

MEDICAL TECHNOLOGY M&A PULSE

THIRD QUARTER 2023



Q3'23

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PMCF Medical Technology Team

ABOUT PMCF

PMCF is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, pmcf.com.

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Medical Technology Industry Expertise

In the medical technology sector, it takes a highly focused approach to execute a transaction efficiently. And it requires the constant monitoring of new procedures, technology and product development, and overall market trends. At PMCF, our Medical Technology team brings this dedication and market knowledge to every transaction. Our transaction expertise in the medical device, bio-pharmaceutical, and healthcare sectors, combined with industry relationships and a proprietary healthcare consulting service offering, afford us a unique perspective in the industry.

Medical Devices	Contract Research	Clinical Services	Therapeutics
Healthcare	Contract Manufacturing	Behavioral Health	Managed Care
Drug Delivery	Bio-Pharmaceutical	Specialty Pharmacy	Specialty Services

SELECT RECENT PMCF MEDICAL TECHNOLOGY TRANSACTIONS



2023 Q3 Market Summary

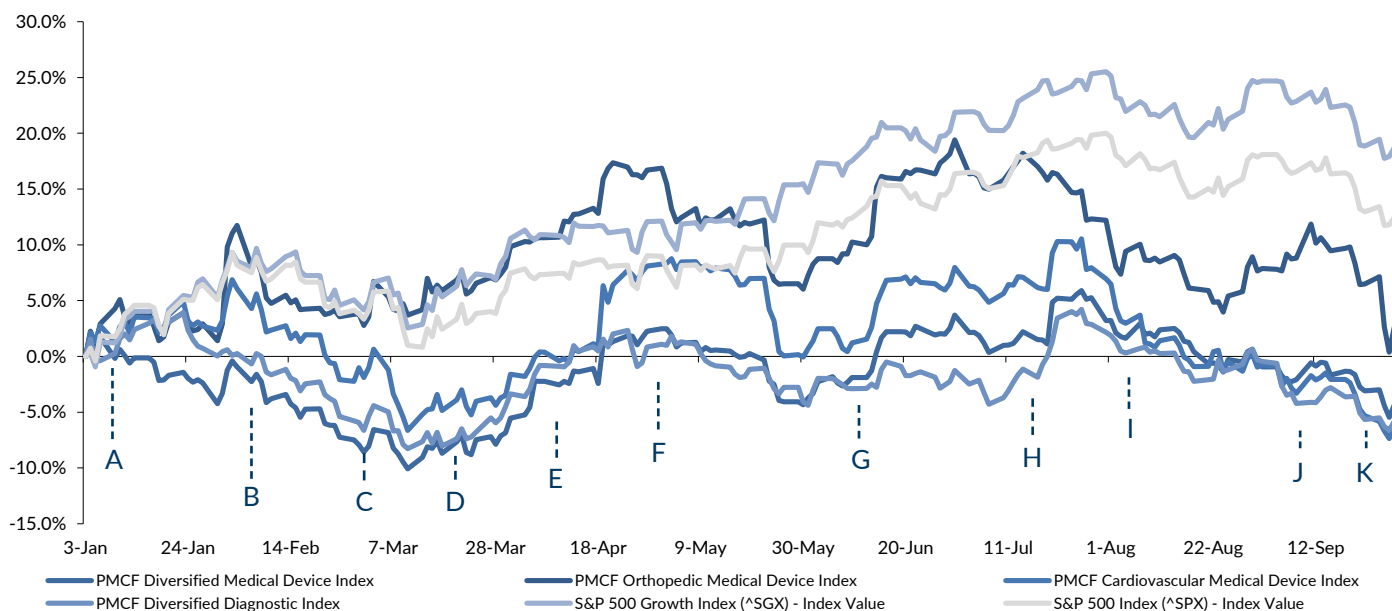
Q3 2023: RATE-HIKING STATUS CHECK

- Inflation, while still an economic focal point, is not the sentiment driver it was earlier in the year and in 2022. Fewer and fewer headlines refer to record-high inflation; indicating the Fed may have achieved its objective in calming price increases. Remarkably, the frequently assumed consequence of rate hikes, a softening job market, seems to have been avoided. Q3 2023 marked another period of a resilient U.S. consumer, robust job market, and steady GDP growth. The S&P 500 remains up nearly 12% on the year, though down slightly during the quarter. Optimism in the market abounds as the Fed appears poised to pause further rate increases.
- Q3 2023 Medical M&A made slight gains compared to Q3 2022 (134 vs. 132 transactions) but was down from Q2 2023 by 18 announced transactions. Services was the leading segment, comprising 23% of transactions. This was closely followed by Consumables and Disposable and Therapeutic Devices, each 19% of volume.
- The third quarter represented a swift decline for Medical Device public companies after a promising Q2. The Orthopedic index remained the top performer, finishing the quarter up 2.5% YTD, but well below the S&P 500 Growth Index which was up 18.4%. The Cardiovascular index was the laggard of the group, with YTD performance down 6.9%.

2023 NOTABLE EVENTS TIMELINE

- January 7, 2023 | Kevin McCarthy elected as speaker of the House of Representatives
- February 6, 2023 | The U.S. shoots down a Chinese balloon floating in U.S. airspace
- March 12, 2023 | The U.S. Treasury makes funds available to backstop bank deposits following the failure of Silicon Valley Bank and Signature bank
- March 19, 2023 | UBS agrees to buy Credit Suisse for more than \$1B
- April 4, 2023 | Amid the war in Ukraine, Finland joins NATO as its 31st member
- May 1, 2023 | First Republic Bank fails and is sold to JP Morgan for more than \$10B
- June 2, 2023 | U.S. suspends the national debt limit through Jan. 1, 2025, narrowly avoiding default
- July 14, 2023 | The House of Representatives pass Defense Bill, authorizing record spending
- August 8, 2023 | Maui wildfires destroy historic town of Lahaina
- September 15, 2023 | United Auto Workers strike begins
- September 29, 2023 | Longtime U.S. Senator Dianne Feinstein dies

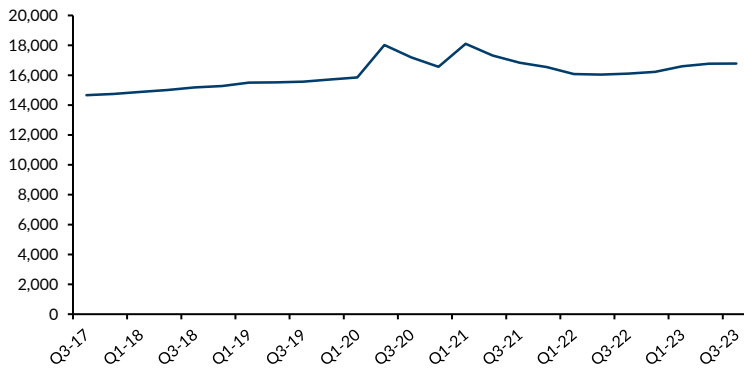
PMCF MEDICAL TECHNOLOGY INDICES PERFORMANCE



Sources: Capital IQ, PitchBook, Company Reports, Fraser

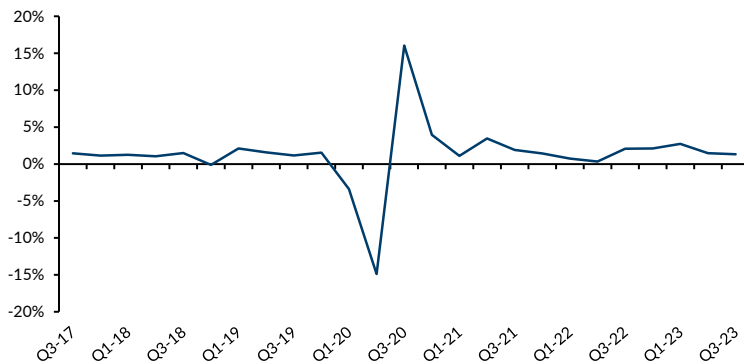
Trends in Medical Technology

U.S. REAL DISPOSABLE PERSONAL INCOME, 2012 DOLLARS (\$B)



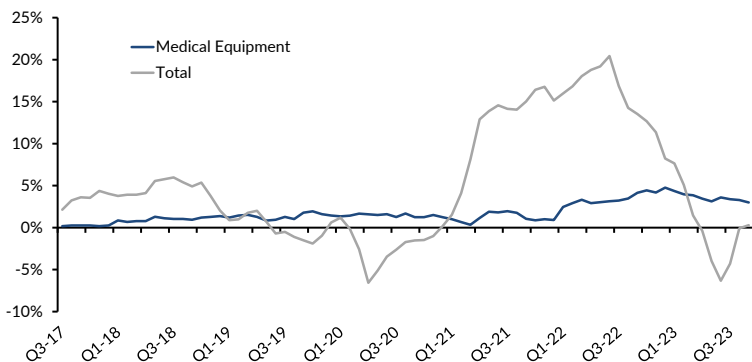
- Real disposable personal income refers to the amount U.S. residents have left to spend after paying taxes, adjusted for inflation. It has historically been relatively stable and increasing.
- For various segments of the healthcare industry, spending on healthcare is correlated with disposable income, making it a valuable macroeconomic indicator. Third quarter total disposable income was \$16.8B, up 4.2% from the year prior.

U.S. PERSONAL HEALTH CARE SERVICES EXPENDITURES (YEAR OVER YEAR % CHANGE)



- Personal Health Care Service expenditures serve as a proxy for activity in the broader Healthcare and Medical industries, with high levels of service expenditures correlated with strong performance in other sectors.
- Health care service expenditures continue to grow steadily, following the large swings during the COVID-19 pandemic. Total expenditures in Q3 were down 1.4% from the beginning of 2023.

PRODUCER PRICE INDEX (PPI) - YEAR OVER YEAR % CHANGE



- Similar to the broader U.S. economy, medical equipment producer costs have risen dramatically coming out the pandemic. The Bureau of Labor Statistics provides a Producer Price Index (PPI), which measures the average change in selling price of domestic output. The Medical Equipment & Supply PPI value serves as a proxy for Medical industry costs.
- The PPI index is up 0.3% over the past year, while Medical Equipment is up 3.0%.

Sources: PMCF Research, FRED, US Census Bureau, IBIS

Medical Technology M&A Activity

Medical Equipment

TPG acquires Nextech

July 2023 – TPG, a global alternative asset management firm, announced today that it has signed a definitive agreement to acquire Nextech, a leading provider of clinical and administrative healthcare technology solutions for specialty physician practices, from Thomas H. Lee Partners (THL) for \$1.4 billion. “Our investment in Nextech builds on our thematic focus on healthcare IT solutions that enhance provider productivity and enable high-quality patient care across settings,” said TPG’s Partners Katherine Wood and Art Heidrich. They continued, “Nextech’s SaaS and payment solutions are purpose-built for specialty providers and create meaningful workflow and efficiency benefits for its customers. We look forward to partnering with Bill and the Nextech team to expand the reach and impact of the platform.” The transaction is subject to regulatory review and is anticipated to close before year end.

Therapeutic Device

Boston Scientific (NYSE: BSX) acquires Relievant Medsystems

September 2023 – Boston Scientific Corporation (NYSE: BSX) announced it has entered into a definitive agreement to acquire Relievant Medsystems, Inc., a privately held medical technology company that has developed and commercialized the Intracept® Intraosseous Nerve Ablation System to treat vertebrogenic pain, a form of chronic low back pain. “We anticipate this novel, clinically-backed technology can support our category leadership strategy while expanding access to care for individuals who need personalized treatment,” said Jim Cassidy, President of Neuromodulation, Boston Scientific, “Upon close, we look forward to working with the Relievant team to explore opportunities to bring this high-growth therapy to a wider population of people living with chronic low back pain.” The transaction includes an upfront cash payment of \$850 million and undisclosed additional contingent payments based on sales performance over the next three years.

Consumable & Disposable

Quince Therapeutics (NAS: QNCX) acquires EryDel

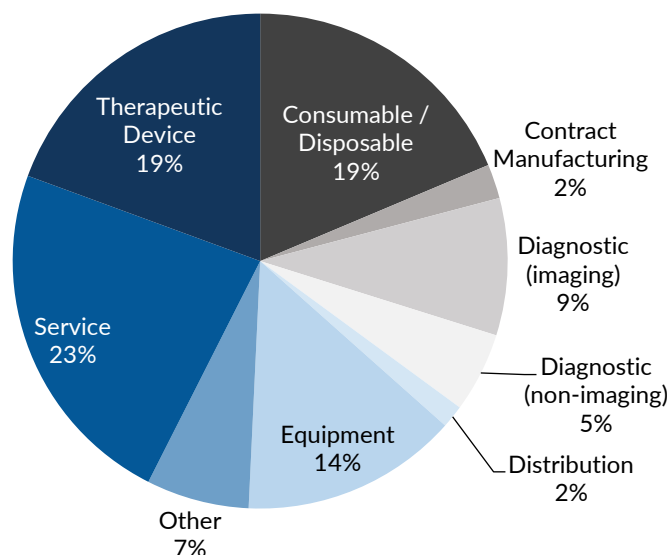
July 2023 – Quince Therapeutics, Inc. (Nasdaq: QNCX), a biotechnology company announced that it has entered into an agreement to acquire EryDel SpA, a privately-held, late-stage biotech company. EryDel developed an autologous intracellular drug encapsulation (AIDE) technology and a Phase 3 lead asset, EryDex, targeting a rare, fatal pediatric neurological disease, Ataxia-Telangiectasia (A-T), which currently has no approved treatments. Dirk Thye, M.D., Quince’s Chief Executive Officer, said, “We are highly enthusiastic and optimistic about our acquisition of this unique drug/device combination technology platform and promising late-stage clinical asset to drive Quince’s next stage of growth.” Upon completion of the transaction, EryDel stockholders will own approximately 16.7% of the combined company and will be entitled to up to \$485 million upon the achievement of development, regulatory, and commercial milestone payments.

M&A Activity Roundup

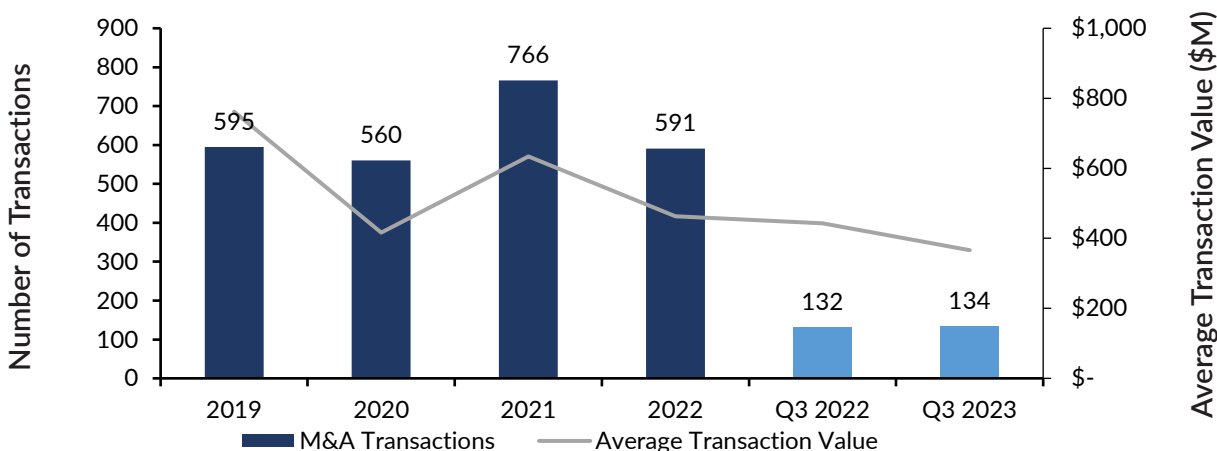
TRENDS IN MEDICAL TECHNOLOGY M&A

- Medical Technology M&A volume was lower in Q3 than in Q2 (134 vs. 152 announced transactions). Third quarter performance was very similar to the same quarter a year ago, which had two fewer transactions.
- The Services segment led industry volumes with 23% of announced transactions. This resumes the trend seen in the first quarter of 2023 and throughout 2022, where Services M&A activity was the most active segment. The Diagnostic (Imaging) segment had the largest relative quarterly increase, producing 12 transactions vs. 6 in the quarter prior.
- Of the Q3 2023 transactions with disclosed enterprise values and EBITDA, median TEV / EBITDA multiples were once again lower from the year prior (12.7x vs. 14.2x). This trend is likely to continue, as higher interest rates weigh on the ability of acquirers to pay premium multiples.

TRANSACTIONS BY PRODUCT SEGMENT - Q3 2023



MEDICAL DEVICE M&A TRANSACTION METRICS



Period	Mean/Median	Transaction Value (\$MM)	TEV/REV	TEV/EBITDA
2023 Q3	Mean	\$366.1	3.3x	17.6x
2023 Q3	Median	\$52.0	2.8x	12.7x
2022 Q3	Mean	\$442.6	8.5x	15.0x
2022 Q3	Median	\$21.6	1.7x	14.2x
2022	Mean	\$463.0	10.0x	27.0x
2022	Median	\$29.7	2.4x	15.7x
2021	Mean	\$634.0	6.1x	17.6x
2021	Median	\$60.7	3.7x	14.5x
2020	Mean	\$416.7	5.3x	30.5x
2020	Median	\$24.3	2.4x	13.6x

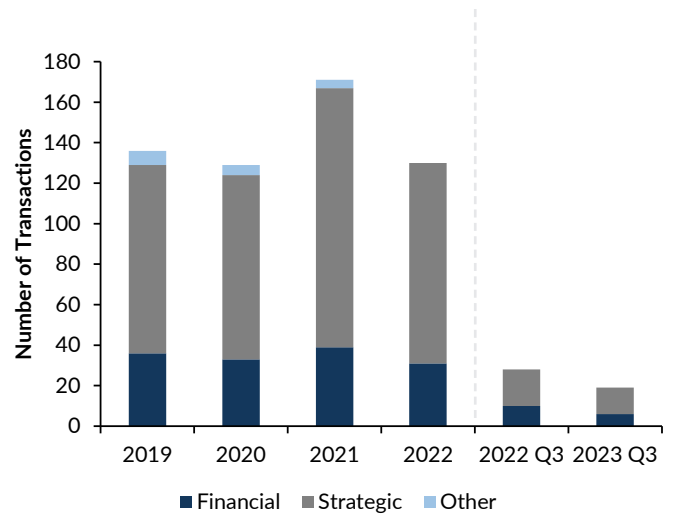
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Medical Equipment M&A

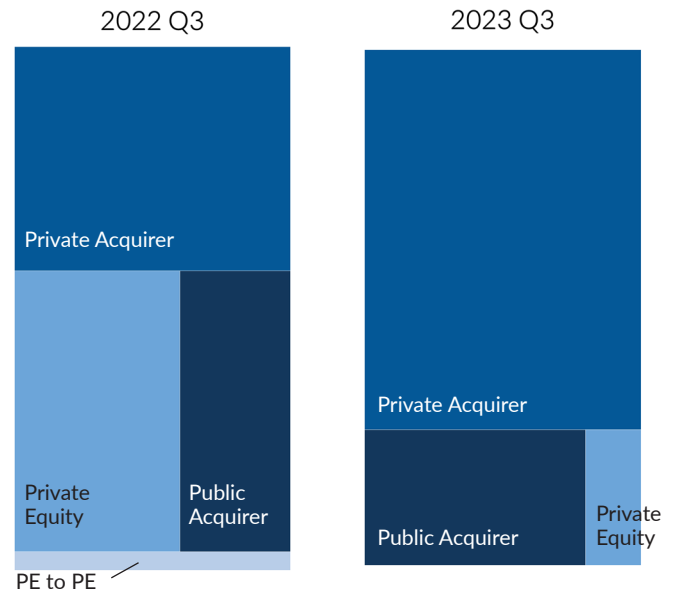
TRENDS IN MEDICAL EQUIPMENT M&A

- Medical Equipment M&A volume in the third quarter of 2023 was lower compared to the same period last year but higher than in Q2 2023. Strategic acquirers continued to be the most active in the space with 13 of the total 19 announced transactions.
- Private acquirers were more active than public acquirers during the third quarter, respectively announcing 14 and 4 transactions. Private equity activity slowed their pace of acquisitions with only one transaction in Q3 2023 vs. the 10 transactions in the third quarter of 2022.
- International-only acquisitions once again led M&A in the Equipment segment, with 12 transactions, only one less than the year prior. U.S.-focused activity experienced another slow quarter with seven acquisitions involving a U.S. based company; much lower than 2022.
- Consistent with prior quarters, Furniture/Equipment was the leading end market within the Medical Equipment category. Support markets followed behind as the next most active market in the subsector, however activity was largely spread across end markets.

FINANCIAL VS. STRATEGIC BUYER MEDICAL EQUIPMENT



MEDICAL EQUIPMENT TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q3	'23 Q3
Acute Care	4	2	-	-	-
Aesthetic	-	1	3	-	-
Cardiovascular	3	4	5	1	-
Drug Delivery	5	8	1	1	-
Furniture/Equipment	25	37	28	9	12
Home Health	9	11	8	1	1
Hospital Care	21	19	13	6	1
Infection Control	1	2	3	-	-
IVD	1	6	3	2	-
Monitor	12	16	15	1	-
Neurovascular	2	2	-	-	-
Ophthalmology	6	8	5	1	-
Ortho	-	6	8	1	-
Other	11	10	5	1	1
Respiratory	6	12	6	1	-
Support	6	11	10	-	3
Surgical	17	16	17	3	1
Total	129	171	130	28	19

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q3	'23 Q3
Int'l-to-Int'l	57	62	62	13	12
U.S.-to-Int'l	12	16	12	2	1
U.S.-to-U.S.	46	76	43	11	4
Int'l-to-U.S.	14	17	13	2	2
Total	129	171	130	28	19

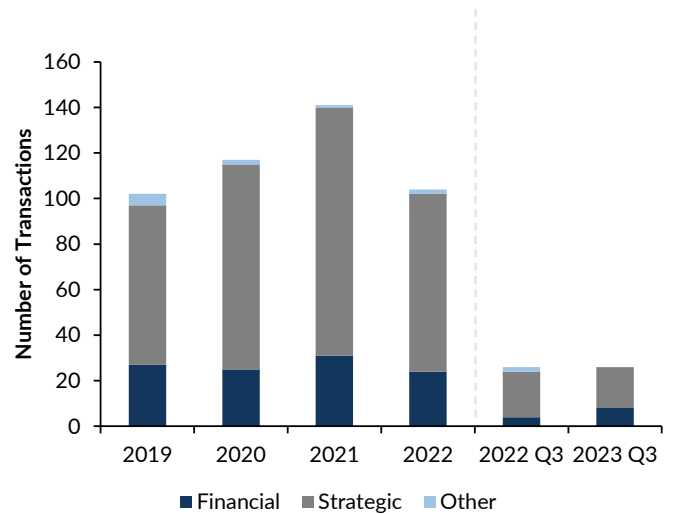
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Therapeutic Device M&A

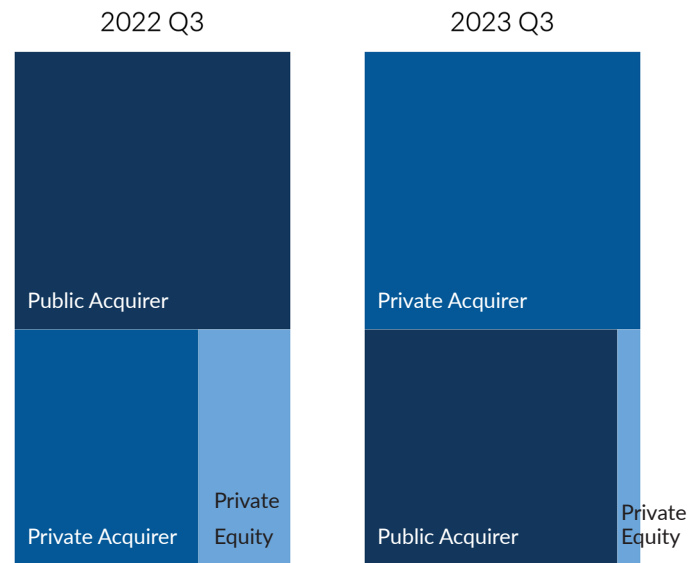
TRENDS IN THERAPEUTIC DEVICE M&A

- Therapeutic Device M&A maintained steady transaction volume in the third quarter. 26 total Therapeutic Device transactions were announced, which is lower than the second quarter but in line with Q3 2022 volumes.
- Private acquirers led the Therapeutic Device space and announced 14 total transactions, five less than the quarter prior. This is the second quarter in a row where private acquirers are stepping in for public acquirers to fill volumes. Private equity groups were quiet once again; involved in just a single transaction.
- Surgical focused transactions were the most active end market, with eight announced. The next closest end markets were Ophthalmology, Ortho, and Other end markets (3, 3, and 4 transactions, respectively).
- An increased number of U.S. companies were acquired through international markets. This, coupled with consistent international-only transactions, demonstrates a continued M&A appetite outside of the U.S.

FINANCIAL VS. STRATEGIC BUYER THERAPEUTIC DEVICE



THERAPEUTIC DEVICE TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q3	'23 Q3
Acute Care	3	3	3	2	1
Aesthetic	-	1	3	-	-
Cardiovascular	10	18	9	2	1
Drug Delivery	2	-	3	1	-
Furniture/Equipment	3	2	1	-	-
Home Health	5	7	1	-	-
Hospital Care	-	1	1	-	2
Infection Control	-	2	-	-	-
IVD	1	1	-	-	-
Monitor	2	-	1	-	-
Neurovascular	1	4	10	1	2
Ophthalmology	7	15	20	8	3
Ortho	37	28	18	5	3
Other	36	45	23	4	4
Respiratory	3	8	3	-	2
Support	2	5	2	-	-
Surgical	5	1	6	3	8
Total	117	141	104	26	26

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q3	'23 Q3
Int'l-to-Int'l	47	61	45	10	10
U.S.-to-Int'l	10	10	8	-	5
U.S.-to-U.S.	46	59	38	11	7
Int'l-to-U.S.	14	11	13	5	4
Total	117	141	104	26	26

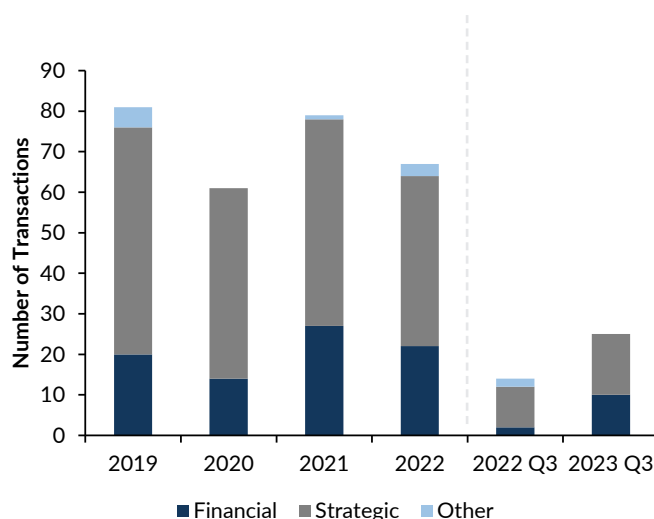
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Consumable & Disposable M&A

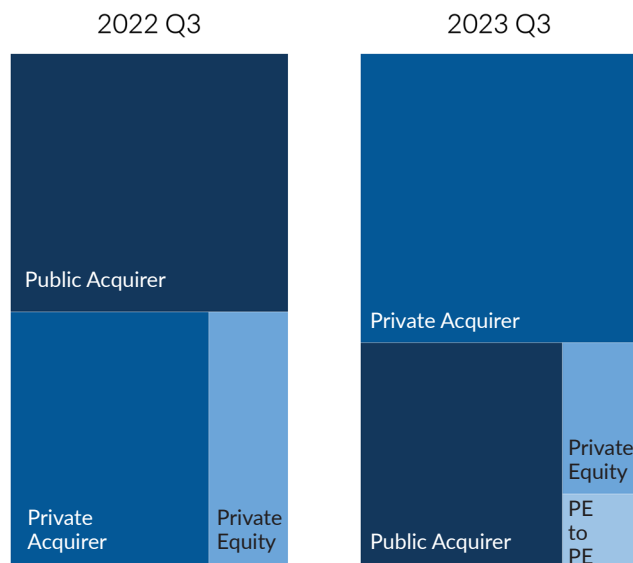
TRENDS IN CONSUMABLE & DISPOSABLE M&A

- Consumable & Disposable M&A activity in the third quarter was lower than the previous quarter, 25 vs. 36 announced transactions. This level exceeds 2022 by 11 total transactions. Similar to previous quarters, strategic acquirers continue to drive transaction volume.
- Private acquirers led M&A activity, announcing 14 transactions. This is followed by public company acquisitions, which was 32% of all Consumable & Disposable M&A. Private equity groups remained quiet, announcing only three transactions.
- Consumable & Disposable sector activity was distributed across U.S. and international markets. Purely domestic transaction activity grew to eight transactions, while international transactions slightly decreased to nine, 36% of quarterly activity.
- Drug Delivery centric transactions led the way among end markets. Support-based markets experienced a decrease from the prior quarter, producing six fewer transactions. All the while, Infection Control continues to see slowing activity, likely driven by normalization of the space following the COVID-19 pandemic.

FINANCIAL VS. STRATEGIC BUYER CONSUMABLE & DISP.



CONSUMABLE & DISP. TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q3	'23 Q3
Acute Care	8	9	1	1	1
Aesthetic	-	1	3	-	2
Cardiovascular	-	-	1	-	1
Drug Delivery	8	4	3	2	5
Furniture/Equipment	-	1	-	-	-
Home Health	2	2	1	1	-
Hospital Care	6	14	-	-	2
Infection Control	18	27	21	5	-
IVD	1	3	3	-	-
Monitor	-	1	-	-	-
Neurovascular	-	-	1	-	-
Ophthalmology	1	1	3	-	1
Ortho	1	-	3	1	3
Other	11	4	7	-	3
Respiratory	2	-	1	-	1
Support	3	6	9	-	2
Surgical	-	6	11	4	4
Total	61	79	68	14	25

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q3	'23 Q3
Int'l-to-Int'l	35	41	39	11	9
U.S.-to-Int'l	4	8	5	1	3
U.S.-to-U.S.	21	23	20	1	8
Int'l-to-U.S.	1	7	4	1	5
Total	61	79	68	14	25

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Medical Device Public Comparables

PUBLIC DIVERSIFIED MEDICAL DEVICE COMPANY COMMENTARY

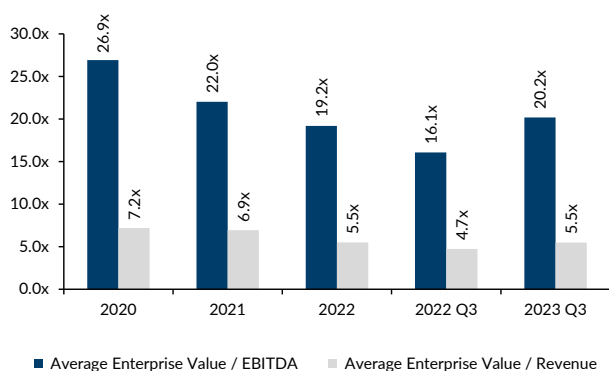
- “The consistency of supply -- it's not fully back to normal but it has improved. We're optimistic about the future that we see a better macro environment for cost of goods in that category, but we're not there yet.” – Michael Mahoney, Boston Scientific Corporation Chairman, President & CEO
- “Procedural volumes remain strong, and we continue to expect patient backlog will support elevated orthopedic procedural demand through 2024. And while hospital staffing pressures and supply constraints continue in pockets around the globe, these challenges are resolving gradually and will continue to be a tailwind through the end of the year and into 2024.” – Jason Beach, Stryker Corporation Vice President of Investor Relations

DIVERSIFIED MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

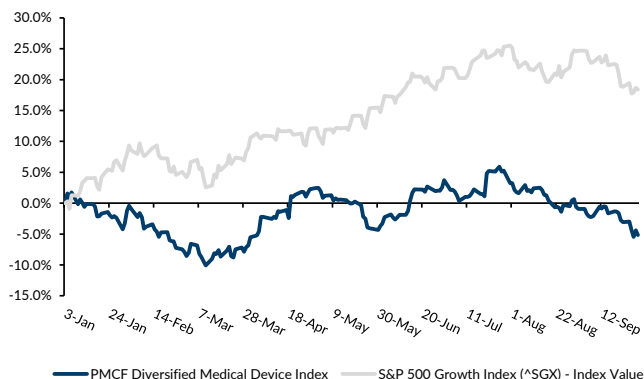
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	9/30/2023	7,047	15,699	168,069	176,934	4.4x	17.3x	33.1x
Baxter International Inc.	9/30/2023	5,788	16,929	19,112	30,318	2.3x	10.5x	NM
Becton, Dickinson and Company	9/30/2023	1,424	16,410	75,002	89,988	4.8x	18.1x	46.8x
Boston Scientific Corporation	9/30/2023	952	9,299	77,311	85,901	6.5x	24.9x	88.1x
Intuitive Surgical, Inc.	9/30/2023	6,476	0	102,697	96,306	14.6x	47.3x	73.3x
Johnson & Johnson	7/2/2023	28,505	45,602	404,790	423,147	4.3x	12.2x	31.6x
Medtronic plc	7/28/2023	7,876	24,982	104,261	121,555	3.9x	14.1x	28.9x
Smith & Nephew plc	7/1/2023	190	3,040	10,863	13,713	2.6x	13.7x	52.1x
Stryker Corporation	9/30/2023	1,936	13,189	103,782	115,035	5.9x	23.4x	38.6x
High		28,505	45,602	404,790	423,147	14.6x	47.3x	88.1x
Mean		6,688	16,128	118,432	128,100	5.5x	20.2x	49.0x
Median		5,788	15,699	102,697	96,306	4.4x	17.3x	42.7x
Low		190	0	10,863	13,713	2.3x	10.5x	28.9x

As of September 30, 2023

DIVERSIFIED MEDICAL DEVICE MULTIPLES



DIVERSIFIED MEDICAL DEVICE INDEX



EV/EBITDA multiples for the Diversified Medical Device (“DMD”) sector were up in Q3 2023 compared to the same quarter in 2022 (20.2x vs. 16.1x). Revenue multiples were higher as well, 5.5x vs. 4.7x, staying consistent with year-end 2022 multiples (5.5x). Intuitive Surgical continues to be the index leader, trading at 47.3 times EBITDA. Boston Scientific and Stryker followed in a far second and third place.

The DMD index decreased along with the rest of the market during Q3, and lags behind the S&P 500 Growth Index, finishing down 5.2% YTD. This represents nearly a 10% decline from the index’s 2023 high on July 26.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Orthopedic Public Comparables

PUBLIC ORTHOPEDIC MEDICAL DEVICE COMPANY COMMENTARY

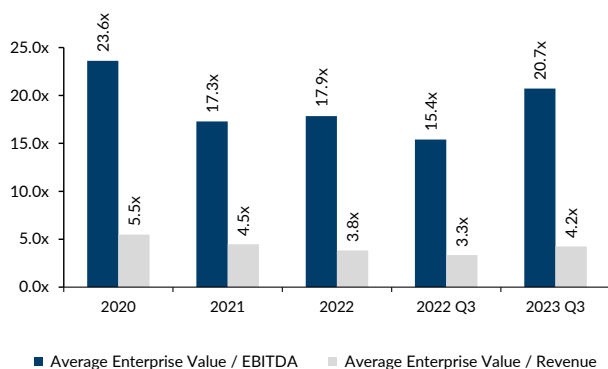
- “I think many see spine is commoditized. And usually, when markets are commoditized, the results are predictable. When you think about spine, you see a revision rate in adult deformity of 25%, and in degenerative, a 10% to 15% revision rate, that is not in any way predictable nor commoditized.” – Patrick Miles, Alphatec Holdings Chairman, CEO & President
- “We are focused on maintaining strong relationships with our distributor and surgeon partners. We have a robust pipeline of new distributors. We believe we have sufficient inventory to meet the expectations of existing and new distributors and surgeons, and we are executing well on commercializing our newly launched products.” – Catherine Burzik, Orthofix Medical Inc. Interim CEO & Chair of the Board

ORTHOPEDIC MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

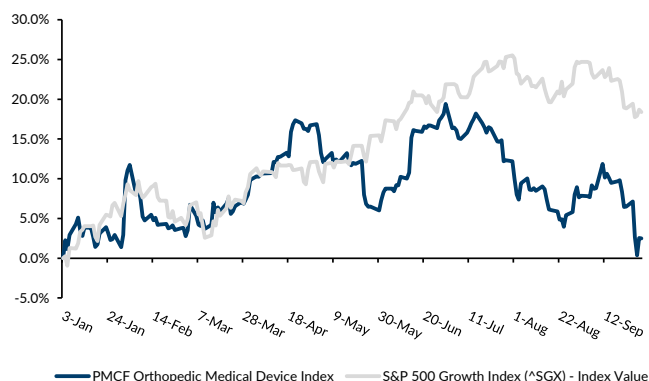
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Alphatec Holdings, Inc.	9/30/2023	123	538	1,561	2,000	4.7x	NM	NM
Enovis Corporation	9/29/2023	32	465	2,876	3,311	2.0x	14.4x	NM
Globus Medical, Inc.	9/30/2023	469	524	6,941	6,996	5.4x	18.6x	24.8x
Noratis AG	6/30/2023	13	429	39	455	8.2x	42.1x	NM
Orthofix Medical Inc.	9/30/2023	34	110	472	549	0.9x	NM	NM
Smith & Nephew plc	7/1/2023	190	3,040	10,863	13,713	2.6x	13.7x	52.1x
Stryker Corporation	9/30/2023	1,936	13,189	103,782	115,035	5.9x	23.4x	38.6x
Zimmer Biomet Holdings, Inc.	9/30/2023	292	5,698	23,450	28,863	4.0x	12.0x	46.8x
High		1,936	13,189	103,782	115,035	8.2x	42.1x	52.1x
Mean		386	2,999	18,748	21,365	4.2x	20.7x	40.6x
Median		156	531	4,908	5,154	4.4x	16.5x	42.7x
Low		13	110	39	455	0.9x	12.0x	24.8x

As of September 30, 2023

ORTHOPEDIC MEDICAL DEVICE MULTIPLES



ORTHOPEDIC MEDICAL DEVICE INDEX



Orthopedic Medical Device multiples increased once again. EBITDA to EV multiples were up roughly 5 turns from the same quarter in 2022. Of those reported, Stryker (23.4x EV/EBITDA) continues to trade at a premium multiple relative to the rest of the index, which has a median of 16.5x. As in recent previous periods, cash reserves across the index remain low and will continue to be an area to focus on through 2023 to 2024.

Following the OMD index's strong first half of the year, OMD companies began to decline, finishing the third quarter of the year up 2.5%, but down almost 17% from yearly highs. Once again, the OMD index is the only positive medical index and best YTD performer of those tracked by PMCF.

Cardiovascular Public Comparables

PUBLIC CARDIOVASCULAR MEDICAL DEVICE COMPANY COMMENTARY

- “In the quarter, we increased cash which gives us a big war chest to go after acquisitions. In terms of the environment, I would say, of course, valuations are down. In terms of targets, I would say we’re continuing to stay disciplined, focusing primarily on targets in the middle of the fairway, which are these open vascular targets with more than \$5 million or \$10 million of revenue.” – David Roberts, President & Director of LeMaitre Vascular, Inc.
- “Our U.S. growth performance reflects continued strong execution and overall improving trends in the U.S. market during the third quarter, particularly in our direct business, which continues to see impressive volume growth in sales of our vascular products.” Fred Lampropoulos, Merit Medical Systems, Inc. Founder, Chairman, CEO & President

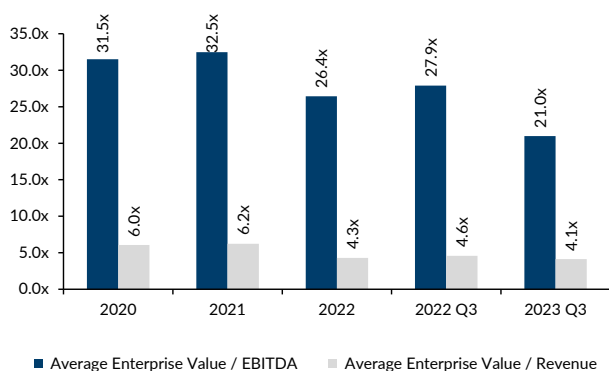
CARDIOVASCULAR MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	9/30/2023	7,047	15,699	168,069	176,934	4.4x	17.3x	33.1x
AngioDynamics, Inc.	8/31/2023	58	5	291	238	0.9x	20.2x	NM
Artivion, Inc.	9/30/2023	53	358	622	927	2.8x	30.0x	NM
Edwards Lifesciences Corporation	9/30/2023	1,864	691	42,116	41,013	7.3x	23.0x	30.6x
LeMaitre Vascular, Inc.	9/30/2023	97	17	1,213	1,133	6.4x	26.5x	48.2x
Medtronic plc	7/28/2023	7,876	24,982	104,261	121,555	3.9x	14.1x	28.9x
Merit Medical Systems, Inc.	9/30/2023	61	355	3,978	4,272	3.6x	20.9x	44.9x
Terumo Corporation	9/30/2023	1,415	1,549	19,759	19,893	3.6x	15.7x	33.1x

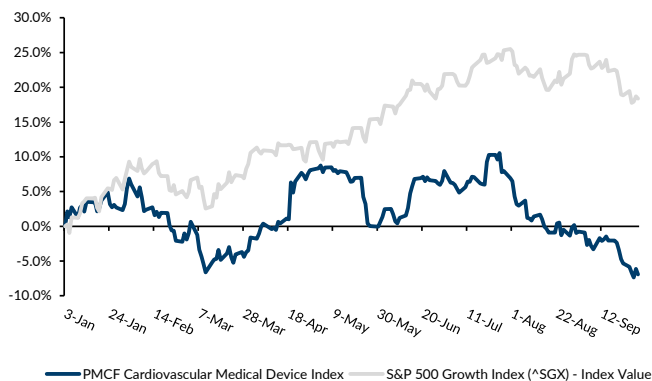
High	7,876	24,982	168,069	176,934	7.3x	30.0x	48.2x
Mean	2,309	5,457	42,539	45,746	4.1x	21.0x	36.5x
Median	756	525	11,869	12,083	3.7x	20.6x	33.1x
Low	53	5	291	238	0.9x	14.1x	28.9x

As of September 30, 2023

CARDIOVASCULAR MEDICAL DEVICE MULTIPLES



CARDIOVASCULAR MEDICAL DEVICE INDEX



Cardiovascular Medical Devices EBITDA and revenue multiples finished Q3 2023 at 21.0x and 4.1x. This decrease is a significant change from a year ago; EV/EBITDA down 6.9x and EV/revenue down 0.5x. Artivion jumped to become the premium EBITDA multiple in the sector, followed by LeMaitre. Edwards Lifesciences again had the highest revenue multiple, finishing at 7.3x, slightly lower than the beginning of the quarter.

The CMD index switched course from a strong Q2, declining 18% from its 2023 high, ultimately finishing down 6.9%. It was the worst performer of the four medical device indices tracked by PMCF.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Diagnostic Public Comparables

PUBLIC DIVERSIFIED DIAGNOSTIC COMPANY COMMENTARY

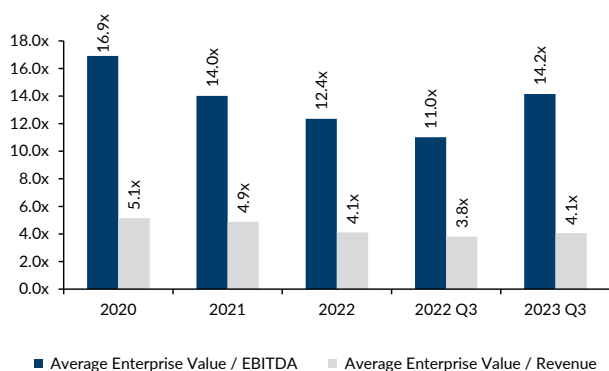
- “Health systems continue to face labor and cost pressures, which are prompting more of them to reach out to us for help with their lab strategy and in some cases, monetize their hospital outreach business.” – James Davis, Quest Diagnostics Inc. Chairman, CEO & President
- “Our customers are still working through inventory built up during the pandemic while also continuing to conserve capital as a result of funding pressures.” – Rainer Blair, Danaher Corporation President, CEO & Director

DIVERSIFIED DIAGNOSTIC PUBLIC COMPARABLES SUMMARY

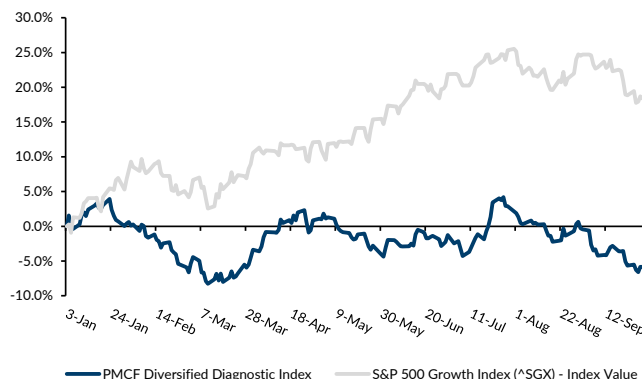
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	9/30/2023	7,047	15,699	168,069	176,934	4.4x	17.3x	33.1x
Becton, Dickinson and Co.	9/30/2023	1,424	16,410	75,002	89,988	4.8x	18.1x	46.8x
Danaher Corporation	9/29/2023	12,277	23,160	183,185	194,076	6.4x	19.3x	29.1x
Hologic, Inc.	9/30/2023	2,739	2,904	16,999	17,164	4.2x	13.0x	35.7x
Laboratory Corporation of America	9/30/2023	728	6,425	17,833	23,549	1.5x	8.9x	18.8x
Novartis AG	9/30/2023	12,816	25,189	212,302	224,756	4.4x	11.5x	29.3x
Quest Diagnostics Incorporated	9/30/2023	143	4,912	13,677	18,560	2.0x	8.7x	17.7x
Roche Holding AG	6/30/2023	8,391	29,663	220,936	246,487	3.6x	9.7x	18.3x
Thermo Fisher Scientific Inc.	9/30/2023	6,151	35,436	198,010	227,431	5.3x	20.9x	34.6x
High		12,816	35,436	220,936	246,487	6.4x	20.9x	46.8x
Mean		5,746	17,755	122,890	135,438	4.1x	14.2x	29.3x
Median		6,151	16,410	168,069	176,934	4.4x	13.0x	29.3x
Low		143	2,904	13,677	17,164	1.5x	8.7x	17.7x

As of September 30, 2023

DIVERSIFIED DIAGNOSTIC MULTIPLES



DIVERSIFIED DIAGNOSTIC INDEX



EV/EBITDA multiples within the Diversified Diagnostic (“DD”) industry closed the quarter higher than a year ago (14.2x vs. 11.0x). Performance across the group remains mostly flat, with EBITDA and Revenue multiples at a similar level as the end of 2022. Thermo Fisher, Danaher, Becton, Dickinson and Co., and Abbott Laboratories each continue to lead the index in terms of valuation.

The DD Index followed suit with the other PMCF tracked indexes with negative YTD performance, finishing Q3 down 5.8%. On the positive side, the DD Index didn’t have as steep of a drop from yearly highs compared to the other tracked indexes, falling less than 10%.

Q3 2023 Venture Capital Activity Overview

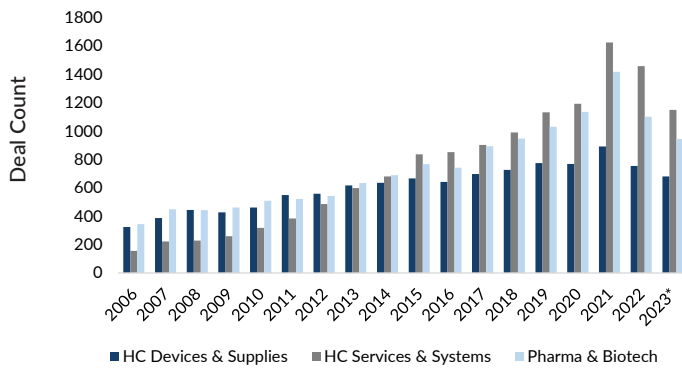
The third quarter of 2023 continued the trajectory of previous quarters in the VC market; lower deal value and lower deal count. This has been driven by a number of factors including higher interest rates and geopolitical uncertainty stemming from the war in Ukraine and Middle East conflicts. Despite challenges, there have been a number of bullish developments. Both software and biotech have seen game-changing disruptions in the form of AI and GLP-1 drugs, which each have the potential to reshape their respective industries. Federal spending programs (Inflation Reduction Act and the CHIPS Act) have also benefited many industry players and encouraged domestic investment in key industries. VC investment themes have largely been a continuation of prior quarters with companies and founders prioritizing stability and cash generation, a pivot from the years of zero interest rate policy.

YTD deal count is on pace to settle below 2021 and 2022, in line with normal pre-COVID years. This trend has been experienced across all VC stages (down 25% in total) with late-stage VC weathering the storm most effectively (down just 15%). As discussed in the previous quarter, this theme is likely to continue as capital providers seek more established companies to minimize risk while still deploying capital. VC investments in the medical sectors have slowed alongside the market, but still make up approximately 20% of all VC investments on a deal count basis.

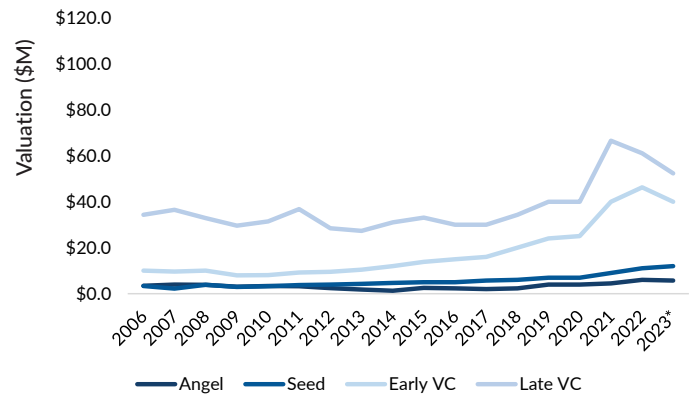
Median deal valuations are broadly keeping pace with prior periods, with late-stage transactions feeling the effect from higher interest rates most significantly (median pre-money valuation at \$52M compared \$61M in 2022). Despite the headwinds, valuations remain much higher than in 2019 (up 47% across stages).

Challenged public market sentiment seeps through to the private markets, particularly within the IPO space; which has placed many contemplated IPOs on hold. Pitchbook estimates 75 companies are waiting to go public until conditions have improved. The U.S. venture capital market has endured uncertainty in the past, and despite challenges remains adequately positioned to navigate market events and quickly react to opportunities.

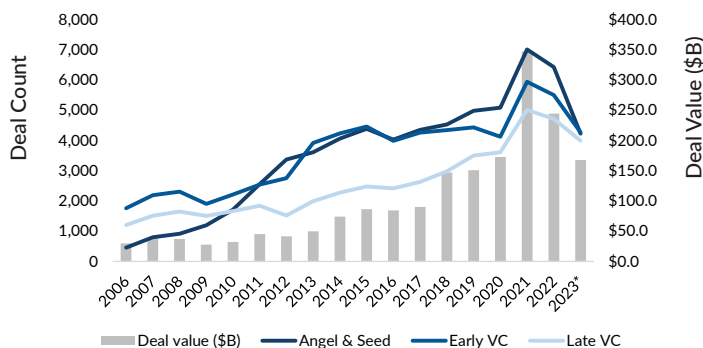
VC INVESTMENTS IN MEDICAL SECTORS



MEDIAN PRE-MONEY VALUATION BY ROUND



DEAL COUNT BY ROUND



Angel/Seed: The company has a concept or product under development, but is likely not fully operational. Typically in existence less than 18 months.

Early: The company has a product or service in testing or pilot production. In some cases, the product may be commercially available. May or may not be generating revenues. Typically in business less than three years.

Later: Product or service is widely available. Company is generating ongoing revenue; potentially positive cash flow. More likely to be, but not necessarily, profitable.

Sources: Capital IQ, PitchBook, NVCA, PMCF

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