



Outcome Capital Life Sciences Market Pulse

October 2021

Reach the Right Outcome



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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

23andMe Pivots Into Healthcare Services



Target

\$400M

Deal Size



23andMe

Buyer



Anne Wojcicki launched 23andMe with the intention to democratize genetic testing and have genomic testing become an industry standard in primary care. While the company has been effective in their direct-to-consumer strategy, the dream of moving into primary care remained elusive. Now, with a \$400M acquisition of a leading telehealth system, Lemonaid, 23andMe is in position to move the patient from testing to treatment, seamlessly. Genomics companies should see this transaction as a harbinger of things to come, marrying life science testing with healthcare services.



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Sutro Continues To Seek Partnerships For Developing Novel Therapeutics

SUTRO
BIOPHARMA

Target

\$204M

Deal Size

BioNOVA
Pharma 烨辉医药

Partner

“

It's been fun tracking Sutro's successes and setbacks in deal makings and financings. Sutro landed the original immuno-oncology deal with Celgene in 2014. Back then, Celgene committed to more than \$1B in milestones to land the chance to buy Sutro down the line. However, in 2017, Celgene decided to pass on the buyout. Without the swift exit, Sutro gained the freedom to establish itself as a breakout name in the world of antibody-drug conjugates (ADCs) and bispecific antibodies. Bill Newell, CEO, planned to take two of their own assets into the clinic in 2018 but needed to fund those trials and unshackle Sutro from Celgene's hidden clause in their agreement, prohibiting Sutro from going public or from striking additional alliances. In July 2018, Sutro reeled in a \$85.4M series E round and got some bispecific antibodies, more ADCs and cytokine derivatives in the pipeline through it's partnering on those assets with Merck, Celgene and EMD Serono. These high-value partnerships add to the breadth of Sutro's accomplishments in developing novel therapeutics.

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Takeda Continues To Harvest The Maturing Assets Of Its Collaborators



GAMMADELTA
THERAPEUTICS

Target

Undisclosed

Deal Size



Buyer

“

As with the acquisition of Maverick Therapeutics earlier this year, Takeda's initial transaction with GammaDelta Therapeutics occurred in 2017 including an equity investment, an option fee, R&D funding, and an exclusive right to purchase the company. October's acquisition is a backward-looking data point reflecting Takeda's prior activities over multiple years that resulted in a tangible and actionable milestone as GammaDelta dosed its first patient in a Phase 1 AML trial. Phase 1 may sound like an early-stage deal, but Takeda has been proactively playing the long game with collaborations starting much earlier in development.

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Janssen Sees Opportunity In F-Star's Plug-N-Play Platforms



Target

\$1.4B

Deal Size

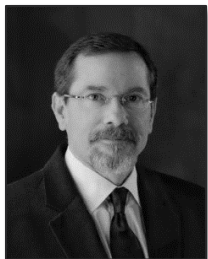


Partner

“

Innovative, modular, Plug-N-Play, multi-specific antibody platforms from F-Star Therapeutics have grabbed the attention of Janssen to the tune of \$1.35B in biobucks. Biotech pipelines around the world are replete with bispecific antibodies (bsAb) targeting specific antigens of interest in various therapeutic areas. What makes this deal special is that F-Star recognized the value of creating (heavily patent-protected) Plug-N-Play building blocks and platforms that allow anyone to seamlessly plug their own specificities into a backbone for ready-made bsAbs targeting virtually anything, and with minimal systemic toxicity, low immunogenicity risk, and ease of manufacturability. F-Star has their own pipeline of proprietary bsAbs, but before they began the R&D of those, they strategically created the building blocks of doing more, i.e., they laid a solid foundation for future success. Looking for a global strategic partner, and potentially an M&A for your exit? Then look at how F-Star put strategy first and execution second. This has always been our motto at Outcome Capital, and it works.

”



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The Diagnostics Segment Continues To Explore Precision Medicine



\$15M
Deal Size



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Precision Medicine is the goal for many companies. In October, SimBioSys successfully completed their \$15M Series A financing. Their platform, TumorScope, allows physicians to perform in silico modeling studies on treatment options based on current standard of care EHR data. This information allows the physician to better choose which treatment will provide the patient with the best possible outcome. The SimBioSys deal highlights the “Push - Pull” market dynamics of the precision medicine space – traditional diagnostic investors, Northpond and Genoa co-led with Mayo Clinic rounding out the round. Outcome Capital believes we will continue to see capital flow into this active sector.

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Life Sciences Consultancy M&A Remains Hot



Target

Undisclosed

Deal Size



PROPHARMA
GROUP®

Buyer

“

With the life science services sector outpacing the S&P by 60% (11/20 – 11/21), many middle market consultancies are bolstering their offerings via bolt-on M&A. ProPharma's acquisition of Pharmica is a clear indicator and reaffirmation of this trend. On the heels of being acquired by Odyssey Investment Partners in September of last year, ProPharma's consolidation strategy continues. This is the time for management teams in the space to take note of rising multiples and a ripe buyer universe spanning both strategic and financial buyers.

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Castle Biosciences Broadens Offering With Spatial Biology AI Platform



cernostics

A New View of Cancer Diagnostics

Target

\$80M

Deal Size

C/STLE
BIOSCIENCES

Buyer

“

Improved oncology care hinges on the development of personalized diagnostics and prognostics of disease. The acquisition of Cernostics by Castle Biosciences furthers the company's mission to deliver personalized, actionable insights guiding patient management. Cernostics provides Castle Biosciences with a differentiated approach to spatial biology, which complements the existing tumor-specific genomics business. With this acquisition, Castle enters a convenient and high value adjacent market, with the addition of TissueCypher Barrett's Esophagus Assay. The combination of two synergistic diagnostic techniques positions Castle Bioscience to address multiple cancers in a patient-centric manner.

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October 2021 | Transaction Lineup

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October 2021 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
10/6/21	PHARMICA CONSULTING	PROPHARMA GROUP®	Consulting company providing project management consulting solutions & operations software to pharma & biotech companies for clinical trial execution.	M&A	Undisclosed	Undisclosed	Services
10/7/21	Neumora™	AMGEN	Clinical-stage biopharma company discovering & developing precision medicines for brain diseases.	Financing	100	N/A	Biotech / Pharma
10/11/21	deepSight™ TECHNOLOGY	DEERFIELD Advancing Healthcare™ WING Alter	Diagnostic company introducing novel ultrasound technology using patented software & AI for medical imaging.	Financing	25	N/A	Diagnostics
10/12/21	SUTRO BIOPHARMA	BioNOVA Pharma 辉瑞医药	Collaboration to develop & commercialize a CD74-targeting Antibody-Drug Conjugate for hematologic cancers.	Partnership	204	4	Biotech / Pharma
10/12/21	CombiGene	Spark THERAPEUTICS	Exclusive collaboration & licensing agreement for CombiGene's investigational gene therapy for drug resistant focal epilepsy.	Partnership	329	9	Biotech / Pharma
10/12/21	BioDiscovery A BIONANO GENOMICS COMPANY	bionano GENOMICS	Software company developing solutions to enable broader adoption of genomics technologies.	M&A	100	Undisclosed	Services



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10/13/21	Pelvalon	LABORIE	Medical device company developing non-surgical, patient-controlled device for women with fecal incontinence.	M&A	Undisclosed	Undisclosed	MedTech
10/13/21	lark	DEERFIELD Advancing Healthcare FRANKLIN TEMPLETON IPD capital KING RIVER Olive Tree Capital	Healthcare technology company delivering scalable, virtual chronic & preventative healthcare through conversational AI.	Financing	100	N/A	Digital Health
10/19/21	cernostics A New View of Cancer Diagnostics	CASTLE BIOSCIENCES	Diagnostics company applying spatial biology & AI/machine learning to tissue diagnostics for precision testing.	M&A	80	30	Diagnostics
10/20/21	F-star THERAPEUTICS	Janssen	License & collaboration to research, develop & commercialize up to 5 novel bispecific antibodies.	Partnership	1,368	18	Biotech / Pharma
10/20/21	contraline	MBX SHANGHAI CAPITAL FOUNDERS FUND Rhia VENTURES 100 CAPITAL metaplanet	Medical device company developing the first injectable hydrogel designed to provide long-lasting barrier contraception for men.	Financing	11	N/A	MedTech
10/21/21	RubiconMD	OAK STREET HEALTH	Technology platform providing access to specialists with expertise in cardiology, nephrology & pulmonology.	M&A	190	130	Digital Health



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10/21/21	minerva The Uterine Health Company	-	Commercial-stage medical device company developing minimally invasive solutions for Abnormal Uterine Bleeding in women.	IPO	75	N/A	MedTech
10/25/21	LEMONAID	23andMe	Telehealth company offering patients direct online access numerous common conditions from consultation through treatment.	M&A	400	400	Digital Health
10/26/21	SIMBIOSYS	GENOA VENTURES Northpond Ventures MAYO CLINIC AVB VENTURES	Developer of TumorScope precision medicine software platform that enables individualized cancer treatment planning.	Financing	15	N/A	Diagnostics
10/27/21	GAMMADELTA THERAPEUTICS	Takeda	Biopharma company focused on exploiting the qualities of gamma delta T cells for immunotherapy.	M&A	Undisclosed	Undisclosed	Biotech / Pharma
10/28/21	oscor	Integer	Medical device company that develops a variety of highly specialized implantable cardiac pacing leads, venous access systems & diagnostic catheters.	M&A	220	220	MedTech
10/28/21	Optina DIAGNOSTICS	Advisors.fund Boehringer Ingelheim Hike Ventures Digital DX MEDTEQ INVEST	Innovative diagnostics company developing systems for retinal imaging, brain health & systemic disease detection.	Financing	20	N/A	Diagnostics

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MedTech



Biotech/Pharma



Digital Health



Diagnostics



Life Science Tools



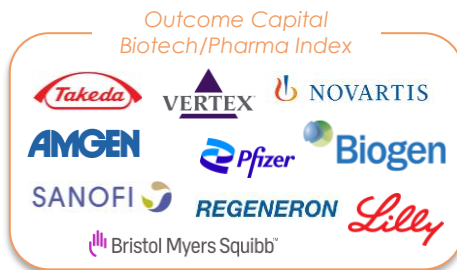
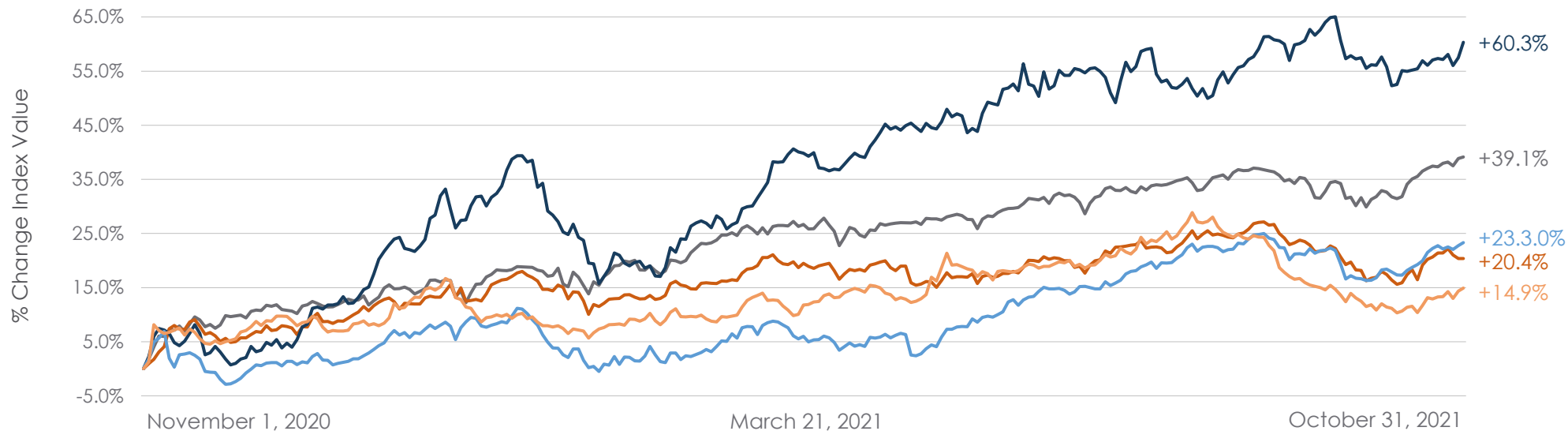
Services



Outcome Index Tracker

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Outcome Capital Index Tracker (LTM)





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