

HEALTHCARE MONTHLY

DECEMBER 2019

Our healthcare team architects market-defining outcomes for some of the most innovative medical device, life science and diagnostics, healthcare services and pharmaceutical companies in the world.









BioTech / Pharma

Healthcare Services

Life Sciences / Diagnostics

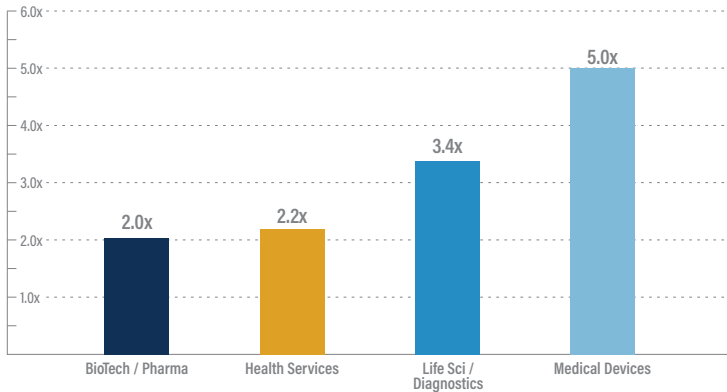
Medical Devices

HEADLINE TRANSACTIONS

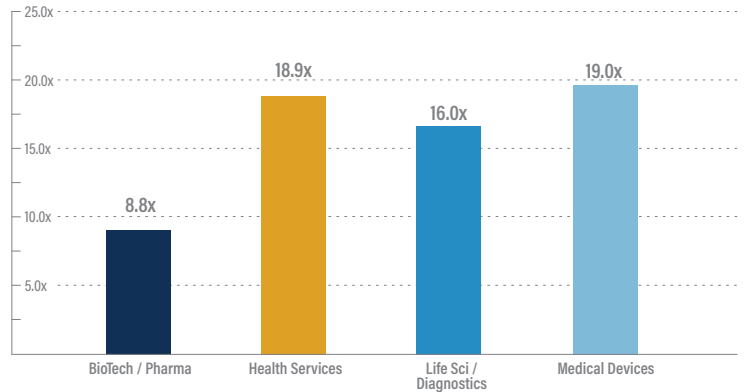
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
BioTech / Pharma			<ul style="list-style-type: none"> Novartis AG (SWX: NOVN) entered into a definitive agreement to acquire The Medicines Company (NasdaqGS: MDCO) for approximately \$9.7 billion, a 24.0% premium The Medicines Company focuses on developing therapeutics for the treatment oftherosclerotic cardiovascular disease Novartis AG researches and develops healthcare products worldwide
			<ul style="list-style-type: none"> Roche Holding AG (SWX: ROG) entered into a definitive merger agreement to acquire Promedior, Inc. for \$1.4 billion Promedior, Inc. develops therapeutics to treat rare fibrotic diseases such as myelofibrosis and idiopathic pulmonary fibrosis Roche Holding AG develops prescription pharmaceuticals worldwide
			<ul style="list-style-type: none"> Asahi Kasei Corporation entered into a definitive agreement to acquire Veloxis Pharmaceuticals A/S (CPSE: VELO) for approximately \$1.3 billion, a (9.9%) premium Veloxis Pharmaceuticals A/S develops products that aid in the prophylaxis of organ rejection in kidney transplant patients Asahi Kasei Corporation manufactures and sells chemical products internationally Implied Enterprise Value Multiples: 22.6x Revenue
Medical Devices			<ul style="list-style-type: none"> Stryker Corporation (NYSE: SYK) announced a definitive agreement to acquire Wright Medical Group N.V. (NasdaqGS: WMGI) for approximately \$5.4 billion, a 39.7% premium Wright Medical Group N.V. manufactures joint implants and bone fixation devices Stryker Corporation develops and markets medical devices worldwide Implied Enterprise Value Multiples: 5.7x Revenue, 48.5x EBITDA

HEALTHCARE GROWTH & VALUATION TRENDS

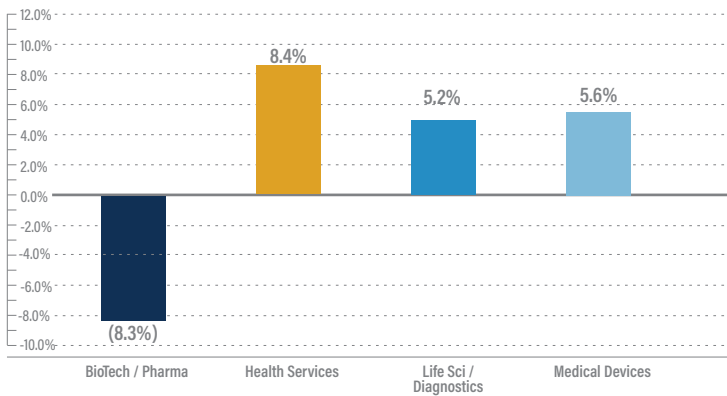
Enterprise Value / LTM Revenue



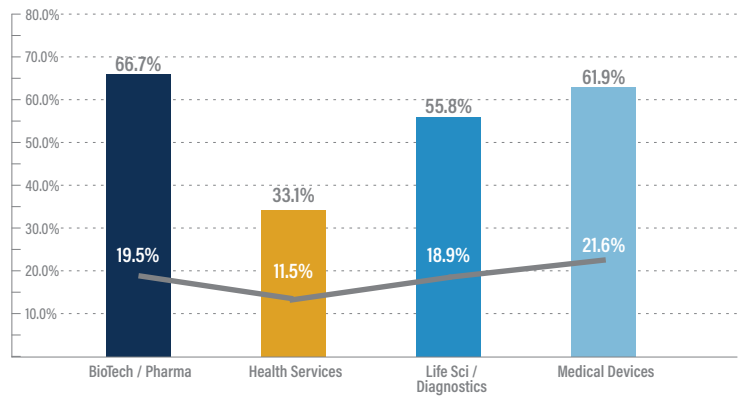
Enterprise Value / LTM EBITDA



LTM Revenue Growth

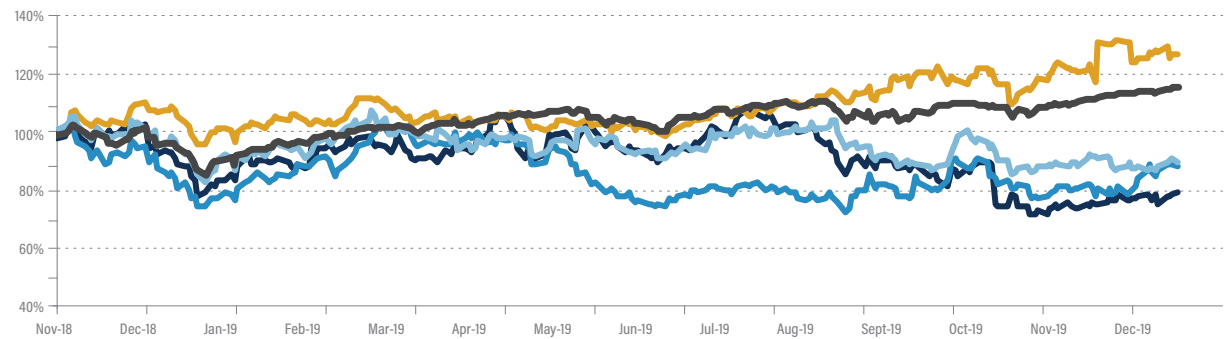


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

LTM Stock Price Index



80% BioTech / Pharma 126% Health Services 89% Life Sci / Diagnostics 90% Medical Devices 115% S&P 500 Index

SELECTED HEALTHCARE TRANSACTIONS

Target	Acquiror	BioTech / Pharma Transaction
Rodin Therapeutics Inc.	Alkermes Inc.	Rodin Therapeutics Inc. develops therapeutics for cognitive disorders Transaction Value: \$100 million and up to \$850 million in milestones
Calporta Therapeutics, Inc.	Merck & Co., Inc.	Calporta Therapeutics, Inc. develops small molecule agonists for the treatment of Niemann-Pick C Disease (NPC) and other lysosomal storage diseases Transaction Value: \$576 million in upfront payments and milestones
Kyowa Pharmaceutical Industry Co., Ltd.	Unison Capital, Inc.	Kyowa Pharmaceutical Industry Co., Ltd. offers psychiatric and neurological products Transaction Value: \$525 million

Target	Acquiror	Life Sci / Diagnostics Transaction
Gyros Protein Technologies AB	Mesa Laboratories, Inc.	Gyros Protein Technologies AB engages in the development, manufacture, and sale of microfluidic solutions for the life science industry in Sweden and internationally Transaction Value: \$180 million in upfront payments and milestones
Expedeon Ltd.	Abcam plc	Expedeon Ltd. develops and markets solutions for protein-based research and production to protein researchers Transaction Value: \$132 million
LGC Ltd	Astorg Partners; Abu Dhabi Investment Authority; Cinven France SA	LGC Limited operates as a measurement and testing company, which offers reference materials, proficiency testing, and genomic and analytical products & services

Target	Acquiror	Health Services Transaction
Soliant Health, Inc.	Olympus Partners	Soliant Health, Inc. provides healthcare staffing solutions to healthcare facilities in metropolitan cities and rural hospitals in the United States Transaction Value: \$612 million Transaction Multiples: 1.8x Revenue, 11.3x EBITDA
ZNLabs, LLC	Zoetis Inc.	ZNLabs, LLC is a full-service veterinary clinical reference laboratory company with a network of labs across the U.S.
Clear Genetics, Inc	Invitae Corporation	Clear Genetics, Inc. provides genetic counselling services for women, healthcare providers and health systems

Target	Acquiror	Medical Devices Transaction
Lumenis Ltd.	Baring Private Equity Asia	Lumenis Ltd. develops and commercializes energy-based medical systems for use in minimally invasive procedures worldwide Transaction Value: \$1.2 billion
Consort Medical plc	Recipharm Holdings Limited	Consort Medical plc operates as a one-stop developer and manufacturer of drugs and premium drug delivery devices internationally Transaction Value: \$650 million Transaction Multiples: 2.1x Revenue, 13.6x EBITDA
Cynosure, Inc.	Clayton, Dubilier & Rice, LLC	Cynosure, Inc. develops aesthetic treatment systems for plastic surgeons, dermatologists, and other medical practitioners Transaction Value: \$205 million

Selected TM Capital Healthcare Experience

TM Capital's Healthcare Industry Contacts



James McLaren,
Managing Director
jmclaren@tmcapital.com
212.809.1414



Michael Goldman,
Managing Director
mgoldman@tmcapital.com
212.809.1419



Paul Smolevitz,
Managing Director
psmolevitz@tmcapital.com
212.809.1416