

**Regentis Biomaterials to raise USD 30m in Series D round next year - CEO; UPDATED
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[3rd paragraph has been amended to show that the legal advisor is Kantor & Co, not Kantor Elhanani Tal & Co.]

Regentis Biomaterials, a privately owned medical device company, plans to raise USD 30m in a Series D round next year, President and CEO Alastair Clemow said.

Fresh funding will support a clinical trial in the US and will likely come from institutional investors such as venture capital funds. He noted that investors could come from the US, Israel, and Europe, pointing to the diverse geographical locations of its current investors. The stake will likely be a minority one but will depend on negotiations, he added.

Management of the company, which has its main offices in Israel and the US, does not need to be approached by financial advisers. It is advised on legal matters by Kantor & Co.

Regentis has raised USD 18m to date, including most recently USD 10m in May 2012 from the venture arm of Netherlands-based **Royal DSM**, as well as the **Crossroad Fund** and existing investors **Medica Venture Partners**, **SCP Vitalife Partners** and **Technion Investment Opportunities Fund**.

This year the company is focusing on generating initial sales in Europe for its GelrinC device, a biodegradable implant that helps regenerate cartilage in injured knees. It is preparing its submission to the US FDA for an investigational device exemption (IDE) that allows the device to be used in a clinical study to collect safety and effectiveness data, which it will submit next year.

It expects to receive the CE mark of approval in the coming months and will focus on sales in Germany originally and could expand to the Netherlands and Belgium afterward. Management is talking with potential strategic partners, including large and small distributors, he said.

A strategic partnership could ultimately lead to Regentis being acquired. He noted DSM is leading a significant push into the space with a number of acquisitions, while others such as **J&J**, **Stryker**, **Smith & Nephew**, **Zimmer** and **Arthrex** have expressed interest. He estimated the potential market for cartilage repair to be USD 750m to USD 1bn, with Europe making up about a half or a third of that.

Clemow described the ideal stages to be acquired as being either before the next round, or at the end of the US clinical trial, which could be in about two or three years. An acquisition before the next round would enable the acquirer, which would be more familiar and experienced with the FDA approval process, to conduct the clinical study in the US. Though the company is not actively looking to be acquired, it would consider approaches, he said.

Regentis Biomaterials has developed a liquid solution for repairing cartilage that enables material to grow without the need of cells. Unlike other solutions on the market it requires only one procedure, which limits the potential for complications.

Founded in 2004, Regentis Biomaterials has 15 employees and has its main offices in Or Akiva and Princeton.

by Lisa Damast