



Outcome Capital Life Sciences Market Pulse

October 2023

Reach the Right Outcome



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OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE

Market Trends & Strategic Transactional Insights



Outcome Capital At A Glance...

A highly-specialized life sciences & healthcare 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 Sciences Verticals:

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

Transaction Focus:

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

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

Outcome Index Tracker

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

Transaction Lineup

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

Highlighted Transactions

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



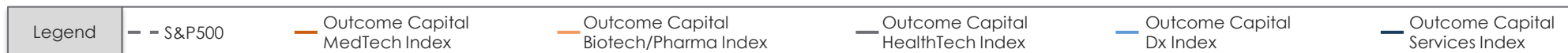
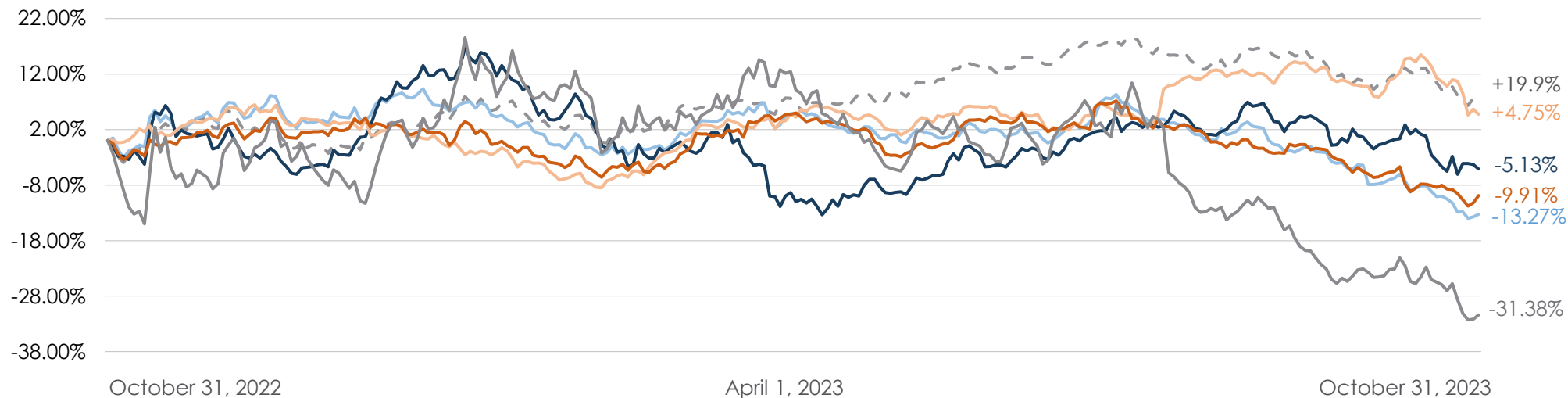
Outcome Index Tracker



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Outcome Capital Index Tracker (LTM)



Outcome Capital MedTech Index

Outcome Capital Biotech/Pharma Index

Outcome Capital HealthTech Index

Outcome Capital Diagnostics Index

Outcome Capital Services Index



October 2023 | Transaction Lineup

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October 2023 Transaction Lineup

Date	Target	Buyer/ Investor	Target Description	Deal Type	Deal Value (\$M)	Up-Front Payment (\$M)	Vertical
10/3/2023	POINT BIOPHARMA	Lilly	Developing next-generation radiopharmaceuticals for the treatment of cancer	M&A	\$1,400	\$1,400	Biotech/Pharma
10/4/2023	commure	AIX Ventures	Provider of enterprise healthcare software using analytics on the physical logistics of a hospital	Financing	\$1,300	N/A	HealthTech
10/4/2023	Baystate Health <small>Outreach Laboratory Business</small>	labcorp	Not-for-profit, integrated healthcare system servicing people throughout western New England	M&A	\$151	Undisclosed	Diagnostics
10/5/2023	Headway	SPARK CAPITAL HCSC andreesen horowitz Accel THRIVE CAPITAL	Mental health tech startup connecting patients with in-network therapists and psychiatrists	Financing	\$125	N/A	HealthTech
10/5/2023	MITOKININ	abbvie	Discovery-stage biotech company developing potentially first-in-class treatment for Parkinson's Disease	M&A	\$655	\$110	Biotech/Pharma
10/8/2023	MIRATI THERAPEUTICS	Bristol Myers Squibb	Developing a pipeline of novel therapeutics that directly target the genetic drivers of cancer	M&A	\$5,800	Undisclosed	Biotech/Pharma

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MedTech

Biotech/Pharma

HealthTech

Diagnostics

















Life Science Tools

Services

OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE



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10/10/2023	 BioMap		Biotech startup company aiming to accelerate novel drug discovery through proprietary AI platforms	Partnership	\$1,000	\$10	Biotech/ Pharma
10/11/2023	 healthmark		Provider of medical and surgical equipment supplies for healthcare facilities	M&A	\$320	\$320	MedTech
10/12/2023	 envera		Partners with healthcare providers to help meet patients needs and deliver a superior patient experience	M&A	\$31.7	Undisclosed	HealthTech
10/16/2023	 INFOBIONIC	    	Virtual telemetry company focused on efficiency and economics of cardiac remote patient monitoring	Financing	\$50	N/A	MedTech
10/17/2023	 Olink		Leading provider of next-generation solutions for advanced proteomics discovery and development	M&A	\$3,100	\$143	Life Science Tools
10/17/2023	 assemblybio		Biotechnology company developing innovative antiviral therapeutics targeting serious viral diseases	Partnership	\$100	\$100	Biotech/ Pharma

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MedTech



Biotech/Pharma



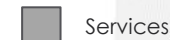
HealthTech



Diagnostics



Life Science Tools



Services

OUTCOME CAPITAL | LIFE SCIENCES MARKET PULSE



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10/17/2023	SPICEBIO	Spark THERAPEUTICS	Genetic medicine company harnessing protein splicing to develop the next-generation of gene therapies	Partnership	\$216	Undisclosed	Biotech/ Pharma
10/17/2023	Monte Rosa Therapeutics	Roche	Drug discovery platform tailored to promote specific protein ubiquitination and subsequent proteasomal degradation	Partnership	\$2,050	\$50	Biotech/ Pharma
10/18/2023	EVIDENT VASCULAR	VENSANA CAPITAL	Essential diagnostic image-guided therapy tool for the treatment of peripheral arterial and venous disease	Financing	\$35	N/A	Biotech/ Pharma
10/18/2023	Ovid Therapeutics	Ligand	Developing next-generation of targeted small molecule therapies that seek to reduce seizures	M&A	\$30	Undisclosed	Biotech/ Pharma
10/18/2023	4D Lifetec	Xlife sciences	Developer of on-invasive, immuno-oncological blood test verifying lung cancer at its earliest stage	Financing	\$26	N/A	Diagnostics
10/19/2023	Daiichi-Sankyo	MERCK	Global company with three potentially first-in-class antibody-drug candidates in clinical development	Partnership	\$22,000	\$4,000	Biotech/ Pharma

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MedTech

Biotech/Pharma

HealthTech

Diagnostics


















Life Science Tools

Services

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10/19/2023			Engineering precision biotherapeutics to focus on important biologically validated targets for cancer and autoimmune disease	Partnership	\$430	Undisclosed	Biotech/ Pharma
10/19/2023		  	MedTech company focused on the development of corneal disease therapies and scar treatments	Financing	\$45	N/A	MedTech
10/26/2023	 <small>Certain Assets</small>		Developer of single-use catheters used in neurovascular treatment of ischemic strokes and aneurysms	M&A	\$56	Undisclosed	MedTech
10/30/2023		  	Developer of therapies for difficult-to-treat neurological disorders by targeting misfiring circuits	Financing	\$225	N/A	Biotech/ Pharma
10/30/2023	 <small>BREAKING BARRIERS</small>		Enhancing the transport of therapeutic and imaging agents using a versatile and flexible targeting technology	Partnership	\$327	Undisclosed	Biotech/ Pharma
10/31/2023	 <small>PHARMACEUTICAL DIVISION OF JOHNSON & JOHNSON</small>	 	Pharmaceutical company of Johnson and Johnson focused on discovering medical breakthroughs for patients	Partnership	\$1,000	Undisclosed	Biotech/ Pharma

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 MedTech

 Biotech/Pharma

 HealthTech

 Diagnostics

 Life Science Tools

 Services



Highlighted Transactions



Merck Strengthens Oncology Pipeline With ADC Collaboration



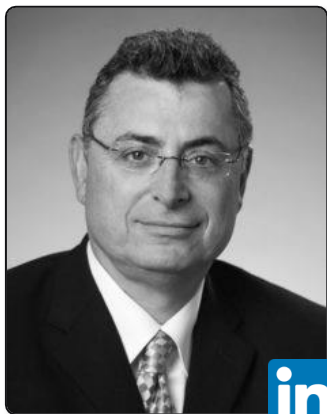
Target

\$22B

Deal Size



Partner



Oded Ben-Joseph, PhD, MBA

Managing Partner

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“

Aligned with the commercial success of Keytruda, Merck has focused much of their pipeline efforts on maintaining market leadership within immuno-oncology. >80% of the company's pipeline programs are focused on expanding their presence in oncology, including numerous programs are exploring combination therapies. Further expanding an already robust oncology pipeline, Merck entered a global collaboration with Daiichi Sankyo to develop and commercialize multiple antibody-drug conjugate (ADC) therapies. Daiichi has been at the forefront of ADC research and drug development, establishing the modality as part of the next wave of immuno-oncology therapeutics. Merck sought to enter this space with previous a collaboration and proposed acquisition of Seagen, valued at \$1.6B and >\$40 billion respectively, which ultimately didn't materialize. Now, not too far after the failed acquisition, Merck identified Daiichi as the partner to progress their interest in ADCs. The deal, valued at \$4 billion up front and up to \$22 billion, provides Merck with rights to co-develop and co-commercialize three clinical stage ADCs based on the industry leading DXd ADC technology. This is certainly a strong signal on the next wave of IO treatments, with competitors including AstraZeneca and Pfizer, who is ultimately acquiring Seagen, also making substantial ADC investments.

”

Lilly Expands Oncology Capabilities into Next-Generation Radioligand Therapies

POINT
BIOPHARMA

Target

\$1.4B

Deal Size

Lilly

Buyer



Ellen Baron, PhD

Managing Director
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“

Over the past few years, radiopharmaceuticals have come into vogue as they can demonstrate meaningful results for patients with cancer and rapidly integrate into standards of care. Several big pharma have jumped to the fore with significant investments in developing multiple meaningful radioligand medicines for hard-to-treat cancers, as has been done in small molecule and biologic oncology drug discovery and development. In late October we saw Lilly snapping up Point Biopharma Global for \$1.4B, marking their entrance into the radiopharmaceutical cancer therapeutic space. Lilly paid an 87% premium to Point's closing stock value on Oct. 2—\$6.68 per share—and a 68% premium to the 30-day volume-weighted average price. Point has two lead programs in phase 3 development: PNT2002 and PNT2003. The first is a prostate-specific membrane antigen targeted radioligand therapy designed to treat metastatic castration-resistant prostate cancer after second-line treatment. The asset is currently being tested in a pivotal trial, (SPLASH), with top-line data expected by the end of this year. PNT2003 is a somatostatin receptor targeted radioligand therapy for patients with gastroenteropancreatic neuroendocrine tumors. Lilly is slightly behind the curve, striking the deal well after Novartis dove in headfirst to the radiopharmaceuticals space. Novartis already has approved radiopharmaceutical drugs Lutathera for certain gastroenteropancreatic neuroendocrine tumors and Pluvicto for patients with prostate cancer. Cash flush from their success with GLP-1, The combination of POINT's team, infrastructure and capabilities with Lilly's global resources and experience could significantly accelerate the discovery, development, and global access to radiopharmaceuticals.

”

Ovid Therapeutics Raises Cash by Selling Royalty Rights to Ligand Pharma



\$30M
Deal Size

Ligand®
Buyer



Paul Mieyal, PhD, CFA
Managing Director
Outcome Capital, LLC
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“

Whether one's preferred financial derivatives are options, futures, swaps, or reinsurance contracts, there is a mechanism to diversify risk and monetize the optionality of potential future value. Ovid licensed *soticlestat* to Takeda in 2021 for an upfront payment of \$196M as well as \$660M in potential milestones and a tiered royalty stream of up to 20%. Furthering the financial alchemy - akin to stripping a tranche of coupons from a long-term bond - Ovid has now sold off 13% of its share of the potential future Takeda royalty and remaining milestone payments to Ligand in order to bank \$30M of current cash. In doing so, Ovid has unlocked non-dilutive capital to fund current projects while retaining the majority of its potential upside from the Takeda deal. Todd Davis was formerly with investment firm HealthCare Royalty Partners and is now deploying a similar “portfolio of royalty assets” model at Ligand. In a tough financing market, companies should proactively evaluate these types of creative options.

”

Healthcare Data Platform Company Commure Takes on \$1.3 Billion Growth Round



Target

\$1.3B

Deal Size

AIX
Ventures

Investor



Karl Hess, MBA

Managing Director
Outcome Capital, LLC
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“

Commure, which was cofounded by General Catalyst's CEO and managing director, Hemant Taneja, and incubated by the firm in 2017, has recently taken on a \$1.3 billion growth round from AIX Ventures, in what could be its last financing round prior to a potential IPO. The uncategorized growth round occurred during a flurry of activity, including a just prior investment of \$70 million dollars from General Catalyst, associated with the merger between Commure and another of General Catalyst's portfolio companies, Athelas, founded in 2016. The merged companies were together valued at \$6 billion, prior to the latest \$1.3 billion round. Tanay Tandon, the founder and CEO of Athelas, will lead the combined company, the combination of which is on track to reach \$150 million in revenues by the end of the year. Commure has already had a history of acquiring, and subsequent to these two funding events, Commure acquired Rx.Health, the developer of a low-code, no-code clinical care coordination platform. Currently Commure enables more than 160,000 clinicians and staff across more than 500 care facilities to advance care through collaboration and supports more than 100,000 patients, with a goal of providing an interoperable, common data language and platform that can unify disparate data sets to drive more efficient and effective care.

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Olink Acquired by Thermo Fisher After Struggling to Control Consistent Net Losses



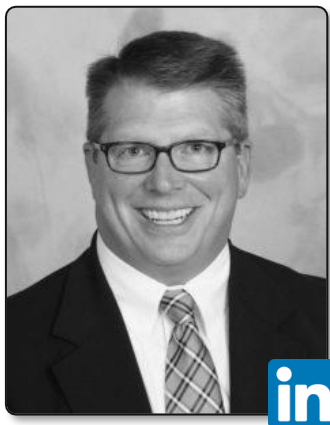
Target

\$3.1B

Deal Size

ThermoFisher
SCIENTIFIC

Buyer



Craig Steger

Director

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“

We often see a “glass ceiling” when it comes to sales and market penetration in the life science tools space, and perhaps that is what triggered the recent \$3.1B Thermo Fisher (NYSE: TMO) acquisition of Olink (Nasdaq: OLK). Olink has struggled to control their net losses over the past several quarters despite slowly growing their revenues, suggesting the company has struggled to maintain a competitive edge within the broader life science tools market. This strategic acquisition by Thermo Fisher will augment the continued growth of their Orbitrap mass spectrometry business and should provide an uplift to Olink's core PEA (Proximity Extension Assay) technology which will benefit from Thermo Fisher's extensive install base of qPCR and NGS instrument platforms. The acquisition should add approximately \$200M to Thermo Fisher's revenue in 2024 and is estimated to provide a pricing premium of 74% to Summa Equity, Olink's largest shareholder.

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InfoBionic's AI Cardiac Monitoring Platform Scores Big



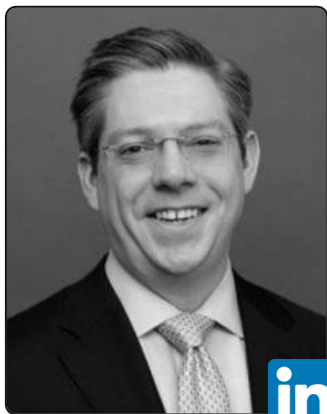
Target

\$50M

Deal Size



Investors



Thomas Busby, MBA
Senior Vice President
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“

InfoBionic's MoMe ARC remote cardiac monitoring device received FDA 510(K) clearance in mid-October of this year with plans to commercialize beginning Q4/23. Shortly thereafter, a partnership with the Mayo Clinic was announced. The recently announced financing completes the succession of value-enhancing milestones and provides ample growth capital for market share. Though a segment with many competitors, participation by BlueCross Blue Shield may be seen to de-risk reimbursement concerns, which have otherwise plagued market alternatives.

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Early Option Deal Leads To AbbVie Acquisition of Mitokinin



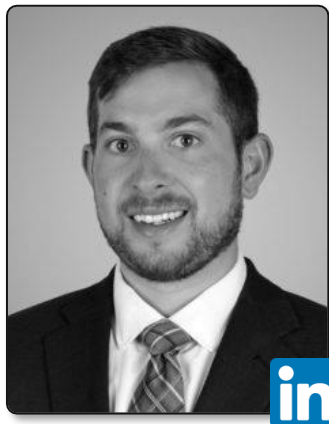
Target

\$655M

Deal Size

abbvie

Buyer



Nick Frame, PhD

Vice President

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“

The biology around neurodegenerative diseases can be summarized in one word – complex. Given the associated complexities of these diseases and the fact that the underlying pathologies often arise due to a combination of genetic and environmental factors, developing effective treatments has been met with numerous clinical and regulatory setbacks. Parkinson's disease (PD), which is characterized by a loss of dopaminergic neurons, is known to have an associated patient subset that is associated with genetic mutations; familial PD. Researchers identified that certain familial PD cases are driven by a mutation in the PINK1 gene that ultimately leads to underlying mitochondrial dysfunction and disease progression. Mitokinin sought to treat this subset of familial PD patients by developing a molecule that allosterically activating PINK1 and restored mitochondria function. AbbVie, who has a long-standing focus in Parkinson's disease, identified Mitokinin as having a differentiated approach to treating PD. This interest was initially demonstrated by AbbVie as they agreed to fund the program to IND in exchange for an option to acquire. Last month, as a result of the compelling preclinical data package, AbbVie exercised their option to acquire Mitokinin for \$110 million upfront with an additional \$545 million in contingent value rights associated with development and commercial milestones. This relationship proved to be mutually beneficial to the parties, and provides the highest likelihood that the molecule will be approved long-term.

”

Assembly Bio & Gilead Enter Partnership To Develop Novel Anti-Viral Therapies



Target

\$100M

Deal Size



Partner



Michael Casasanta, PhD

Associate

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“

With much of the strategic deal activity focused on oncology assets, Gilead's partnership with Assembly Biosciences shines a spotlight on dynamics underpinning anti-infective portfolio strategy. Gilead has long established itself as the market leader in antiviral therapy with blockbuster success in its HIV portfolio with Biktarvy generating \$3.1B in Q323 as well as strong performance from its next-gen PrEP successor, Descovy. As in all therapeutic fields, with blockbuster success comes generic challengers. In September of 2022, Gilead settled lawsuits with generic drug makers to extend exclusivity for its lead anti-viral products. To complete the protection of its market leading position, Gilead has committed significant resources to innovation and hopes to use the extended exclusivity time to bring next generation products to market. For its part, Assembly will receive \$85M in upfront cash as well as a \$15M equity investment from Gilead to develop HSV, HBV, and HDV small molecule therapeutics. In exchange, Gilead will receive exclusive rights for all of Assembly's current and future programs following opt-in payments. The deal has significant risk mitigation features for Gilead allowing them to make large financial commitments (>\$375M per program optioned) after proof of concept is established. Assembly will participate in commercial upside through potential profit and cost sharing following clinical success. Overall, the deal highlights Gilead's antiviral innovation strategy as a strong complement to its legal strategy to maintain a market-leading position.

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Access Healthcare Expands Patient Engagement Solutions

envera

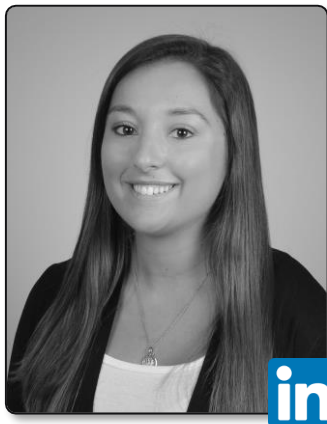
Target

\$31.7M

Deal Size

accesshealthcare™

Buyer



Elena Bonetti

Senior Analyst

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“

As healthcare has become increasingly digital, patient engagement has become a high-value capability in the segment. Moreover, automation and personalization are viewed as value drivers for patient engagement solutions, as they support streamlined processes and increase overall provider revenue. Access Healthcare, a leading healthcare revenue cycle management provider, recently acquired Envera Health for this exact reason. Envera Health offers comprehensive, customizable patient engagement solutions to improve access, support staffing, increase patient satisfaction and scale healthcare organizations. Through the acquisition of Envera, Access Healthcare can now enhance its value proposition for customers with omnichannel patient engagement capabilities.

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Evident Vascular Secures \$35M to Continue Development of IVUS Platform



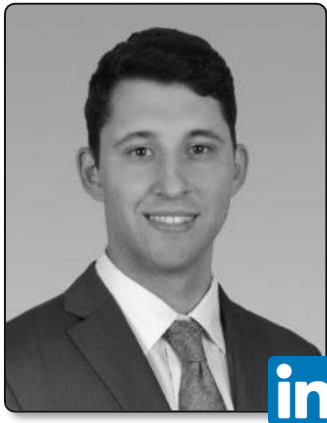
Target

\$35M

Deal Size



Investor



Carey Gallant, MBA

Senior Analyst

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Evident Vascular, a diagnostic medical technology company focused on improving outcomes for patients suffering from peripheral arterial and deep venous diseases, has secured a \$35M Series A financing to continue development of its transformative intravascular imaging platform. Evident is pursuing a differentiated approach to peripheral vascular disease (PVD) through a state-of-the-art, AI-powered, intravascular ultrasound (IVUS) platform, the Evident Vascular™ Guidance System. The company's platform hopes to address the current, underutilized, IVUS technologies which force clinicians to compromise between image quality and fit within their existing workflow. Evident's financing is a breath of fresh air in a market that has otherwise been dominated by device-focused strategic maneuvers; the sheer number of intervention devices on the market today, and their availability to clinicians, further highlights the need to find the correct solution for specific patient needs. The Company's IVUS platform is intentionally designed to leverage the power of AI to set a superior standard in imaging quality, interpretation guidance, ease of use, and navigation of peripheral vasculature. The Vascular™ Guidance System provides improved intraluminal visualization of peripheral vasculature and gives clinicians the clarity they need to optimize patient care.



BMS Secures Mirati Despite Market Valuation Concerns

MIRATI
THERAPEUTICS®

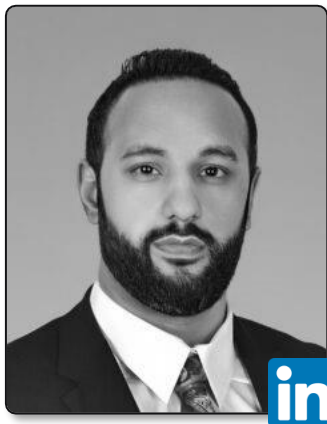
Target

\$5.8B

Deal Size

 **Bristol Myers
Squibb™**

Buyer



Fahid Naseer, MBA

Senior Analyst

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“

In a strategic move to strengthen its oncology portfolio and gain access to promising pipeline assets, Bristol Myers Squibb (BMY) has proposed to acquire Mirati Therapeutics (MRTX) for approximately \$5.8 billion. With \$1.1 billion in cash on MRTX's balance sheet, the value of the company is approximately \$3.7 billion on an enterprise value basis, deemed “a very attractive deal” by BMY's Chief Commercialization Officer Adam Lenkowsky. The acquisition, however, has been met with skepticism from MRTX investors, citing the offer as undervalued. This sentiment was reflected in MRTX stock price, which dipped following the announcement. Analysts speculate that other bidders could emerge in the race for Mirati, given the potential of its pipeline, particularly its MRTX1719 drug, which targets the PRMT5 protein found in a significant portion of cancers. The proposed acquisition by BMY aims to strengthen the latter's oncology portfolio and gain access to Mirati's pipeline of innovative therapies. The deal is expected to be finalized in the first half of 2024. While the initial offer from BMY was met with skepticism, the potential of MRTX's pipeline and the strategic value of the acquisition could lead to a revised or rival bid.

”

SpliceBio Partners with Spark to Develop Proprietary Protein Splicing Platform

SPLICEBIO

Target

\$216M

Deal Size

Spark
THERAPEUTICS

Partner



Roisin O'Brien, PhD

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“

The recent explosion of gene therapies has generated extraordinary progress towards uncovering solutions for life-altering genetic diseases. However, a major constraint to effectively harness these therapeutics is the overburdening size of their multi-protein complexes creating limited adaptability for AAV vector intracellular transfers. SpliceBio has taken on this challenge headstrong with the elegant utilization of auto-processing domains, known as inteins, to create their proprietary protein splicing platform. With SpliceBio's technology, larger, multi-protein gene therapeutics can be split into dual AAV vectors and stitched into a functional protein intracellularly. Spark Therapeutics, a leader in gene therapy and AAV development, notably recognized the extensive potential of this platform and jumped on the opportunity to partner with SpliceBio. Spark will have exclusive worldwide rights to develop, manufacture, and commercialize the gene therapy arising from this research collaboration targeting an undisclosed inherited retinal disease. SpliceBio will be eligible to receive upfront, opt-in and milestone payments up to \$216M and royalties on net sales. This collaboration eloquently aligns the initiatives of both SpliceBio and Spark Therapeutics to develop treatments for inherited retinal diseases.

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