

Company profile

SHS Gesellschaft für Beteiligungsmanagement

The Tübingen-based SHS Gesellschaft für Beteiligungsmanagement invests in medical technology and life science companies with a focus on expansion financing, shareholder changes and succession situations. SHS acquires both minority and majority shareholdings. As an experienced industry investor, SHS, founded in 1993, supports the growth of its portfolio companies through a network of cooperations, for example with the introduction of new products, regulatory issues or entry into other markets. German and international investors in SHS funds include the European Investment Fund, pension funds, funds of funds, family offices, entrepreneurs and the SHS management team.

The company is AIFM-registered with the German Financial Supervisory Authority BaFin. The active funds are accompanied by advisory boards from within the group of investors. The company is a member of German (BVK) and European (Invest Europe) venture capital associations.

SHS – the investment approach

SHS invests equity capital of up to 30 million euro in medical technology and life sciences companies. SHS does not simply see itself as a supportive financial investor, but as a partner that provides capital as well as industry competence.

This management approach aims to continuously develop portfolio companies and create sustainable value. SHS achieves this by way of the following:

- Timely and close support of investments by experienced SHS investment managers
- Close and trustful collaboration with the management
- Supporting the growth of portfolio companies with a network of partnerships for the introduction of new products, regulatory issues or entry into new markets
- Complementary syndication and forward-looking financing strategy by investing only as a lead or co-lead investor

SHS – the team

The SHS team has many years of experience with a very good track record and has been a well-rehearsed team for decades. Every employee has the ability to actively and constructively accompany all phases of a portfolio investment: From the first contact to the successful exit. The team has an extensive network of business contacts and relationships to a number of established, successful companies in the medical sector. Managing partners at SHS are Hubertus Leonhardt, Uwe Steinbacher, Reinhilde Spatscheck and Dr. Bernhard Schirmers.

SHS – the current fund

Since its establishment, SHS has created funds with a total volume of approximately 250 million euro. The current, fourth SHS Fund is one of the largest sector-specific funds in Europe with a volume of 125 million euro. This fund is almost double the size of its predecessor, the third SHS Fund, which had a total volume of 50 million euro. The current

fund is intended for investment in 12 to 15 growth companies. The maximum amount to be invested in a portfolio company by this fund is up to 20 million euro. SHS is also targeting transactions in the mid double-digit million range, which can be achieved together with a network of co-investors. The fund acquires majority and qualified minority shares in its portfolio companies. Succession situations and company spin-offs are also taken into consideration.

SHS invests in medical technology and life sciences company in the German-speaking world, which have marketable products, pursue a growth course or plan to enter new markets. SHS supports its portfolio companies not only with its many years of experience and market knowledge, but also with its extensive network of contacts and partnerships.

Excellent technology and dealflow conditions exist for this area, particularly in German-speaking countries. It is also interesting as a sales market due to its margins and its volume. The purchase prices for investments are currently much lower than in the United States, for example, while good exit opportunities promise attractive sales revenues within a few years.

SHS – the track record

SHS has demonstrated a particularly successful approach in the area of business growth.

SHS has thus far primarily provided venture capital to companies in the area of medical technology and life science. One example of this is VITA 34 International AG, one of the leading companies in Europe for individual storage of stem cells from umbilical cord blood.

The portfolio has also included the medical technology company Novosis AG, which manufactures skin patches for cancer pain and biodegradable implants for cancer treatment, as well as Probiogen AG in Berlin, which is a supplier for bio-pharmaceutical companies. Both of these companies managed to achieve significant growth during their time in the SHS portfolio and were sold with value growth to international life science companies.

The third and fourth SHS fund generations also include fast-growing and innovative companies.

These include the following:

- **CoreMedic AG:** The medical technology company with subsidiaries in Biel (Switzerland) and Tübingen (Germany) specializes in the development of medical devices and therapies for the treatment of heart valve diseases. CoreMedic's ChordArt™ Mitral valve repair system focuses on minimally invasive, transfemoral repair of the mitral valve on the beating heart. In May 2018, CoreMedic announced the first clinical use of its product on humans. SHS acquired a stake in the company in August 2017.
- **EIT Emerging Implant Technologies:** In 2016, SHS acquired a stake in EIT. The 3D printing specialist develops and markets cage spinal implants and instruments for vertebral body fusion. The company is the first European manufacturer of orthopedic medical products to manufacture its implants exclusively using additive manufacturing processes.

- **numares AG:** The diagnostics company develops and markets software-based test systems for high-throughput use in clinical human diagnostics and life science research. The highly standardized test systems provide valuable information on the disease status of patients in the indication areas of cardiovascular diseases, nephrology and oncology. SHS has been a lead investor in numares since 2009. In 2011, SHS together with financial partners provided further growth financing in the amount of seven million euros.
- **SIS Medical Distribution AG:** SHS invested in SIS Medical Distribution AG in 2015. The company provides physicians with innovative balloon catheters and has experienced strong growth in recent years. The product portfolio includes both small and highly pressure-resistant balloon catheters, which ensure stability even at very high pressures.

SHS – the portfolio companies (as of June 2018)

- AMW GmbH
- AOT AG
- c-LEcta GmbH
- CoreMedic AG
- CryLaS GmbH
- Crystal GmbH
- EIT Emerging Implant Technologies GmbH
- GNA Biosolutions GmbH
- HAL Aluminiumguss Leipzig GmbH
- medigroba GmbH
- Miracor Medical Systems GmbH
- ndd Medizintechnik AG
- Novo Klinik-Service GmbH
- numares AG
- phenox GmbH
- puracon GMBH
- SECOPTA analytics GmbH
- SIS MEDICAL Distribution AG
- Spiegelberg GmbH & Co. KG
- TNI medical AG
- TRI Dental Implants Int. AG
- TYROMOTION GmbH
- Vimecon GmbH