



Outcome Capital Life Sciences Market Pulse

November 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

The logo for Abveris, consisting of a stylized orange and purple 'A' icon followed by the word "abveris" in a bold, lowercase, sans-serif font.

Target

\$190M

Deal Size

The logo for Twist Bioscience, featuring the word "TWIST" in a large, spaced-out, sans-serif font, with "BIOSCIENCE" in a smaller font below it, and a series of green dots forming a semi-circle above the text.

“ In a strategic move to augment its synthetic biology capabilities by adding animal-based discovery, Twist will move downstream beyond being a service provider toward an internal antibody generation effort. With Abveris’ animal-based antibody discovery platform, Twist will have multiple approaches offering a comprehensive antibody discovery and optimization capability as well as broadened pharma relationships. ”



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Novo Nordisk's Prior Investment Supports Dicerna's Premium Value



\$3.2B

Deal Size



“

The Novo Nordisk CEO, Lars Fruergaard Jørgensen, landed the major takeover of Dicerna. Novo Nordisk agreed to a \$3.2 billion buyout of its RNAi partner, Dicerna Pharmaceuticals, as part of its search for new growth drivers, offering an 80% premium over the closing price of Dicerna. The Danish drug maker partnered with Dicerna in 2019, paying \$175 million upfront and committing to pay \$25 million at the end of each of the first three years of the collaboration, plus up to \$357.5 million in milestones. The relationship gave Novo Nordisk a close look at Dicerna. Both the recent successes of RNA-based COVID-19 vaccines and Novo's financial commitments to the existent partnership supported the premium on acquisition. A great return for Dicerna shareholders.

”



Ellen Baron, PhD

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Regeneron Links Up With Nykode For Vaccine Expertise

The logo for Nykode Therapeutics, featuring a stylized purple and orange 'N' icon above the word "nykode" in a bold, sans-serif font, with "therapeutics" in a smaller font below it, and "Target" in a larger font at the bottom.

nykode
therapeutics
Target

\$925M

Deal Size

REGENERON

Partner

“

Two years into a global pandemic, interest remains high in all things vaccine, and bio-dollars remain the most stable currency for cross-border transactions. Regeneron's \$925 million transaction with Oslo-based Nykode is comprised of a \$30 million upfront payment, a \$20 million equity investment, and a heavily back-ended \$875 million of contingent milestone payments as well as potential royalties. The collaboration covers multiple targets across five programs, two focused on vaccines against infectious disease and three against cancer. The vaccines will combine Regeneron's antigen selection expertise and VelociSuite models with Nykode's modular vaccine platform and expertise in vaccine design.

”



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Novartis Deal Validates Demand For Targeted Protein Degraders



Target

\$1.3B

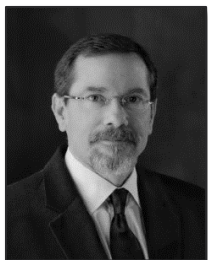
Deal Size



Partner



Novartis has forged a deal with UK-based Dunad Therapeutics to leverage their proprietary platform toward developing next-generation SMEs as targeted protein degraders. Protein degradation holds the promise of making normally undruggable targets druggable. Although this approach has been around for a decade when the first targeted protein degrader, proteolysis targeting chimera (PROTAC), was developed, Dunad's approach is different in that it is tunable for any specificity, and Novartis provides the targets for this collaboration. For the rights to apply the platform to up to four targets, Novartis pays equity and \$24M upfront, in addition to up to \$1.3B in milestones – plus royalties. We do not anticipate this to be a one-off deal in the world of targeted protein degradation, but rather a validation of what Roots Analysis projected two years ago to be part of an annualized growth rate in this market of over 30%. It is also a great example of the pioneering type of biotech innovation that we at Outcome Capital are particularly interested in and the type of company that we are well-positioned to help when liquidity events such as Strategic Partnerships are possible.



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The Pharma Services Segment Continues To Outpace The Market



BioAgilytix



Target

\$2.5B

Deal Size

Cinven

Buyer

“BioAgilytix has moved on to their third financial sponsor in eight years, signifying an impressive growth trajectory, in a market that continues to reward their success. BioAgilytix’ 2018 transaction was for a mere \$280M. Now, three years later, the estimated \$2.5B transaction with Cinven shows active interest in the pharmaceutical services sectors. Outcome Capital looks forward to watching this tremendously active segment closely.”



Craig Steger

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Orthopedics Enters The Digital Age



Target

\$80M

Deal Size



Buyer

“

On the heels of a 510(k) approval for their second generation, automated, digitally enabled external fixation system, OrthoSpin has been acquired by a leader in the space, DePuy Synthes, J&J's orthopedics franchise. OrthoSpin's history with J&J dates back to 2018, when the Israeli company received Series A financing from JJDC, J&J's strategic venture arm, who also led the company's Series B financing in March 2020. By incorporating digital interfaces and capabilities, OrthoSpin is providing J&J with a highly differentiated technology capturing significant market attention.

”



Thomas Busby

Vice President

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Target

\$1.8B

Deal Size

abbvie

Partner

“

Since the approval of Luxturna® in 2017, interest in ophthalmology-focused viral gene therapies has accelerated considerably among major strategics. AbbVie's collaboration with REGENXBIO follows multiple acquisitions from the likes of Roche, Novartis, Astellas, Biogen and Janssen. Ophthalmology presents a unique opportunity for gene therapies as the therapy is directed towards a confined physiological compartment (the eye), but setbacks in recent clinical trials have given pause to many in the space. Despite these setbacks, AbbVie continues to expand its eye care business to build on the acquisition of Allergan. The partnership structure of this transaction mitigates risk for AbbVie in their acquisition of RGX-314 (currently in Phase II trials) while also providing AbbVie with access to a novel delivery system for ophthalmology applications.

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Nick Frame, PhD

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November 2021 | Transaction Lineup

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November 2021 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
11/1/21	PharmaFluidics	ThermoFisher SCIENTIFIC	Developer of micro-chip-based μ PAC chromatography columns to enhance biomarker, proteomics and R&D applications.	M&A	Undisclosed	Undisclosed	Diagnostics
11/2/21	DUNAD therapeutics	NOVARTIS	Strategic collaboration to generate orally bioavailable covalent & protein degrading small molecule drugs using Dunad's platform.	Partnership	1,324	24	Biotech / Pharma
11/3/21	BIOND BIOLOGICS	DEEP INSIGHT HAREL Insurance & Finance The Heritage Group	Clinical-stage biopharma company developing novel immunotherapies for cancer & platform enabling intracellular biologics delivery.	Financing	15	N/A	Biotech / Pharma
11/4/21	OrthoSpin	DePuy Synthes PART OF THE Johnson & Johnson FAMILY OF COMPANIES	Developer of user-friendly robotic orthopedic device for external circular fixation treatment.	M&A	80	80	MedTech
11/4/21	PlateletBio	QIMING HEALTHVENTURES SYMBIOSIS OXFORD FINANCE	Preclinical biotech company pioneering a new platform of allogeneic cell therapies based on platelet biology for Immune Thrombocytopenia.	Financing	76	N/A	Biotech / Pharma
11/8/21	Cardiologs® AI Serving Cardiology	PHILIPS	Developer of FDA-cleared, AI-based electrocardiogram analysis platform to diagnose atrial fibrillation & other disorders.	M&A	Undisclosed	Undisclosed	MedTech

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MedTech



Biotech/Pharma



Digital Health



Diagnostics



Life Science Tools



Services

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Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
11/8/21	IVANTIS®	Alcon	Developer of novel Hydrus® Microstent designed to lower intraocular pressure for open-angle glaucoma patients.	M&A	475	475	MedTech
11/8/21	DEEPCURE	MORNINGSIDE Laurent & Bonon group SAPIR tlw partners Venture Partners	Developer of novel, small molecule therapeutics using the world's largest, end-to-end AI drug discovery system.	Financing	40	N/A	Biotech / Pharma
11/9/21	REGENXBIO	abbvie	Collaboration to develop & commercialize a potential one-time gene therapy for the treatment of chronic retinal diseases.	Partnership	1,750	370	Biotech / Pharma
11/10/21	NOVOME BIOTECHNOLOGIES	Genentech <i>A Member of the Roche Group</i>	Research collaboration to use Novome's GEMMs platform to develop bacterial strains that express & deliver therapeutic molecules for intestinal diseases.	Partnership	605	15	Biotech / Pharma
11/10/21	generate LIFE SCIENCES	CooperSurgical®	Leading provider of donor egg & sperm for fertility treatments, fertility cryopreservation services & newborn stem cell storage.	M&A	1,605	Undisclosed	Services
11/11/21	AppliedVR	F/PRIME /sway ventures JAZZ svb Silicon Valley Bank	Provider of virtual reality-based treatments combining well-established cognitive behavioral therapies with mindfulness exercises to treat chronic pain.	Financing	36	N/A	Digital Health



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11/15/21	COMBANGIO	kala PHARMACEUTICALS	Clinical-stage company developing regenerative biotherapies for severe ocular surface diseases.	M&A	126	21	Biotech / Pharma
11/16/21	CALA HEALTH	AME CLOUD VENTURES Baird Capital Ascension Ventures dRx:Capital INNOVATUS CAPITAL PARTNERS MTVP LIGHTSTONE MBC bioRx PEAK6 Berkeley	Bioelectronic medicine developer of wearable neuromodulation therapies to deliver individualized peripheral nerve stimulation.	Financing	77	N/A	MedTech
11/16/21	BioAgilytix	Cinven	Global CRO focused on supporting pharma & biotech partners in all phases of drug development.	M&A	2,500	2,500	Services
11/17/21	DENALI	Takeda	Collaboration to develop & commercialize an investigational, brain-penetrant progranulin replacement therapy for frontotemporal dementia-granulin.	Partnership	240	150	Biotech / Pharma
11/17/21	Alpheusmedical	BrightEdge National Brain Tumor Society OrbiMed ACTION POTENTIAL VENTURE CAPITAL	Developer of novel, non-invasive drug-device sonodynamic platform targeting solid body cancers.	Financing	16	N/A	MedTech
11/18/21	TOXIKON ADVANCING YOUR INNOVATION	labcorp	Preclinical CRO delivering best-in-class nonclinical <i>in vivo</i> , <i>in vitro</i> & analytical testing services to life sciences companies.	M&A	Undisclosed	Undisclosed	Services



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11/18/21	Dicerna ™	novo nordisk ®	Biopharma company focused on discovering & developing medicines that leverage RNA interference to selectively silence genes.	M&A	3,211	3,211	Biotech / Pharma
11/22/21	abveris	T W I S T BIOSCIENCE	In vivo antibody discovery service company developing next-generation biologics, cell therapies, vaccines & diagnostics.	M&A	190	150	Services
11/22/21	athenahealth	Hellman & Friedman GIC BainCapital PRIVATE EQUITY	Provider of cloud-based enterprise software solutions for patient engagement, telehealth, population health & value-based care management.	M&A	17,000	17,000	Digital Health
11/23/21	nykode therapeutics	REGENERON	Collaboration agreement with Regeneron to discover, develop & commercialize new vaccines for cancer & infectious disease.	Partnership	925	50	Biotech / Pharma
11/23/21	NUVO ™ Give life a better beginning™	-	Developer of remote platform allowing access to medical-grade data for pregnancy care management.	IPO	50	N/A	Digital Health
11/29/21	QuellTX	British Patient Capital Jeito Fidelity Janus Henderson Monashee Point 72 SV RIDGWAY Syncona TEKLA Capital Management LLC	Developer of engineered T-regulatory cell therapies using phenotype lock technology for serious medical conditions driven by the immune system.	Financing	156	N/A	Biotech / Pharma

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MedTech

Biotech/Pharma

Digital Health

Diagnostics

Life Science Tools

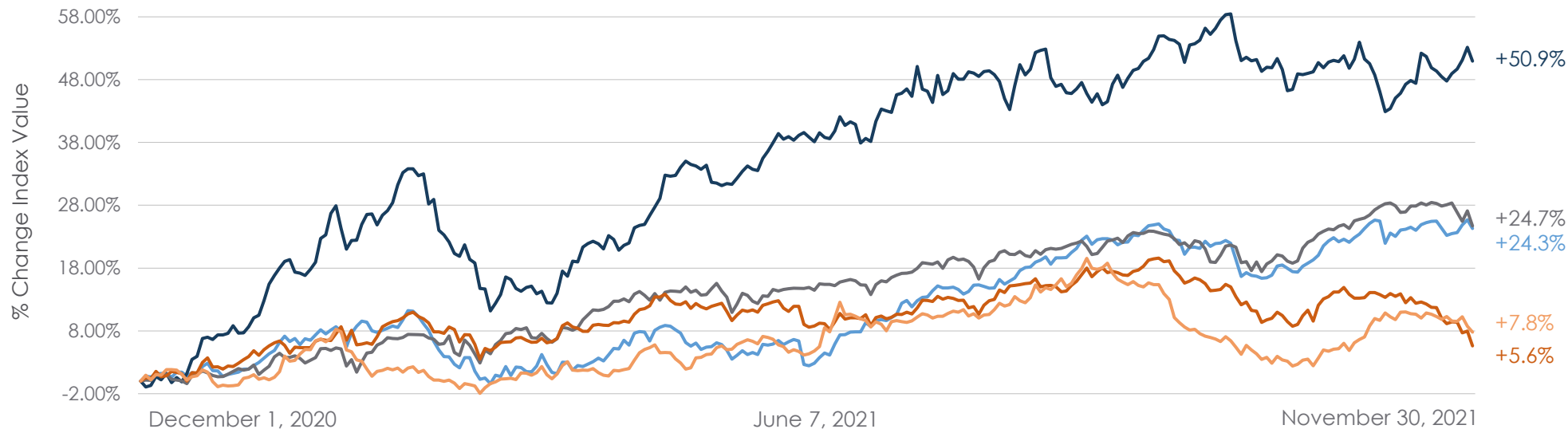
Services



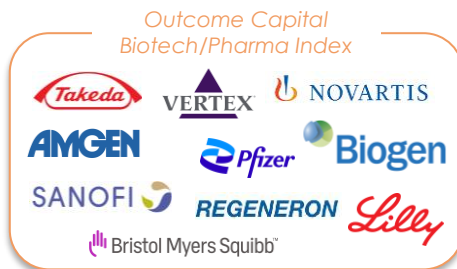
Outcome Index Tracker

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Outcome Capital Index Tracker (LTM)



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





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