

Syntellix Asia and Chunli agree far-reaching co-operation to introduce and market innovative “quantum leap in implantology” MAGNEZIX® medtech devices in China

- Milestone contract signed between leading Chinese orthopaedic medtech supplier and Singapore based Asian subsidiary and hub of German world-market and technology leader in the area of bioabsorbable metallic implants for use in orthopaedic and trauma surgery
- Contract volume of more than 100 million euros
- Significant patient benefit for millions of people targeted in China’s vast medical technology market with world’s biggest population of 1.5 billion people
- According to international experts, MAGNEZIX® implants developed by Syntellix are “clinically superior”, a “quantum leap in implantology” and the “new gold standard”
- German Innovation Award has recently confirmed Syntellix’ technology leadership and user orientation

Singapore/Beijing, 29 August 2019.

Today, a far-reaching co-operation contract was signed between Syntellix Asia Pte. Ltd., the Singapore based Asian subsidiary and hub of highly innovative German biomedical technology pioneer Syntellix AG from Hannover and China’s leading orthopaedic implant supplier Beijing Chunlizhengda Medical Instruments Co., Ltd., with the aim of tapping into the unlimited potential of the Chinese med-tech market based on the globally unique magnesium-based implant technology successfully developed by Syntellix, which has already obtained product registration and market approval in 56 countries worldwide.

The co-operation and distribution agreement foresees a very close and intense co-operation in many areas including sales & marketing and distribution in China as well as research & development, academic projects and training activities in China, and also a Sino-German exchange in order to promote the unique advantages of Syntellix’ magnesium alloy-based highly innovative implants. China, with its population of 1.5 billion people, is expected to become the biggest medical technology market in the world during the years to come.

The minimum purchase quantity of the agreed milestone contract amounts to more than 100 million euros over 5 years and thus reflects the significant potential of Syntellix’ technology as well as Chunli’s market access and distribution strength in the whole of China. Both sides are confident to achieve even far higher sales volumes than this contractually agreed minimum amount.

Syntellix Asia Pte. Ltd.

2 Science Park Drive
#02-10 Ascent
Singapore 118222

T +65 6265 1970
F +65 6265 3346

info@syntellix.com
www.syntellix.com

Board of Directors

Prof. Dr. Utz Claassen
Prof. Dr. Martin Kirschner
Dr.-Ing. Jan-Marten Seitz
Tan Bien Kiat
Sun Meng Sheng

Executive Chairman & CEO

Prof. Dr. Utz Claassen

For further information:

press@syntellix.com

Press Release

For immediate publication



On the side of Chunli, the contract was signed by Mr Shi Chunbao, the Founder, CEO, Director of the Boards and also Majority Shareholder of Chunli. For Syntellix, Prof. Dr. Utz Claassen, the Executive Chairman & CEO of Syntellix Asia Pte. Ltd., signed the contract.

The signature of the co-operation and distribution agreement marks a milestone in a year that for both companies has already seen major breakthrough developments. As recently as on 28 May, Syntellix was honoured with the German Innovation Award in Gold in the category “Excellence in Business to Business – Medical Technologies” for its MAGNEZIX® Pins magnesium implants at a gala event held at the Museum of Technology in Berlin by the German Design Council, which was founded in 1953 on the initiative of the German Federal Parliament.

All of Syntellix’ globally unique MAGNEZIX® products are designed to provide surgeons and patients with advanced implants that offer a previously unattainable combination of metallic stability, degradability and biocompatibility. In a widely acclaimed recent academic publication, Syntellix bone screws were evaluated as being “clinically superior” to the titanium implants commonly used. In April of this year, at a conference in Surakarta/Java, Gowreeson Thevendran, a leading surgeon from Singapore, based on his excellent experience with these implants over several years, described the magnesium technology developed by Syntellix as “the new gold standard” in this area.

MAGNEZIX® bioabsorbable metal implants, based on a globally unique patented magnesium alloy, dissolve completely in the bone. Unlike conventional metal implants, the patient does not have to undergo a second surgery to remove the implants. MAGNEZIX® implants degrade in the human body and are converted into bone tissue. This means these implants even support the healing process. Magnesium also has an inhibitory effect on infection and is well tolerated; according to the German Innovation Award jury, it is a “quantum leap in implantology”.

Chunli has recently added three new products to its already comprehensive orthopaedic joint product range, all of which successfully obtained product registration in China via the fast-track process. Syntellix, similarly, already has been granted the accelerated “innovative pathway” by the National Medical Products Administration (NMPA), the regulatory authority responsible for product registrations in China.

“Chunli is the best possible partner for us,” said Prof. Dr. Utz Claassen, Executive Chairman & CEO of Syntellix Asia Pte. Ltd., after signing the co-operation contract. “This co-operation is a milestone for us that can impact upon and change the medical world. We see it as a further confirmation that our magnesium technology has the potential to completely replace conventional titanium, steel or polymer implants in the long term. In doing so, Chunli and Syntellix’ strengths and interests are completely synergetic and aligned. The combination of Chunli’s significant resources and unique market access in China with our globally unique magnesium technology will be a great basis for us to uncompromisingly pursue our winning approach and bring it to a successful conclusion for the good of patients around the globe.”

Chunli CEO Mr Shi Chunbao commented the pioneer transaction as follows: “Chunli has seen a fantastic development in China and beyond in recent years based on high quality,

market proximity and excellent products in key implant areas such as knee or hip joints. With the Syntellix range of MAGNEZIX® products that are completely complementary for us and thus perfectly synergetic, we have the basis to disrupt the implant market in China. German technology and Chinese market understanding and market proximity are a unique combination and a unique asset that, as I am convinced, will also impress our shareholders and potential investors.”

About Chunli:

Chunli is a leading Chinese orthopaedic and trauma med-tech device manufacturer and marketer. The company is listed in the Hong Kong Stock Exchange and has undergone significant growth and a highly successful value creation development in recent years. Chunli employs more than 600 people of which more than 300 are working in sales & marketing. The company engages approximately 600 sub-distributors and covers all provinces of China. It has access to approximately 6,000 hospitals in the People's Republic. Chunli is not only engaged in manufacturing and marketing & sales, but has also developed a high reputation as a driver of research and innovation: the company hosts, organizes and sponsors numerous high-level academic events in China and beyond, and it is also engaged in research and training activities at hospital, municipal, provincial and national level. Chunli targets to be the leading supplier of orthopaedic medical technology in China for the years to come and has already made very significant progress towards this goal. In 2018, the company achieved a market share of approximately 15 percent in China, and in 2019 it intends to become the market leader in China in the market of orthopaedic and trauma implants.

About Syntellix:

Syntellix Asia Pte. Ltd. is the Asian subsidiary and hub of Syntellix AG, Germany, an internationally operating medical technology company with headquarters in Hannover, Germany, that is undergoing dynamic growth. The company specialises in the research and development and marketing and sales of highly innovative transformable metallic implants. Products made from the company's patented MAGNEZIX® are unique. In a widely acclaimed publication, they were evaluated as being clinically superior to the titanium implants commonly used. The implants degrade in the human body and are transformed into the body's own bone tissue, and in doing so offer an ideal combination of stability, elasticity and bioabsorbability. In a conference in Surakarta/Java, a leading surgeon from Singapore described the magnesium technology developed and used by Syntellix as “the new gold standard” in this area.

Syntellix is the world's market and technology leader in the field of bioabsorbable metallic orthopaedic implants and has already been honoured with numerous important national and international awards and prizes. These include the Innovation Award of the German Economy 2012/13, the Future Award 2016 of the German Healthcare Economy, the German Medical Award 2017, the STEP Award 2017 and the Innovator of the Year 2017 award – and now in 2019 the German Innovation Award in Gold; the implants were also a winner in the Product of the Year category of the Sustainability Award 2018 program.