



*"Investing wisely in
healthcare innovation
for the benefit of society
and our members."*



April 2015

Members: 129

Countries: 10

Investments: 1

Leading Off

Remember us? MedPro's first investment shines at World Vaccine Congress.

Earlier this month, Washington, D.C. played host to an interesting World Vaccine Congress. There were several strong presentations from scientists with academia as well as corporate scientists. One of the most intriguing presentations was from a brilliant scientist who has shown excellent early results in Phase I/IIA trials in Glioblastoma. His presentation provoked numerous scientific questions from scientists in the audience. All of the questions he answered with impressive precision to the satisfaction of the inquirers. The company was Immunomic!

If that name rings a bell, it's because MedPro invested in the company last Fall. Our investment, at a valuation of \$20 million, was followed several months later with an announcement of a license granted by Immunomic to Astellas, the major Japanese pharmaceutical company, granting Japanese rights to Immunomic's red cedar allergy vaccine. Astellas paid Immunomic \$15 million at closing with promised milestone payments of \$55 million and double digit royalties down the

road. Although no announcement has been made, we believe that Immunomic expects to complete a mezzanine transaction at a valuation significantly higher than the one at which MedPro's investment was made.

On Deck

Some of the exciting opportunities currently under consideration

What are we seeing? Take a look at some of the issues targeted by companies we are reviewing and how they plan to solve them:

Type I Diabetes

Through technology that genetically engineers a patient's own liver cells into functional insulin-producing cells, one publicly traded company on MedPro's radar seems to have a promising approach to curing diabetes. Currently, the transplantation of allogenic Islet cells harvested from cadavers is the only FDA approved procedure. However, donor cells are in short supply and the risk of transplant rejection is a major concern. Elsewhere, engineering stem cells to produce insulin is being explored, though this, too, is a much more complex and risky process. Two of our specialists have positively reviewed this company's science. We believe it could be a game-changer, but it's still very early. We are actively engaged with the company in advancing the procedure into clinic trials.

Infectious Disease

MedPro has seen a healthy dose of investment opportunities in the infectious disease department. One such company, privately-held, is seeking to prevent bacteria from developing antibiotic resistance through disruption of pathogen cell membranes. The science here has been positively reviewed by one of our specialists and, following a phone call with Management, we are waiting for additional data.

The problem of bacterial resistance to antibiotics is a serious and expanding problem as new resistant strains of bacteria continue to emerge. The development of methods of killing bacteria that will not be overcome by bacterial resistance and will be safe for patients is a goal much sought after, and yet to be demonstrated successfully.

Another attack on infectious disease comes to us from a privately-held Australian company which is attempting to develop a "universal", cross-protective, intranasal flu vaccine. Its lead product is a whole inactivated virus (WIV) vaccine prepared using gamma irradiation which induces a potent immunity to different influenza virus strains and sub-types. The Company is also advancing a vaccine for pneumococcal pneumonia. Both vaccines have yet to enter clinical trials.

Drug Delivery

In the drug delivery space, MedPro is considering a publicly traded company whose proprietary, hand-held inhalation device vaporizes drugs into aerosols through a heating mechanism triggered by the patient's inhalation. The value added here is rapid drug onset. Initial applications are focused on the acute treatment of central nervous system conditions, such as agitation associated with schizophrenia and bipolar I disorder.

Walk-Assist Device

MedPro is also watching the progress of a Canadian Company with a unique, user-friendly, walk-assist device. The device is considerably lighter and more flexible than rigid exo-skeletons currently in the market. It is classified as a Class I device by Health Canada and is currently waiting classification by the FDA, as well as guidance as to clinical trials. Informal trials by the Company demonstrate use of the device by patients with Multiple Sclerosis and Parkinson's Disease and enables patients with some mobility to climb stairs and walk greater distances without a perceptible limp. The Company has also entered into "buy-and-try" contracts with the U.S., Canadian, French, and Swiss militaries, to assist soldiers

in the field to walk farther and carry heavier loads. Potential future adoption is several years away. MedPro is awaiting news from the FDA and the commencement of meaningful sales of the device in the consumer market.

Cancer Immunotherapy

MedPro Management has explored several investment opportunities in the rapidly expanding cancer immunotherapy sector. Currently on the short list is an opportunity emerging from a major medical research institution. Prominent scientists at the institution have completed promising Phase I/IIA trials in HER2 Breast and Prostate cancers. We are exploring the possibility of licensing the technology into a NewCo to be formed by MedPro and to complement NCI funding for further trials and other forms of cancer from MedPro.

The above list is not exhaustive and represents a sample of potential investments. Our interests and capacity to evaluate opportunities in many fields of medical specialization, thanks to our specialist Members, is quite extensive. We welcome suggestions of financing opportunities from MedPro Members and friends. We seek companies with some demonstration of clinical efficacy which show promise of advancing the standard of care. They may be public or private.

MedGrow

Help us increase the size of our Membership

The need for MedPro Investors has never been greater. More healthcare companies with emerging technology are seeking support than ever before, yet the pool of venture capital has been increasingly constrained. Thus, we see a broad spectrum of opportunities at favorable valuations. The larger we are and the more areas of expertise we can cover, the more we will be able to take advantage of these opportunities. The best sources of new Members are current MedPro Members. For this reason, we encourage you to recommend other healthcare professionals to join our ranks. Please do not hesitate to send us the

names of any healthcare professional friends, colleagues or associates that come to mind. A simple list including names and email addresses can be sent to steve@medproinvestors.com.

Stay tuned for May's newsletter!



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