

# HEALTHCARE MONTHLY

MARCH 2023



*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

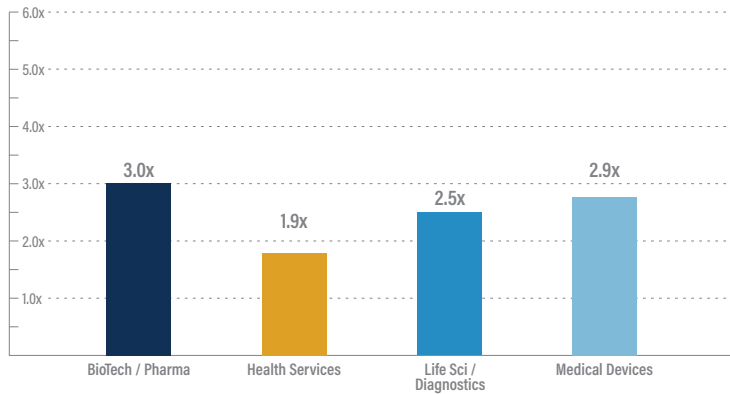
Medical Devices

## HEADLINE TRANSACTIONS

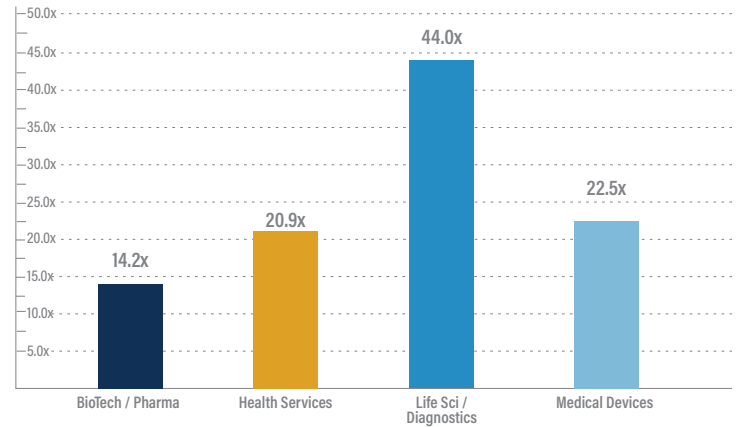
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Life Sciences / Diagnostics	  		<ul style="list-style-type: none"> <li>Biotage AB (STO:BIOT) has reached an agreement to acquire Astrea Bioseparations Ltd., a subsidiary of Gamma Biosciences, LP, which is a portfolio company of KKR &amp; Co. Inc. (NYS:KKR)</li> <li>Astrea Bioseparations provides process chromatography solutions including columns, resins and nanofiber purification technology for life sciences and other industries</li> <li>Biotage, based in Sweden, develops and supplies instruments and consumables for separation used in organic, analytical and industrial applications</li> <li>Total Consideration: \$215 million, 7.7x 2022 Revenue, 59.1x 2022 EBITDA</li> </ul>
Healthcare Services			<ul style="list-style-type: none"> <li>CVS Health Corp. (NYSE:CVS) has reached a definitive agreement to acquire Oak Street Health LLC (NYSE:OSH)</li> <li>Oak Street Health is a network of value-based primary care centers for adults on Medicare, operating over 160 medical centers across 21 states</li> <li>CVS Health is a leading health solutions company that owns CVS Pharmacy, a retail pharmacy chain; CVS Caremark, a pharmacy benefits manager; and Aetna, a health insurance provider</li> <li>Total Consideration: \$9.8 billion in cash, 5.3x 2022 Revenue</li> <li>Per share price represents a premium of ~50%</li> </ul>
Medical Devices			<ul style="list-style-type: none"> <li>Globus Medical, Inc. (NYSE:GMED) has reached a definitive agreement to acquire NuVasive, Inc. (NASDAQ:NUVA)</li> <li>NuVasive develops, manufactures and distributes medical devices and provides procedures for minimally invasive spinal surgery, including software systems for surgical planning and monitoring, access instruments and implantable hardware</li> <li>Globus Medical develops, manufactures and distributes musculoskeletal device solutions</li> <li>Total Consideration: \$3.0 billion in stock, 3.2x 2022 Revenue, 17.2x 2022 EBITDA</li> <li>Per share price represents a premium of ~26%</li> </ul>
	 CARDIOVASCULAR SYSTEMS, INC.		<ul style="list-style-type: none"> <li>Abbott Laboratories (NYSE:ABT) has reached a definitive agreement to acquire Cardiovascular Systems, Inc. (NASDAQ:CSII)</li> <li>Cardiovascular Systems is a medical device company that develops and commercializes solutions for treating peripheral and coronary artery disease</li> <li>Abbott Laboratories is a global healthcare leader with businesses and products in diagnostics, medical devices, nutritional and branded generic medicines</li> <li>Total Consideration: \$745 million, 3.1x 2022 Revenue</li> <li>Per share price represents a premium of ~50%</li> </ul>

# HEALTHCARE GROWTH & VALUATION TRENDS

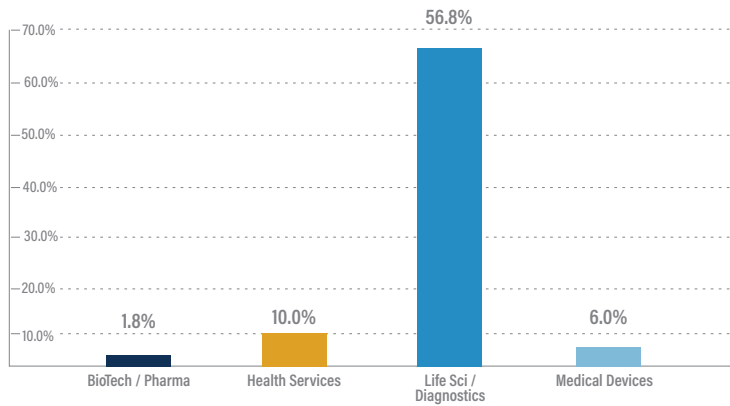
Enterprise Value / LTM Revenue



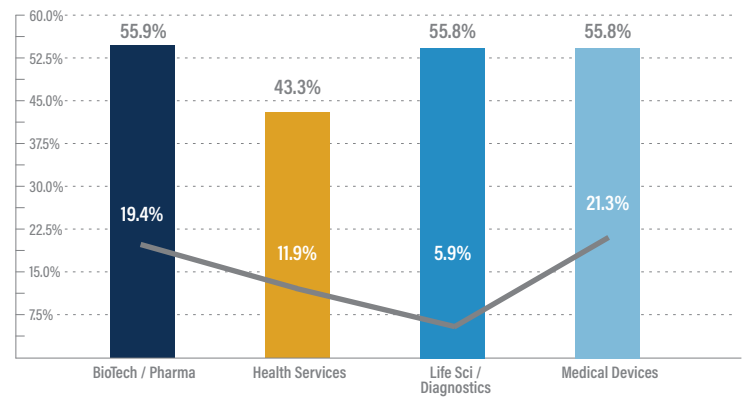
Enterprise Value / LTM EBITDA



LTM Revenue Growth

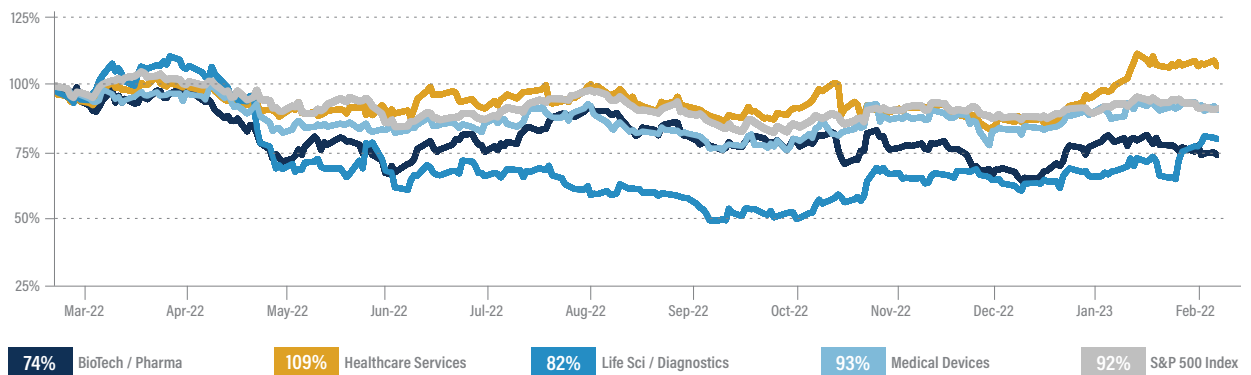


LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

LTM Stock Price Index



# SELECTED HEALTHCARE TRANSACTIONS

Target	Acquiror	BioTech / Pharma Transactions
Infinity Pharmaceuticals, Inc. (NASDAQ:INF1)	MEI Pharma, Inc. (NASDAQ:MEIP)	Infinity Pharmaceuticals is a clinical-stage biotechnology company developing eganelisib, an oral, immunoncology macrophage reprogramming drug candidate Total Consideration: All-stock transaction (MEI Pharma shareholders are expected to own ~58% and pre-merger Infinity shareholders are expected to own ~42% of the outstanding equity of the combined company)
DMK Pharmaceuticals, Corp.	Adamis Pharmaceuticals Corp. (NASDAQ:ADMP)	DMK Pharmaceuticals develops treatments for central nervous disorders, including opioid use disorder, chronic pain, Parkinson's, depression and bladder problems
CRB-701 rights from CSPC Megalith Biopharmaceutical Co., Ltd. (CSPC Pharmaceutical Group (HKEX:01093))	Corbus Pharmaceuticals Holdings, Inc. (NASDAQ:CRBP)	CRB-701 is a novel clinical-stage antibody drug conjugate targeting Nectin-4 expressing tumors, with clinical development underway focusing on urothelial cancer Total Consideration: \$692 million, consisting of \$75 million upfront and \$685 million in earnout

Target	Acquiror	Life Sci / Diagnostics Transactions
Streck LLC	Madison Industries	Streck develops and manufactures products addressing hematology, immunology, molecular diagnostics, cell stabilization and infectious diseases for the medical and life sciences sector
Sense Biodetection Ltd.	Sherlock Biosciences, Inc.	Sense Biodetection, based in the U.K., is a molecular diagnostics company focused on healthcare access and affordability by developing easy-to-use, rapid, disposable molecular tests without the constraints of an instrument
ARCHIMED Life Science GmbH	amedes Holding GmbH	ARCHIMED Life Science, based in Vienna, Austria, develops diagnostic services for patients with rare diseases and newborns, including clinical mass spectrometry and next generation sequencing

Target	Acquiror	Health Services Transactions
Lake Norman Regional Medical Center, Davis Regional Medical Center (Community Health Systems)	Novant Health, Inc.	Lake Norman Regional Medical Center, based in Mooresville, North Carolina, is a 123-bed acute-care hospital offering medical services; Davis Regional Medical Center based in Statesville, North Carolina, is in the process of transitioning to an inpatient hospital focused on behavioral health services from a 146-bed acute-care hospital Total Consideration: \$320 million
South Bend Orthopaedics	OrthoAlliance (Revelstoke Capital Partners)	South Bend Orthopaedics provides orthopedic and rehabilitation services to patients, including joint replacement, sports medicine, trauma, hand, spine, foot and ankle care
Pediatric Affiliates, P.A.	Webster Equity Partners	Pediatric Affiliates provides pediatric and dental care for children, specializing in disease prevention, diagnosis and treatment of common diseases

Target	Acquiror	Medical Device Transactions
Q Holding's Precision Components Division (3i Group)	Cirtec Medical Corp., (3i Group), SaniSure, Inc.	Q Holding's Precision Components Division provides silicone and elastomeric molding and extrusion capabilities to the medical device and biopharma markets Total Consideration: \$126 million
Novonate, Inc.	Laborie Medical Technologies Corp. (Patricia Industries)	Novonate develops medical devices for babies in the neonatal intensive care unit, including LifeBubble, an umbilical catheter securement system
RBC Medical Innovations	Sterling Medical Devices, Inc. (Ampersand Capital Partners)	RBC Medical Innovations designs, develops and manufactures medical devices, including a radiofrequency puncture generator, non-invasive / invasive generator, vascular compression system, intra-aortic balloon pump, in-vitro diagnostics equipment and more

## Selected TM Capital Healthcare Experience

 <p>A PORTFOLIO COMPANY OF</p>  <p>HAS BEEN ACQUIRED BY</p> 	 <p>A PORTFOLIO COMPANY OF</p>  <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS RECEIVED A STRATEGIC INVESTMENT FROM</p> 
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