



The Walden Group

2023 Q2 Strategic Healthcare M&A Report

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for

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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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Q2 2023 Market Overview

High Elevation Perspective

2023 is a transitional year. Supply chains are easing, covid is being controlled and a new normality is returning. Yet, lingering inflation, staffing shortages, hospital consolidations, new regulatory requirements, a slow IPO market, longer-than-expected post-acquisition integrations and the inevitable progression of technology create challenges.

While the EU has pushed back deadlines for complying with the new Medical Device Regulations (MDR), notified bodies are still stretched thin and there remains expensive interpretative decisions to be made by medtech companies to enable them to continue to sell their products with CE marking. New technologies are also causing uncertainty at the FDA, and reimbursement rates are constrained by the CMS budget, regional Medicare Administrator Contractors and other factors.

These dynamics and others have caused acquirors to be more discerning, even as larger companies have been divesting noncore and less profitable businesses and both financial sponsors and strategics have built up war chests to make acquisitions.

More Stringent Anti-Trust Regulations Inhibit Some Dealmaking

In late July, the Federal Trade Commission (FTC) and the Department of Justice (DOJ) released new draft merger guidelines that cover both horizontal and vertical mergers. The proposed changes represent a significant change from previous guidelines. The FTC and DOJ would require parties to provide more details about deal rationale, corporate relationships, projected revenues, market conditions, deal structure and previous acquisition history. Under

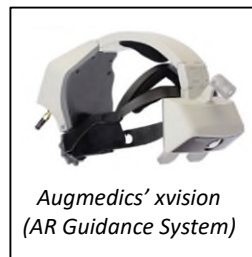
new guidance, investigators could challenge vertical deals even when the merging companies are below a 50% market share, and horizontal mergers if the merged company has a market share greater than 30%. Though comments on the guidelines are open until September and the guidelines are non-binding, antitrust regulations have altered the trajectory of several planned acquisitions.

- **Cooper Surgical** announced plans to acquire **Cook Medical's Reproductive Health Business** for \$875 in February 2022 but in August 2023 abandoned the deal after an FTC investigation was launched to determine whether the deal was potentially anti-competitive.
- **Boston Scientific** announced plans in June 2022 to acquire a 64% stake in **M.I.Tech**, a South Korea-based maker of gastrointestinal and airway stents, for \$230m. But in May 2023, it walked away from the deal following FTC issues.
- **Illumina** closed its \$8b acquisition of cancer test developer **Grail** in 2021 but was recently fined \$476m by EU regulators for not securing regulatory approval prior to closing. **Illumina** is appealing an FTC order to divest **Grail**.
- **Amgen's** \$27.8b acquisition of **Horizon Therapeutics**, announced in late 2022, was supposed to close by June 2023 but is being delayed until December as **Amgen** navigates FTC litigation.

Artificial Intelligence (AI), Augmented Reality (AR) and Machine Learning (ML) Make Inroads

FDA clearances of AI-enabled devices have spiked in recent years. **GE Healthcare** and **Siemens Healthineers** have the most AI/ML FDA authorizations. About 75% of the over 520 submissions the FDA authorized have been in radiology and 11% in cardiology. However, many other segments are developing AI-based technologies.

Augmedics recently raised \$82.5m in a Series D financing to further roll-out its FDA-cleared AR surgical navigation platform that has been used to treat 4,000 patients and implant over 20,000 pedicle screws. In August 2023, **Augmedics** acquired **Suralign's** digital health assets, which included an intraoperative surgical planning system that automates anatomic labelling, implant sizing, and trajectory planning, for \$900,000 after **Suralign** filed for bankruptcy.



In June 2022, **Novarad's** VisAR surgical navigation system was FDA cleared. VisAR transforms a patient's imaging data into a 3D hologram that can be viewed through an optical visor and superimposed onto a patient enabling surgeons to focus directly on the surgical objective without the need to look away at a separate monitor.

Start-up **Sesame Care**, a platform that connects users with providers on a cash-pay single-visit or membership basis, is developing AI to assist with provider notetaking and productivity improvement tools. **Hyro**, **Reclaim AI** and several other companies offer AI-assisted appointment scheduling solutions and other automated administrative support to optimize provider workflow.

AI-drug discovery company **Insilico Medicine** leverages **Alphabet's DeepMind** predicted protein structures to identify potential drug targets. **Insilico Medicine's** lead generative AI-discovered and designed drug for idiopathic pulmonary fibrosis has advanced to Phase II clinical trials and it has two additional clinical-stage programs, and over 30 drugs in development in the pipeline for cancer, fibrosis, immunity, central nervous system diseases, and aging-related diseases.

Noteworthy M&A Deals by Sector (see detailed deal analysis later in this report)

Bioprocessing

- **Getinge AB** purchased **High Purity New England, Inc.** (custom single-use bioprocessing products) for \$120m upfront plus milestones of up to \$170m.

Consumer Health

- **J&J** spun off its Consumer Health Business into **Kenvue** in a deal worth \$42b on sales of \$15b (3x) and normalized EBITDA of \$3.3b (4.5x).
- **Bausch + Lomb** purchased the **Blink Line of OTC Eye Drops** from **J&J** for \$106.5m. Since **B+L** appointed Brent Saunders as CEO earlier in 2023 and continues to separate from its parent **Bausch Health**, **B+L** also acquired dry eye drug XIIDRA from **Novartis** for \$1.8b. Saunders was involved in **Valeant Pharmaceuticals'** \$8.7b buyout of **B+L**, was CEO of **Forest Laboratories** where he engendered its sale to **Actavis** for \$25b, and then helped arrange the \$70b merger with **Allergan**.

Contract Manufacturing

- **Advent International** and **Warburg Pincus** paid \$4.3b for **Baxter's BioPharma Solutions business**, a contract manufacturer of parenteral delivery systems for pharmaceutical OEMs.

Data Management/Healthcare IT

- **Thermo Fisher** paid \$912.5m on sales of \$110m (8.3x) for **CorEvitas**, a provider of patient data collection and monitoring solutions.

Diabetes Management

- **Medtronic** purchased **EOFlow**, a South Korea-based maker of wearable, disposable insulin delivery devices for \$738m.



Diagnostics

- **Quest Diagnostics** paid \$300m for **Haystack Oncology**, an early-stage developer of cancer detection technologies.

Interventional Devices

- **Merit Medical** bought **AngioDynamics' Dialysis Product Portfolio** and **Biopsy Tract Sealant System** for \$100m on sales of \$32m (3.1x).
- **Merit Medical** separately acquired **Bluegrass Vascular Technologies' Surfacor Access Catheter System** for \$33m on sales of \$33m (1.0x).



Instruments

- **Steris** acquired **Becton, Dickinson and Company's Surgical Instrumentation Business** for \$540m on sales of \$170m (3.2x).

Ophthalmics

- **Bausch + Lomb** paid \$1.8b on sales of \$487m (3.6x) for **Novartis' XIIDRA** (prescription dry eye disease drug) and an investigational topical ophthalmic drug delivery system.

Orthopedic

- **Zimmer Biomet** acquired **Ossis Limited**, a New Zealand-based maker of personalized 3D-printed implants.

Respiratory Health

- **SunMed Group** acquired **The Respiratory Health Business of Avanos Medical** for \$110m on sales of \$136 (.8x).

Spine

- **Alphatec** paid \$55m for **Accelus' Remi Robotic Navigation System**.
- Spine implant manufacturer **Zavation** acquired **CoreLink**, a producer of spine implants and instrumentation.

Services

- Private equity firm **TPG** and **AmerisourceBergen** acquired **OneOncology**, a network of oncology practices for \$2.1b.

Woundcare

- **Coloplast** purchased **Kerecis**, a developer of fish skin-based woundcare technologies for \$1.2b upfront on sales of \$75m (16x) and EBITDA of \$7.5m (160x) plus \$100m in milestones.

Top Deals > \$100m in Transaction Value Announced or Closed in Q2 2023 (See also M&A Deal-by-Deal Analysis)

Sector	Acquiror	Target	Transaction Value* (millions)	Target Sales	Target EBITDA	Sales Multiple	EBITDA Multiple
Biopharmaceuticals	Merck & Co., Inc.	Prometheus Biosciences, Inc.	\$10,800	\$7	-	-	-
	Astellas Pharma Inc.	Iveric bio, Inc.	\$5,900	-	-	-	-
	Novartis AG	Chinook Therapeutics Inc.	\$3,200	\$6	-	524.6x	-
	Eli Lilly and Company	DICE Therapeutics, Inc.	\$2,400	-	-	-	-
	GSK plc	Bellus Health Inc.	\$2,000	-	-	-	-
	Bausch + Lomb Corporation	The Xiidra Dry Eye Drug of Novartis AG	\$1,750	\$487	-	3.6x	-
	Donaldson Company, Inc.	Univercells Technologies	\$148	\$11	-	13.5x	-
Data Management/ Healthcare IT	Thermo Fisher Scientific Inc.	CorEvitas, LLC	\$913	\$110	-	8.3x	-
Diagnostics	Quest Diagnostics Incorporated	Haystack Oncology	\$300	-	-	-	-
Medical Devices	Advent International and Warburg Pincus	The BioPharma Solutions (BPS) business of Baxter International Inc.	\$4,250	\$600	-	7.1x	-
	Coloplast A/S	Kerecis	\$1,200	\$75	\$8	16.0x	160.0x
	Medtronic plc	EOFlow Co. Ltd.	\$738	-	-	-	-
	STERIS plc	The Surgical Instrumentation Business of Becton, Dickinson and Company	\$540	\$170	\$45	3.2x	12.0x
	Getinge AB	High Purity New England, Inc.	\$120	-	-	-	-
	SunMed Group Holdings, LLC	The Respiratory Health Business of Avanos Medical, Inc.	\$110	\$136	-	0.8x	-
Medical Services	TPG Inc. and AmerisourceBergen Corporation	OneOncology, Inc.	\$2,100	-	-	-	-
OTC/Consumer	The Spinoff of Kenvue Inc. (Consumer Health Business)	Johnson & Johnson	\$41,560	\$14,950	\$3,347	2.8x	12.4x
	Bausch + Lomb Corporation	The Blink Product Line of Johnson & Johnson	\$107	-	-	-	-

*In the case of spin-offs, the market cap of the company, not IPO value, is listed as the Transaction value.

Performance of Leading Healthcare Companies (as of 8/9/2023)

Sector	Company	Market Cap (billions)	EV (billions)	EV/ EBITDA	EV/ SALES	52 WK Perf	Revenue (TTM, billions)	Revenue Growth	Gross Margin
Benefits	UnitedHealth	\$467.7	\$496.2	14.9x	1.4x	-6.6%	\$348.5	13.7%	24.8%
Biopharm	AbbVie	\$263.0	\$318.7	11.2x	5.7x	5.6%	\$56.0	-2.3%	70.5%
	AstraZeneca	\$214.6	\$239.6	13.6x	5.4x	6.7%	\$44.5	1.0%	87.0%
	BioNTech	\$25.7	\$12.4	1.4x	0.9x	-40.2%	\$13.3	-47.6%	85.3%
	Bristol-Myers Squibb	\$127.9	\$158.5	8.5x	3.5x	-16.1%	\$45.2	-4.2%	77.6%
	Eli Lilly	\$426.4	\$441.1	48.2x	15.9x	43.1%	\$27.7	-5.6%	77.7%
	Gilead Sciences	\$94.2	\$111.6	9.0x	4.1x	21.3%	\$27.0	-1.6%	79.2%
	GlaxoSmithKline	\$69.3	\$87.6	7.0x	2.4x	-16.3%	\$37.3	5.4%	71.4%
	Merck	\$268.3	\$288.7	23.0x	5.0x	20.7%	\$58.3	2.0%	73.4%
	Moderna	\$43.7	\$36.2	41.4x	3.4x	-41.0%	\$10.7	-53.7%	26.5%
	Novartis	\$210.5	\$228.3	11.4x	4.3x	20.3%	\$53.1	0.5%	71.2%
	Pfizer	\$197.6	\$214.1	6.9x	2.8x	-29.8%	\$77.9	-23.0%	70.1%
	Regeneron	\$81.7	\$69.2	14.4x	5.5x	26.7%	\$12.7	-10.9%	58.1%
Devices	Bausch + Lomb	\$6.6	\$8.9	16.5x	2.3x	27.3%	\$3.9	3.3%	59.5%
	Baxter	\$22.3	\$37.5	12.2x	2.5x	-24.5%	\$15.2	9.3%	38.8%
	Becton Dickinson	\$76.3	\$92.2	18.6x	4.8x	9.7%	\$19.1	0.5%	45.6%
	Boston Scientific	\$73.2	\$82.2	24.6x	6.1x	22.3%	\$13.4	8.7%	69.0%
	Carl Zeiss	\$9.9	\$10.1	23.8x	4.6x	-20.5%	\$2.2	16.6%	58.2%
	Edwards Lifesciences	\$48.6	\$47.9	27.3x	8.5x	-22.7%	\$5.7	5.6%	79.1%
	Glaukos	\$3.6	\$3.7	-	12.5x	39.5%	\$0.3	2.9%	75.7%
	Integra LifeSciences	\$3.6	\$4.9	13.1x	3.2x	-19.1%	\$1.6	-1.4%	62.6%
	Intuitive Surgical	\$109.4	\$103.7	51.2x	15.6x	28.5%	\$6.7	11.8%	66.7%

Sector	Company	Market Cap (billions)	EV (billions)	EV/ EBITDA	EV/ SALES	52 WK Perf	Revenue (TTM, billions)	Revenue Growth	Gross Margin
Devices	Medtronic	\$112.4	\$129.9	15.5x	4.2x	-9.9%	\$31.2	-1.5%	66.0%
	Smith & Nephew	\$12.5	\$15.3	13.5x	2.9x	11.1%	\$5.4	2.6%	70.4%
	STERIS	\$22.3	\$24.9	18.2x	4.9x	11.1%	\$5.1	6.6%	43.5%
	Stryker	\$104.6	\$116.4	25.1x	6.1x	27.7%	\$19.0	8.7%	62.9%
	Zimmer Biomet	\$26.3	\$31.9	13.5x	4.4x	8.8%	\$7.2	4.2%	71.7%
Diagnostics	Bio-Rad	\$11.8	\$11.4	20.4x	4.1x	-26.8%	\$2.8	-4.0%	55.0%
	Danaher	\$190.1	\$202.5	20.6x	6.7x	-10.8%	\$30.4	-1.5%	59.1%
	Hologic	\$18.7	\$18.7	14.6x	4.6x	5.4%	\$4.0	-22.7%	62.0%
	Laboratory Corp	\$19.1	\$23.4	10.5x	1.6x	-14.8%	\$14.9	-5.3%	27.2%
	Qiagen	\$10.6	\$11.3	20.0x	5.6x	-6.3%	\$2.0	-13.5%	66.5%
	Quest Diagnostics	\$15.3	\$20.3	11.6x	2.1x	-0.9%	\$9.5	-10.3%	34.0%
	Thermo Fisher	\$211.5	\$242.5	22.7x	5.6x	-6.7%	\$43.5	1.6%	39.9%
Distribution	AmerisourceBergen	\$38.7	\$43.9	12.8x	0.2x	37.7%	\$254.4	7.7%	3.4%
	Cardinal Health	\$23.9	\$24.6	10.5x	0.1x	55.8%	\$198.7	12.3%	3.4%
	Henry Schein	\$10.3	\$13.0	12.4x	1.0x	5.1%	\$12.5	-1.0%	30.5%
	McKesson	\$58.7	\$63.9	12.6x	0.2x	33.0%	\$284.0	5.8%	4.3%
Diversified	3M	\$59.2	\$71.8	-	2.2x	-25.3%	\$33.1	-5.8%	44.1%
	Abbott	\$187.0	\$194.7	19.8x	4.8x	-1.9%	\$40.2	-11.7%	55.4%
	Johnson & Johnson	\$443.5	\$461.9	13.5x	4.7x	-2.3%	\$97.8	2.3%	67.5%

M&A Deal-by-Deal Analysis—Q2 2023 (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	Gryphon Investors , a private equity firm.	Vetnique Labs , a developer of specialty pet supplements for digestive health, allergy and dermatology.	Represents a new pet products platform for Gryphon. Vetnique includes nine separate sub-brands and sells direct to consumer, through pet specialty retail outlets, and through distributors. Terms not announced.
Animal Health	Zomedica Corp. (NYSE: ZOM) , a \$19m producer of animal health diagnostics and therapeutic products.	Structured Monitoring Products, Inc. , a developer of a zero-touch vital signs remote monitoring system for veterinary applications.	Adds a real time remote monitoring platform to measure pet's vital signs. Structured Monitoring's system alerts staff if vital signs exceed preset ranges and does not require wired leads or a harness, allowing pets to rest comfortably after surgery. Zomedica has been distributing the system since January 2023. Terms not announced.
Animal Health	PARI Medical Holding GmbH , a Germany-based maker of inhalation devices.	Nortev , an Ireland-based maker of respiratory therapy devices for horses and companion animals.	Adds a portfolio of nebulizers for horses and companion animals that complement PARI's cold preparations and other devices addressing the respiratory tract. Terms not announced.
Biopharmaceuticals	Merck & Co., Inc. (NYSE: MRK) , a \$60b pharmaceutical company focused on oncology, hospital acute care, immunology, neuroscience and more.	Prometheus Biosciences, Inc. , a clinical-stage developer of therapeutics for inflammatory bowel diseases.	Adds five clinical and pre-clinical candidates for inflammatory bowel and immune-mediated diseases. In 2021, Merck paid \$1.9b for Pandion Therapeutics, a developer of candidates that selectively target regulatory T cells to treat autoimmune diseases. Deal terms -- \$10.8b on sales of \$7m.

Sector	Acquiror	Target	Analysis
Biopharmaceuticals	GSK plc (NYSE: GSK) , a \$36.4b, UK-based pharmaceutical and vaccine maker.	Bellus Health Inc. , a Canada-based, clinical-stage developer of a chronic cough drug.	Adds a treatment in Phase III trials for treating refractory chronic cough. Deal terms -- \$2b.
Biopharmaceuticals	Astellas Pharma Inc. (4503.T) , a \$9.5b Japan-based manufacturer of pharmaceuticals.	Iveric bio, Inc. , a drug developer focused on ophthalmology.	Iveric adds a clinical-stage drug to treat Geographic Atrophy (GA) secondary to Age-Related Macular Degeneration (AMD). Iveric's lead candidate has received breakthrough therapy designation for this indication. Deal terms -- \$5.9b.
Biopharmaceuticals	Gilead Sciences, Inc. (Nasdaq: GILD) , a \$27.3b biopharmaceutical company.	XinThera , a developer of small molecules to treat cancer and immunologic diseases.	Adds two pre-clinical drugs targeting oncology and inflammatory diseases expected to begin clinical trials later in 2023. Terms not announced.
Biopharmaceuticals	Novartis AG (NYSE: NVS) , a major Switzerland-based pharmaceuticals producer oncology.	Chinook Therapeutics Inc. , a clinical-stage developer of pharmaceuticals for kidney disease.	Adds two late-stage drug candidates targeting immunoglobulin A nephropathy (IgAN), a rare autoimmune and progressive kidney disease mostly affecting young adults and potentially leading to dialysis or kidney transplantation. Deal terms -- \$3.2b upfront plus \$300m in milestones on sales of \$6m.
Biopharmaceuticals	Coherus BioSciences, Inc. (Nasdaq: CHRS) , a \$211m biopharmaceutical company, focused on biosimilars and immuno-oncology.	Surface Oncology, Inc. , a clinical-stage developer of cancer therapies.	Adds a pipeline of novel immuno-oncology therapies targeting lung, liver and solid cancers. Deal terms -- \$28m upfront on sales of \$30m (.9x) plus \$37m in milestones.

Sector	Acquiror	Target	Analysis
Biopharmaceuticals	Eli Lilly and Company (NYSE: LLY) , a \$29b producer of pharmaceuticals for cancer, CNS disorders, autoimmune diseases and more.	DICE Therapeutics, Inc. , a developer of immunology therapeutics.	Adds a platform to develop small molecule drugs in a manner that optimizes their ability to disrupt protein-protein interactions. DICE's technology enables the production of oral medicines for autoimmune and inflammatory diseases, which are typically treated via injectable systemic biologics. DICE's lead candidate DC-806 is an oral small-molecule antagonist of the pro-inflammatory cytokine interleukin-17 that is in phase 2 trials for psoriasis. In 2022, DICE had phase 1 results showing a 43.7% reduction in psoriasis area and severity to claim the therapy had best-in-class potential. Deal terms -- \$2.4b.
Biopharmaceuticals	Eli Lilly and Company (NYSE: LLY) , a \$29b producer of pharmaceuticals for cancer, CNS disorders, autoimmune diseases and more.	Sigilon Therapeutics, Inc. , a preclinical stage developer of treatments for type 1 diabetes, Hemophilia, mucopolysaccharidosis and Fabry disease.	Adds a pipeline of cell-based therapies addressing diabetes, blood disorders and neurological diseases. Earlier in June 2023, Lilly announced it will be acquiring DICE Therapeutics, a developer of oral candidates for psoriasis and other autoimmune conditions, for \$2.4b. Deal terms -- \$34.6m upfront on sales of \$13m (2.7x) and milestones of up to \$310m.
Biopharmaceuticals	Donaldson Company, Inc. (NYSE: DCI) , a \$3.3b manufacturer of filtration systems and replacement parts for engine and industrial products.	Univercells Technologies , a Belgium-based producer of biomanufacturing solutions for cell and gene therapy research.	Adds a bioreactor platform used to produce viruses used in cell and gene therapy, viral vaccines and other therapeutics. Univercells was acquired from private equity firm KKR. Deal terms -- \$148m on sales of \$11m (13.5x).

Sector	Acquiror	Target	Analysis
Data Management/ Healthcare IT	New Mountain Capital , a private equity firm.	The Apixio Artificial Intelligence Business of Centene Corporation , a \$145b provider of programs and services to under-insured and uninsured families, commercial organizations, and military families.	Apixio is a platform that supports leading health plans and provider groups using a proprietary clinical data curation and artificial intelligence engine. The technology analyzes structured and unstructured data to develop patient health profiles. Terms not announced.
Dental	Henry Schein, Inc. (Nasdaq:HSIC) , a \$12.6b distributor of dental and medical products and provider of practice services.	Biotech Dental , a France-based provider of dental implants, clear aligners and digital dental software.	Adds an integrated suite of planning and diagnostic software and a portfolio of custom abutments and implants. Terms not announced.
Dental	Pierrel S.p.A. (PRL.MI) , a \$26.3m, Italy-based contract manufacturer for the pharmaceutical industry.	The Dental Local Anesthetic Business of 3M Company , a \$34b producer of medical devices and industrial, electronic and consumer health products.	Adds a portfolio of local anesthetics and related syringe and needle products, mostly sold in Europe and Asia. For 3M, the divestiture will help prioritize focus on its core Oral Care technologies. Deal terms -- \$70m on sales of \$30m (2.3x).
Dental	Henry Schein, Inc. (Nasdaq: HSIC) , a \$12.6b distributor of medical and dental products and provider of practice management services.	SIN Implant System , a Brazil-based manufacturer of dental implants.	Provides Henry Schein with an entry into Brazil's dental market. SIN Implant System was purchased from private equity firm Southern Cross Group. Terms not announced.

Sector	Acquiror	Target	Analysis
Diagnostics	Biosynth International , a supplier of raw materials for pharma, life science and diagnostic applications.	The Life Sciences Supply Business of Trinity Biotech PLC , a \$75m, Ireland-based producer of clinical laboratory and point-of-care (POC) diagnostic equipment.	Extends Biosynth's life sciences supplies offerings to include 57,000 antigens and antibodies following its acquisition of Dublin-based Aalto Bio Reagents in 2022. Biosynth is owned by KKR and Ampersand Capital. The divestiture sharpens Trinity's focus on diabetes care and decentralized monitoring and diagnostics. Deal terms -- \$30m.
Diagnostics	Calibre Scientific , a provider of reagents, tools, instruments, and other consumables to the lab research, diagnostics, industrial, and biopharma markets.	Greenwood Products Inc. , a manufacturer and provider of laboratory supplies and consumables.	Expands Calibre Scientific's manufacturing and warehouse presence in the U.S. and scales its product portfolio globally. Greenwood specializes in making glass and plastic bottles, jars, vials, and tubes for laboratory customers. Calibre Scientific is a portfolio company of Stonecalibre. Terms not announced.
Diagnostics	Quest Diagnostics Incorporated (NYSE: DGX) , a \$10b provider of diagnostic testing and services.	Haystack Oncology , an early-stage developer of minimal residual disease (MRD) testing to detect residual or recurring cancer.	MRD testing is a type of liquid biopsy test that identifies circulating tumor DNA (ctDNA) in the bloodstream of patients following surgery and other cancer treatment. Quest intends to implement the Haystack technology for new clinical lab services beginning in 2024. Deal terms -- \$300m upfront plus \$150m in milestones.
Diagnostics	Bruker Corporation (Nasdaq: BKKR) , a \$2.5b producer of scientific instruments, and analytical and diagnostic solutions.	ZONTAL Inc. , a maker of integrated technical data solutions.	Advances Bruker's integrated digital laboratory and process data management capabilities. Zontal's products enable communication between IT systems and lab devices, eliminate manual processes and enable AI supported analytics. Terms not announced.

Sector	Acquiror	Target	Analysis
Diagnostics	Thermo Fisher Scientific Inc. (NYSE: TMO) , a \$45b producer of analytical instruments, specialty diagnostics, and laboratory products and services.	MarqMetrix Inc. , a developer of Raman-based spectroscopy solutions.	Adds a Process Analytical Technology (PAT) platform that takes precise measurements throughout the manufacturing process for pharmaceutical, oil and gas, and chemical and polymer applications. MarqMetrix has approximately 30 employees. Terms not announced.
Medical Devices	Inverness Graham , a private equity firm.	Innovia Medical , a producer of specialty single-use surgical instruments and instrument protection products.	Represents a new surgical instrument and device platform for Inverness Graham. Shore Capital formed Innovia Medical through the initial acquisitions of Summit Medical, a maker of ophthalmic blades and ENT instruments, in February 2015, and Shippert Medical, a producer of ENT and aesthetic instruments, in October 2015. Shore Capital then made six additional businesses including InstruSafe (sterile processing trays), DTR Medical (UK-based maker of surgical consumables), and Lacrimedics (occlusion therapy devices for dry eye). Terms not announced.
Medical Devices	Convatec Group Plc (LSE: CTEC) , a \$2.1b, UK-based maker of advanced wound dressings and skin care products.	The Advanced Woundcare Business of 30 Technology , a UK-based developer of nitric oxide-generating technologies.	Adds a patented platform that safely delivers high-dose nitric oxide (NO) for sustained periods in multiple different forms (liquid, gel, powders). NO is critical to immunity, tissue healing and blood oxygenation. Deal terms -- \$56m up-front plus up to \$163 in milestones.
Medical Devices	Alphatec Holdings, Inc. (Nasdaq: ATEC) , a \$350m manufacturer of spine implants and related instruments.	The Remi Robotic Navigation System of Accelus Inc. , a developer of minimally invasive spine procedures.	The REMI (Robotic-Enabled Minimally Invasive) System is an intra-operative platform that integrates navigation and robotics into spine procedures via 3D imaging scans or 2D fluoroscopic images. The system improves surgical predictability, reduces radiation exposure and enhances intra-operative precision. Deal terms -- \$55m.

Sector	Acquiror	Target	Analysis
Medical Devices	Axonics, Inc. (Nasdaq: AXNX) , a \$273.7m developer of treatments for bladder and bowel dysfunction.	Radian, LLC , a producer of a peripheral nerve evaluation (PNE) technologies to determine patient eligibility for sacral neuromodulation (SNM) therapy.	Radian's PNE solution reduces procedure time and facilitates a more accurate placement of PNE leads. The acquisition complements Axonics' existing SNM offering. Radian was acquired from Intermed Labs. Terms not disclosed.
Medical Devices	Corza Medical , a GTCR-backed provider of surgical products for ophthalmics, general surgery and other specialties.	The TachoSil Manufacturing Operations of Takeda Pharmaceutical Company Limited , a \$27b, Japan-based drug manufacturer.	In 2021 Corza bought the commercial product rights for TachoSil, a surgical patch used as an adjunct to hemostasis in cardiovascular and hepatic surgery, for \$386m on sales of \$160m (2.4x). Here, it is buying TachoSil's manufacturing operation in Austria. The acquisition vertically integrates Corza's biosurgery production. Terms not announced.
Medical Devices	Zimmer Biomet Holdings, Inc. (NYSE: ZBH) , a \$7b maker of orthopedic implants, biologics, and reconstructive products.	Ossis Limited , a New Zealand-based maker of personalized 3D-printed implants.	Adds personalized, 3D-printed implant capabilities and complex hip replacements solutions. Terms not announced.
Medical Devices	Stryker Corporation (NYSE:SYK) , a \$18.5b producer of orthopedic, spine and neurosurgery devices.	Cerus Endovascular , a maker of devices to treat intracranial aneurysms.	Expands Stryker's neurovascular solutions for intracranial aneurysms. In February 2023, Cerus' neurovascular system received FDA breakthrough designation. Cerus' product portfolio includes two CE Marked neurointerventional devices. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	Advent International and Warburg Pincus , private equity firms.	The BioPharma Solutions (BPS) business of Baxter International Inc. , a producer of dialysis therapies and services, intravenous therapies and surgical devices.	Represents a major sterile contract manufacturing solution platform. The BPS business is focused on parenteral delivery systems and support services to pharma and biotech customers. The divestiture helps Baxter narrow its strategic focus. In early 2023 Baxter announced plans to spin off its renal care and acute therapies units. Deal terms -- \$4.25b on sales of \$600m (7.1x).
Medical Devices	LifeNet Health , a non-profit provider of allograft bio-implants and organs for transplantation.	The Woundcare business of Bioventus Inc. , a \$512m maker of non-surgical pain treatments, surgical bone graft substitutes and other restorative therapies.	Adds skin substitutes used for diabetic foot ulcers, venous leg ulcers, and other difficult-to-heal wounds. Deal terms -- \$35m upfront plus \$50m in milestones on sales of \$40m (.9x) and EBITDA of \$5m (7x).
Medical Devices	Biomerics LLC , a contract manufacturer of interventional devices.	Precision Concepts Medical , a manufacturer of finished devices and specialty rigid packaging solutions.	Adds micro-metals machining and stamping, injection micro-molding, and micro-assembly specialties. The transaction makes Biomerics the largest contract manufacturer in Costa Rica with ~290,000 s.f. of manufacturing space and adds a manufacturing location in the Dominican Republic. Terms not announced.
Medical Devices	Medtronic plc (NYSE:MDT) , a \$32b manufacturer of cardiovascular, orthopedic, spine and other medical devices.	EOFlow Co. Ltd. , a South Korea-based maker of tubeless, wearable and disposable insulin delivery devices.	Adds a disposable insulin delivery device with a compatible smartphone application. EOFlow's device is currently authorized for use in Europe, South Korea, Indonesia, and the United Arab Emirates. Medtronic will integrate EOFlow's technology into its existing continuous glucose monitor solutions. Terms -- \$738m.

Sector	Acquiror	Target	Analysis
Medical Devices	Getinge AB (GETI-B.ST) , a \$2.6b, Sweden-based maker of products for the OR, intensive-care units, and sterilization departments.	High Purity New England, Inc. (HPNE) , a producer of custom single-use bioprocessing products.	Expands Getinge's presence in the biopharma segment adding proprietary and distributed products for drug discovery and bioprocessing and fill-and-finish services. HPNE serves biopharmaceutical companies focused on monoclonal antibodies, vaccines, cell and gene therapies and other next-generation therapies. HPNE has 150 employees. Deal terms -- \$120m upfront plus milestones of up to \$170m.
Medical Devices	SunMed Group Holdings, LLC , a manufacturer of consumable medical devices.	The Respiratory Health Business of Avanos Medical, Inc. , a \$820m maker of devices for digestive health, pain management and pediatric feeding.	SunMed gains a portfolio of respiratory health devices including an endotracheal tube clearing system, adult endotracheal tubes and suction catheters. Deal terms -- \$110m on sales of \$136 (.8x).
Medical Devices	Merit Medical Systems, Inc. (Nasdaq: MMSI) , a \$1.2b maker of single-use products used in cardiology, radiology, oncology, critical care, and endoscopy.	The Dialysis Product Portfolio and Biopsy Tract Sealant System of AngioDynamics, Inc. , a \$316m producer of devices for the treatment of peripheral vascular disease, vascular access and oncology.	Adds a portfolio of hemodialysis catheters and a tract sealant biopsy system that closes the pleural space following percutaneous lung biopsies. Deal terms -- \$100m on sales of \$32m (3.1x).
Medical Devices	Merit Medical Systems, Inc. (Nasdaq: MMSI) , a \$1.2b maker of single-use products used in cardiology, radiology, oncology, critical care, and endoscopy.	The Surfacer Access Catheter System of Bluegrass Vascular Technologies, Inc. , a producer of catheter systems.	Adds a specialized catheter that provides right-sided central venous access in patients with venous obstructions. Deal terms -- \$33m on sales of \$33m (1.0x)

Sector	Acquiror	Target	Analysis
Medical Devices	Avanos Medical, Inc. (NYSE: AVNS) , a \$820m producer of non-opioid pain devices, respiratory health products, and patient feeding solutions.	Diros Technology Inc. , a Canada-based manufacturer of radiofrequency products for chronic pain conditions.	Diros developed radiofrequency energy delivery devices that heat nervous tissue to deactivate nerves' ability to transmit pain signals. Earlier in June 2023 Avanos divested its Respiratory Health Business to SunMed Group Holdings. Terms not announced.
Medical Devices	STERIS plc (NYSE: STE) , a \$5b provider of endoscope reprocessing, capital equipment installation, maintenance, repair and contract sterilization and testing services.	The Surgical Instrumentation Business of Becton, Dickinson and Company , a \$19b manufacturer of medical supplies, devices, laboratory equipment, and diagnostic products.	Steris expands its surgical instrument franchise branded instruments and three manufacturing facilities located in St. Louis, Cleveland, and Tuttlingen, Germany. The instrument platform includes 20,000 SKUs that complement Steris' existing sterilization and infection control services. Deal terms -- \$540m on sales of \$170m (3.2x) and adjusted EBITDA of \$45m (12x).
Medical Devices	restor3d, Inc. , a producer of personalized 3D-printed orthopedic implants.	Conformis, Inc. , a maker of patient-specific orthopedic implants and surgical instrumentation.	Adds a portfolio of implants and personalized, single-use instruments addressing all major joints. Deal terms -- \$17m on sales of \$62m (.3x).
Medical Devices	Zavation Medical Products, LLC , a manufacturer of spinal implant and biologics.	CoreLink, LLC , a provider of spinal implant and instrumentation systems,	Adds a specialty in lateral spine procedures and in-house additive manufacturing. Zavation is a portfolio company of Gemspring Capital. CoreLink was acquired from investment firm The Stephens Group. Terms not announced.
Medical Devices	Enovis Corporation (NYSE: ENOV) , a \$1.6b manufacturer of reconstructive surgery, pain management, and physical therapy devices.	Novastep Inc. , a producer of foot and ankle devices.	Novastep has a minimally invasive bunion system and a portfolio of CE marked forefoot and midfoot implants. Novastep was acquired from France-based manufacturer of orthopedic products Amplitude Surgical SA. Terms not announced.

Sector	Acquiror	Target	Analysis
Medical Devices	Henry Schein, Inc. (Nasdaq: HSIC) , a \$12.6b distributor of dental and medical products.	Shield Healthcare, Inc. , a supplier of homecare medical products.	Advances Schein's continuum-of-care strategy following its 2021 acquisition of Prism Medical Products, a provider of homecare medical supplies. Shield adds incontinence, urology, ostomy, enteral nutrition, advanced woundcare, diabetes supplies and glucose monitoring devices delivered directly to patient homes. Shield generated \$180m in revenue in 2022. Terms not announced.
Medical Services	TPG Inc. and AmerisourceBergen (NASDAQ: TPG); (NYSE: ABC) , a \$1.9b private equity firm (TPG) and a \$239b distributor of pharmaceuticals, healthcare supplies and services (Amerisource).	OneOncology, Inc. , a network of oncology practices.	Adds practice management services that are complementary to AmerisourceBergen's existing inventory management, practice analytics and clinical trial support offerings. The acquisition also deepens AmerisourceBergen's focus on oncology. OneOncology has 900 affiliated providers across 14 states. TPG is acquiring a majority interest and AmerisourceBergen, a minority share. OneOncology was bought from private equity firm General Atlantic. Deal terms -- \$2.1b.
OTC/Consumer	Kenvue Inc. (NYSE: KVUE) , The \$15b consumer health business of Johnson & Johnson.	Johnson & Johnson , a \$95b producer of devices and pharmaceuticals.	Sharpens J&J's focus on devices and pharmaceuticals. Kenvue includes Tylenol, Nicorette, Zyrtec, Neutrogena, Aveeno and Listerine. J&J separately divested the Blink product line of over-the-counter eye and contact lens drops that were part of J&J Vision to Bausch + Lomb for \$106.5m in July 2023. Deal terms -- \$42b on sales of \$15b (3x) and normalized EBITDA of \$3.3b (13x).

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.