



## Outcome Capital Life Sciences Market Pulse

August 2021

Reach the Right Outcome

Boston | Washington, D.C.



[www.outcomecapital.com](http://www.outcomecapital.com)

# OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE

## Strategic Transactional Insights & Market Trends



### Outcome Capital At A Glance...

Outcome Capital is a highly-specialized life sciences advisory & investment banking firm providing middle-market transactional expertise underpinned by a value-added, market-aligned approach to strategy execution. Our industry-dedicated specialists leverage significant operational, strategic & scientific knowledge in sharing their insights on industry-defining transactions.

#### Life Science Verticals:

- › MedTech
- › Pharma
- › Biotech
- › Diagnostics
- › Life Sciences Services
- › Digital Health

#### Transaction Focus:

- › M&A
- › Management Buyouts & Roll-Ups
- › Partnering
- › Equity Financings

#### Expertise Across the Value Chain:

- › Scientific
- › Regulatory
- › Reimbursement
- › Legal & IP
- › Operational
- › Transactional

### Outcome Capital Pulse: Monthly Insights of Life Science Deal Action & Drivers

#### Highlighted Transactions

- › Strategic analysis from Outcome Capital's life sciences-dedicated deal team

#### Transaction Lineup

- › Snapshot of noteworthy life sciences deals highlighting industry-defining activity

#### Outcome Index Tracker

- › Custom medtech, biotech/pharma, diagnostics & services indices benchmarked to the S&P500



## Highlighted Transactions

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## Medtronic Continues Tuck-In Strategy With ENT Acquisition



Target

\$1.1B

Deal Size



Buyer



*The recent \$1.1 billion acquisition of Intersect ENT exemplifies Medtronic's astute strategy to target synergistic tuck-ins with a focus on accelerating top- and bottom-line growth, having announced seven deals for a total of \$2.3 billion this year. Medtronic's ENT business has been a strong performer and the acquisition will bolster its portfolio of products used for ear, nose and throat procedures. Intersect ENT's complementary product lines and customer base will advance Medtronic's efforts to offer best solutions for patients suffering from chronic rhinosinusitis. While the transaction is earnings neutral in the first 12 months, it will likely be accretive thereafter, particularly given the recovery of elective procedures to pre-COVID levels.*



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## Vertex Leverages Arbor's Technology To Lead In Gene Therapy



**arbor**  
biotechnologies

Target

**\$1.2B**

Deal Size

**VERTEX**

Partner

“

Recent breakthrough successes in gene editing (Regeneron/Intellia) have fanned the fire of interest from corporate strategics to compete to be the first novel regenerative medicine to market. Vertex has entered a \$1.2B biobucks gene editing research pact with Arbor Biotechnologies, doubling down on its competitive muscle to beat out BlueBird Bio with a genetic medicine for blood diseases. Only recently Vertex made a \$900M upfront deal with CRISPR Therapeutics in April 2021. Vertex clearly seeks to use Arbor's proprietary CRISPR gene editing technology to research and develop ex vivo engineered cell therapies, including Vertex's treatment for Type 1 diabetes, sickle cell disease and beta thalassemia. Vertex's confidence in Arbor came from its prior 2018 deal with the Arbor team and their seminal CRISPR-based genetics founder Feng Zhang, PhD.

”



*Ellen Baron, PhD*

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## Large Pharma Rush To Own Validated mRNA Technologies

 **Translate**BIO

Target

**\$3.2B**

Deal Size

**SANOFI** 

Buyer

“

*When monoclonal antibodies became established as a new class of therapeutics, a spate of acquisitions of leaders in the space, such as MedImmune, Abgenix and Medarex, ensued in the late 2000's. The approval and acceptance of novel COVID-19 vaccines has resulted in an accelerated validation and adoption of mRNA-based therapeutics, which in turn, is leading to a similar acceleration of M&A activity. Sanofi had an existing collaboration and license agreement with Translate Bio and is now moving to fully own the platform to more broadly and rapidly develop the technology in immunology, oncology, rare diseases and vaccines. Expect similar moves from other players who want to participate in the mRNA therapeutic category.*

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## T Cell Platforms Draw Interest From Premium Investors



Target

\$110M

Deal Size

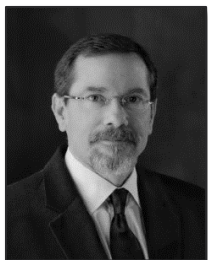


Investors

“

T cell therapies are hot this year, but just as hot are the smart mouse platforms behind them. When Sanofi closed its acquisition of Kymab in April for \$1.45B, it wasn't just for their lead asset– it was also for the platform that created it. Kymab developed a human transgenic mouse that enables human IgG genes to function as if they are in human B cells, even though they're in mouse B cells. On August 2, T-Knife raised a \$110M Series B to drive their development of the T cell equivalent of Kymab's B cell mouse. T-Knife's management team is focused on cancer, and their humanized T Cell Receptor (HuTCR) mouse recombines human gene loci to create a broad repertoire of human TCRs, providing for efficient generation and selection of cell receptors for any human tumor antigen. T-Knife's TCR-T therapy should improve the success rate of T cell therapy in solid tumors. Watch them – and other companies creating advancements in T cell therapy platforms – for significant ROI opportunities.

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## Healthcare Investors Flock To AI Software Platforms



\$14M  
Deal Size



“

Since FDA opened their arms to AI & ML technologies in 2019, an influx of capital has been deployed to a myriad of start-ups in the space. Interestingly, while there are certainly hurdles to be overcome insofar as the technology is concerned, far more challenging has been generating clinical adoption for these applications. Investors and entrepreneurs alike should take note of DiA's strategy, whose ultrasound AI solution operates device-agnostic, and has brokered partnerships with multiple players in the space (GE Healthcare, Konica Minolta, IBM, Philips and others). This financing represents both receptivity by capital markets for novel AI software platforms and interest on behalf of strategics to monitor future acquisition targets.

”



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**Shape<sup>TX</sup>**

Target

**\$3.0B**

Deal Size



Partner

“

CNS research has garnered increased interest among large pharma, including groups that previously halted research efforts in the space. Contributing to this renewed interest is the development and advancement of novel scientific approaches, such as gene therapy. This month's \$3B partnership between Roche and ShapeTx, a biotech company with a novel RNA editing platform for gene therapy, highlights the convergence of these trends, which is likely to continue and accelerate. This is a transaction to monitor as the industry continues to pursue improved treatments for Alzheimer's, Parkinson's and other neurodegenerative disease.

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August 2021 | Transaction Lineup

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## August 2021 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
<a href="#">8/2/21</a>	BioVision Incorporated		Global provider of life science tools, biochemical & cell-based assays for biological research, diagnostics & drug discovery.	M&A	340	340	Life Science Tools
<a href="#">8/2/21</a>			Next-generation T-cell receptor company developing pipeline of novel therapeutics for solid tumor patients.	Financing	110	N/A	Biotech / Pharma
<a href="#">8/3/21</a>			Clinical-stage company using mRNA platform to develop best-in-class vaccines & therapeutics.	M&A	3,200	3,200	Biotech / Pharma
<a href="#">8/4/21</a>			Global discovery, development & commercialization collaboration focused on a novel oncology program targeting DNA damage response.	Partnering	338	Undisclosed	Biotech / Pharma
<a href="#">8/6/21</a>			Clinical research organization providing expertise in data sciences & supply chain solutions for pharma & biotech companies.	M&A	Undisclosed	Undisclosed	Services
<a href="#">8/6/21</a>			Global ear, nose & throat medical device company transforming patient care with broad product portfolio.	M&A	1,100	1,100	MedTech



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Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
<a href="#">8/9/21</a>	Epizyme	HUTCHMED	Commercial-stage biopharma company developing epigenetic-based therapies for the treatment of cancer.	Partnership	310	25	Biotech / Pharma
<a href="#">8/10/21</a>	zebra MEDICAL VISION	NANO X X-RAY REIMAGINED	Developer of AI-based imaging analytics platform to advance patient care through improved preventative treatment pathways.	M&A	200	100	MedTech
<a href="#">8/11/21</a>	PURETECH HEALTH (Select Asset)	IMBRIUM THERAPEUTICS	Clinical-stage biotherapeutics company developing non-opioid candidate for interstitial cystitis/bladder pain syndrome.	Partnering	60	7	Biotech / Pharma
<a href="#">8/11/21</a>	gentibio	MATRIX CAPITAL MANAGEMENT OrbiMed multicure fund management JDRF ADVOCACY PARTNERS RACapital	Biotherapeutics company developing engineering regulatory T cell therapies for immunology.	Financing	157	N/A	Biotech / Pharma
<a href="#">8/16/21</a>	360biolabs ENABLING FUTURE MEDICINES	BioAgilytix	Comprehensive contract research organization offering world-class virology & immunology expertise.	M&A	293	Undisclosed	Services
<a href="#">8/17/21</a>	SIGNALPATH RESEARCH • REWIRED	verily	Clinical trial management system improving the ease, quality & efficiency of conducting clinical research at study sites.	M&A	Undisclosed	Undisclosed	Services



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## August 2021 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
<a href="#">8/24/21</a>			Collaboration to enhance efforts in developing ex vivo engineered cell therapies using proprietary CRISPR gene-editing technology.	Partnering	1,200	Undisclosed	Biotech / Pharma
<a href="#">8/24/21</a>			Strategic collaboration leveraging proprietary RNA editing platform for development of gene therapies for Alzheimer's, Parkinson's & rare diseases.	Partnering	3,000	Undisclosed	Biotech / Pharma
<a href="#">8/24/21</a>			AI healthtech company using deep learning & machine learning to automate ultrasound scan analysis.	Financing	14	N/A	Digital Health
<a href="#">8/25/21</a>			Exclusive license to co-develop, manufacture & commercialize a clinical-stage program to treat pancreatic & gastric cancer.	Partnering	640	8	Biotech / Pharma
<a href="#">8/30/21</a>			Life sciences company developing therapeutics & diagnostics for respiratory viral infections, including COVID-19.	SPAC	73 (Gross Proceeds)	N/A	Diagnostics
<a href="#">8/31/21</a>			AI-generated voice biomarker technology developer offering clinically validated measurement-based solutions for advancing mental health care.	Financing	26	N/A	Digital Health

[Hyperlinked  
to Press  
Release](#)

MedTech

Biotech/Pharma

Digital Health

Diagnostics

Life Science Tools

Services

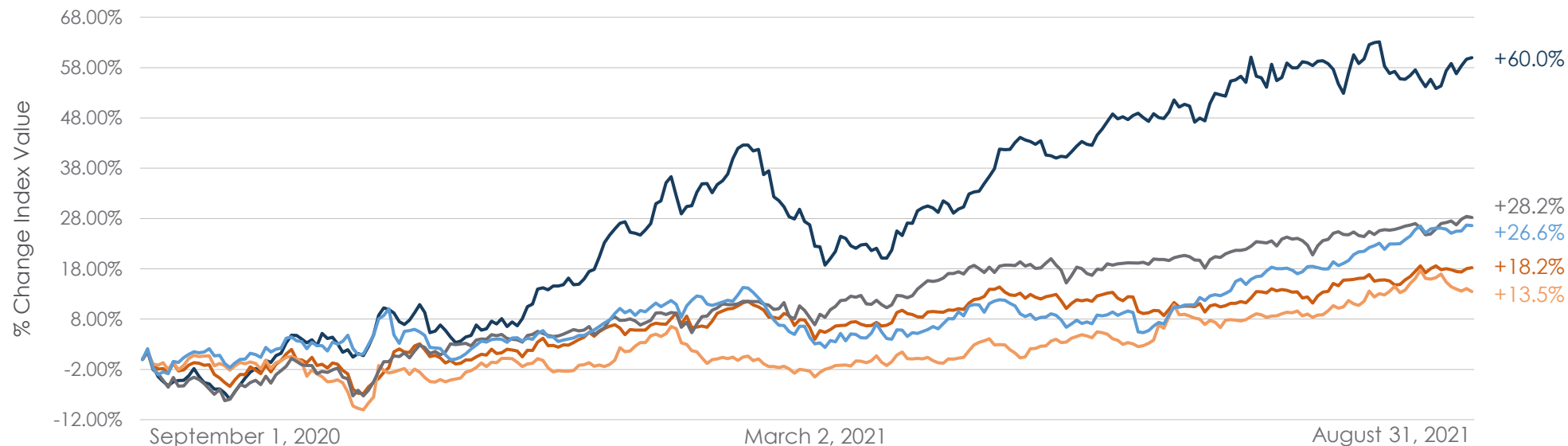


## Outcome Index Tracker

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## Outcome Capital Index Tracker (LTM)



### Legend

— S&P500 — Outcome Capital MedTech Index — Outcome Capital Biotech/Pharma Index — Outcome Capital Dx Index — Outcome Capital Services Index

### Outcome Capital MedTech Index



### Outcome Capital Biotech/Pharma Index



### Outcome Capital Diagnostics Index



### Outcome Capital Services Index





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