

Talk

Making a difference in a short time

New Value spoke with Andreas Küng, the new CEO of Swiss Medical Solution, a New Value portfolio company. Since mid-January of 2009, He has been strengthening the management of the young technology leader in self-diagnosis for urinary tract infections.

What excites you about working for a venture capital company?

Andreas Küng: First of all, I'm excited by entrepreneurial work. I'm looking forward to taking part in development and pioneer work and contributing to the desired success of a startup company. Plus, I enjoy developing strategies and working on the targeted implementation of concepts. A young company offers the advantage of short decision paths and the ability to make decisions quickly. This enables individual people and management teams to get things done quickly.

What experience do you bring to the company that is of special importance to the further development of Swiss Medical Solution?

In past years, I worked for several large pharmaceutical companies in the areas of sales, marketing and general management. Last year I worked abroad as a GM for a business unit. I therefore know how the health care sector functions, and I have the necessary experience to successfully meet the many challenges of marketing medicinal products and medications. I'm confident that with my professional background I'm well qualified to take Swiss Medical Solution one step further on its path toward success. At the center of this lies the commercialization of our product platform, developed by the company's founder, Jean-Jacques Becciolini, in pioneer work conducted in the last five years.

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«I like to develop strategies»



How would you rate the potential of Swiss Medical Solution's platform technology? The company has announced that it will introduce additional tests. Which ones?

Swiss Medical Solution has the potential to be the market leader in the area of self-tests for urinary tract infections, one of the fastest-growing self-diagnosis markets. Since 2006, we've been successfully selling a test that is customized to meet the needs of women. Thanks to its technology leadership in the field of bladder infection self-diagnosis, Swiss Medical Solution is also in a position to offer additional, important patient-group tests customized for their specific needs. We already have custom tests under development for diabetics, the elderly and small children, and we plan to launch them soon.

What trends are you seeing in the area of OTC self-tests? How would you judge the overall potential of the market in this segment?

It's always difficult to predict future developments. They generally depend on technological possibilities and the needs and behavior of patients, consumers, and health care professionals. What is nevertheless becoming clear today in the area of chronic illnesses is the trend toward increased high-tech and convenience. In the future, patients will be able to better monitor their state of health using self-tests and control it more actively with the help of supporting information. Self-tests will also allow patients, in cooperation with doctors, to become more actively involved in managing their illness and treatment.

What are your personal goals at Swiss Medical Solution?

As I mentioned earlier in our conversation, my goal is to contribute to the success of Swiss Medical Solution. I want to take on an active role here, to be an example, in order to achieve top performance with the help of the team. It's important for the future of the company to strategically pursue the right path and to be in a position to obtain the right cooperation partners by using our technologies and

products to win their trust. Last but not least, it's my goal to have fun on the job. It's been my experience that enjoying your job is an essential requirement for dealing confidently with customers, business partners and co-workers.

What do you expect from private equity partners?

Good cooperation between startup companies and private equity partners requires a close relationship based on trust. The financial investor must therefore know the market environment, the strategies, and the concepts for their implementation precisely. The startup company itself must have a clear idea of the investment strategies and interests of the investors in order to plan the long-term use of financial resources. I especially appreciate investors who also provide growth capital and are available to act as a sparring partner for the management team in answering basic questions, which is the concept of New Value.

Swiss Medical Solution: first market success

U-Lab is the first self-test specifically designed for adult women. The test is easy to use, can be applied at home and delivers fast and reliable results.

In September 2008, SMS signed a distribution agreement for Switzerland with Zambon SA, an international pharmaceutical company. In December 2009, a distribution agreement with the German OTC drug and personal care products manufacturer Dologiet has been signed. Further cooperations for other countries are being negotiated. U-Lab is available at pharmacies and chemist's shops.

Innovation

Anti-tick treatment for cats

In 2008, Bogar (www.bogar.com) introduced an anti-tick treatment for cats based on its already extremely successful anti-tick treatment for dogs. Both products are based on a high-quality herbal active ingredient.

This treatment against ticks, fleas and mites is available in two different application types: a spot-on drop solution and a spray. Both products work repellently.

Herb-based products offer the advantage of stimulating and supporting the body's own natural and physiological functions. The overall effectiveness of an herbal preparation depends on testing the active ingredient so that only the highest-quality ingredients are used. Thanks to many years of intensive research and development, Bogar has attained the knowledge necessary for bringing precisely this effective, natural and tolerable active ingredient to market.

Against ticks, fleas and mites

- Natural active ingredient
- Uses the power of nature
- Efficient application

bogacare® anti-tick-treatment for cats is based on a newly developed combination of margosa-extracts and specially selected lavender- and citronella-oil.



Bogar AG

Bogar is a specialist in natural pet health and care and develops, produces and distributes high-quality herbal pet food supplements and care products. It currently offers 19 products for dogs, cats and horses. In 2009, Bogar products will be distributed in Switzerland by Qualipet, Sun Store and Monar, among others, and in Germany by Trixie Heimtierbedarf, ARAS Tiernahrung, alfabet Tierarzneimittel, and Heiland.

Facts and Figures

Business segments	Pet health and care
Location	Wallisellen ZH, Switzerland
Workforce as of 12/31/2008	8 full-time positions
2008 sales increase	90%
New Value share as of 12/31/2008	29.8%
URL	www.bogar.com

Quarterly information

New Value develops its portfolio with further investments

In the third quarter of the 2008/09 financial year (as of December 31, 2008), New Value (www.newvalue.ch) supported new additions to its portfolio companies through multiple additional financing initiatives, all for the purpose of tapping new sales markets. The net asset value (NAV) of the investment portfolio, which focuses on young Swiss growth companies, slid from CHF 28.19 to CHF 22.81 per share, driven by the reduced valuation of its two publicly traded companies. Despite this 19% drop, New Value performed significantly better than the LPX (Listed Private Equity) benchmark index, which fell by 41%.

New Value conducted three financing rounds for portfolio companies between October and December of 2008. Solar Industries AG () raised CHF 5 million in capital. New Value invested CHF 2 million, increasing its share in the company's equity from 31.3% to 33.1%. Solar Industries plans to build production facilities for silicon (Italsilicon), solar cells (Solarcell) and solar modules for the Italian market as well as the entire European market.

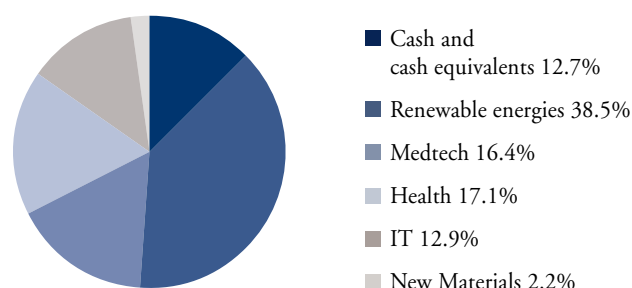
Bogar AG (www.bogar.com), which specializes in animal health and nutrition, raised CHF 7 million in capital in December. Funds were paid in cash or through setoff of existing loans. With CHF 1.2 million in new cash resources, existing sales structures will be expanded and new products will be developed. New Value invested CHF 2.2 million, increasing its share in Bogar AG's equity from 16.6% to 29.8%.

New Value also took part in financing the growth of Silentsoft SA (www.silentsoft.com), a seller of technologies and services for the operation of M2M (machine-to-machine) networks. The CHF 2 million financing round

was funded by the existing shareholders. New Value AG increased its stake by CHF 1 million and now holds 23.3% of Silentsoft's equity.

Finally, New Value contributed to the further development of Fotodesk (www.fotodesk.com) with a convertible loan of CHF 300,000. The online photo company recently launched several innovative products, such as high-quality photographic posters for home use. In mid-2008, New Value merged newly-acquired Colorplaza SA into Fotodesk.

**Portfolio by sectors
12/31/2008**



Market success for 3S Industries, Swiss Medical Solution and Natoil

Other portfolio companies also showed progress, even without new financing. 3S Industries (), a worldwide provider of production lines for solar module production, delivered a semi-automatic production line to the Spanish firm Eurenener Energia Solar. The next line will be delivered to India. 3S announced on January 22, 2009, that its wholly-owned subsidiary Somont GmbH has received an order

Quarterly information

from Renewable Energy Corporation (REC) worth EUR 14.5 million.

Swiss Medical Solution AG (www.swissmedicalsolution.com), developer and seller of urine tests for the early detection of urinary tract infections, has signed a distribution agreement with Zambon Schweiz AG as well as Dolorgiet GmbH & Co. KG. Swiss Medical Solution products will now be marketed exclusively in Switzerland by Zambon and by Dolorgiet in Germany. In addition, Andreas Küng was named the new CEO, bringing a wealth of market experience to the company.

Increased marketing activities also resulted in a significant rise in sales for Natoil AG (www.natoil.ch) toward the end of the year. At the same time, Natoil has expanded its activities to new segments. An engineering release was obtained from Laufer Pressen. In one Laufer press, up to 20 tons of lubricant will be used, many times more than the amount used in injection molding machines or pumps, the company's first market segments. For this purpose, Natoil has signed collaboration agreements with multiple vendors in Germany.

Corrections in the stock markets

New Value's two publicly traded companies, 3S Industries and Meyer Burger (www.meyerburger.ch), experienced sharp drops in value during the reporting period of 41% and 47%, respectively, correcting more significantly than the overall Swiss Performance Index (SPI), which fell by 18%. Solar stocks thus performed somewhat sluggishly, reflecting overall market developments. This was not without effect on New Value's share price, which fell from CHF 20.45 to CHF 16.30 or by 20%. The net asset value (NAV) slid by 19% from CHF 28.19 to CHF 22.81 per share. The LPX (benchmark index for listed private equity) lost 41% of its value during the last quarter. New Value proved to be more crisis-resistant during the 2008 calendar year, both in share price as well as NAV, with drops of 26% and 25%, respectively, than the LPX (-56%) and SPI (-34%) benchmark indices. New Value is completely equity-financed and is not involved in leveraged buyouts, which have been more strongly affected by the financial crisis. Instead, it is focused on long-term growth financing. In this difficult market environment, this has proven to be a successful strategy.

Company	Sector	URL	Form	Market value 31.12.2008	Portfolio share ¹⁾	Company share
3S Industries	Renewable Energies	www.3-s.ch	Shares	18,208,182	26.9%	10.9%
Solar Industries	Renewable Energies	www.solarindustries.ch	Shares	7,770,500	11.5%	33.1%
Idiag	Medtech	www.idiag.ch	Shares	7,615,320	11.2%	45.5%
Bogar	Health	www.bogar.com	Shares	7,146,250	10.5%	29.8%
FotoDesk Group	IT	www.fotodesk.com	Shares	4,502,115	7.1%	45.0%
			Loan	300,000		
Mycosym International	Health	www.mycosym.com	Shares	4,226,810	6.6%	49.1%
			Loan	240,000		
Swiss Medical Solution	Medtech	www.swissmedicalsolution.ch	Shares	3,273,693	5.2%	39.0%
			Loan	250,000		
Silentsoft	IT	www.silentsoft.ch	Shares	3,244,667	4.8%	23.3%
Natoil	New materials	www.natoil.ch	Shares	1,500,000	2.2%	23.8%
Qualilife	IT	www.qualilife.com	Shares	720,000	1.1%	18.2%
Meyer Burger Technology	Renewable Energies	www.meyerburger.ch	Shares	119,900	0.2%	0.1%
Total CHF				59,117,437	87.3% ²⁾	

¹⁾ Market value incl. consideration of cash and cash equivalents

²⁾ Market value/Net assets (investment grade)

Portrait

FotoDesk Group

The online printing specialists

In June 2008 the FotoDesk Group brought together the New Value Portfolio company ColorPlaza and FlauntR, to create a unique online-photo service under the brand FotoDesk.

FotoDesk is the only service worldwide that offers a single user interface for a full range of photo services. The FotoDesk service combines all steps of the digital photo processing including online storage and sharing, photo editing and printing of enlargements, photo books and photo gifts. All applications integrate transparently with popular social networking and photo sharing sites such as FlickrR, Facebook, MySpace and Google's Picasa.

FotoDesk Beyond Technology, building a lifestyle brand

FotoDesk is innovating on the print products front as well as in Technology. In June 2008 FotoDesk launched Fine Art printing which offers customers high-end printing on museum quality canvas and fine art papers. Tapping into the commercial success of fine art services FotoDesk has launched an online boutique which features over 16,000 prints of images and art work by internationally famous photographers and artists. In addition to fine art prints FotoDesk also offers a new range of protective covers and personalisation kits for laptops. With this new range of products FotoDesk has created a unique position in the industry as a "lifestyle brand for visual merchandise and decor products".



Fine Art Prints

flauntR

www.flantr.com

ColorMailer

www.colormailer.com

FastLab

www.fastlab.com

FotoDesk
Boutique

<http://boutique.fotodesk.com>



Laptop Skins

25%

A one-time introductory offer on all products at the **FotoDesk Boutique**. Simply fill in the voucher code **NEWVALUE09** when ordering at <http://boutique.fotodesk.com> and you will receive a **25% discount**. Valid until end of February 2009.

Media coverage

HandelsZeitung, November 19, 2008, page 12:

New Value, a SIX-listed investment firm, reported figures in the black for the first half of 2008/09 (as of the end of September).

Neue Zürcher Zeitung, November 19, 2008, page 30:

New Value profits from increased 3S valuation – New Value, the private equity firm specializing in growth companies, earned profits of CHF 2.99 million in the first half of the 2008/09 financial year as of the end of September.

Finanz und Wirtschaft, November 19, 2008, page 20:

New Value rises and falls – The venture capital firm New Value improved its CHF 85 million investment portfolio in the April–September period by 3%.

Finanz und Wirtschaft, December 13, 2008, page 12:

New Value follows suit – The investment firm New Value participated in Solar Industries' capital increase with an investment of CHF 2 million, slightly increasing its holding to 33.1%.

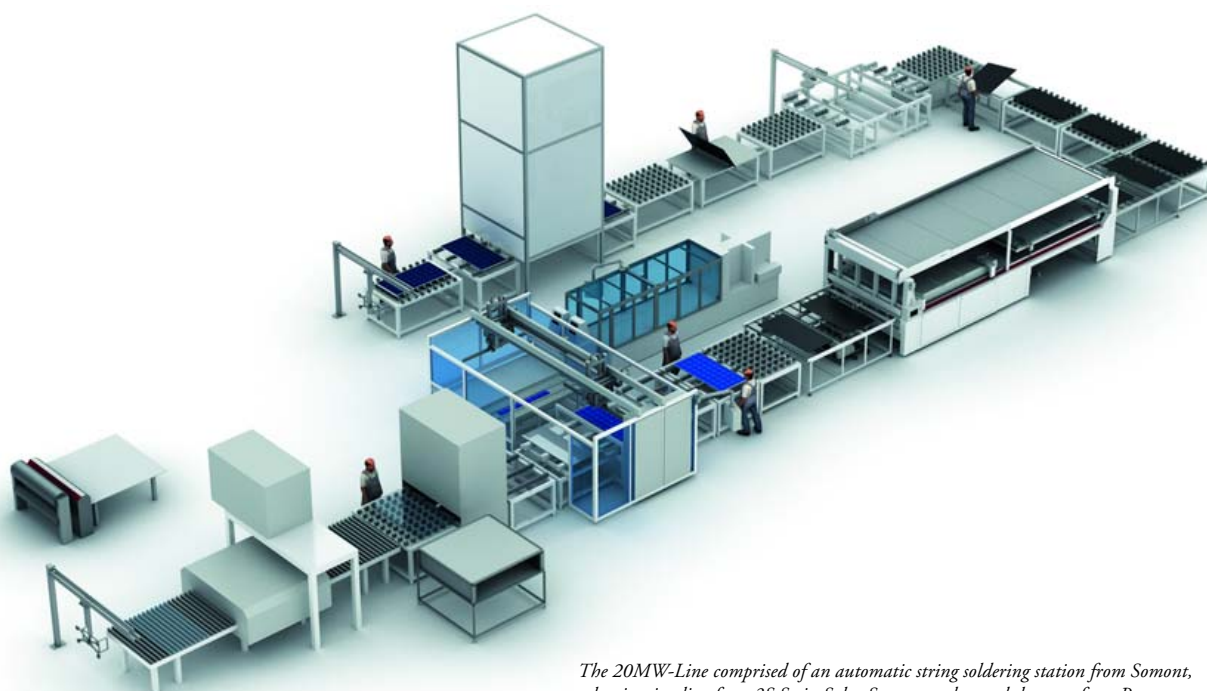
Current news

3S Swiss Solar Systems, a subsidiary of 3S Industries, delivers its first turnkey semi-automatic line.

In mid-November 2008, 3S delivered its first semi-automatic production line to the Spanish firm Eurenor Energia Solar, located in Alicante. With the acquisition of Somont in early summer 2008, the Group now has all

the key technologies for manufacturing solar modules.

A semi-automatic production line has been in operation since the spring of 2008 at 3S Swiss Solar Systems' own pilot plant in Lyss, Switzerland. It serves as a testing facility for students and as a training line. 3S also use it to manufacture its own modules for innovative building-integrated solar systems.



The 20MW-Line comprised of an automatic string soldering station from Somont, a laminating line from 3S Swiss Solar Systems and a module tester from Pasan.

A brief profile of New Value AG

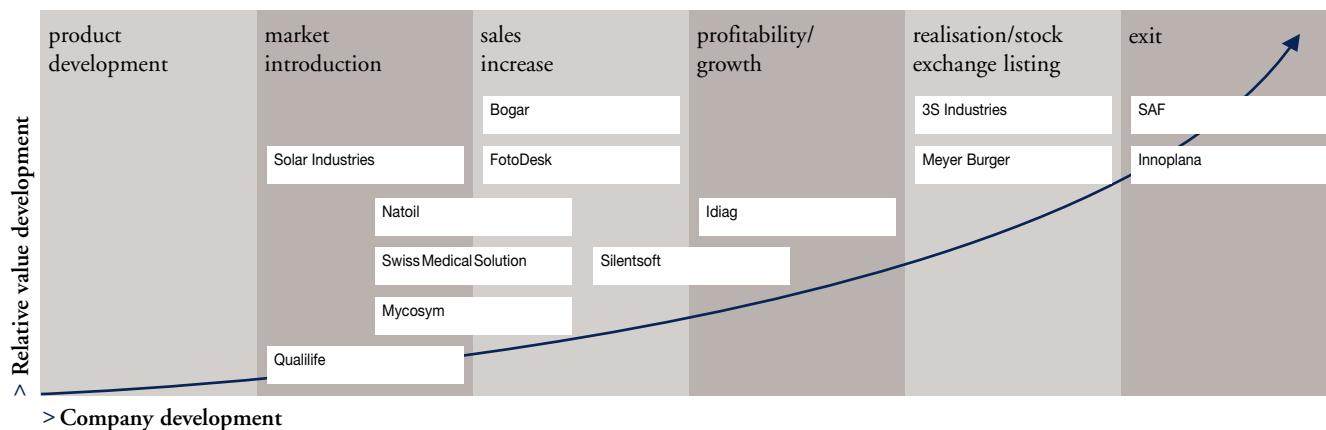
Ticker	Listing
NEWN (CH)	SIX Swiss Exchange
N7V (DE)	Xetra, Frankfurt (Open Market)

New Value is the pioneer in long-term direct investment in young Swiss growth companies. New Value, listed on the SIX Swiss Exchange, invests directly in up-and-coming private companies in Switzerland and other German-speaking areas that show above-average market and growth potential. As an investment company, New Value promotes innovative business models using venture capital and provides them with support until they achieve market success.

The portfolio includes companies of different degrees of maturity, ranging from market launch to established medium-sized operations with stable profits. A conscious choice has been made to adopt a broad-based approach. The portfolio includes companies in the areas of renewable energy, medical technology, health, information technology, and new materials.

In selecting businesses for its portfolio, New Value places great value on ethical business concepts and excellent corporate governance. Criteria such as meaningfulness, social responsibility and economic sustainability are regarded by New Value as decisive competitive advantages that promote the quality of products and services offered, thereby creating the potential for above-average performance.

Diversified Private Equity portfolio



Publications Events

- **June 16, 2009**
Release of 2008/09 Annual Report
- **July 2009**
General assembly

**new
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