



Outcome Capital: Quarterly Market Segment Report

Biopharma Segment Overview | Q1 2024

Reach the *Right Outcome*



BIOPHARMA INDEX MARKET PERFORMANCES

Trailing-Twelve-Months (TTM) Review

Key Insights

- <\$10B Biopharma index outperforms S&P500 with strong growth driven by positive clinical data from Viking, Biohaven, Apogee & Nuvalent
- >\$50B Biopharma index trails S&P 500 with noticeable rise in Q1 2024
- \$10B-\$50B Biopharma index performance dragging behind, largely due to lackluster performance from COVID winners Moderna & BioNTech, among others



S&P500	—
<\$10B Biopharma	—
\$10-\$50B Biopharma	—
>\$50B Biopharma	—

<\$10B Biopharma Index

\$10B-\$50B Biopharma Index

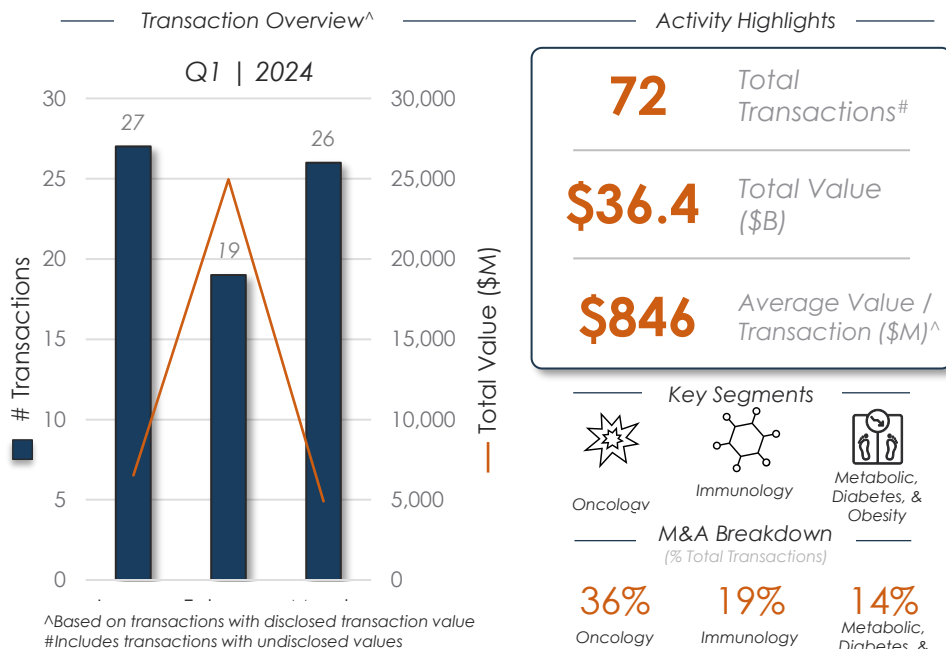
>\$50B Biopharma Index

BIOPHARMA TRANSACTIONAL ACTIVITY

M&A Activity | Q1 2024



M&A Transactions Overview



Active Acquirers



Select M&A Transactions

TARGET	BUYER	DEAL SIZE	DESCRIPTION
	Johnson & Johnson	\$2.0B	1/8/24 – Clinical-stage company with synthetic biology tech to develop ADCs for cancers
	GSK	\$1.4B	1/9/24 – Expands GSK's respiratory pipeline with the addition of a Phase 2-ready anti-TSLP candidate in asthma
	sanofi	\$1.9B	1/23/24 – Acquisition of the Phase 2-ready INBRX-101, a potential BIC treatment for AATD
	NOVARTIS	\$2.8B	2/5/24 – Includes acquisition of FDA submission ready Pelabresib for MF and Phase 1/2 Tulumimotostat in cancer
	AstraZeneca	\$2.4B	3/19/24 – Acquires Fusion's clinical-stage radioconjugate pipeline to enhance AZ's oncology strategy

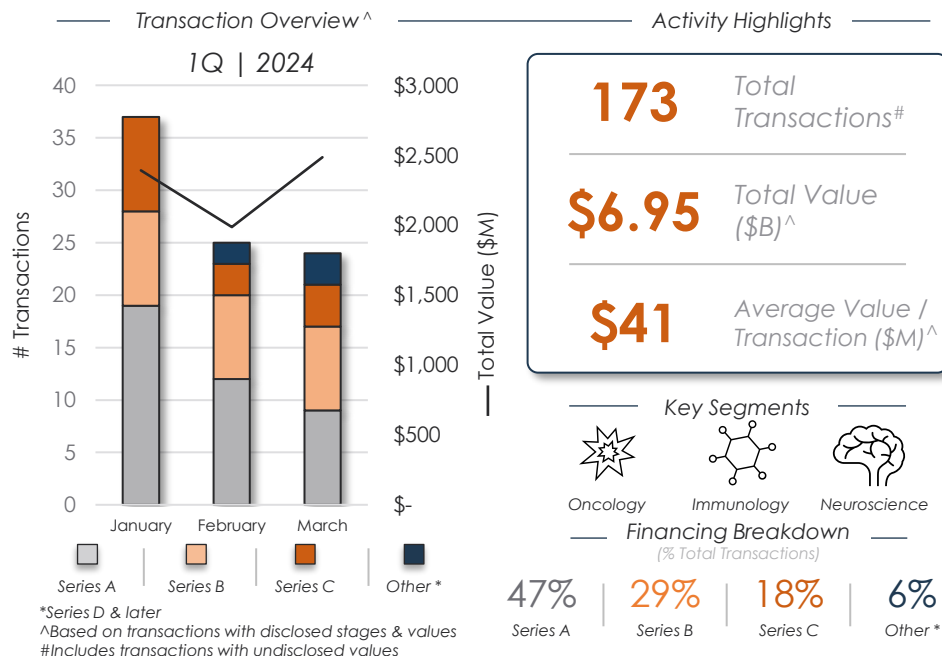
* Note: Deal volumes based on transactions between 1/1/24 – 3/31/24

BIOPHARMA TRANSACTIONAL ACTIVITY

Financing Activity | Q1 2024



Financing Transactions Overview



Key Participation



Select Financing Transactions

TARGET	BUYER	DEAL SIZE	DESCRIPTION
Radionetics Oncology	FRAZIER LIFE SCIENCES, GordonMD, 5AM VENTURES, Crinetics	\$52.5M	1/3/2024 – Series A round to advance first-in-class radiopharmaceutical pipeline
CLARIS BIO	Janus Henderson Investors, novo holdings, Mass General Brigham Ventures, RACAPITAL	\$57M	1/4/2024 – Continue development of recombinant human variant hepatocyte growth factor (dHGF) to treat corneal disease
FireflyBio	DECHENG CAPITAL, MPM BioImpact, Lilly, VERSANT	\$92.5M	2/15/2024 – Series A raise for development of degrader antibody conjugates (DACs)
alumis	FORESITE CAPITAL, SAMSARA BIOCAPITAL, venBio	\$259M	3/6/2024 – Series C will be used to initiate pivotal Phase 3 trial for TYK2 inhibitor in plaque psoriasis in 2H2024.
AVENZO THERAPEUTICS	NEA SANDS CAPITAL, SOFINNOVA INVESTMENTS, DEEP TRACK CAPITAL	\$150M	3/26/24 – Oversubscribed \$150M Series A brings total raised capital to \$347M for clinical-stage BIC oncology pipeline

* Note: Deals volumes & capital deployed based on transactions between 1/1/24 – 3/31/24

BIOPHARMA SEGMENT TRENDS

Outcome Leadership Insights & Takeaways

Radiopharmaceuticals Segment Insights



First Generation Radiopharmaceuticals Faced Challenges

- Production & supply hurdles limited availability to meet strong demand
- Short half life limited usage availability & drove the need for efficient logistics at a higher cost



Second Generation Found Commercial Success

- Improvements in efficacy over existing standards of care & greater inclusion of radiation oncologists in clinical practice
- Positive clinical success in treatment of certain cancers with improved stability & safety



Future of Radiopharmaceuticals

- Effective, safer & easier use molecules spurred renewal in field & consummated a flurry of licensing, M&A & VC activity
- Future development will be focused on effective radiopharmaceuticals for broader range of diseases



Outcome Insights

"The use of radiation to identify and/or treat disease has long been a tool within the oncologists' black bag. With a significant amount of investment poured into early-stage companies, one can expect pharma to continue their licensing and M&A activity as these novel molecules matures. As companies progress their programs through the clinic there are likely to be more potential partners for their technologies. With Eli Lilly's & BMS' acquisitions in late 2023 & AstraZeneca's acquisition in 2024, three additional global players have joined the likes of Novartis & Bayer as radiopharmaceutical players."



Ellen S. Baron, PhD
Outcome Capital, LLC

BIOPHARMA TRANSACTION TRENDS

Outcome Leadership Insights & Takeaways



Biotech/Pharma Transaction Insights

An Uptick In “Mega” Early Financing Rounds

With record amounts of dry powder to be deployed by venture capital groups, 2024 has started with a trend towards larger investment rounds, demonstrating that groups are taking larger bets as opposed to making more investments.

- ✓ An uptick in “mega” rounds has been observed rather than an increase in the number of total investments
- ✓ 9 Seed or Series A closing with >\$100M in funding
- ✓ Firms are investing in large rounds backing seasoned management teams that have a history of successful exits.



\$425M



\$175M



\$100M



\$223M



\$105M



\$100M



\$150M



\$102M



\$100M

Highlighted Biotech/Pharma Investment: Q1 | 2024



Target



Lead Investors

Date: Feb 14, 2024

Type: Series A

\$135M

Deal Value

Phase I

Deal Stage

Target Description: Latigo Bio is a clinical-stage biopharmaceutical company developing a variety of non-opioid pain medicines targeting voltage-gated sodium channels that silence pain-signaling neurons

Transaction Insights

- On the heels of positive Phase 3 data from Vertex, investors identified opportunity to introduce a “fast-follower”
- Potential to be ‘Best-in-Class’ molecule offers opportunity for second-mover advantage in pain space with derisked clinical pathway & significant market opportunity

BIOPHARMA TRANSACTION TRENDS

Outcome Leadership Insights & Takeaways

Biotech/Pharma Transaction Insights

Mid-Cap Acquisitions Take Center Stage

After slow 2023, Q1 had significant M&A activity for deals between \$500M - \$5B; leading strategics continue to refresh pipelines through inorganic strategies.

- ✓ Companies targeted with clinical stage assets with clear line of sight to clinical proof of concept, usually after a phase 2 trial readout
- ✓ 2023 was highlighted by numerous >\$10B acquisitions led by Pfizer's \$43B acquisition of Seagen & Amgen's \$28B buyout of Horizon Therapeutics, significantly adding to the two large-cap pharma players topline
- ✓ 2024 has been marked by an increase in acquisitions, licensing, and partnering deals with deal values in low-single digit billions as companies seek to expand pipelines and pivot to new areas of growth.

Select Deals



acquired



acquired



acquired



Highlighted Biotech/Pharma Acquisition: Q1 | 2024



Target



Buyer

Date: March 25, 2024

Type: M&A

\$1.1B

Deal Value

Phase II

Deal Stage

Target Description: Leader in developing antisense oligonucleotides that inhibit a piece of non-coding RNA, miR-132, to prevent or reverse the implications of heart failure

Transaction Insights

- Following the recent success of the GLP-1 drugs (Ozempic & Wegovy) which increased Novo's market value by >45%, Novo reinvested in its mid-stage clinical pipeline to support future growth
- Acquisition of Cardior strengthens Novo's cardiovascular franchise with a Phase II asset with significant upside in heart failure patients

OUTCOME CAPITAL

Strategic Advisory & Investment Banking



Outcome Capital is a highly specialized life sciences & healthcare strategic advisory and investment banking group.

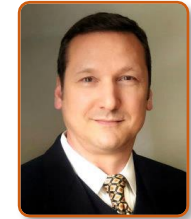
Our team brings a unique blend of scientific training, operational experience and financial expertise to assist companies in developing a market-aligned strategy to catalyze M&A, partnership and financing transactions. Leveraging a “strategy-first” approach to value enhancement, our goal is to assist management teams and boards effectively navigate strategic and financial markets. Distinct from traditional financial institutions, Outcome’s team is a blend of PhD scientists, physicians, CFAs, MBAs, venture capitalists, former CEOs and seasoned entrepreneurs. Outcome’s DNA enables our bankers to relate to our clients, and speak directly to the technology, R&D pathway and commercial strategies from a first-hand perspective.

Outcome’s quarterly market reports provide an overview of deal activity in select segments across the life sciences and healthcare industries and is accompanied by specific drivers and trends insights from our team.

Please reach out to our team for further information.



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Leveraging our expertise across the life sciences value chain, we help management teams steer across complex environments, providing a multidisciplinary & multidimensional perspective aimed at creating optionality & reducing risk toward increased probability of a successful transaction



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