



The Walden Group

2022 Q3 Strategic Healthcare M&A Report

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for

The Healthcare Industry

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The Strategic Healthcare M&A Report analyzes important merger, acquisition and strategic transactions taking place in the healthcare industry. A complimentary copy of the Report can be obtained by subscribing at www.waldenmed.com. With 30 years of experience and a lengthy track record, The Walden Group is a strategic merger & acquisition advisory firm focused on the healthcare industry.

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Market Overview

Global Economic Turbulence Weighs Down M&A Deal Volume but Not Deal Value

A recent EY report noted that in the 12 months ended June 30, 2022, the number of medtech deals signed dropped to 252 from 288 compared to 2021, though total transaction value increased 12%. Surging inflation, supply chain issues and decreased spending have inhibited M&A and will likely extend into 2023. However, recently announced “mega-deals” in the second half of 2022 may signal some market healing and adjustment.

After the EY Report was released, these deals were announced.

- In November 2022, despite its planned consumer health spin-off, **J&J** recently announced plans to purchase **Abiomed** (heart pump manufacturer) for \$16.6b upfront, plus up to \$400m in milestones on sales of \$1.0b (16.6x) and normalized EBITDA of \$401m (41.4x).
- In October 2022, **Thermo Fisher** announced plans to acquire **The Binding Site Group** (blood cancer diagnostic equipment and assays) from **Nordic Capital**, for \$2.6b on sales of \$220m (11.8x).
- In October 2022, **Orthofix Medical**, a \$465m producer of spine and orthopedic devices and implants and **SeaSpine**, a \$191.5m maker of orthobiologics, spinal implant and surgical navigation solutions, announced they will merge in a deal worth \$215m.

- In October 2022 **Danaher’s Beckman Coulter** subsidiary purchased **StoCastic** (decision support tools for hospital emergency departments) and its **Cytiva** subsidiary acquired Germany-based biomanufacturing company **CEVEC Pharmaceuticals**.

To Unlock Value, Diversified Conglomerates are “De-Diversifying” and Spinning Off Unrelated Businesses

During the past few years, large public companies that have spent years and huge amounts to expand into adjacent and unrelated areas are now spinning-off or divesting noncore businesses. See “Shrink and Focus Transactions – Select Spin-Offs and Divestitures”.

Effectiveness Deadlines of EU MDR Threaten Ongoing Availability of Key Products and Technologies. Key Deadline is May 2024.

Due to a maddening level of bureaucracy and red tape, ongoing commercialization of medical devices is in jeopardy. The EU has delegating the responsibility for assessing the safety and efficacy of medical products to a cadre of “notified bodies”, which are firms specially qualified to make such assessments. Originally, there were 126 MDD notified bodies. Currently, due to the pandemic, potential liability, staffing shortages, and other problems, there are only 34 Notified Bodies qualified under the new MDR. And they are themselves having problems hiring and keeping qualified personnel.

In its infinite wisdom, MDR requires all medical devices – new ones and ones on the market for years with voluminous safety and efficacy records – to be registered, with extensive data files that often involve new clinical studies.

The implementation of the MDR is being felt by not only device manufacturers, but also patients and health systems. And products from smaller device makers, which cannot afford the expense and hassle of the new regime, are disproportionately affected. Applicable decision-makers need to take immediate action to keep needed medical devices on the European market.

A recent survey among medical device manufacturers -- representing an estimated 60-70% of the entire market's revenue -- produced the following ominous results:

- MDR certificates have not been issued yet for >85% of the >500 000 devices previously certified under the directives.
- Review is still ongoing for 70% of submitted industry applications.
- The time-to-certification with MDR-designated Notified Bodies is taking 13-18 months on average. This is double the time historically needed for certification under the Directives.
- >50% of respondents plan portfolio reductions.
- 33% of these companies' medical devices are currently planned for discontinuation.
- All product categories are impacted by potential device discontinuations.
- At least 15% and up to 30% of Small and Medium Enterprises (SMEs) still have no access to an MDR-designated Notified Body.
- ~50% of respondents are deprioritizing the EU market (or will do so) as the geography of choice for first regulatory approval of their new devices.
- >20% of respondents attribute delays in MDR certification to the publication of new or revised MDCG guidance.

Since review and issuance of each certificate takes 13-18 months, there is precious little time left for companies to decide whether

they will submit documents for MDR certification or risk losing their legacy certificates.

The EU's Medical Device Coordination Group (MDCG) recently has published a new position paper (MDCG 2022-14) acknowledging the significant and urgent lack of capacity of EU notified bodies. As such, the MDCG has suggested actions for mitigating such challenges. Importantly, there is a focus on flexibility and pragmatism. It recommends that, among other things:

- Notified Bodies use hybrid audits; avoid unnecessary duplication of work (e.g., by leveraging evidence and previous assessment results generated under the prior directives); streamline internal administrative processes; and be flexible when carrying out "appropriate surveillance" of legacy devices (e.g., by combining audits under the prior directives and the Regulations).
- Notified Bodies increase access by ensuring that small manufacturers and first-time applicants. have access to the requisite conformity assessments.
- Manufacturers increase their preparedness.

List of MDR Notified Bodies (as of October 21, 2022)

- 3EC International a.s. (Slovakia)
- Berlin Cert Prüf- und Zertifizierstelle für Medizinprodukte GmbH (Germany)
- BSI Group The Netherlands B.V. (Netherlands)
- BUREAU VERITAS ITALIA S.P.A. (Italy)
- CE Certiso és Kórháztechnikai Ellenőrző és Tanúsító Kft (Hungary)

- CENTRO NACIONAL DE CERTIFICACION DE PRODUCTOS SANITARIOS / AEMPS (Spain)
- CERTIQUALITY S.r.l. (Italy)
- DEKRA Certification GmbH (Germany)
- DEKRA Certification B.V. (Netherlands)
- DNV Product Assurance AS (Norway)
- DQS Medizinprodukte GmbH (Germany)
- ENTE CERTIFICAZIONE MACCHINE SRL (Italy)
- Eurofins Expert Services Oy (Finland)
- Eurofins Product Testing S.r.l. (Italy)
- GMED SAS (France)
- IMQ istituto italiano del marchio di qualità S.P.A. (Italy)
- Intertek Medical Notified Body AB (Sweden)
- Istituto Superiore di Sanita (Italy)
- ITALCERT SRL (Italy)
- Kiwa Cermet Italia S.P.A. (Italy)
- Kiva Dare B.V. (Netherlands)
- MDC Medical Device Certification GmbH (Germany)
- MEDCERT Zertifizierungs-und Prüfungsgesellschaft für die Medizin GmbH (Germany)
- National Standards Authority of Ireland / NSAI (Ireland)
- POLSKIE CENTRUM BADAN I CERTYFIKACJI S.A. (Poland)
- SGS Belgium NV (Belgium)
- SGS FIMKO OY (Finland) – 0598 (ex-0403)
- Slovenian Institute of Quality and Metrology / SIQ (Slovenia)
- TÜV NORD CERT GmbH (Germany)
- TÜV NORD Polska Sp. z o.o (Poland)
- TÜV Rheinland Italia SRL (Italy)
- TÜV Rheinland LGA Products GmbH (Germany)
- TÜV SÜD Product Service GmbH (Germany)
- UDEM Adriatic d.o.o. (Croatia)

Vulnerable Supply Chains Spur Vertical Integration Closer to Home

For years, medtech companies have been striving to locate manufacturing in low wage countries like China, Southeast Asia, India, and Mexico. Contracting US and European manufacturing facilities and outsourcing product to cheaper areas was considered the Holy Grail in terms of increasing profitability and spurring growth by offering lower priced products. However, COVID, the Ukraine war, geopolitical issues with China, supply chain complications, and quality and customer service problems sourcing product abroad, have dramatically increased the benefits of developing sourcing closer to home and vertically integrating by buying vendors. Several deals demonstrate this dynamic.

- In late 2021, **Carlyle** joined **GTCR** in acquiring device contract manufacturer **Resonetics**, for ~\$2.3b. With offices worldwide including several in the US, Canada, Europe and Israel, **Resonetics** manufacturers technical components for complex device applications: nitinol processing, thin-wall tube fabrication, centerless grinding, electropolishing, metal fabrication, photochemical machining, laser processing and fiber optic sensors.
- Michigan-based **Arch Medical Solutions**, a portfolio company of **The Jordan Company**, has made 15 acquisitions since 2016 and now has 18 locations that combine for 700,000 sf of manufacturing space in the US. Just in 2022, it has acquired:
 - **Amplify Additive** (Scarborough, ME) – an orthopedic-focused 3D metal printing contract manufacturer.
 - **MedTorque** (Elmhurst, IL) – a maker of orthopedic instruments and implants.

- **Market Services Corporation** (West Chester, PA) – manufacturer of custom designed ultrasonic sub-systems for diagnostics.
- **M&K Engineering** (Woburn, MA) – a device contract manufacturer.
- In October 2021, **Integer** acquired **Oscor** for \$220m, broadening its product portfolio, and adding manufacturing capacity. **Oscor** develops specialized diagnostic devices for cardiology, radiology, vascular surgery, oncology and peripheral areas. It has 900 employees, two manufacturing plants in the US and three in the Dominican Republic.

centered, technology-powered national primary care organization combining in-person, digital, and virtual care services that are convenient to where people work, shop, and live.

Healthcare Being Delivered More and More at the Retail Level

Traditional, in-office primary care delivery was altered during the pandemic, and significant M&A deals have demonstrated shifts toward new sites of care that are changing the landscape post-recovery. Notably, in Q3:

- **CVS Health Corporation** bought a provider of home healthcare services **Signify Health, Inc.** for \$8b. In 2022, **Signify Health's** clinicians expect to connect with nearly 2.5 million unique members in the home, both in-person and virtually. **Signify's** clinicians spend 2.5x longer with a patient in the home than providers spend in the average primary care office visit. In November 2021, **CVS** announced plan to close about 300 stores a year for the next three years.
- **Amazon** announced plans to acquire subscription-based in-person/virtual primary care provider **1Life Healthcare** for \$3.9b on sales of \$622m (6.3x). **1Life Healthcare** is a human-

Shrink and Focus Transactions – Select Spin-Offs and Divestitures

Parent	Unit	New Company Name	Date	Deal Value ¹	Description
Smiths Group plc	Smiths Medical	ICU Medical	Jan-22	\$2.7b	Smiths Medical was divested to ICU Medical for \$2.7b. The business includes syringe and ambulatory infusion devices, vascular access, and vital care products.
Zimmer Biomet	Dental and Spine	ZimVie	Mar-22	\$220m	Zimmer Biomet spun-off ZimVie to focus on orthopedics. ZimVie generates \$1.0b in revenue and has 2,700 employees.
Becton, Dickinson and Company	Diabetes care	Embecta	Apr-22	\$1.8b	BD IPO'd its \$1.2b diabetes care business Embecta, which is now a standalone independent public company.
Enovis Corporation (formerly Colfax)	Fabrication technologies	ESAB	Apr-22	\$2.3b	ESAB, a \$2.4b producer of consumable products, cutting and automated welding equipment, was separated from Enovis (formerly Colfax).
Bausch Health Companies	Eye health business	Bausch + Lomb	May-22	\$5.1b	Bausch Health retained its pharmaceutical focus in gastroenterology, aesthetics/dermatology and neurology and Bausch + Lomb began trading independently after a \$630m IPO.
Olympus Corporation	Scientific Solutions business	Evident	Aug-22	\$3.1b	The unit makes microscopes, X-ray fluorescence analyzers, videoscopes and fiberscopes, and other testing equipment. Acquired by private equity firm Bain Capital.
PerkinElmer	Applied, Food and Enterprise Services businesses (AFES)	PerkinElmer	Aug-22	\$2.5b	Acquired by private equity New Mountain. The PerkinElmer name and brand will be retained by AFES; PerkinElmer's remaining life sciences and diagnostics businesses will be rebranded.
Bayer AG	Environmental Science Professional	Envu	Oct-22	\$2.6b	Acquired by private equity firm Cinven in a \$2.6b deal on sales of \$582m (4.5x). Enables Bayer to focus on pharmaceuticals.
3M	Healthcare Business	TBD	2023		Announced plans to spin-off its \$8.2b healthcare business into a stand-alone company.
J&J	Consumer Products	TBD	2023		J&J's \$14.6b consumer health business will be split from its pharmaceutical and medical device divisions.

Parent	Unit	New Company Name	Date	Deal Value ¹	Description
General Electric	Healthcare	GE HealthCare	2023		Part of GE's previously announced plans to form three independent companies – focused on (1) aviation (2) healthcare, and (3) energy. The healthcare spin-off is scheduled to be completed in 2023. GE Healthcare generated \$18b in revenue in 2021.
Danaher Corporation	Environmental & Applied Solutions	"EAS"	2023		The \$4.7b EAS business, focused on water quality and product identification, has 16,000 employees. It will be a standalone publicly traded company.
Medtronic	Patient monitoring and respiratory businesses	TBD	2023		Generates \$2.2b in revenue and includes pulse oximeters and ventilators and has 8,000 employees globally.
Medtronic	Renal Care Solutions (RCS)	TBD	2023		The Renal Care Solutions Business will become a separate entity equally owned by Medtronic and Davita, a \$11.6b kidney dialysis service provider.
Toshiba	Devices business	Device Co	2024		Toshiba announced plans to spin off its devices business, including its power chip unit, to cut costs and ensure stability but shareholders have recently voted and opposed the restructuring.

1) Market cap of newly-traded company where applicable.

Major M&A Deals by Sector

Data Management/Healthcare IT

- **ResMed**, a \$3.2b producer of cloud-connected sleep apnea and respiratory care devices, paid \$1b for Germany-based **Medifox Dana**, a developer of out-of-hospital care documentation, personnel planning, administration and billing software solutions.

Dental

- **Henry Schein** bought two distributors of dental supplies – Switzerland-based **Condor Dental** and separately, US-based **Midway Dental Supply**.

Diagnostics

- **Bio-Rad Laboratories** purchased **Curiosity Diagnostics**, a late-stage, pre-commercial developer of a sample-to-answer, rapid diagnostics PCR system, from Poland-based **Scope Fluidics, S.A.** for \$100m upfront plus \$70m in milestones.
- **Bain Capital Private Equity** paid \$3.1b for **The Scientific Solutions Business** of **Olympus Corporation** (sales of \$860m, (3.6x)).
- Private equity firm **New Mountain Capital** is acquiring **PerkinElmer's Applied, Food and Enterprise Services** businesses



for \$2.3b upfront plus \$150m in milestones on sales of \$1.3b (1.8x).

- **Danaher's Cytiva** subsidiary bought Germany-based **CEVEC Pharmaceuticals** (high-performance cell line development and viral vector manufacturing technologies). **Danaher's Beckman Coulter Diagnostics** subsidiary acquired **StoCastic** (AI-based platforms providing decision support for hospital emergency departments).

Contract Manufacturing

- Sweden-based **Trelleborg AB** bought **Minnesota Rubber and Plastics** (engineered elastomers and thermoplastics) for \$950m on sales of \$220m (4.3x).
- **IDEX Corporation** paid \$700m for **Muon B.V.**, a Netherlands-based manufacturer of micro-precision components for diagnostics, devices and semiconductors.
- **Catalent, Inc.** paid \$475m for specialty contract development and manufacturing organization **Metrics Contract Services**.

Orthopedics

- **Patient Square Capital** paid \$1.3b to take private **Hanger**, a huge consolidator of “mom and pop” O&P shops.
- **Orthofix**, a \$465m spine and orthopedics device producer is merging with **Seaspine**, a \$191.5m producer of orthobiologics and spinal implant solutions in a deal worth \$215m.

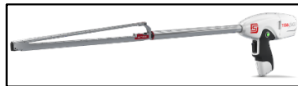
- **ConMed** purchased **Biorez**, a developer of soft tissue implants, for \$85m upfront plus \$165m in milestones.

Pharmacy

- **McKesson Corporation** is buying **Rx Savings Solutions** (prescription pricing and medication access services) for \$600m upfront plus \$275m in milestones.

Surgical Devices

- **Teleflex** paid \$170m plus \$130m in milestones on sales of \$15m (11.3x) for **Standard Bari- atrics**, a developer of a powered surgical stapler.



- **Boston Scientific** paid \$230m for ~64% of South Korea-based manufacturer of endoscopic and urologic medical devices, **M.I.Tech**. **Boston Scientific** separately purchased **Obisdio** (technology for embolization of blood vessels in the peripheral vasculature).

- **Halma plc** purchased **IZI Medical**, a maker of interventional radiology devices, for \$153.5m on sales of \$32.9m (4.7x) plus milestones of up to \$14.5m.



Neuro

- PE firm **Archimed** closed its previously announced buy-out of publicly-traded neurosurgical treatment and diagnostics developer **Natus Medical** for \$1.2b on sales of \$473m (2.5x).



Healthcare Services

- As noted, **CVS Health Corporation** bought a provider of home healthcare services **Signify Health, Inc.** for \$8b on sales of \$773.4m (10.3x) and normalized EBITDA of \$132m (60.6x).
- As also noted, **Amazon** announced plans to acquire subscription-based in-person/virtual primary care provider **1Life Healthcare** for \$3.9b on sales of \$622m (6.3x).

For Ophthalmology, Orthopedic & Spine, and Woundcare - Key Developments and Deals (January 2020 – October 2022)

Ophthalmology

Key Developments

- **Novel treatments and devices in pipeline to address AMD.**
 - In late 2021, FDA approved **Genentech's** Susvimo, a first-of-its-kind treatment for wet AMD. Susvimo delivers ranibizumab continuously, offering patients an alternative to anti-VEGF eye injections needed as often as once a month.
 - Australia-based **Nova Eye Medical** developed a proprietary, nanosecond laser therapy that stimulates the rejuvenation of cells in the retina to initiate a healing response and stem the progression of intermediate AMD into advanced wet or dry AMD. A new confirmatory multi-center study is being planned with major AMD key opinion leaders to validate the positive results in an earlier trial.
- **New goniotomy device launches.** Traditional surgical approaches to treat open-angle glaucoma include trabecular bypass procedures (i.e. **Glaukos' iStent**, **Alcon/Ivantis' Hydrus**, etc), goniotomy procedures (Kahook Dual Blade, **New World Medical**) or viscoelastic delivery procedures (**Sight Sciences' OMNI** and **Nova Eye Medical's iTrack**). New devices to relieve the pressure of goniotomy include **Sight Sciences' SION** bladeless goniotomy device and **Glaukos' iAccess** (an ab interno approach using a gonioscope lens)
- **Breakthrough in refractive technologies.** **Allergan/Abbvie's** Vuity Ophthalmic Solution Becomes First Ever FDA Approved Presbyopia Treatment. Presbyopia, or age-related blurry near vision, is a common and progressive condition that affects 128 million Americans. The once-daily prescription drop improves near and intermediate vision without impacting distance vision for adult patients.

Selected Deals

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Oct-22	DORC International	The remaining equity stake of WEFIS GmbH	-	-	-	Germany-based maker of instruments used in cataract and vitreoretinal surgery.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Oct-22	DORC International	Peregrine Surgical LLC	-	-	-	Single-use ophthalmic surgery devices.
Sep-22	Visus Therapeutics Inc.	All patents and other assets of ViewPoint Therapeutics, Inc.	-	-	-	Treatments for diseases of protein misfolding, including cataracts.
Aug-22	Alcon Inc.	Aerie Pharmaceuticals, Inc.	\$770.0	\$194.0	-	Ophthalmic therapies for open-angle glaucoma, dry eye, diabetic macular edema, and wet age-related macular degeneration.
Aug-22	Rayner Surgical Group Limited	An undisclosed equity stake of Hasa Optix	-	-	-	Belgium-based producer of recyclable surgical ophthalmic instruments.
Aug-22	Lions Eye Institute for Transplant and Re-search	SightLife	-	-	-	Non-profit eye bank.
Jul-22	LumiThera Inc.	MacuLogix	-	-	-	Dark adaptation functional testing that detects, monitors and treats AMD.
Jul-22	AbbVie Inc.	iSTAR Medical SA	\$60.0	-	-	Belgium-based developer of minimally invasive glaucoma devices (MIGS).
Jul-22	Alcon Inc.	The EYSUVIS and INVELTYS assets of Kala Pharmaceuticals, Inc.	\$60.0	-	-	The first and only FDA approved medicine for the short-term (up to two weeks) treatment of dry eye disease.
Jun-22	Novartis AG	Kedalion Therapeutics	-	-	-	A delivery system for topical ophthalmic medications to the eye.
Jun-22	Corza Medical	Barron Precision Instruments, LLC	-	-	-	Disposable ophthalmic surgical instruments used in corneal surgeries.
Apr-22	The spinoff of Bausch + Lomb Corporation	Bausch Health Companies Inc.	\$5,338.0	\$3,765.0	\$621.0	Contact lenses, ophthalmic pharmaceuticals and intraocular lenses.
Apr-22	Carl Zeiss Meditec AG	Kataylst Surgical, LLC	-	-	-	Novel vitreoretinal surgical micro-instruments and lighting technologies.
Mar-22	LumiThera Inc.	Diopsys, Inc.	-	-	-	Electrophysiology devices that help analyze visual and neuro-visual disorders.
Feb-22	Second Sight Medical Products, Inc.	Nano Precision Medical, Inc.(NPM)	-	-	-	A drug implant technology that delivers minimally fluctuating drug release profiles across small molecules, peptides, and monoclonal antibodies.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Jan-22	Advancing Eyecare	Santinelli International	-	-	-	Ophthalmic lens edging equipment.
Dec-21	Corza Medical	Katena Products Inc.	-	-	-	Ophthalmic instruments, biologic grafts and dry eye plugs and a portfolio company of audax management.
Nov-21	LumiThera Inc.,	Diopsys, Inc.	-	-	-	Visual electrophysiology devices that analyze pathways for visual and neuro-visual disorders.
Nov-21	Alcon Inc.	Ivantis Inc.	\$475.0	-	-	MIGS devices.
Nov-21	Innovia Medical, LLC	Lacrimedics	-	-	-	Collagen plugs for lacrimal efficiency testing in ophthalmics.
Oct-21	EyeCare Partners	CEI Vision Partners (CVP)	-	-	-	Ophthalmology practices in the mid-west and mid-Atlantic.
Sep-21	Luneau Technology Operations SAS	Optovue Inc.	-	-	-	High-speed, non-invasive optical coherence tomography (OCT) imaging machines.
Sep-21	Novartis AG	Arctos Medical	-	-	-	Adeno-associated virus gene therapy-based options for genetically related blindness
Jul-21	Topcon Corporation	VISIA Imaging S.r.l.	-	-	-	Italy-based maker of ophthalmic imaging devices.
Jun-21	CVC Capital Partners	Rayner Surgical Group	-	-	-	UK-based manufacturer of intraocular lenses (IOLs) and proprietary injection devices for cataract surgery.
Apr-21	Katena Products, Inc.	ASICO, LLC.	-	-	-	Ophthalmic surgical instruments and technologies.
Mar-21	Peters Surgical	Catgut	-	\$10.5	-	Germany-based developer of sterile surgical sutures, surgical needles (eyed or drilled) and staplers.
Feb-21	Paragon Biosciences LLC	CiRC Biosciences	-	-	-	Cell therapies for ophthalmic diseases.
Feb-21	Corza Medical	Surgical Specialties Corporation (SSC)	-	-	-	High-performance surgical sutures and ophthalmic knives.
Dec-20	Johnson & Johnson	The investigational gene therapy HMR59 of Hemera Biosciences, LLC	-	-	-	Gene therapies for AMD.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Nov-20	Beaver-Visitec International	Benz Research & Development	-	-	-	Performance materials and manufacturing technology to the IOLs ophthalmic cataract surgery segment.
Oct-20	Novartis AG	Vedere Bio	\$150.0	-	-	Next generation ocular gene therapies.
Oct-20	Katena Products	Micro-Select Instruments Inc.	-	-	-	Precision ophthalmic instruments including forceps, needle holders, and speculums.
Sep-20	MetLife, Inc.	Versant Health	-	-	-	Eye care management solutions.
Aug-20	Lumibird SA	EssMed AB	-	\$2.4	-	Sweden-based distributor of ophthalmology products and services.
Jul-20	Nova Eye Medical Limited	The Molteno3 platform of Molteno Ophthalmic Limited	\$0.6	-	-	Glaucoma drainage devices.
May-20	Beaver-Visitec International Inc (BVI)	The ophthalmic viscoelastic device line of Cromapharma GmbH	-	-	-	Austria-based pharmaceutical company focused on aesthetic dermatology.
May-20	Accelmed Partners	TearLab Corporation (formerly OccuLogix, Inc.)	\$25.0	\$22.7	\$0.3	Ocular surface diagnostics.
Apr-20	Novartis AG	Amblyotech LLC	-	-	-	Treatments and diagnostics for amblyopia (lazy eye) and other ocular disorders.
Apr-20	Haag-Streit AG	77% Stake in VRmagic Holding AG	-	-	-	Germany-based maker of imaging components for image acquisition and image processing.
Mar-20	MicroSurgical Technology (MST), Inc	"Volk Eye Check" IP and assets of IRISS Medical Technologies Ltd	-	-	-	A handheld ocular measurement device that measures and analyzes parameters used to screen and document ocular characteristics.

Orthopedic & Spine

Key Developments

- **Advances in implant materials.** Hip implants generally are made of metal, ceramic or polyethylene. The use of some metal-on-metal total hip replacement implants have been discontinued in the U.S. as they can cause metallic debris, though metal-on-metal bearing surfaces continue to be used for hip resurfacing. **Exactech** and **Jointmedica** have recently collaborated on a metal-on-vitamin E crosslinked polyethylene hip resurfacing system that was granted Breakthrough Device Designation by the FDA. Such next generation articulations via a combination of materials reduce the need for metal-on-metal articulating surfaces.
- **Orthobiologics accelerate surgical recovery.** Orthobiologics -- derived from natural cells, tissues, growth factors, and blood components -- promote cellular regeneration and healing. They can be injected into injured tendons and ligaments or used as part of a surgical procedure.
- **3D printing and surface modification gaining in usage.** Additive (3D) manufacturing and surface modification of joint and organ replacements show promise for more challenging procedures. Currently, there are a number of researchers and companies that are in the early stages of 3D printing organs, including **Organovo**, **Prellis Biologics** and **Cyfuse Biomedical**.
- **Robotics trending toward a standard of care.** Robotics offer a number of advantages over traditional surgery, including greater precision, less invasiveness and shorter recovery times. Robotic-assisted surgery is becoming more pronounced and data from its usage will determine if it will become a standard of care for hip and knee arthroplasty.

Selected Deals

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Oct-22	Orthofix Medical Inc.	SeaSpine Holdings Corp	\$215.0	\$191.0	-	\$191.5m producer of orthobiologics and spinal implant solutions.
Oct-22	Patient Square Capital	Hanger, Inc.	\$1,250.0	\$1,144.0	\$68.0	\$1.14b provider of orthotic and prosthetic patient care services and O&P devices and components.
Aug-22	Össur hf.	Naked Prosthetics	-	-	-	Durable, custom, functional finger prostheses.
Aug-22	CONMED Corporation	Biorez Inc.	\$85.0	-	-	Soft tissue implants.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Jul-22	ARCH Medical Solutions Corp.	MedTorque	-	-	-	Contract manufacturer focused on orthopedic applications, including spinal fusion, extremities and robotic surgery.
Jul-22	Sanara MedTech Inc.	Scendia Biologics, LLC	\$7.4	\$8.3	-	Orthobiologic and soft tissue focused products.
Jun-22	OrthoPediatrics Corp.	Pega Medical	\$33.0	-	-	Canada-based developer of systems that treat osteogenesis imperfecta and other bone deformities.
Jun-22	Onkos Surgical, Inc	The Juvenile Tumour System (JTS) of Stryker Corporation	-	-	-	Enables limb stabilization and growth in pediatric patients affected by bone cancers, severe arthropathy, severe trauma, revisions, oncology and malignant diseases.
Jun-22	The Cooper Companies, Inc.	EnsEyes ApS	-	-	-	Denmark-based producer of orthokeratology and scleral contact lenses.
May-22	Enovis Corp (formerly Colfax)	Outcome-Based Technologies, LLC	-	-	-	Hip and knee braces.
May-22	Enovis Corp (formerly Colfax)	360 Med Care Pty Ltd	-	-	-	Australia-based developer of orthopedic surgical planning and data optimization solutions.
May-22	ConMed Corporation	In2Bones Global, Inc.	\$145.0	\$36.8	-	Devices treating disorders and injuries of the upper and lower extremities.
May-22	Medartis Holding AG	Nextremity Solutions Inc.	\$70.0	-	-	Musculoskeletal products.
Apr-22	Itso Biologics	Theracell, Inc.	-	-	-	Allografts and other demineralized bone fiber technologies.
Apr-22	OrthoPediatrics Corp.	MD Orthopaedics	\$19.6	-	-	Bracing products an ankle-foot orthosis (AFO) system for the treatment of clubfoot.
Apr-22	Bioventus Inc.	CartiHeal Ltd	\$100.0	-	-	Cartilage implants.
Feb-22	Johnson & Johnson	The CrossRoads® Extremity Systems unit of HealthpointCapital Management	-	-	-	Extremity systems.
Jan-22	Smith+Nephew plc	Engage Surgical	\$135.0	-	-	Proprietary cementless unicompartmental (partial) knee system.
Jan-22	Paragon 28	Disior Oy	\$18.0	-	-	Finland-based developer of three-dimensional analytics pre-operative planning software.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Dec-21	DePuy Synthes	OrthoSpin Limited	-	-	-	Israel-based developer of a robot-assisted external fixation system for orthopedic treatments.
Nov-21	Arch Medical Solutions Corp	Medical Machining Specialists (MMS)	-	-	-	Contract manufacturer of surgical instruments for the spine, orthopedic, trauma, and extremity markets.
Nov-21	Depuy Synthes	The 51% remaining stake in the OrthoSpin unit of Trendlines Group Ltd.	\$79.5	-	-	\$82.6b producer of consumer health, pharmaceuticals, vaccines and devices.
Nov-21	Ottobock SE & Co. KGaA	suitX	-	-	-	A developer of occupational and medical exoskeletons.
Sep-21	Tyber Medical, LLC	CatapultMD	-	-	-	OEM maker of orthopedic systems.
Jul-21	Gemspring Capital Management LLC	Zavation Medical Products, LLC	-	-	-	Spinal hardware and biologics.
Jul-21	Becton, Dickinson and Company	Tepha, Inc.	-	-	-	Proprietary resorbable polymer technology for soft tissue repair.
Jul-21	ARCH Medical Solutions Corp.	Titan Medical Manufacturing, LLC	-	-	-	Surgical implants, devices and instruments and engineering products.
Jul-21	Accelus	Integrity Implants Inc. and Fusion Robotics LLC	-	-	-	Novel spine surgery products.
Jun-21	Colfax Corporation	An undisclosed equity stake of Insight Medical Systems	-	-	-	An augmented reality wearable surgical navigation in orthopedic.
Jun-21	Colfax Corporation	Mathys AG Bettlach	-	-	-	Switzerland-based developer of artificial joint replacement, sports medicine and synthetic bone graft solutions.
May-21	restor3d	Kinos Medical, inc.	-	-	-	Total ankle replacement.
Apr-21	Colfax Corporation	MedShape, Inc.	\$125.0	-	-	Innovative surgical solutions for foot and ankle surgery.
Mar-21	IMPLANET SA	A majority stake in Orthopaedic & Spine Development	\$5.0	\$4.2	-	France-based maker of implants for spine surgery.
Mar-21	SeaSpine Holdings Corporation	7D Surgical, Inc.	\$110.0	-	-	Canada-based developer of an image-guided surgery platform for spine and cranial applications.
Feb-21	NuVasive	Simplify Medical	\$150.0	-	-	Cervical total disc replacement (CTDR).
Jan-21	Colfax Corporation	Trilliant Surgical	-	-	-	Biologics and foot and ankle systems.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Jan-21	Stryker Corp	OrthoSensor	-	-	-	Sensor-assisted technology company based on orthopedic devices.
Jan-21	Hologic, Inc	The SOMATEX Medical Technologies business of E-Med Solutions GmbH	\$64.0	-	-	Germany-based developer of minimally invasive technologies for arterial and venous interventions, urology, gastroenterology and spine.
Jan-21	Avalign Technologies, Inc.	Slice Manufacturing Studios	-	-	-	Contract manufacturer of metal implants, implant components, and instruments for the hip, spine, and knee end markets.
Nov-20	Colfax Corporation	The Ankle and Finger Arthroplasty Product Lines of Stryker Corp	-	-	-	\$14.9b device maker focused on orthopedics, surgery and neurotechnology and spine.
Nov-20	Stryker Corp.	Wright Medical Group N.V.	\$4,000.0	\$910.0	\$103.8	Extremities and biologics.
Nov-20	Olympus Corporation	FH Ortho	-	-	-	France-based maker of orthopedic devices used in ligament repair, foot & ankle, and trauma surgery.
Oct-20	Surgalign Holdings, Inc.	Holo Surgical Inc	\$42.0	-	-	Augmented reality and artificial intelligence platform for spine surgeries.
Sep-20	Smith+Nephew plc	The Extremity Orthopaedics business of Integra LifeSciences Holdings Corporation	\$240.0	\$90.0	-	A complementary shoulder replacement and upper and lower extremities portfolio and a next-generation shoulder replacement system.
Aug-20	Wenzel Spine, Inc.	Statera Spine	-	-	-	A pre-operative diagnostics and quantitative data software that improves treatment decisions for spine patients.
Jul-20	Montagu Private Equity	The OEM business of RTI Surgical Holdings	\$490.0	-	-	Biologics and surgical implant business.
Jul-20	Medtronic plc	Medicrea International SA	\$134.6	\$36.7	-	\$36.7m France-based developer of patient-specific, 3D-printed titanium spinal implants and related workflow software.
Jun-20	Pantheon Spinal LLC	Blue Topaz/ CompressSive sacroiliac screw system of Osseus Fusion Systems	-	-	-	Fenestrated, double helix threaded screws with aggressive distal cutting flutes allowing for effortless bone purchase.
Jun-20	Steeper Group	Espire elbow business of College Park Industries	-	-	-	Lower and upper limb prostheses.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
May-20	Conventus Orthopaedics, Inc.	Flower Orthopedics Corp	-	-	-	Orthopedic devices.
May-20	Safe Orthopaedics SA	LCI MEDICAL sas		\$2.8	-	France-based manufacturer of medical implants.
Apr-20	OrthoPediatrics Corp.	ApiFix Ltd	\$2.0	-	-	Israel and US-based motion-preservation scoliosis correction company.
Feb-20	Orthofix Medical Inc.	The fitbone limb lengthening system of Wittenstein SE	\$18.0	-	-	Germany-based contract manufacturer focused on robotics, machine tools and medical technology.
Jan-20	Halma, plc.	NovaBone Products, LLC	\$97.0	-	\$11.0	Synthetic bone graft products.
Jan-20	Anika Therapeutics, Inc.	ArthroSurface Inc.	\$60.0	\$28.0	-	Joint surface and preservation products and a subsidiary of STD Med Inc.
Jan-20	Anika Therapeutics, Inc.	Parcus Medical	\$35.0	\$12.0	-	Invasive sports medicine arthroscopy products for the ambulatory surgery center market.

Woundcare

Key Developments

- **The new reimbursement environment.** Following a “rush” of new biologic/skin substitute entrants with high expectations, CMS has reduced reimbursement levels and there has been a rationalization of the market. New bundled payment regimes, covering overall treatment, promote products that can validate results with data but that are “economical” for hospitals.
- **Market for advanced wound care technologies to exceed \$22b by 2030.** Common chronic wounds include diabetic foot ulcers (DFU), venous leg ulcers (VLU) and pressure ulcers (PU). Less than 25% of DFUs and less than 30% of VLUs are successfully treated by the current standard of care treatments and many chronic ulcers require advanced woundcare therapies. The incidence of chronic wounds globally is expected to rise with the increasing elderly population, along with upticks in prevalence of obesity and diabetes.
- **New technologies on the horizon to help diagnose and track healing.** Diagnostics for early detection of pathological bacterial infection, connected devices and sensors to improve patient monitoring and other technological implementations are expected to support improved healing rates, along with expanded treatment options.

Selected Deals

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Oct-22	Collagen Matrix, Inc.	Polyganics, B.V.	-	-	-	Netherlands-based developer of bioresorbable polymers and adhesives for tissue repair and regeneration.
Sep-22	Teleflex Incorporated	Standard Bariatrics, Inc.	\$170.0	\$15.0	-	Powered stapling technology for bariatric surgery.
Jul-22	Sanara MedTech Inc.	Scendia Biologics, LLC	\$7.4	\$8.3	-	Orthobiologic and soft tissue focused products.
Jun-22	Healiva SA	Two Cell-based Wound-care Therapies of Smith+Nephew plc	-	-	-	Cell-based woundcare therapies.
Apr-22	Aatru Medical, LLC	Exothermix, LLC	-	-	-	Oxygen absorber and on-demand self-heating solutions.
Apr-22	Sanara MedTech Inc.	Precision Healing Inc.	\$5.1	-	-	Multi-spectral imaging and biomarker analysis technologies for woundcare diagnostics.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Jan-22	ConvaTec Group PLC	Triad Life Sciences Inc.	\$125.0	-	-	Products for surgical wounds, chronic wounds and burns.
Jan-22	Argentum Medical, LLC	Anacapa Technologies Inc.	-	-	-	Antimicrobial wound cleansers, gels and irrigation product lines.
Jan-22	Essity AB	Hydrofera LLC	\$116.0	\$27.6	\$7.9	Antibacterial woundcare dressings.
Nov-21	Coloplast A/S	Atos Medical	\$2,490.0	-	-	Prosthetic voice boxes.
Sep-21	NovaBay Pharmaceuticals Inc	DERMAdoctor, LLC	\$12.0	-	-	Dermatologist-developed skincare products.
Aug-21	Evonik Industries AG	JeNaCell	-	-	-	Nanostructured biomaterials for wound dressings and dermatology.
Aug-21	STRATA Skin Sciences, Inc.	The U.S. Dermatology Business of Ra Medical Systems Inc.	\$3.7	-	-	Provides STRATA with access to 400 dermatology practices.
Jul-21	Bioventus Inc.	Misonix, Inc.	\$518.0	\$62.5	-	Surgical ultrasonic devices.
Jul-21	Becton, Dickinson and Company	Tepha, Inc.,	-	-	-	Resorbable polymer technology for soft tissue repair.
Mar-21	Direct Healthcare Group	Talley Group Ltd.	-	-	-	Vacuum and pressure application therapies for wound and pressure ulcer conditions.
Dec-20	Stryker Corporation	ZipLine Medical	-	-	-	Innovative tissue repair and non-invasive skin closure devices.
Dec-20	Integra LifeSciences	ACell, Inc.	\$300.0	\$100.8	-	Regeproprietary porcine urinary bladder matrix platform technology.
Dec-20	BioLab Sciences	MyOwn Skin IP	-	-	-	Non-surgical technology to reproduce skin grafts.
Oct-20	Teleflex Incorporated	Z-Medica	\$500.0	-	-	Hemorrhage control dressings comprised of gauze impregnated with kaolin, a clay mineral.
Aug-20	One Equity Partners	American Medical Technologies (AMT)	-	-	-	Woundcare programs for long term care facilities in the US.
Jun-20	Sanuwave Health	UltraMist ultrasound healing therapy platform of Celularity, Inc.	-	-	-	Ultramist ultrasound healing therapy.
Jun-20	Bioderm Inc.	Wound Care Resources	-	-	-	Wound care supplies to VAD patients nationally.
May-20	Net Health Systems, Inc	Tissue Analytics	-	-	-	Automated mobile wound and skin imaging and predictive analytics solutions.

Date	Acquiror	Target	Trans Value (millions)	Target Sales (millions)	Target EBITDA (millions)	Target Description
Apr-20	Orkla Wound Care	Norgesplaster AS	-	\$16.4	\$1.6	Norway-based manufacturer of wound care products.
Feb-20	Essity AB	75% stake in ABIGO Medical AB	-	\$41.8	-	Sweden-based provider of pharmaceuticals, woundcare products and ENT treatments.
Feb-20	Bactiguard Holding AB	Vigilenz Medical Devices and Vigilenz Medical Supplies	\$4.5	\$4.4	\$0.6	Malaysia-based maker of wound management products.

Top Deals > \$100m in Transaction Value Announced or Closed in Q3 2022 (See also M&A Deal-by-Deal Analysis)

Sector	Acquiror	Target	TransValue (millions)	Target Sales (millions)	Target EBITDA (millions)	Sales Multiple	EBITDA Multiple
Animal Health	Orion Corporation	V.M.D. NV	\$136.8	\$64.2	-	2.1x	-
Biopharmaceuticals	Pfizer Inc.	Global Blood Therapeutics, Inc.	\$5,400.0	\$195.0	-	27.7x	-
	Bristol-Myers Squibb	Turning Point Therapeutics, Inc.	\$4,100.0	\$30.8	-	133.1x	-
	Amgen Inc	ChemoCentryx, Inc.	\$3,700.0	\$32.0	-	115.6x	-
	Novo Nordisk A/S	Forma Therapeutics Holdings, Inc.	\$1,100.0	-	-	-	-
	Alcon Inc.	Aerie Pharmaceuticals, Inc.	\$770.0	\$194.0	-	4.0x	-
	Eli Lilly and Company	Akouos, Inc.	\$487.0	-	-	-	-
	Gilead Sciences, Inc.	MiroBio	\$405.0	-	-	-	-
	Vertex Pharmaceuticals Incorporated	ViaCyte, Inc.	\$320.0	-	-	-	-
	Ginkgo Bioworks Holdings, Inc.	Zymergen Inc.	\$300.0	-	-	-	-
	AbbVie Inc.	DJS Antibodies Ltd	\$255.0	-	-	-	-
	Ipsen S.A.	Epizyme Inc.	\$247.0	\$37.4	-	6.6x	-
	Innoviva Inc.	La Jolla Pharmaceutical Company	\$149.0	\$75.7	\$32.0	2.0x	4.7x
	Innoviva Inc.	Entasis Therapeutics Holdings Inc.	\$113.0	-	-	-	-
Data Management/ Healthcare IT	ResMed plc	MediFox Dan	\$993.0	\$83.0	-	12.0x	-
Diagnostics	Bain Capital Private Equity	The Scientific Solutions Business of Olympus Corporation	\$3,100.0	\$860.0	-	3.6x	-
	Cinven Limited	The Bayer Environmental Science Professional (BESP) of Bayer AG	\$2,600.0	-	-	-	-
	Thermo Fisher Scientific Inc.	The Binding Site Group Ltd.	\$2,600.0	\$220.0	-	11.8x	-
	New Mountain Capital	The Applied, Food and Enterprise Services businesses (AFES) of PerkinElmer, Inc.	\$2,300.0	\$1,300.0	-	1.8x	-
Medical Devices	Johnson & Johnson	Abiomed, Inc.	\$16,600.0	\$1,032.0	\$401.0	16.1x	41.4x
	Patient Square Capital	Hanger, Inc.	\$1,250.0	\$1,144.0	-	1.1x	-
	ArchiMed	Natus Medical Incorporated	\$1,200.0	\$473.4	\$59.0	2.5x	20.3x
	Trelleborg AB	Minnesota Rubber and Plastics (MRP)	\$950.0	\$220.0	-	4.3x	-
	IDEX Corporation	Muon B.V.	\$700.0	\$140.0	\$42.0	5.0x	16.7x
	Cordis Corporation	MedAlliance	\$235.0	-	-	-	-
	Boston Scientific Corporation	A majority stake of M.I.Tech Co., Ltd	\$230.0	-	-	-	-
	Orthofix Medical Inc.	SeaSpine Holdings Corporation	\$215.0	\$191.0	-	1.1x	-
	Teleflex Incorporated	Standard Bariatrics, Inc.	\$170.0	\$15.0	-	11.3x	-
	Halma plc	IZI Medical Products	\$153.5	\$32.9	-	4.7x	-
Medical Services	CVS Health Corporation	Signify Health, Inc.	\$8,000.0	\$773.4	\$132.0	10.3x	60.6x
	Amazon.com, Inc.	1Life Healthcare, Inc.	\$3,900.0	\$622.0	-	6.3x	-
	Becton, Dickinson and Company	Parata Systems, LLC	\$1,525.0	\$220.0	-	6.9x	-
	McKesson Corporation	Rx Savings Solutions (RxSS)	\$600.0	-	-	-	-
	Catalent, Inc.	Metrics Contract Services	\$475.0	-	-	-	-

Performance of Leading Healthcare Companies (as of 11/2/22)

Sector	Company	Market Cap (billions)	EV (billions)	EV/ EBITDA	EV/ SALES	52 WK Perf	Revenue (TTM, billions)	Revenue Growth	Gross Margin
Benefits	UnitedHealth	\$511.9	\$526.6	17.9x	1.7x	20.2%	\$315.1	12.8%	24.2%
Biopharm	AbbVie	\$259.7	\$323.0	10.7x	5.6x	24.0%	\$57.8	4.8%	71.0%
	AstraZeneca	\$185.8	\$210.6	16.8x	4.8x	-6.1%	\$44.0	49.1%	77.6%
	BioNTech	\$35.0	\$25.5	1.6x	1.2x	-50.5%	\$22.2	172.7%	81.8%
	Bristol-Myers Squibb	\$172.5	\$203.6	9.8x	4.4x	32.1%	\$46.7	2.8%	79.4%
	Eli Lilly	\$335.0	\$348.7	33.9x	11.9x	38.2%	\$29.2	5.3%	75.4%
	Gilead Sciences	\$99.4	\$92.5	7.4x	3.4x	18.2%	\$27.1	-1.3%	78.6%
	GlaxoSmithKline	\$66.7	\$83.2	6.2x	1.8x	-24.7%	\$45.3	31.2%	65.2%
	Merck	\$252.7	\$274.3	9.9x	4.7x	11.7%	\$59.0	27.8%	74.1%
	Moderna	\$60.5	\$43.3	2.7x	1.9x	-57.4%	\$23.0	227.6%	71.7%
	Novartis	\$174.1	\$183.5	9.5x	3.5x	-3.8%	\$52.3	-0.2%	71.9%
	Pfizer	\$269.5	\$276.9	6.1x	2.8x	3.6%	\$99.9	44.9%	65.7%
Regeneron	\$81.2	\$70.0	9.5x	4.9x	15.9%	\$14.2	14.9%	63.3%	
Devices	Bausch + Lomb	\$5.0	\$7.1	10.1x	1.9x	-	\$3.8	2.9%	60.5%
	Baxter	\$27.1	\$42.4	14.4x	2.9x	-35.3%	\$14.7	18.4%	38.5%
	Becton Dickinson	\$66.7	\$80.5	14.8x	4.0x	-3.7%	\$20.1	5.3%	47.3%
	Boston Scientific	\$60.9	\$70.0	20.9x	5.6x	-3.0%	\$12.6	9.6%	69.6%
	Carl Zeiss	\$10.7	\$10.9	27.4x	5.8x	-	\$1.9	13.8%	59.1%
	Edwards Lifesciences	\$44.9	\$43.8	23.8x	8.2x	-39.9%	\$5.4	5.3%	78.9%
	Glaukos	\$2.6	\$2.6	-	9.0x	18.5%	\$0.3	1.5%	76.7%
	Integra LifeSciences	\$4.3	\$5.4	13.9x	3.5x	-33.3%	\$1.6	2.6%	63.2%
	Intuitive Surgical	\$87.2	\$83.0	41.6x	13.6x	-34.5%	\$6.1	11.5%	67.8%

	Company	Market Cap (billions)	EV (billions)	EV/ EBITDA	EV/ SALES	52 WK Perf	Revenue (TTM, billions)	Revenue Growth	Gross Margin
Devices	Medtronic	\$116.6	\$131.1	15.0x	4.2x	-29.3%	\$31.1	-1.7%	67.9%
	Smith & Nephew	\$10.0	\$12.2	10.2x	2.3x	-33.8%	\$5.2	1.7%	71.6%
	STERIS	\$17.3	\$20.2	16.1x	4.2x	-29.9%	\$4.8	40.1%	44.2%
	Stryker	\$83.3	\$94.5	21.3x	5.3x	-22.3%	\$18.0	7.7%	63.9%
	Zimmer Biomet	\$23.5	\$28.6	11.8x	3.6x	-23.8%	\$7.9	7.3%	70.0%
Diagnostics	Bio-Rad	\$10.7	\$10.2	15.3x	3.6x	-54.3%	\$2.8	-5.9%	57.1%
	Danaher	\$186.2	\$203.0	18.6x	6.5x	-22.6%	\$31.3	11.4%	60.8%
	Hologic	\$18.5	\$19.0	9.1x	3.9x	4.7%	\$4.9	-13.7%	68.1%
	Laboratory Corp	\$19.7	\$25.7	8.1x	1.7x	-21.5%	\$15.3	-7.8%	31.4%
	Qiagen	\$10.0	\$10.7	12.5x	4.7x	-21.8%	\$2.3	3.3%	67.2%
	Quest Diagnostics	\$16.3	\$20.3	8.8x	2.0x	-2.6%	\$10.3	-6.8%	36.1%
	Thermo Fisher	\$204.0	\$230.4	18.7x	5.2x	-22.8%	\$44.2	13.1%	44.4%
Distribution	AmerisourceBergen	\$32.4	\$37.0	10.3x	0.2x	23.7%	\$236.3	15.7%	3.6%
	Cardinal Health	\$19.8	\$20.9	8.9x	0.1x	53.5%	\$181.4	11.6%	3.6%
	Henry Schein	\$9.7	\$12.0	11.1x	1.0x	-10.9%	\$12.7	6.9%	29.9%
	McKesson	\$54.3	\$59.1	15.5x	0.2x	78.0%	\$272.0	8.4%	4.9%
Diversified	3M	\$69.3	\$82.4	11.8x	2.4x	-32.5%	\$34.8	-1.6%	44.4%
	Abbott	\$173.9	\$181.7	13.9x	4.0x	-23.2%	\$45.0	6.4%	58.0%
	Johnson & Johnson	\$452.5	\$450.5	14.1x	4.7x	2.9%	\$96.0	5.0%	67.5%

M&A Deal-by-Deal Analysis—Q3 2022 (announced or closed)

The information contained in the table below was derived from publicly available sources. Transaction analysis is inferential and not intended to be relied upon as pronouncements by the transaction participants or for any other reason. Transactions are pending or closed.

Sector	Acquiror	Target	Analysis
Animal Health	Heska Corporation (NASDAQ: HSKA) , a \$253.7m producer of animal health diagnostics and specialty products.	LightDeck Diagnostics , a developer of planar waveguide fluorescence immunoassay diagnostics.	LightDeck pioneered a planar waveguide technology with laser activated fluorescence and microfluidics to provide point of care cartridge-based testing that enables reference lab-quality results in minutes in a cost-effective manner. The deal adds 16 US and 15 international patents with broad applications, including in veterinary diagnostics, water testing, and human in-vitro diagnostics. Deal terms -- \$38.7m.
Biopharmaceuticals	Alcon Inc. (NYSE: ALC) , a \$8.3b Switzerland-based developer of eye care products including instrumentation and diagnostics, intra-ocular lenses and pharmaceuticals.	Aerie Pharmaceuticals, Inc. , a maker of ophthalmic therapies for open-angle glaucoma, dry eye, diabetic macular edema, and wet age-related macular degeneration.	Adds commercialized once-daily eye drop products Rho-pressa and Rocklatan for the reduction of elevated IOP in patients with open-angle glaucoma or ocular hypertension; a Phase 3 candidate for dry eye disease; and a pipeline of clinical and preclinical ophthalmic pharmaceuticals. The deal complements Alcon's recent acquisitions of the exclusive U.S. commercialization rights to Simbrinza (IOP reduction) from Novartis in April 2021 and of Eysuvis (dry eye) and Inveltys (post-operative inflammation) from Kala Pharmaceuticals in May 2022. Deal terms -- \$770m on sales of \$194m (4.0x).

Sector	Acquiror	Target	Analysis
Biopharmaceuticals	Alcon Inc. (NYSE: ALC) , a \$8.3b Switzerland-based producer of equipment, instrumentation and diagnostics and other eye care products.	The EYSUVIS and INVELTYS assets of Kala Pharmaceuticals, Inc. , a \$11.2m developer of mucus penetrating therapies for the treatment of eye diseases.	EYSUVIS is the first and only FDA approved medicine for the short-term (up to two weeks) treatment of dry eye disease. INVELTYS is a twice-a-day corticosteroid for the treatment of post-operative inflammation and pain following ocular surgery. The acquisition adds short-term treatments to mitigate dry eye disease to complement Alcon's existing Systane product line dedicated to ongoing management of dry eye. Deal terms -- \$60m upfront plus milestones.
Biopharmaceuticals	Amgen Inc (Nasdaq: AMGN) , a \$26b drug maker focused on inflammation, oncology, bone health, cardiovascular disease, nephrology, and neuroscience.	ChemoCentryx, Inc. , a developer of biopharmaceuticals for inflammatory disorders, autoimmune diseases, and cancer.	Adds an FDA-approved oral treatment for vasculitis associated with antineutrophil cytoplasmic antibodies (ANCA). ANCA-associated vasculitis is an umbrella term for a group of multi-system autoimmune diseases with small vessel inflammation that may rupture or become occluded causing injury to the kidneys, lungs and other organs. ChemoCentryx additionally has three early-stage drug candidates for inflammatory diseases and cancer. Deal terms -- \$3.7b on sales of \$32m (116x).
Biopharmaceuticals	AstraZeneca PLC (Nasdaq: AZN) , a \$37b UK-based biopharmaceutical company.	TeneoTwo Inc. , a developer of antibodies designed to treat solid tumors and hematologic malignancies.	TeneoTwo's lead candidate is in Phase I trial for relapsed and refractory B-cell non-Hodgkin lymphoma. TeneoTwo's candidate is a T-cell engager, engineered to redirect the immune system's T-cells to spot and attack cancer cells. The acquisition strengthens AstraZeneca's pipeline of potential treatments for a wide range of blood cancers. Deal terms -- \$100m upfront plus up to \$1.17b in milestones.
Biopharmaceuticals	Biosynth Carbosynth , a Switzerland-based supplier of critical products and manufacturing services to the life sciences industry.	Pepscan , a Netherlands-based developer and producer of peptides.	Builds Biosynth Carbosynth's peptide product capabilities following its acquisition of vivitide in March 2022. Biosynth Carbosynth is backed by KKR and Ampersand Capital Partners. Terms not announced.

Sector	Acquiror	Target	Analysis
Biopharmaceuticals	Gilead Sciences, Inc. (Nasdaq: GILD) , a \$27.3b biopharmaceutical company.	MiroBio , a UK-based developer of immune inhibitory receptors to address inflammatory disorders.	MiroBio's lead investigational antibody is a selective agonist of immune inhibitory receptor B- and T-Lymphocyte Attenuator (BTLA) and has entered Phase 1 clinical trials. Deal terms -- \$405m.
Biopharmaceuticals	Ginkgo Bioworks Holdings, Inc. (NYSE: DNA) , a \$313.8m developer of cell programming platforms enabling biological production of therapeutics, food ingredients, and chemicals derived from petroleum.	Zymergen Inc. , a producer of microbes, molecules, and lab materials.	Adds machine learning and data science tools for drug discovery and rapid prototyping to Ginkgo's cell programming technologies. Deal terms -- \$300m.
Biopharmaceuticals	Innoviva Inc. (Nasdaq: INVA) , a \$392m healthcare focused asset management company.	La Jolla Pharmaceutical Company , a maker of a vasoconstrictor injectable treating septic shock and developer of other life-threatening disease therapeutics.	Adds an FDA approved angiotensin II injection that increases blood pressure in adults with septic or other distributive shock. La Jolla also adds an FDA-approved antibacterial for complicated intra-abdominal infections. Deal terms -- \$149m on revenue of \$75.7m (1.9x) and normalized EBITDA of \$32m (4.7x).
Biopharmaceuticals	Novo Nordisk A/S (NYSE: NVO) , a \$18.8b Denmark-based producer of pharmaceuticals for diabetes and obesity care.	Forma Therapeutics Holdings, Inc. , a clinical-stage biopharmaceutical company focused rare hematologic diseases and cancers.	Forma's lead candidate is in Phase II for patients with transfusion-dependent sickle cell disease (SCD) and thalassemia and in Phase II/III in SCD. Forma also has programs in prostate cancer, acute myeloid leukemia and glioma and pre-clinical programs in hematological diseases and cancer. Deal terms -- \$1.1b.

Sector	Acquiror	Target	Analysis
Biopharmaceuticals	Pfizer Inc. (NYSE: PFE) , a \$81.3b producer of vaccines, biologics, small molecules, immunotherapies, biosimilars and other biopharma products.	Global Blood Therapeutics, Inc. , a producer of therapeutics treating sickle cell disease (SCD).	Adds an FDA approved medicine that treats sickle cell disease, an inherited blood disorder. Global Blood Therapeutics also has several candidates in development targeting improvement in both hemolysis and frequency of vaso-occlusive crisis, when sickled red blood cells block blood flow and can deprive oxygen supply. In May, Pfizer purchased Biohaven, developer of a migraine drug, for \$11.6b on sales of \$463m (25x). Deal terms -- \$5.4b on sales of \$195m (28x).
Biopharmaceuticals	Vertex Pharmaceuticals Incorporated (Nasdaq: VRTX) , a \$7.6b developer of pharmaceuticals for cystic fibrosis.	ViaCyte, Inc. , a developer of novel stem cell-derived cell replacement therapies for type 1 diabetes (T1D).	Vertex has an investigational allogeneic stem cell-derived, insulin-producing islet cell therapy for T1D, in an ongoing Phase 1/2 study. The acquisition adds complementary technologies including additional human stem cell lines, intellectual property around stem cell differentiation, and Good Manufacturing Practice manufacturing facilities for cell-based therapies that could accelerate Vertex's ongoing T1D programs. The deal also provides access to novel hypo-immune stem cell assets via the ViaCyte's collaboration with CRISPR Therapeutics. Deal terms -- \$320m.
Biopharmaceuticals	Visus Therapeutics Inc. , a clinical stage biopharmaceutical company focused on developing multi-targeted treatments for the eye.	All patents and other assets of ViewPoint Therapeutics, Inc. , a developer of treatments for diseases of protein misfolding, including cataracts.	Expands Visus' ophthalmic pipeline. ViewPoint developed alpha-crystallin aggregation inhibitors as investigational non-surgical treatments to correct protein misfolding in the lens. Protein misfolding reduces lens elasticity and clarity leading to presbyopia and cataract. Terms not announced.

Sector	Acquiror	Target	Analysis
Data Management/ Healthcare IT	Becton, Dickinson and Company (BD) (NYSE: BDX) , a \$20.2b manufacturer of medical supplies, devices, lab equipment, and diagnostics.	MedKeeper , a provider of cloud-based pharmacy management applications.	Adds solutions in compounding, logistics workflow, controlled substance management and inventory optimization to BD's pharmacy offerings. In June 2022, BD purchased pharmacy automation solutions provider Parata Systems for \$1.5b on sales of \$220m (7.0x). Deal terms -- \$93m.
Data Management/ Healthcare IT	Cadence Design Systems, Inc. (Nasdaq: CDNS) , a \$3.3b provider of software, hardware, services, and reusable integrated circuit (IC) design blocks worldwide.	OpenEye Scientific Software, Inc. , a software company developing large-scale molecular modelling applications and toolkits.	Extends Cadence's computational software core competency to molecular modeling and simulation that is targeted to life sciences. OpenEye developed cloud-native Orion software platform to accelerate advances in human health. Its products are used by pharmaceutical and biotechnology companies for drug discovery, and its customers include 19 of the top 20 global pharmaceutical companies such as Pfizer and AstraZeneca. Terms not announced.
Data Management/ Healthcare IT	ResMed Inc. (NYSE: RMD) , a \$3.2b producer of sleep and respiratory care devices and cloud-based software.	Mementor , a Germany-based developer of a digital insomnia therapy app.	Deepens ResMed's penetration of the Germany market. Mementor's app is Germany's "first and only permanently approved Digital Health Application" in sleep medicine and is therefore eligible for reimbursement there. In June, ResMed paid \$1b for Germany-based developer of out-of-hospital patient monitoring software Medifox Dan. Terms not announced.

Sector	Acquiror	Target	Analysis
Dental	Henry Schein, Inc. (Nasdaq: HSIC) , a \$12.4b distributor of dental products and practice management software systems.	Condor Dental Research Company SA , a Switzerland-based distributor of dental supplies to general practitioners, specialists, and laboratories.	Deepens Schein's existing penetration of the Switzerland market. In 2004, Schein first partnered with Switzerland-based dental implant producer Camlog Biotechnologies and since 2016, along with BioHorizons, it has served as Schein's Global Dental Surgical Group. Schein is a majority owner of both BioHorizons and Camlog. Condor adds consumables and customized equipment installation services in Switzerland. Condor generated \$18m in sales in 2021. Terms not announced.
Dental	Henry Schein, Inc. (Nasdaq: HSIC) , a \$12.4b distributor of dental products and provider of practice management services.	Midway Dental Supply , a distributor of dental products.	Adds to Henry Schein's geographic footprint in the mid-western US. Midway Dental generated \$110m in 2021 and has 200 employees. Terms not announced.
Diagnostics	Agilent Technologies Inc (NYSE: A) , a \$6.3b maker of analytical instrumentation including liquid chromatography systems and flow cytometers.	Polymer Standards Service GmbH (PSS) , a provider of polymer characterization solutions.	Broadens Agilent's offerings, adding specialized analysis of natural and synthetic polymers including nucleic acids, proteins, monoclonal antibodies, polysaccharides, and synthetic plastic. Terms not disclosed.
Diagnostics	Ampersand Capital Partners , a healthcare-focused private equity firm.	iuvo BioScience , a specialty CRO providing laboratory, preclinical and clinical development, and scientific consulting services.	Represents a new platform investment for Ampersand in the CRO industry. iuvo BioScience supported 8 of the last 22 New Drug Application (NDA) approvals in ophthalmology and also serves customers across additional therapeutic areas. Terms not announced.

Sector	Acquiror	Target	Analysis
Diagnosics	Bain Capital Private Equity , a private equity firm.	The Scientific Solutions Business of Olympus Corporation , a \$6.2b Japan-based manufacturer of optics and reprography products.	The scientific solutions unit includes industrial microscopes, X-ray fluorescence analyzers, videoscopes and fiberscopes, and other testing equipment. The divestiture enables Olympus to narrow its focus on medical technology. Deal terms -- \$3.1b on sales of \$860m (3.6x).
Diagnosics	Bio-Rad Laboratories, Inc. (NYSE: BIO) , a \$3.0b manufacturer of life science research and clinical diagnostic products.	The Curiosity Diagnostics, Sp. Z. o. o. business of Scope Fluidics, S.A. , a Poland-based developer of disposable microfluidic collection systems of micro-samples of blood,	Curiosity Diagnostics is developing a sample-to-answer, rapid diagnostics PCR system for the molecular diagnostics market. The acquisition extends Bio-Rad's presence in high-complexity labs into near-patient molecular diagnostics labs. Deal terms -- \$100m upfront plus \$70m in milestones.
Diagnosics	Calibre Scientific, Inc. , a provider of reagents, tools, instruments, and other consumables to the lab research, diagnostics, and biopharma industries.	Agar Scientific , a UK-Based manufacturer and distributor of microscopy consumables and equipment.	Enhances Calibre's microscopy presence. Agar specializes in microscopy consumables and equipment, including girds, apertures, slides and coverglasses, filaments, tweezers, magnifiers, and specimen storage and preparation equipment. Terms not announced.
Diagnosics	Calibre Scientific, Inc. , a provider of reagents, tools, instruments, and other consumables for lab research and diagnostics.	Achrom , a Belgium-based distributor of chromatography consumables, equipment, and accessories.	Achrom is Calibre's first acquisition in the Benelux region. Achrom's portfolio includes liquid chromatography columns, gas chromatography columns, vials, seals, caps, valves, tubing, and analytical gas generators. In May 2022, Calibre purchased Serviquimia, a Spain-based distributor of consumables, chemicals, lab equipment and lab furniture. Calibre Scientific is a portfolio company of private equity firm Stone Calibre. Terms not announced.

Sector	Acquiror	Target	Analysis
Diagnostics	Eurofins Scientific SE (ERF.PA) , a \$6.8b Luxembourg-based provider of analytical testing and laboratory services globally.	DiscoveryBioMed , a contract research organization (CRO) focused on developing novel human bioassays.	Expands Eurofins' drug discovery services and products. DiscoveryBioMed specializes in using cells from diseased and normal human tissues to develop novel, customized bioassays. Terms not announced.
Diagnostics	Laboratory Corporation of America Holdings (NYSE: LH) , a \$16.1b provider of diagnostic testing services and drug, device, and diagnostic development solutions.	The outreach laboratory business and select related assets of RWJBarnabas Health , a New Jersey-based academic health care system.	Expands Lab Corp.'s geographic footprint in New Jersey including rural markets. Terms not announced.
Diagnostics	New Mountain Capital , a private equity firm.	The Applied, Food and Enterprise Services businesses (AFES) of PerkinElmer, Inc. , a \$5.0b provider of diagnostic products and services.	The acquired business units include PerkinElmer's OneSource lab and field services, a portfolio of spectroscopy instruments and consumables serving the biopharma, food, environmental and safety markets. The AFES group includes 6,000 employees. New Mountain/AFES will retain the PerkinElmer name and brand and PerkinElmer's remaining life sciences businesses and diagnostics businesses will be rebranded. Deal terms -- \$2.3b upfront plus \$150m in milestones on revenue of \$1.3b (1.8x)
Diagnostics	SSI Diagnostica A/S , a Denmark-based manufacturer of diagnostics products and a portfolio company of Adelis Equity.	TECHLAB, Inc. , a manufacturer of rapid, non-invasive diagnostic tests and a portfolio company of Pharos Capital Group.	TECHLAB has a portfolio of diagnostic tests for infectious disease and intestinal inflammation testing. It also performs diagnostics and life science contract manufacturing and services. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	AbbVie Inc. (NYSE: ABBV) , a \$56.2b producer of pharmaceuticals for autoimmune diseases, Parkinson's, GI disorders, ophthalmic conditions and more.	iSTAR Medical SA , a Belgium-based developer of minimally-invasive glaucoma devices (MIGS).	iStar's MINInject device is designed to reduce intraocular pressure (IOP) by increasing the natural fluid outflow from the anterior chamber to the supraciliary space. At the end of 2021, the MINInject secured CE marking and the implant was commercially launched in select European countries earlier in 2022. In July 2021, iSTAR received an investigational device exemption (IDE) from the FDA to commence a clinical trial of MINInject and iStar is now enrolling participants in a trial with an aim to commercialize the MINInject device in the US in the future. Deal terms -- \$60m upfront plus \$475m in milestones.
Medical Devices	Acumed, LLC , a device maker focused on upper and lower extremities.	ExsoMed , a producer of hand surgery implant systems.	Adds an intramedullary threaded nail for treating metacarpal fractures, a Distal Interphalangeal (DIP) Joint Fusion screw technology and other proprietary hand surgery solutions to Acumed's upper extremity portfolio. Acumed is a part of Colson Medical, a Berkshire Hathaway Company. Terms not announced.
Medical Devices	ARCH Medical Solutions Corp. , a precision manufacturer of medical components, parts, instruments, devices, and implants.	MedTorque , a contract manufacturer focused on orthopedic applications, including spinal fusion, extremities and robotic surgery.	MedTorque adds a portfolio of silicone handles, ratchet drivers, and torque-limiting drivers that can be custom engineered for its orthopedic OEM customers. Medtorque has facilities in Kenosha, Wisconsin, and Elmhurst, Illinois that expand ARCH Medical's capacity and add a specialty in manufacturing robotic-assisted and navigated surgical platforms. ARCH Medical is a portfolio company of The Jordan Company. MedTorque was purchased from private equity firm Parallel49 Equity. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	Archimed , a France-based healthcare-focused private equity firm.	Natus Medical Incorporated , a maker of devices that diagnose, and treat disorders of the brain.	Adds a neurodiagnostics, pediatric retinal imaging, infant hearing screening, balance, and intracranial pressure monitoring platform investment for Archimed. Natus sells in over 100 countries, offering hardware, advanced software and algorithms, and consumables that provide stimulus, acquire and monitor physiological signals, and capture the body's response. Deal terms -- \$1.2b on sales of \$473.4m (2.5x) and normalized EBITDA of \$59m (20.3x).
Medical Devices	B. Braun Medical Inc. , a Germany-based maker of infusion therapy, pain management and pharmacy products.	The Clik-FIX catheter securement device portfolio of Starboard Medical, Inc. , a producer of patient temperature management products.	Adds catheter securement technologies that complement B. Braun's infusion therapy products. Terms not announced.
Medical Devices	Boston Scientific Corporation (NYSE: BSX) , a \$12b device maker focused on neuro, GI, pulmonary, urologic and interventional cardiovascular surgery.	Obsidio, Inc. , a developer of a technology for embolization of blood vessels in the peripheral vasculature.	Embolization is a minimally invasive procedure that obstructs or reduces blood flow to an abnormality or tumor to stop hemorrhaging, reduce the size of malignant and benign tumors, and stabilize venous and arterial malformations. Obsidio has developed a recent FDA cleared semi-solid, proprietary material in a ready-to-use preparation to expedite embolization procedures. Terms not announced.
Medical Devices	CONMED Corporation (NYSE: CNMD) , a \$1.0b manufacturer of surgical devices and related equipment.	Biorez Inc. , a developer of soft tissue implants.	Adds a bioinductive scaffold implant to CONMED's sport medicine portfolio. Biorez's implant, BioBrace, is FDA cleared in multiple product sizes. In May 2022, CONMED acquired In2Bones Global, Inc., a maker of devices for extremities for \$145m upfront plus \$110m in milestones. Deal terms -- \$85m upfront plus \$165m in milestones.

Sector	Acquiror	Target	Analysis
Medical Devices	Dunes Point Capital , a family office investment firm.	EG Medical , a manufacturer of complex, high precision parts for medical devices.	EG Medical is a divisional carve-out from plastic injection molder Ernie Green Industries, Inc. EG Medical consists of four manufacturing facilities in New York, North Carolina, and Dominican Republic and employs 280 people. The deal represents a new medical device contract manufacturing platform for Dunes Point. Terms not announced.
Medical Devices	Exo, Inc , a developer of handheld ultrasound devices and AI for imaging and therapeutic applications.	Medo INC , an artificial intelligence (AI) technology developer.	Exo will integrate Medo's proprietary AI technology into its ultrasound platform. Medo's ultrasound AI technology radically lowers the expertise required to diagnose common and critical conditions through automated image acquisition and interpretation. The company has two FDA-cleared AI algorithms and more in pipeline. Terms not announced.
Medical Devices	IDEX Corporation (NYSE: IEX) , a \$2.8b manufacturer of fluid and metering technologies and devices.	Muon B.V. , a Netherlands-based manufacturer of micro-precision components for diagnostics, devices and semiconductors.	Muon manufactures highly precise technologies that enable the movement of various liquids and gases in critical applications for medical technologies, semiconductor, food processing, digital printing and filtration. The deal scales IDEX's existing fluidics and optics group and adds a European manufacturing presence. Deal terms -- \$700m on sales of \$140m (5x) and EBITDA of \$42m (16.7x).
Medical Devices	Inflexion Private Equity Partners , an UK-based private equity firm.	SteriPack Group Ltd , an Ireland-based device and pharmaceutical packaging contract manufacturer.	Represents a new contract manufacturing platform investment for Inflexion. SteriPack was purchased from Great Point Partners. SteriPack employs over 650 people across locations in Ireland, Poland, Malaysia, and the US. In 2021 SteriPack acquired product developer HS Design and electromechanical R&D engineering firm Halleck-Willard, Inc. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	Lee Health , A non-profit, integrated health care services organization in South-west Florida.	The Anovo Surgical System of Momentis Surgical Ltd , a developer of robotic-assisted surgical platforms.	Momentis' Anovo Surgical System is the first and only FDA-authorized surgical robot designed to mimic human arms and provide human level dexterity. The system is designed to enable the less invasive vaginal approach for benign gynecological procedures including hysterectomies. It is estimated that ~600,000 hysterectomies are performed annually in the U.S. and less invasive approach is used in only 16% of hysterectomies due to anatomical and technical limitations. Terms not announced.
Medical Devices	LumiThera Inc. , a producer of photobiomodulation (PBM) treatment devices for ocular damage and disease.	MacuLogix , a developer of dark adaptation functional testing that detects, monitors and treats AMD.	MacuLogix produces a wearable AdaptDX Pro dark adaptation care professionals used to diagnose dry AMD. The AdaptDx Pro, launched in 2020, is available for sale in the US, Canada, EU and other countries. Globally, the prevalence of AMD is estimated to increase by 20% between 2020 (195.6 million) and 2030 (243.3 million). In March, LumiThera announced the acquisition of the Diopsys, developer of Visual Evoked Potential (VEP) and Electroretinogram (ERG) vision testing technology. The Diopsys systems measure the electrical activity of the retina of the eye in response to a light stimulus, to assist in diagnosing and monitoring eye disease. Lumithera offers the Valeda Light Delivery System, currently approved in Europe and several countries in Latin America, undergoing a pivotal US study and to support FDA submission for US approval in treating intermediate dry Age-related Macular Degeneration. Terms not announced.
Medical Devices	Össur hf. (OSSR.CO) , a \$719m Iceland-based producer of non-invasive orthopedic products.	Naked Prosthetics , a manufacturer of durable, custom, functional finger prostheses.	Adds mechanical devices designed to mimic the natural motion of the finger for finger and partial hand amputees. Naked Prosthetics generated \$9m in sales in 2021 and has 70 employees. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	Probo Medical , a provider of medical imaging equipment, parts, repair, and service.	Mi Healthcare , a UK-based provider of medical imaging equipment and services.	Mi Healthcare provides diagnostic imaging equipment and services including ultrasound and x-ray sales, rental and service solutions across the UK with offices in both England and Scotland. Terms not announced.
Medical Devices	Ra Medical Systems, Inc. (NYSE: RMED) , a \$22m manufacturer of excimer lasers for treating vascular immune-mediated inflammatory diseases.	Catheter Precision, Inc. , a maker of cardiac electrophysiology products.	Adds an FDA-cleared and CE marked product that utilizes non-invasive inputs to locate the origin of ventricular arrhythmias. Catheter Precision also is releasing a second-generation robotic arm previously cleared by both FDA and CE, which serves as a catheter control device that can be remotely controlled outside of the procedure room. Another pipeline product is a vessel closure device for use at the insertion site of percutaneous catheters. Terms not announced.
Medical Devices	Rayner Surgical Group Limited , a manufacturer of intraocular lenses and injection devices for use in cataract surgery.	An undisclosed equity stake of Hasa Optix , a Belgium-based producer of recyclable surgical ophthalmic instruments.	Rayner concurrently has entered a commercial partnership with Hasa Optix, which offers single-use and recyclable instruments and instrument sets that complement Rayner's IOL offerings. Rayner will distribute Hasa Optix's instruments in select countries including the U.S. starting in late 2022. Rayner is a portfolio company of private equity firm CVC Partners. Terms not announced.
Medical Devices	Rocket Pharmaceuticals (Nasdaq:RCKT) , a developer of genetic therapies for complex and rare childhood disorders.	Renovacor, Inc. , a biotechnology company focused on genetically-driven cardiovascular and related diseases.	Rocket will gain Renovacor's technology designed to treat dilated cardiomyopathy, a rare, genetically-driven form of heart failure. Currently, there are no commercially available targeted treatments for this disease. Deal value - \$53m.

Sector	Acquiror	Target	Analysis
Medical Devices	Sanara MedTech Inc. (Nasdaq: SMTI) , a \$24m producer of wound and skin care products.	Scendia Biologics, LLC , a maker of orthobiologic and soft tissue focused products.	Scendia operates a state licensed and FDA registered tissue bank for the storage and distribution of allograft products to hospitals, surgery centers and clinicians across the U.S. Scendia was a sub-distributor of Sanara's and joint venture partner prior to the acquisition. Deal terms -- \$7.4m upfront plus milestones on revenue of \$8.3m (.9x).
Medical Devices	Stratasys Ltd. (NASDAQ: SSYS) , a \$607m maker of polymer 3D printing solutions.	The 3D Printing Materials Business of Covestro AG , a Germany-based developer of polyurethane and polycarbonate based raw materials.	Adds R&D facilities and teams in Europe, the US, and China, a portfolio of about 60 additive manufacturing materials, and an IP portfolio of hundreds of patents and patents pending. Stratasys already distributes Covestro's resins. Deal terms -- \$43.3m upfront plus milestones of up to \$37m.
Medical Devices	Teleflex Incorporated (NYSE: TFX) , a \$2.8b producer of single-use devices for diagnostics, critical care and surgery.	Standard Bariatrics, Inc. , a developer of a powered stapling technology for bariatric surgery.	Standard Bariatrics' stapler enables a long, continuous cut-line for use in sleeve gastrectomy. Allows surgeons to plan and place staples in one firing, minimizing variations associated with the use of multiple overlapping short-cartridge staple firings. There are an estimated 120,000 sleeve gastrectomy procedures annually in the U.S. Deal terms -- \$170m upfront plus \$130m in milestones on sales of \$15m (11.3x).
Medical Devices	Trelleborg AB (TREL-B.ST) , a \$3.3b Sweden-based manufacturer of engineered polymer solutions.	Minnesota Rubber and Plastics (MRP) , a producer of engineered elastomers and thermoplastics for the medical, water and industrial markets.	Adds eight manufacturing facilities in the U.S., Mexico, England, the Czech Republic and China and accelerates product development capabilities for medical applications. MRP has 1,450 employees. MRP was a portfolio company of private equity firm KKR, which bought the company from Northwest Equity Partners in late 2018. Deal terms -- \$950m on sales of \$220m (4.3x).

Sector	Acquiror	Target	Analysis
Medical Services	Amazon.com, Inc. (Nasdaq: AMZN) , a \$470b online retailer of consumer products and subscriptions.	1Life Healthcare, Inc. , a membership-based primary care organization offering in-office and digital care.	Expands Amazon's healthcare service offerings following its 2018 acquisition of online pharmacy Pillpack for \$753m and 2019 purchase of Health Navigator, an online symptom-checker. In 2019, Amazon introduced Amazon Care providing access to urgent- and primary-care services for the employer market. 1Life expands Amazon Care's footprint adding partnerships with over 8,000 companies with 767,000 members and 188 medical offices in 25 markets. The Company went public in January 2020 and offers online booking for medical appointments, 24/7 access to virtual care and text-messaging with doctors. Amazon's foray into healthcare services combining in-person and virtual care services, is part of the larger shift toward telemedicine, online pharmacy delivery and overall digital management and delivery of care on integrated platforms, in part prompted by the pandemic. Deal terms -- \$3.9b on sales of \$622m (6.3x).
Medical Services	Catalent, Inc. (NYSE: CTLT) , a \$4.8b provider of development, and manufacturing services for drugs, protein-based biologics, cell and gene therapies.	Metrics Contract Services , a specialty contract development and manufacturing organization (CDMO).	Adds a 333,000 square-foot facility (Greenville, North Carolina) to strengthen Catalent's integrated oral solid formulation development capacity and accelerate and de-risk customer programs through a streamlined one-site solution. Metrics Contract Services' facility includes 16 manufacturing suites, with 11 designed to handle highly potent compounds and has two packaging lines. It has 400 employees. Metrics was purchased from \$280m drug developer Mayne Pharma Group Limited (Australia). Deal terms -- \$475m.

Sector	Acquiror	Target	Analysis
Medical Services	CVS Health Corporation (NYSE: CVS) , a \$292b provider of pharmacy services, walk-in medical clinics and consumer health products.	Signify Health, Inc. , a provider of home healthcare services.	Adds a mobile network of 10,000 credentialed clinicians offering in-home evaluations of Medicare Advantage and Medicaid plan members. The acquisition represents a shift in the drugstore chain's traditional brick and mortar store foundation to home visits. Last year, CVS announced plans to close 900 stores over three years. Deal terms -- \$8b on sales of \$773.4m (10.3x) and normalized EBITDA of \$132m (60.6x).
Medical Services	Inotiv, Inc. , a non-clinical CRO providing drug discovery and development services.	Protypia, Inc. , a provider of protein/peptide bioanalytic services.	Expands Inotiv's capabilities in protein bioanalysis and tissue-based protein and peptide mass spectrometry. Protypia provides a targeted proteomics platform to precisely quantify drug target systems in cells, tissue models and human tissues. Innovis had made a series of acquisitions in the early drug development space. In October 2021, it bought drug discovery firm Plato BioPharma for \$15m. In April 2022, Inotiv acquired preclinical testing services contractor Gateway Pharmacology Laboratories. Deal terms - \$11m.
Medical Services	Lions Eye Institute for Transplant and Research , a non-profit eye bank, tissue recovery, and ocular research center.	SightLife , a non-profit eye bank.	The combination forms the largest non-profit eye bank, tissue recovery and ocular research center globally, with nearly 300 employees. Enables Lions Eye to expand its reach to 12,000 additional patients worldwide. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Services	McKesson Corporation (NYSE: MCK) , a \$264b distributor of healthcare services, pharmaceuticals, devices and other medical supplies.	Rx Savings Solutions (RxSS) , a provider of prescription pricing and medication access services.	Expands McKesson's patient access, affordability and adherence solutions at the provider office, pharmacy and directly to patients. RxSS contracts directly with health plans and employers to maximize benefit designs to save costs for members. It developed a proprietary machine-learning algorithm to help members understand available options for prescriptions and identifies cost-effective prescription alternatives under their insurance. The company also provides medication adherence and reminder tools. Deal terms -- \$600m upfront plus \$275m in milestones.
Medical Services	Resolution Medical, LLC , a medical device contract development and manufacturing organization.	LifeTec Group , a Netherlands-based pre-clinical contract research organization (CRO).	Adds biosimulation and pre-clinical services to Resolution Medical's development and manufacturing services and expands its penetration of Europe. Resolution Medical is a portfolio company of Arcline Investment Management. Terms not announced.
Medical Services	Veranex Solutions , a provider of integrated product development strategies and services to medtech companies.	Medidee , a Switzerland-based medtech consultancy company.	Medidee expands and strengthens regulatory affairs, clinical development, and quality assurance services and capabilities for medtech companies across EU and globally. This improved ability to navigate the EU-MDR/IVDR challenges supports medtech product development and commercialization. Medidee has 11 locations across Europe, India, and Asia-Pacific. Terms not announced.
Medical Services	Verustat , a full-service remote patient monitoring system and equipment maker.	One Healthcare Solution Inc. (OneHS) , a provider of remote patient monitoring services.	Expands Verustat's offerings into chronic care. OneHS provides long-term care management, remote patient monitoring and patient engagement services, including annual wellness visits. Terms not announced.

Sector	Acquiror	Target	Analysis
OTC/Consumer	Amare Global , a provider of mental wellness support products.	Kyāni, Inc. , a distributor of nutritional and skin care products.	Accelerates Amare's global expansion. Kyani's business operations in over 50 countries. Terms not announced.

The Walden Group is a healthcare mergers & acquisitions advisory firm. We represent privately-owned companies seeking to divest operations or find a home within (or relationship with) an appropriate strategic or private equity firm. We also represent operating companies and financial sponsors seeking to make corporate acquisitions and investments in the healthcare sector. Our approach is "full-immersion", with more than 30 years of healthcare experience, deep industry knowledge, a worldwide network of close relationships and a lengthy track record of completed transactions.

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