



Outcome Capital Life Sciences Market Pulse

January 2022

Reach the Right Outcome



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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

Stryker Looks To Digital Health For New Growth Opportunities

vocera 

Target

\$3.2B

Deal Size

stryker

Buyer

“

The acquisition of Vocera by Stryker reflects an on-going post-Covid era trend of bringing healthcare closer to the patient and migrating care from the physician's office to a patient's home. Vocera provides clinical communication and workflow solutions that connect team members, increase operational efficiency, enhance quality of care and safety, and humanize the healthcare experience. This transaction underscores the commitment of MedTech companies to seek expansion opportunities outside their core business, with particular focus on tech-enabled solutions. As recently reported by Outcome Capital ([Digital Health Sector: Trends and Opportunities](#)), the pandemic accelerated interest & adoption of digital health & virtual care solutions, leading to an expanded acquirer universe.

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BMS Expands Cell Therapy Presence With Century's Programs



Target

\$3.2B

Deal Size



Partner



During a flurry of announcements being unveiled at JPM Healthcare Conference 2022, Century Therapeutics (NASDAQ: IPSC) and Bristol Myers Squibb (NYSE: BMY) announced a research collaboration and license agreement for up to four induced pluripotent stem cell (iPSC) programs for a \$100M upfront payment and a \$50M equity investment in Century Therapeutics with additional milestone payments totaling more than \$3B plus royalties on global net sales. The first two programs include acute myeloid leukemia and multiple myeloma, which could incorporate either the iNK or a gamma delta iT platform. BMS has the option to add two additional programs and will be responsible for clinical development and commercialization. BMS may be the ideal partner for Century as BMS has more than a dozen solid tumor assets including Optivo in >30 different solid tumor trials, bringing extensive clinical development and scientific expertise increasing probability of Century's technical success. Additionally, this collaboration enables deployment of Century's next-generation iPSC platform for products targeting malignancies that are difficult for biotech companies to tackle on their own. The cell therapy space represents an expansion net for BMS after it received 2 CAR-T approvals from the FDA in 2021. Off-the shelf cellular therapies seem to be moving in vogue for 2022 and beyond.



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AI Drug Discovery Attracts Institutional Interest



Target

\$40M

Deal Size



Investors



The Billion-Dollar Molecule, which recounted Vertex's quest for rational drug design based upon crystallography and other applications, was published in 1995. Swiss-Model is a suite of software tools and databases for 3D protein structure modelling that has been in use for over 20 years. Fast forward a generation, and newer technologies are being integrated to optimize target validation and new drug development. This January, Vancouver-based Gandeeva raised a \$40M Series A round of funding from institutional investors, including Lux Capital and Amgen Ventures, to further develop an AI-enabled cryo-EM drug discovery platform which combines breakthrough technologies across chemistry, biology, imaging and machine learning to visualize, measure and capture protein-drug interactions at an atomic level of resolution. The company believes that this level of detail can provide new insights into how disease-relevant proteins function and how they can be targeted - and more importantly, that this knowledge can translate into better, faster and cheaper treatments for patients. Look forward to the future novel which chronicles Gandeeva's journey!



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dren bio
Target

\$1.0B
Deal Size



Pfizer
Partner

“

Pfizer has joined with Dren Bio for the discovery and development of bispecific antibodies for select oncology targets using Dren's proprietary platform that is focused on engaging myeloid cells. Dren is a private, preclinical company focused on developing therapeutic antibodies for a variety of diseases, and the deal with Pfizer is the first to be based on the use of Dren's platform to harness myeloid cells in cancer treatment. Dren's bispecifics target a novel phagocytic receptor to enable controlled myeloid cell activation only in the presence of specific tumor-associated antigens. The key takeaways from this deal are 1) this is another example of a billion-dollar deal for immuno-oncology (IO) assets at the preclinical stage 2) IO targets on cells of the innate immune system are of interest to big pharma and 3) the target company has both an innovative platform and proprietary assets. It's not a cookie-cutter deal, but it does reinforce a model for success that we are seeing more and more in the IO space.

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Middle Market MedTech M&A Off To Strong Start

ENGAGE
Surgical
Target

\$135M
Deal Size

Smith+Nephew
Buyer

“ Arguably, two of the greatest drivers in MedTech M&A are growing markets via new procedure types & highly-differentiated solutions providing novel therapeutic advances via innovative solutions. Smith+Nephew's (NYSE: SNN) acquisition of Engage Surgical epitomizes this sentiment. SNN is gaining a uniquely cementless unicompartmental partial knee system to complement its high-value orthopedic franchise in a rapidly growing market segment. SNN & Engage shareholders should feel confident about this value-enhancing transaction. ”



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cellino
Target

\$80M
Deal Size

leaps   8VC
  
Investors

“ Rarely would a contract service provider be the target of a venture fundraising. However, given the promise of cellular therapies and the rapid increase in demand for streamlined cell manufacturing, Bayer and others see the opportunity at hand. Cellino's unique AI-driven platform highlights the digital revolution afoot in biotechnology decreasing costs and time of development for advanced therapies. There is a strong reason to believe that other leading biopharmaceutical companies will actively pursue similar tech-enabled cell processing platforms. ”



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January 2022 | Transaction Lineup

OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE

January 2022 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
1/5/22	higi	babylon	Consumer health engagement company allowing people to easily measure, track & act on their health data.	M&A	Undisclosed	Undisclosed	Digital Health
1/6/22	vocera	stryker	Provider of clinical communication & workflow solutions to increase operational efficiency, enhance quality of care & humanize the healthcare experience.	M&A	3,090	2,970	MedTech
1/6/22	Exelead <small>Complex Drug Product Formulations</small>	MERCK	Biopharma CDMO specializing in complex injectable formulations, including Lipid Nanoparticle based drug delivery in mRNA therapeutics.	M&A	780	780	Services
1/7/22	AMYLYX	-	Clinical-stage pharma company developing novel therapeutics for ALS & other neurodegenerative diseases.	IPO	190	N/A	Biotech / Pharma
1/7/22	Exscientia	sanofi	Research collaboration & licensing agreement to develop 15 novel small molecule candidates across oncology & immunology.	Partnership	5,300	100	Biotech / Pharma
1/9/22	PREVENTION GENETICS	EXACT SCIENCES	CLIA & ISO accredited laboratory delivering genetic testing at fair prices around the world.	M&A	190	190	Services

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1/10/22	ILS Advancing Science, Improving Lives	inotiv analyze. answer. advance.	CRO providing research & testing services to the pharma, chemical, agrochemical, food additive & consumer product industries.	M&A	56	56	Services
1/10/22	CENTURY THERAPEUTICS	Bristol Myers Squibb	Research collaboration & licensing agreement to develop & commercialize up to 4 induced pluripotent stem cell programs.	Partnership	3,150	150	Biotech / Pharma
1/10/22	MeMed	Horizons Ventures, LAMAISSON, SOCIALCAPITAL, PHOENIX Insurance Group, Inc., POALIMEQUITY, SHAVIT CAPITAL, TOUCHWOOD CAPITAL, UNION, WTI	Developer of immune system response products to transform disease diagnoses & patient treatment.	Financing	93	N/A	Diagnostics
1/10/22	CODEX DNA	Pfizer	Strategic collaboration & licensing agreement to further develop novel EDS technology for mRNA-based vaccines.	Partnership	100	Undisclosed	Biotech / Pharma
1/11/22	dren bio	Pfizer	Strategic collaboration to develop bispecific antibodies that connect tumor & myeloid cells for immune stimulation.	Partnership	1,000	25	Biotech / Pharma
1/18/22	evotec	Lilly	Drug discovery collaboration to identify & validate potential novel targets for metabolic diseases, specifically kidney disease & diabetes.	Partnership	1,000	N/A	Biotech / Pharma

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1/18/22	GeneDx	sema4	Global leader in genomics, providing advanced genomic testing with expertise in exome sequencing for pediatric rare genetic disorders.	M&A	623	473	Diagnosics
1/19/22	ENGITIX THERAPEUTICS	Dompé Netherton Investments, Ltd.	Biopharma company with a pioneering & proprietary human extracellular matrix drug target discovery platform.	Financing	54	N/A	Biotech / Pharma
1/19/22	ENGAGE Surgical	Smith+Nephew	Owner of the only cementless unicompartmental (partial) knee system commercially available in the U.S.	M&A	135	N/A	MedTech
1/19/22	ZOGENIX	ucb	Global biopharma company developing & commercializing therapies with the potential to treat & transform lives of patients with rare diseases.	M&A	1,900	Undisclosed	Biotech / Pharma
1/24/22	Quantib aidence	RadNet	Radiology AI developers focusing on clinical solutions for lung cancer, prostate cancer & neurodegeneration screening.	M&A	95	95	Digital Health
1/25/22	cellino	leaps 8VC Felicis Ventures THE ENGINE humboldt khosla ventures	Autonomous cell therapy manufacturing company developing stem cell-based regenerative medicines.	Financing	80	N/A	Biotech / Pharma

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January 2022 Transaction Lineup



Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
1/26/22	Distalmotion	 	Medical device developer of surgical robot to integrate with laparoscopy through its novel surgical approach.	Financing	90	N/A	MedTech
1/27/22	septerna	 	Biotech company discovering & advancing novel small molecule medicines targeting G protein-coupled receptors.	Financing	100	N/A	Biotech / Pharma
1/27/22	Biogen		Joint venture stake in the development & commercialization of multiple biosimilar products.	M&A	2,300	1,000	Biotech / Pharma
1/27/22	innocent heart <small>The Art of Innovation</small>	 <small>GRAND PHARMACEUTICAL GROUP</small> 	Developer of novel Transcatheter Mitral Valve Replacement systems for treatment of mitral valve diseases.	Financing	55	N/A	MedTech
1/31/22	GANDEEVA THERAPEUTICS	 	Precision biotech company using cryogenic electron microscopy & machine learning to develop novel therapeutics at an accelerated pace.	Financing	40	N/A	Biotech / Pharma
1/31/22	xbird	glooko	AI company developing technologies to support patients & providers in predicting behavior & managing diabetes.	M&A	Undisclosed	Undisclosed	Digital Health

[Hyperlinked to Press Release](#)

MedTech

Biotech/Pharma

Digital Health

Diagnostics

Life Science Tools

Services



Outcome Index Tracker

OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE



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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Outcome Capital MedTech Index

Outcome Capital Biotech/Pharma Index

Outcome Capital Diagnostics Index

Outcome Capital Services Index



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