fear that TTIP will force the EU to adopt the American market access system is thus dispelled.

The proposed measures in the field of medical technology are certainly positive – from both the patient and company perspective. The medical technology industry, however, expects the negotiators to take an even more ambitious step, namely mutual recognition of the market access procedures. Although the market access systems in the EU and the United States differ, both pursue the same objective of guaranteeing the safety of medical devices and maintaining the highest possible level of patient safety. SPECTARIS therefore advocates the idea that the TTIP agreement should



regulate mutual recognition of medical devices whose safety and efficiency has been demonstrated in the other legal system in each case. A medical device approved in the EU would therefore automatically gain access to the US market. Removal of duplicate procedures for market access would provide companies on both sides of the Atlantic with significant cost advantages and synergy effects. Especially SMEs would benefit from such a measure.

David Santorum, project manager at the industry association SPECTARIS

PORTFOLIO COMPANIES NEWS

SHS invests in robot-assisted stroke therapy

KEY FACTS

Year established: 2007

Business purpose: Development and distribution of robot-assisted and computer-assisted therapeutic devices for the rehabilitation sector primarily for stroke patients

Products: Amadeo finger-hand-therapy, Diego arm-rehabilitation, Myro interactive therapy, Pablo hand-arm-Rehabilitation, Tymo therapy board

Location: Graz (A)

In June 2016 SHS invested with its fourth fund in TYROMOTION GmbH from Graz, Austria. Venture capital was also injected by Austria Wirtschaftsservice (aws), the Development Bank of the Republic of Austria.

TYROMOTION develops and sells integrated solutions for motoricfunction rehabilitation primarily of stroke patients based on modern robotics and sensor technologies. Smart networking of individual devices allows physicians and therapists to provide their patients more intensive support. At the same time, the motivating and playful elements of the training programs provide an ideal type of therapy.

The company's portfolio includes products for finger, hand, arm and torso rehabilitation. The variety of devices produced by the company for these

therapies range from TYROMOTION's first development, a robot-assisted and computer-assisted device for finger and hand therapy (Amadeo), to an arm and shoulder rehabilitation device (Diego), which is the world's most advanced and versatile of its kind. TYROMOTION has already delivered a total of over 1000 devices to about 300 hospitals, rehabilitation centers and therapeutic practices around the world.



Amadeo - therapy device for fingers and hands

GNA Biosolutions strengthens its management team with an experienced CEO

GNA Biosolutions has signed on Dr. Frank Krieg-Schneider as its new CEO. He has more than 20 years of management experience in product development and marketing. After finishing his PhD thesis in molecular genetics at the University of Mainz and a postdoctoral fellowship at the University Hospital in Mannheim, he started his career at QIAGEN, a leading provider of life sciences and molecular diagnostics products. Dr. Krieg-Schneider was initially involved in establishing the product portfolio for diagnostic sample preparation. He then assumed responsibility for the product development strategy and roadmap for the molecular diagnostics and point-of-care markets as a member of the portfolio team. In his previous role as Vice President, Global Head of Strategic Alliances and OEM, he successfully developed new business fields with high double-digit million turnovers for QIAGEN.



Dr. Frank Krieg-Schneider is the new CEO of GNA

KEY FACTS

Year established: 2010

Business purpose: Development, production and distribution of molecular diagnostic tests (POC/PON) and devices that are at least 10 times faster based on the laser PCR technology to accelerate time-critical diagnoses (e.g. in case of infections) for the benefit of the patient.

Products: Pharos400 device and test cartridges

Location: Munic (D)

INSIDE SHS

National strategy conference "Innovations in Medical Technology"

Four years ago, the German government launched its "national strategy process for medical technology". It aimed to accelerate innovation processes, improve patient care and strengthen the level of innovation in the German medical technology industry. This required the definition of viable courses of action and the proposal of specific measures. Represented by Dr. André Zimmermann, SHS Gesellschaft für Beteiligungsmanagement was asked as one of the most relevant medical technology investors to accompany the national strategy process from the very start. At the second strategy conference, Dr. Zimmermann provided insight within the framework of an expert working group into new possibilities and forms of cooperation for financing clinical trials. Among other things, the extent to which health insurance companies can participate in clinical trials was discussed. Another issue consisted of whether hospitals can contribute in a clinical study without pay in a first step, with the possibility of subsequent compensation. The numerous important

delegates then discussed this crucial issue for medical innovations and the results were then submitted to the respective federal ministries.



Dr. André Zimmermann, Partner at SHS Gesellschaft für Beteiligungsmanagement

An expert on regulatory and clinical affairs takes on position of Venture Advisor at SHS



SHS is happy to have gained Carla Kikken-Jussen, who has a wealth of international experience as a manager for clinical trials and regulatory issues, as our Venture Advisor. She will be advising SHS and its portfolio companies in the future in these areas that are so important for medical and diagnostic companies. Ms. Kikken-Jussen has served as a central Advisory Board member in numerous international organizations including the Regulatory Affairs Professional Society (RAPS), the European Advisory Committee, at the Netherlands Standardization Institute (NEN) in the "Technical Committee" at the European Commission in Brussels, as well as the Board of Certification for CMDA (Certified Medical Device Associate) clinical evaluation.

Carla Kikken-Jussen, Venture Advisor at SHS

New in the team: Lars Burkhardt

Lars Burkhardt (33) has joined the SHS team as an investment manager. Burkhardt is a physicist and system scientists as well as a Certificate Private Equity Analyst (CPEA) with five years of experience in the investment business. The Berlin native will be supporting the SHS investment team especially in identifying exciting companies in the medical technology and life-science industry, performing due diligence and the ongoing management of portfolio companies.



Lars Burkhardt, Investment Manager 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 together 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

Medical device consultant in the field (m/f)

Spiegelberg GmbH und Co. KG has been developing and producing medical instruments for neurosurgery applications since 1986 and has since become one of the leading providers in this field worldwide. Have you completed your nursing training or are you working in surgery? If so, we have a new challenge for you, which will require that you work independently and take on responsibility. [Find out more >>](#)

Project Manager (m/f) / for sterile packaging solutions

As part of the growing global healthcare market, Puracon is seeking a new team member for its manufacturing site in Rosenheim. The company is seeking a project manager to support its numerous customer projects starting at the earliest possible date. [Find out more >>](#)

Electronic Product Developer (m/f)

TNI Medical is a young expanding company in Würzburg, German, which has taken on the challenge of developing, producing and distributing innovative treatment support products for home and hospital use. The company plans to expand strongly in the next few years as the result of launching a new product line. In light of this, the company is seeking an Electronic Product Developer (m/f) to fill a full-time position in its team. [Find out more >>](#)

CAD Designer / Development Engineer (m/f)

TNI Medical is a young expanding company in Würzburg, German, which has taken on the challenge of developing, producing and distributing innovative treatment support products for home and hospital use. The company plans to expand strongly in the next few years as the result of launching a new product line. In light of this, the company is seeking a CAD Designer / Development Engineer (m/f) to fill a full-time position in its team. [Find out more >>](#)

Project Manager Research & Development (m/f)

SIS-Medical: 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 doctors. [Find out more >>](#)

Manager Regulator Affairs (m/f)

SIS-Medical: 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 ndd Medizintechnik, 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 primarily be 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 >>](#)

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

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 June 2016

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

Mittelbayerische Zeitung newspaper, August 29, 2016: Ludwig, Sissy and Franz make the difference

The company numares AG in Regensburg develops new diagnostic procedures. Innovative analysis methods could become a new key technology in the healthcare industry. New jobs are being created on an ongoing basis due to the boom in the healthcare market. The Mittelbayerische Zeitung newspaper published an extensive report on the SHS portfolio company. [Find out more >>](#)

Kleine Zeitung newspaper, July 4, 2016: "Knocking down cans to Mozart"

SHS has invested in the Styrian company Tyromotion, which is a specialist for innovative rehabilitation devices. The company's devices move the patients passively, but are task-oriented and equipped with playful elements. As reported by the Kleine Zeitung newspaper, the company is causing a global stir with its Tyrosolution concept. [Find out more >>](#)

Neue Zürcher Zeitung newspaper, June 18, 2016: "Thinner air for medical technology companies"

The Swiss medical technology scene is changing and small innovative businesses are finding it increasingly difficult to achieve market access. While large companies are experiencing rapid growth, smaller companies have a more sobering outlook with regard to their market prospects. SHS helps these companies not only financially, but with regard to regulatory issues, as Managing Partner Hubertus Leonhardt explains in the Neue Zürcher Zeitung newspaper. [Find out more >>](#)

Basler Zeitung newspaper, June 8, 2016: "Swiss medical technology industry joins forces – stimulation device for stroke patients receives industry award"

In 2015 the SHS portfolio company Advanced Osteotomy Tools AG (AOT) received the CTI Swiss Medtech Award. The spin-off of the University of Basel intends to use a recent increase in capital to fund CE system certification and its market launch. The Basler Zeitung newspaper reported on the joint effort of industry associations Fasmed and Medical Cluster and provided a preliminary overview of Swiss Medtech Day 2016. [Find out more >>](#)

Investment focus:

Sector:	life sciences (medical technology, diagnostics, applied technologies, industrial biotechnology/pharmaceutical industry; no drug development)
Geographical Focus:	Germany, Austria, Switzerland
Reasons for investment:	growth capital, strengthening equity, MBO/MBI, change of shareholders/succession, M&A financing, spin-off
Company situation:	growth/expansion, succession/company sale, internationalization; operating profit may be negative for growth, or for technology-related reasons
Transaction value and Investment size:	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
Investment types:	majorities or minorities, equity & financial instruments similar to equity