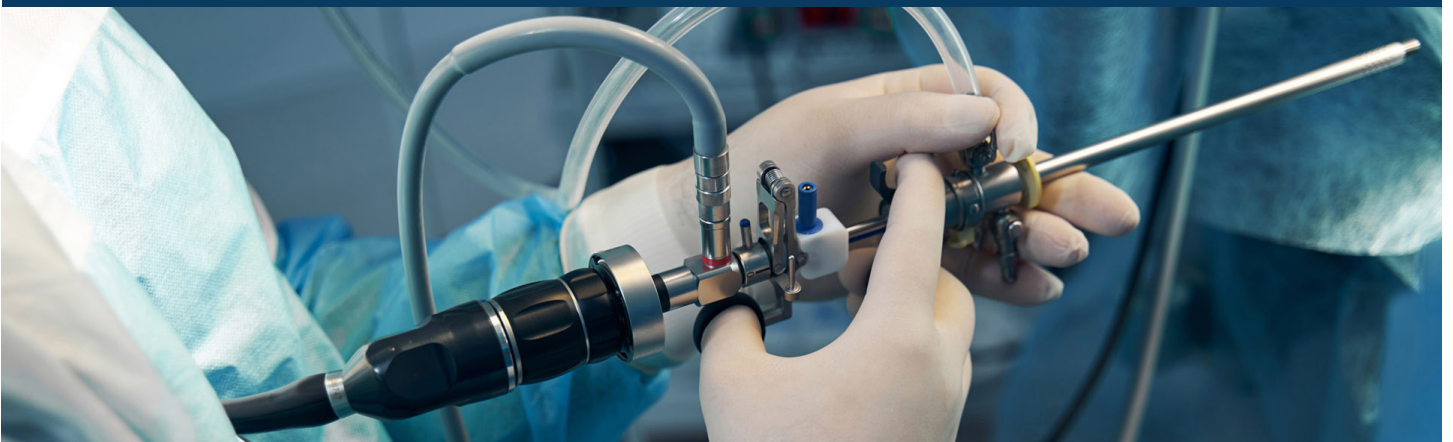


MEDICAL TECHNOLOGY M&A PULSE

SECOND QUARTER 2022



Q2'22

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PMCF Medical Technology Team

ABOUT PMCF

P&M Corporate Finance ("PMCF"), a U.S. registered broker/dealer, is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International partners. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, pmcf.com.

INVESTMENT BANKING SERVICES:

- Mergers & Acquisitions
- Carve-outs & Divestitures
- Strategic Assessments
- Transaction Readiness Planning
- Capital Raising



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Medical Technology Industry Expertise

In the medical technology sector, it takes a highly focused approach to execute a transaction efficiently. And it requires the constant monitoring of new procedures, technology and product development, and overall market trends. At PMCF, our Medical Technology team brings this dedication and market knowledge to every transaction. Our transaction expertise in the medical device, bio-pharmaceutical, and healthcare sectors, combined with industry relationships and a proprietary healthcare consulting service offering, afford us a unique perspective in the industry.

Medical Devices	Contract Research	Clinical Services	Therapeutics
Healthcare	Contract Manufacturing	Behavioral Health	Managed Care
Drug Delivery	Bio-Pharmaceutical	Specialty Pharmacy	Specialty Services

SELECT RECENT PMCF MEDICAL TECHNOLOGY TRANSACTIONS



2022 Q2 Market Summary

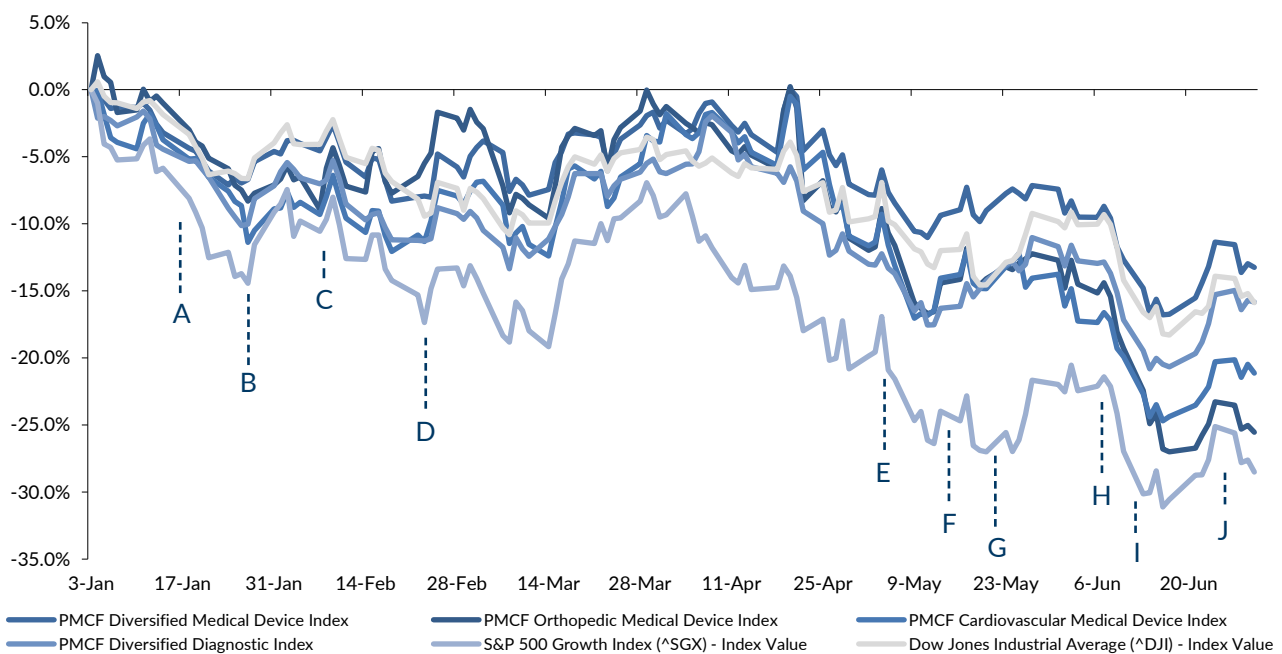
1H 2022: GROWING MARKET UNCERTAINTY

- The second quarter was defined by general sense of uncertainty in the market, as concerns about inflation and rising interest rates dominated headlines
- On top of the economic factors impacting the market, major geopolitical issues continue to add uncertainty. The conflict between Russia and Ukraine continues to shape geopolitical discourse, while periodic outbreaks of COVID apply strain on the healthcare system. Public equity markets reflected this negative sentiment with an underwhelming second quarter, but middle market M&A transactions have not been impacted to the same extent.
- Despite market concerns, 2022 Q2 M&A transaction volume remained strong, with a robust 28% increase from Q1. The total deal volume of 299 transactions for the first half of the year is higher than the 2017-2020 average. Activity levels can be attributed to record amounts of private equity dry powder and appetite for high quality assets that can perform in a volatile market.
- During the first half of the year, PMCF's four tracked medical subsector indices all outperformed the benchmark S&P 500 Growth Index, which was down 28.5%, and two of the indices outperformed the Dow Jones Industrial Average, which was down 15.9%.

1H 2022 NOTABLE EVENTS TIMELINE

- January 18, 2022 | Microsoft Announces Intent to Acquire Activision Blizzard, Largest Tech Acquisition in History
- January 28, 2022 | Worldwide COVID-19 Vaccinations Exceed 10 Billion
- February 4, 2022 | 2022 Winter Olympics Begin in Beijing, China
- February 24, 2022 | Russia Invades Ukraine, Significantly Escalating Clashes in the Region
- May 5, 2022 | Dow Drops More Than 1,100 Points Over Interest Rate Concerns
- May 11, 2022 | Advocate Aurora Health and Atrium Health announce \$27B merger, largest healthcare deal of 2022
- May 19, 2022 | First Monkeypox Case of the Year Reported in the US
- June 13, 2022 | Average US Gas Price Hits \$5 for the First Time Ever
- June 15, 2022 | Federal Open Market Committee Raises Federal Funds Rate by 75 Basis Points
- June 24, 2022 | Supreme Court Overrules Roe v. Wade

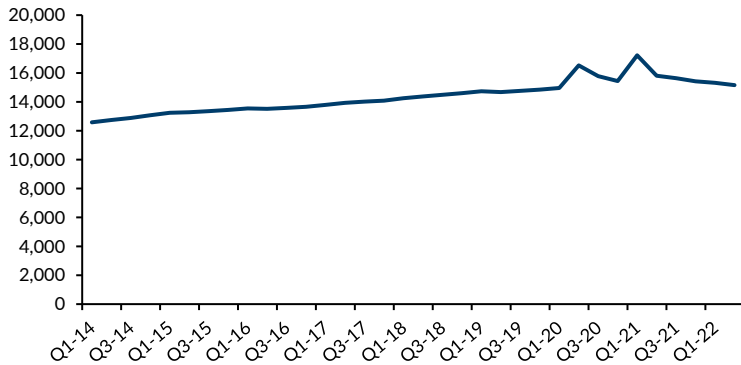
PMCF MEDICAL TECHNOLOGY INDICES PERFORMANCE



Sources: Capital IQ, PitchBook, Company Reports, Fraser

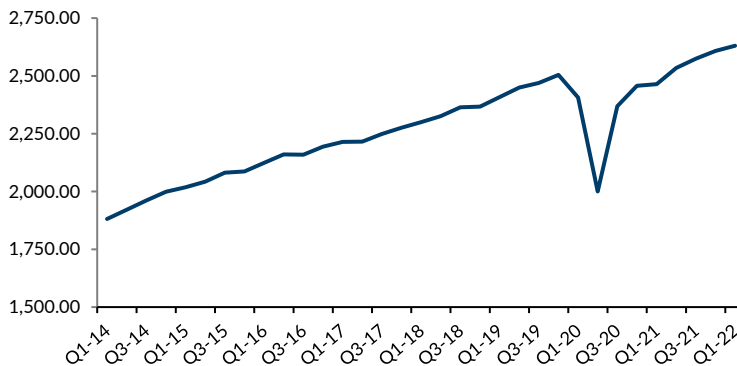
Trends in Medical Technology

U.S. PERSONAL HEALTH CARE SERVICES EXPENDITURES (\$B)



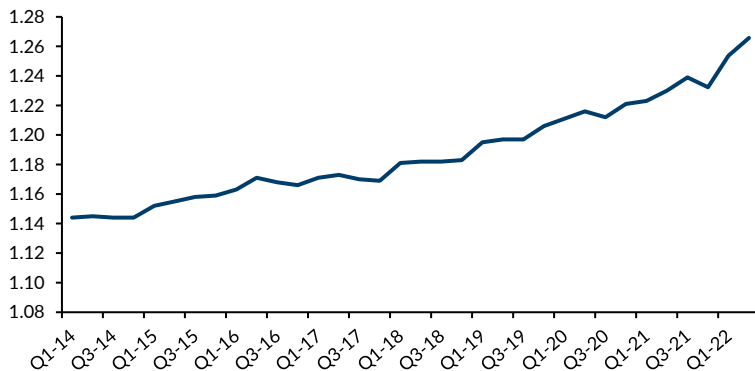
- Disposable personal income refers to the amount U.S. residents have left to spend after paying taxes. It has historically been relatively stable and increasing, though it has alternately spiked and dipped since the pandemic, in part due to temporary economic stimulus packages.
- For various segments of the healthcare industry, spending on healthcare is correlated with disposable income, making it a valuable macroeconomic indicator. Currently, total disposable income is \$15.2B, down from \$15.8B a year ago.

U.S. PERSONAL HEALTH CARE SERVICES EXPENDITURES (\$B)



- Personal Health Care Service expenditures serve as a proxy for activity in the broader Healthcare and Medical industries, with high levels of service expenditures correlated with strong performance in other sectors.
- After a brief downturn due to broad health care system disruptions and temporary delays of elective procedures, personal health care service expenditures have exceeded pre-pandemic levels and are growing markedly, up 6.8% over the last year.

MEDICAL EQUIPMENT & SUPPLY PRODUCER PRICE INDEX (PPI)



- As in the broader U.S. economy, medical equipment producer costs have dramatically risen since mid-2021. The Bureau of Labor Statistics provides a Producer Price Index (PPI) that measures the average change in selling price of domestic output. The Medical Equipment & Supply PPI value serves as a broad proxy for Medical industry costs.
- The PPI is based on a 2003 baseline equal to 100. Currently the index is at 126.6, up from 125.4 in Q1 2022.

Sources: PMCF Research, FRED, US Census Bureau, IBIS

Medical Technology M&A Activity

Medical Equipment

EQT Private Equity acquires
SPT Labtech

June 2022 – EQT Private Equity announced a definitive agreement to acquire SPT Labtech from Battery Ventures. SPT Labtech designs and manufactures automated instruments and consumables for life science research with a focus on liquid handling, sample management and Cryo-EM sample preparation technologies. Total transaction consideration is valued at 500 million pounds or ~\$800 million. The transaction will enable SPT Labtech to capitalize on its strong foundation and execute against an ambitious strategic vision. David Newble, SPT Labtech's Chief Executive Officer said, "We at SPT greatly appreciate the stewardship of the Battery team over the last four years and we are very keen to welcome EQT as our new owner and look forward to benefiting from the broad range of capabilities and expertise the EQT platform can offer. We are ready to embark on the next phase of our growth journey, in which we aim to foster SPT Labtech's strong market positions in our existing businesses and explore new market opportunities, while meeting our life science customers' needs for innovation, and while making a positive impact on society."

Therapeutic Device

ArchiMed Group acquires
Natus Medical Inc. (NASDAQ: NTUS)

April 2022 – Natus Medical Inc. announced a definitive agreement to be acquired by an affiliate of ArchiMed Group, a premier investment firm focused exclusively on the healthcare industry. Natus is a leading provider of medical device solutions to screen, diagnose, and treat disorders affecting the brain, neural pathways, and eight sensory nervous systems. The transaction consideration consists of ~\$1.2 billion or \$33.50 per share in cash at close, representing a 29% premium to the Company's closing price of common stock on April 14. The consideration values the business at 2.3 times trailing twelve months revenue or 17 times trailing twelve months EBITDA. "Our nearly 1,400 Natus teammates remain committed to advance the standard of care and improve outcomes and quality of life for patients affected by disorders of the brain, neural pathways, and eight sensory nervous systems," said Thomas Sullivan, Chief Executive Officer of Natus Medical. "ArchiMed's mix of operational, medical, scientific, and financial expertise will help us continue our mission to serve our customers while delivering immediate value to shareholders."

Consumable & Disposable

ATL Technology acquires
BioVision Technologies

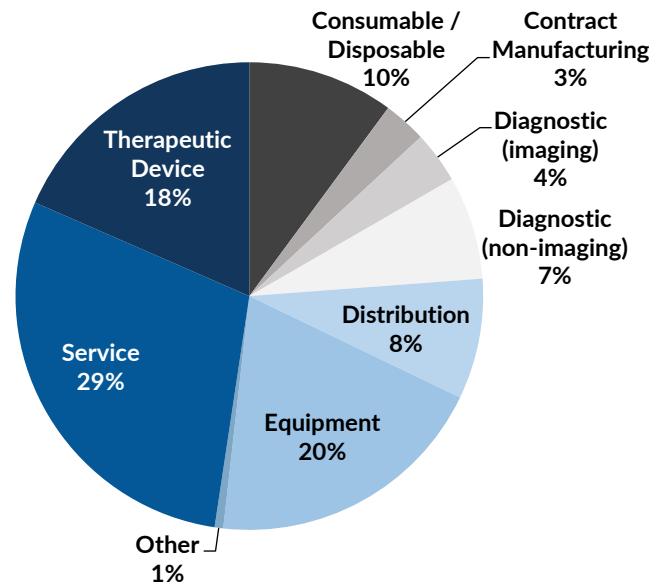
June 2022 – ATL Technology, a joint development manufacturing partner to top medical device firms, announced the acquisition of BioVision Technologies. BioVision is a developer of disposable scopes for in-office arthroscopy and TMJ procedures, as well as disposable catheter systems for epidural and sinus procedures. ATL will integrate BioVision's capabilities into its current range of development and full-service manufacturing offerings. Financial terms of this transaction were not disclosed. "This strategic acquisition supports the expansion of our medical imaging and access business unit, more specifically, the development and manufacture of single use minimally invasive procedural devices. Incorporating BioVision's 30 years of endoscopy and medical industry expertise with disposable scopes will give us the opportunity to closely partner with our customers and offer the complete solutions they require," said Brad Brown, CEO of ATL.

M&A Activity Roundup

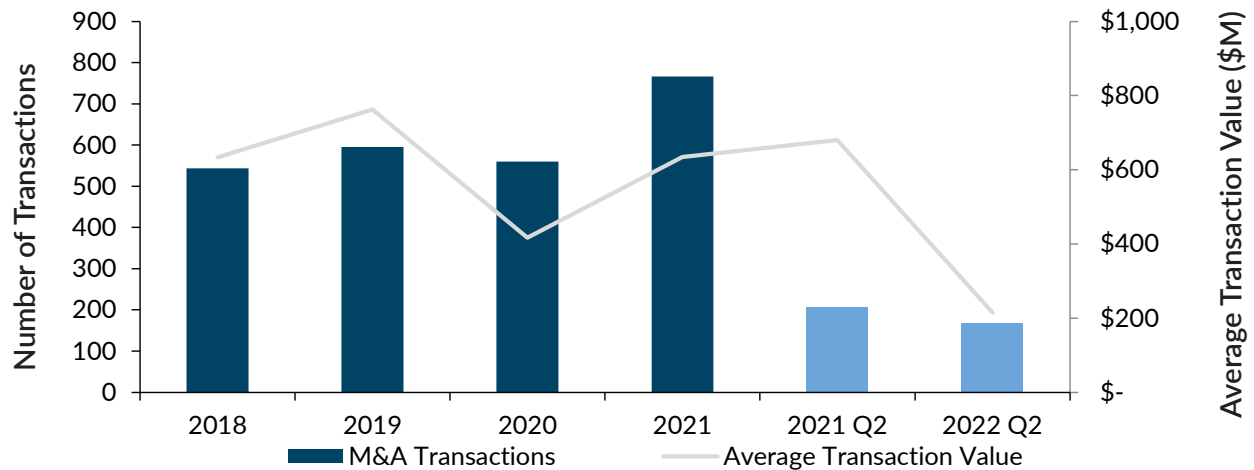
TRENDS IN MEDICAL TECHNOLOGY M&A

- The second quarter of 2022 saw a 28% increase in transaction volume compared to the first quarter. Setting aside 2021's outlier performance, the first half of 2022 produced 299 deals, 5.93% more than the 2017-2020 first half average. Similar to Q1 2022 and 2021, Service and Equipment were the most active product segments. Therapeutic Device rounded out the top three, with those segments making up 67% of announced transactions.
- Median disclosed TEV / EBITDA multiples experienced a 23% increase over Q2 2021. The average median TEV / EBITDA multiple for the first two quarters of 2022 was 17.54x, outpacing 2019-2021 multiples. Average transaction value for Q2 (\$215.1MM) saw a 68% decline from the year prior, though only a third of total transactions announced have disclosed a sale price thus far, meaning a significant move in average value is possible as additional datapoints are released.

TRANSACTIONS BY PRODUCT SEGMENT - Q2 2022



MEDICAL DEVICE M&A TRANSACTION METRICS



Period	Mean/Median	Transaction Value (\$MM)	TEV/REV	TEV/EBITDA
2022 Q2	Mean	\$215.1	11.90x	16.03x
2022 Q2	Median	\$33.6	2.56x	17.03x
2021 Q2	Mean	\$679.8	6.31x	18.76x
2021 Q2	Median	\$42.5	3.48x	13.83x
2021	Mean	\$634.0	6.11x	17.60x
2021	Median	\$60.7	3.71x	14.54x
2020	Mean	\$416.7	5.28x	30.54x
2020	Median	\$24.3	2.40x	13.57x
2019	Mean	\$762.3	6.76x	18.06x
2019	Median	\$24.8	2.83x	14.08x

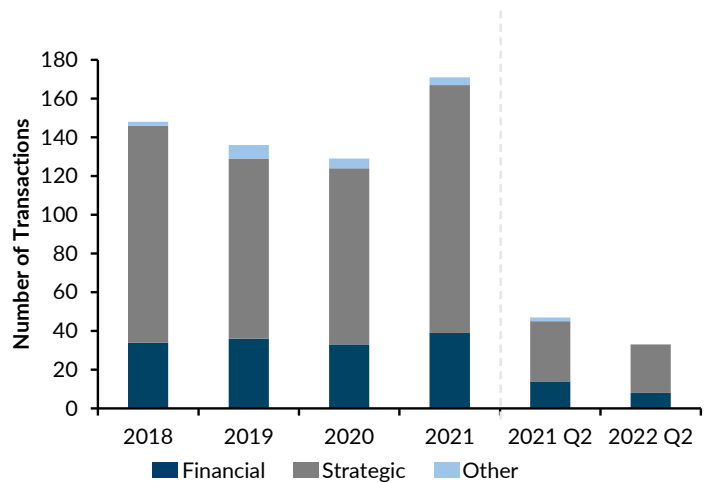
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Medical Equipment M&A

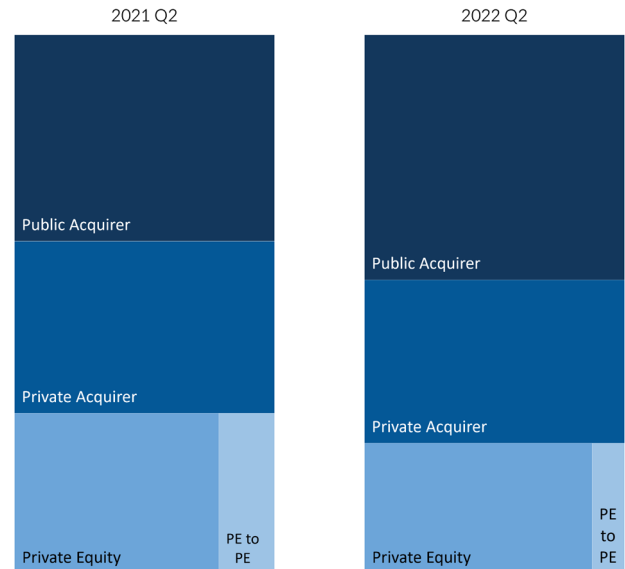
TRENDS IN MEDICAL EQUIPMENT M&A

- Medical Equipment M&A saw a slight quarter-over-quarter increase from 30 to 33 announced transaction in Q2. The increase could point to an upward trend in activity, providing an optimistic indicator that M&A may reach pre-pandemic levels.
- Public acquirers were the most active in Q2, comprising 45.4% of total announced transactions. Public and private acquirers made up most of the volume at 75.7%, which is in line with past trends of private equity buyers making up roughly a quarter of deals.
- While total transaction volume was down year over year for the second quarter, U.S. cross border activity was one of the bright spots, with both U.S. to International and International to U.S. seller to buyer transactions seeing an uptick in volume.
- Similar to Q1, Furniture/Equipment was the leading end market within the broader Medical Equipment category. Home Health, Support, and Surgical end markets trailed closely, together making up 39.4% of transactions.

FINANCIAL VS. STRATEGIC BUYER MEDICAL EQUIPMENT



MEDICAL EQUIPMENT TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2019	2020	2021	21 Q2	22 Q2
Acute Care	1	4	2	-	-
Aesthetic	2	-	1	-	1
Cardiovascular	5	3	4	1	1
Drug Delivery	1	5	8	2	-
Furniture/Equipment	37	25	37	4	5
Home Health	10	9	11	2	4
Hospital Care	7	21	19	6	1
Infection Control	5	1	2	1	2
IVD	-	1	6	1	1
Monitor	8	12	16	6	3
Neurovascular	2	2	2	-	-
Ophthalmology	7	6	8	4	-
Ortho	1	-	6	1	3
Other	19	11	10	5	1
Respiratory	7	6	12	7	2
Support	9	6	11	4	5
Surgical	15	17	16	3	4
Total	136	129	171	47	33

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2019	2020	2021	21 Q2	22 Q2
Int'l-to-Int'l	66	57	62	23	13
U.S.-to-Int'l	11	12	16	2	5
U.S.-to-U.S.	48	46	76	17	9
Int'l-to-U.S.	11	14	17	5	6
Total	136	129	171	47	33

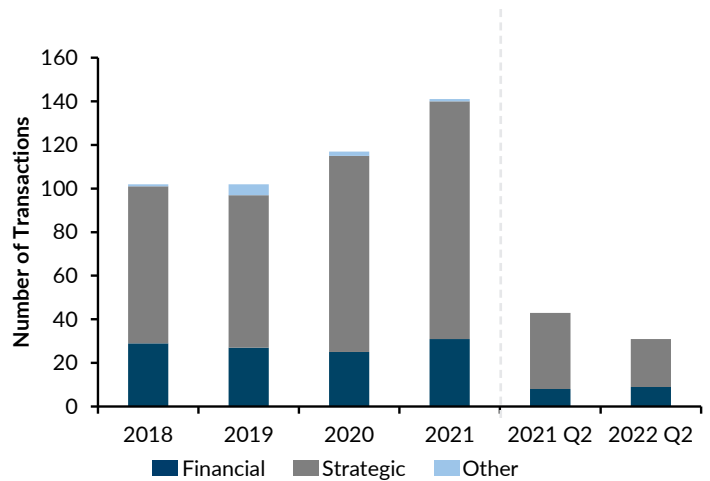
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Therapeutic Device M&A

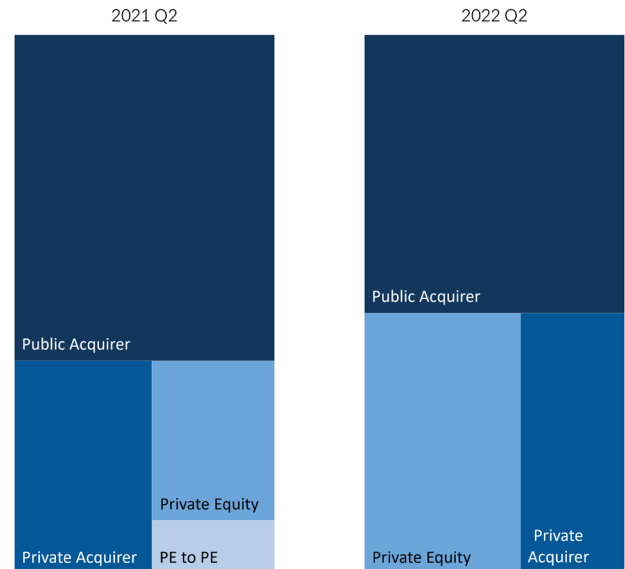
TRENDS IN THERAPEUTIC DEVICE M&A

- Activity in Therapeutic Device M&A was up 29.2% vs. Q1 2022 and was slightly above the average number of quarterly transactions over the past 5 years.
- Private equity buyers increased acquisition activity by 125% from Q1 and 75% from a year ago. Public and private acquirers made up 71% of transactions during the quarter, a 4% increase in share from the first quarter. The past five years have shown a decisive majority of activity by strategic groups, with the average proportion of activity at 77%.
- Ophthalmology, Neurovascular, and diversified Other were the top three end markets during Q2. These markets made up 64.5% of transactions, an 18.6% increase from the previous quarter, and a 25% climb from a year ago.
- The trend of purely domestic and purely international within the Therapeutic Device sector continued in Q2. Of the 19 transactions in Q2 involving an international seller, only 2 were acquired by a US buyer. More than half of the transactions were purely international which represents the continuation of an upward trend in recent years.

FINANCIAL VS. STRATEGIC BUYER THERAPEUTIC DEVICE



THERAPEUTIC DEVICE TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2019	2020	2021	21 Q2	22 Q2
Acute Care	6	3	3	1	-
Aesthetic	-	-	1	1	1
Cardiovascular	7	10	18	5	3
Drug Delivery	-	2	-	-	2
Furniture/Equipment	1	3	2	-	-
Home Health	2	5	7	1	-
Hospital Care	-	-	1	-	-
Infection Control	3	-	2	1	-
IVD	3	1	1	-	-
Monitor	-	2	-	-	-
Neurovascular	5	1	4	1	5
Ophthalmology	13	7	15	4	6
Ortho	33	37	28	12	4
Other	23	36	45	12	9
Respiratory	3	3	8	2	-
Support	1	2	5	3	1
Surgical	2	5	1	-	-
Total	102	117	141	43	31

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2019	2020	2021	21 Q2	22 Q2
Int'l-to-Int'l	34	47	61	16	17
U.S.-to-Int'l	6	10	10	3	1
U.S.-to-U.S.	51	46	59	20	11
Int'l-to-U.S.	11	14	11	4	2
Total	102	117	141	43	31

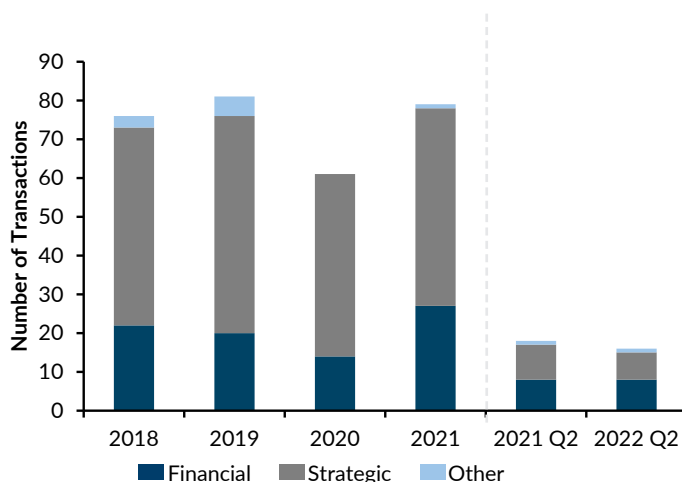
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Consumable & Disposable M&A

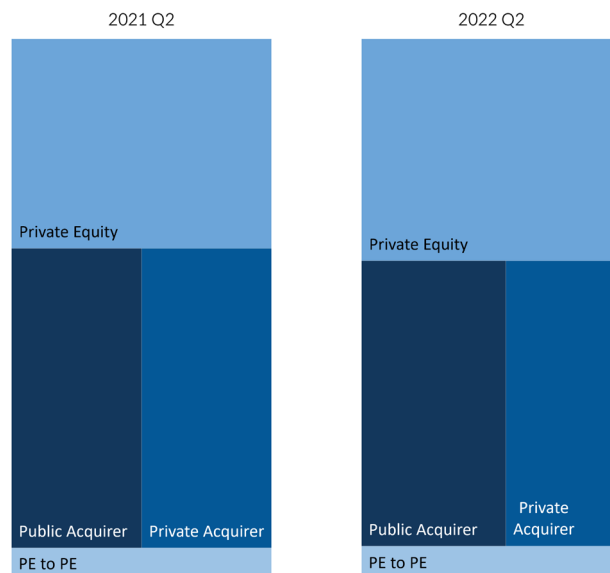
TRENDS IN CONSUMABLE & DISPOSABLE M&A

- Consumable & Disposable M&A quickly rebounded from one of the largest slowdowns in Q1, jumping from 7 to 17 announced transactions in Q2. The number of transactions was still on the lower end of the 3-year average, but nevertheless experienced a significant jump from the previous quarter.
- Private equity buyers became more active in Q2 with a 100% increase in volume over Q1, although still less active than strategic acquirers, who made up 53% of transactions. Since the onset of the pandemic, PE buyers have outpaced private acquirers, likely as the result of ample available capital.
- Looking at cross border trends, there was little to no change in transaction makeup between Q1 and Q2 of 2022. International to international and U.S. to U.S. remain the most common transaction variant.
- Infection Control remained the most active end market in the sector, furthering a trend started in 2020 with the onset of the pandemic. Support was the next most common end market, followed by Surgical.

FINANCIAL VS. STRATEGIC BUYER CONSUMABLE & DISP.



CONSUMABLE & DISP. TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2019	2020	2021	21 Q2	22 Q2
Acute Care	8	8	9	1	-
Aesthetic	2	-	1	-	2
Cardiovascular	2	-	-	-	-
Drug Delivery	5	8	4	1	-
Furniture/Equipment	1	-	1	1	-
Home Health	4	2	2	-	-
Hospital Care	9	6	14	4	-
Infection Control	2	18	27	9	6
IVD	5	1	3	-	1
Monitor	-	-	1	-	-
Neurovascular	-	-	-	-	-
Ophthalmology	3	1	1	-	-
Ortho	-	1	-	-	1
Other	22	11	4	-	1
Respiratory	2	2	-	-	-
Support	6	3	6	2	4
Surgical	10	-	6	-	2
Total	81	61	79	18	17

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2019	2020	2021	21 Q2	22 Q2
Int'l-to-Int'l	42	35	41	9	10
U.S.-to-Int'l	9	4	8	2	1
U.S.-to-U.S.	25	21	23	7	6
Int'l-to-U.S.	5	1	7	-	-
Total	81	61	79	18	17

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Medical Device Public Comparables

PUBLIC DIVERSIFIED MEDICAL DEVICE COMPANY COMMENTARY

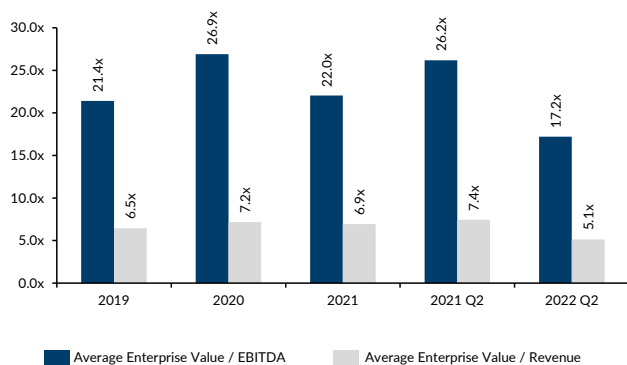
- “As you know, forecasting COVID testing demand beyond the near term has been challenging. As such, our forecast for the next few months contemplates a modest approaching endemic-like amount of testing sales.” – Robert Ford, Abbott Laboratories, Chairman of the Board, President & CEO
- “As previously discussed, we did build-in a healthy assumption to account for inflation in our January guidance, planning for increased costs in labor, energy and transportation. These pressures will continue to impact margins in the third and fourth quarters and into 2023. As such, we continue to pursue mitigation efforts.” - Joseph Wolk, Johnson & Johnson Executive VP & CFO

DIVERSIFIED MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

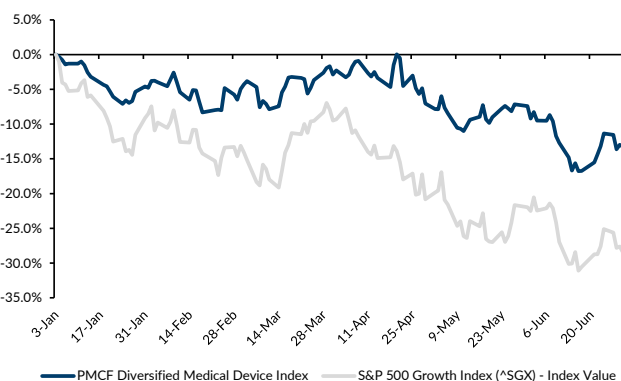
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2022	9,290	16,841	190,240	198,017	4.5x	14.4x	25.2x
Baxter International Inc.	6/30/2022	1,852	17,156	32,342	47,690	3.5x	14.3x	30.7x
Becton, Dickinson and Company	6/30/2022	2,572	16,365	70,277	84,072	4.3x	16.0x	38.9x
Boston Scientific Corporation	6/30/2022	276	9,329	53,280	62,333	5.2x	18.9x	70.3x
Intuitive Surgical, Inc.	6/30/2022	4,446	0	72,046	67,660	11.5x	31.6x	44.7x
Johnson & Johnson	4/3/2022	30,388	33,148	467,100	469,860	5.0x	14.4x	23.9x
Medtronic plc	4/29/2022	10,573	24,984	119,252	133,834	4.2x	14.0x	24.1x
Smith & Nephew plc	4/2/2022	516	2,893	12,149	14,526	3.0x	12.5x	26.0x
Stryker Corporation	6/30/2022	1,127	13,852	75,226	87,951	5.1x	18.7x	37.8x
High		30,388	33,148	467,100	469,860	11.5x	31.6x	70.3x
Mean		6,782	14,952	121,323	129,549	5.1x	17.2x	35.8x
Median		2,572	16,365	72,046	84,072	4.5x	14.4x	30.7x
Low		276	0	12,149	14,526	3.0x	12.5x	23.9x

As of June 30, 2022

DIVERSIFIED MEDICAL DEVICE MULTIPLES



DIVERSIFIED MEDICAL DEVICE INDEX



EV/EBITDA multiples for the Diversified Medical Device (“DMD”) sector finished Q2 2022 down from a year ago, 26.2x vs 17.2x. This continues the trend from the end of 2021, where EBITDA multiples were at 22.0x. Becton, Dickinson and Company was the bright spot within the sector, finishing the quarter as the only company with a higher multiple at the end of 2022 Q2 than 2021 Q2, Average Revenue multiples had a similar decline year-over-year, down 31.0%. Intuitive continues to lead the sector in revenue multiples at 11.5x, while the next closest is Boston Scientific at 6.5x.

The DMD index was the best performing of the PMCF tracked indices, finishing the second quarter down 13.3% on the year. This far surpassed the performance of the benchmark S&P 500 Growth Index which was down 28.5% during the same period.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Orthopedic Public Comparables

PUBLIC ORTHOPEDIC MEDICAL DEVICE COMPANY COMMENTARY

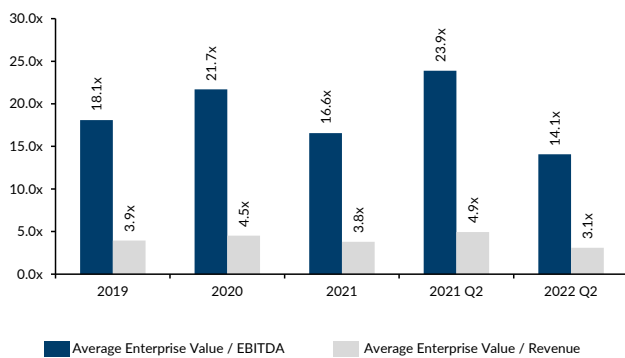
- “We believe that combining specifically designed, comprehensive solutions with the use of computer-assisted tools able to integrate several parameters and learn from the experience can change the way -- can change the traditional way of selecting treatment pathways..” – Patrick Miles, Alphatec Executive Chairman, CEO, & President
- “The future of spine surgery will not be solved with a new interbody or procedure. It will be defined by improving patient selection, selecting the right procedure in the most appropriate surgical setting, creating a patient-specific surgical plan, utilizing enabling technology for intraoperative execution and enabling postoperative outcomes management for the patient, the surgeon, and provider.” – J. Christopher Berry, NuVasive CEO & Director

ORTHOPEDIC MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

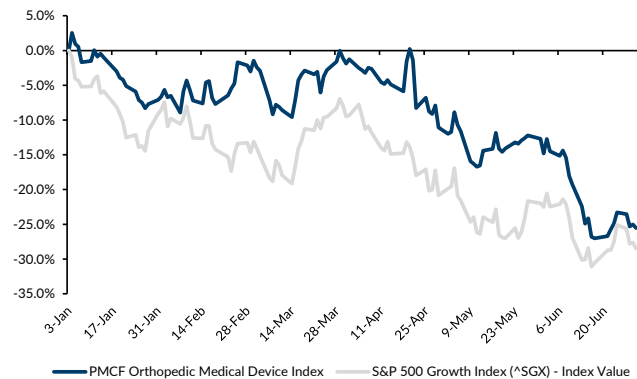
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Alphatec Holdings, Inc.	6/30/2022	107	375	666	957	3.3x	NM	NM
Enovis Corporation	4/1/2022	662	2,251	2,972	4,605	1.2x	7.0x	34.8x
Globus Medical, Inc.	6/30/2022	408	0	5,712	5,304	4.9x	18.2x	40.9x
NuVasive, Inc.	6/30/2022	226	1,008	2,558	3,340	2.9x	16.2x	NM
Orthofix Medical Inc.	6/30/2022	60	27	469	436	0.9x	14.6x	NM
Smith & Nephew plc	4/2/2022	516	2,893	12,149	14,526	3.0x	12.5x	26.0x
Stryker Corporation	6/30/2022	1,127	13,852	75,226	87,951	5.1x	18.7x	37.8x
Surgalign Holdings, Inc.	3/31/2022	45	11	23	(11)	NM	NM	NM
Zimmer Biomet Holdings, Inc.	6/30/2022	428	6,153	22,018	27,750	3.5x	11.4x	78.4x
High		1,127	13,852	75,226	87,951	5.1x	18.7x	78.4x
Mean		398	2,952	13,532	16,095	3.1x	14.1x	43.6x
Median		408	1,008	2,972	4,605	3.2x	14.6x	37.8x
Low		45	0	23	(11)	0.9x	7.0x	26.0x

As of June 30, 2022

ORTHOPEDIC MEDICAL DEVICE MULTIPLES



ORTHOPEDIC MEDICAL DEVICE INDEX



Like the other PMCF tracked sectors, both revenue and EBITDA multiples in the Orthopedic Medical Device were down both from levels at the start of 2022 as well as compared to 2021 Q1. Enovis experienced the steepest decline, down 55.5% year-over-year. Orthofix and Globus followed with the next two largest decreases. While down significantly from recent pandemic era highs, historically speaking orthopedic valuations remain at a reasonable level, outstripping the 2015 – 2018 average 14.1x to 14.0x.

The OMD index was the worst performing of the four tracked PMCF sectors. It finished the first half down 25.5% on the year, though still outperformed the benchmark S&P 500 Growth Index.

Cardiovascular Public Comparables

PUBLIC CARDIOVASCULAR MEDICAL DEVICE COMPANY COMMENTARY

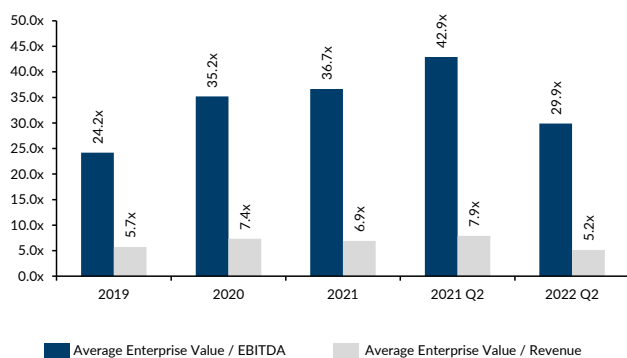
- “Hospital executives and other med-tech companies have all reported that hospital procedures have been slow to recover... The labor shortage and turnover in the health care workforce as well as the shortage of imaging contrast media in some regions of the country have constrained procedure volumes.” – Scott Ward, Cardiovascular Systems Chairman
- “Now regarding our investments during the quarter, we continued to focus on our key strategic priorities, and continue the development of new products to expand into larger, faster-growing addressable markets. These investment initiatives include clinical research, product development, selling and marketing and regulatory pathway expansion.” – James Clemmer, AngioDynamics CEO, President & Director

CARDIOVASCULAR MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

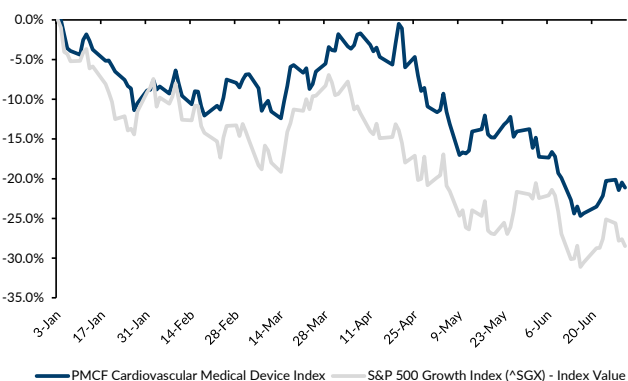
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abiomed, Inc.	6/30/2022	844	0	11,293	10,449	10.0x	36.0x	83.1x
AngioDynamics, Inc.	5/31/2022	29	32	750	754	2.5x	68.7x	NM
Cardiovascular Systems, Inc.	6/30/2022	160	20	586	446	1.8x	NM	NM
Artivion, Inc.	6/30/2022	40	358	759	1,077	3.5x	35.3x	0.0x
Edwards Lifesciences Corporation	6/30/2022	1,516	683	59,122	58,289	10.9x	32.1x	39.1x
LeMaitre Vascular, Inc.	6/30/2022	76	17	1,000	941	6.0x	18.9x	36.8x
Medtronic plc	4/29/2022	10,573	24,984	119,252	133,834	4.2x	14.0x	24.1x
Merit Medical Systems, Inc.	6/30/2022	63	316	3,076	3,329	3.0x	16.2x	65.4x
Terumo Corporation	3/31/2022	1,691	2,133	22,753	23,195	4.5x	17.9x	34.8x
High		10,573	24,984	119,252	133,834	10.9x	68.7x	83.1x
Mean		1,666	3,172	24,288	25,813	5.2x	29.9x	40.5x
Median		160	316	3,076	3,329	4.2x	25.5x	36.8x
Low		29	0	586	446	1.8x	14.0x	0.0x

As of June 30, 2022

CARDIOVASCULAR MEDICAL DEVICE MULTIPLES



CARDIOVASCULAR MEDICAL DEVICE INDEX



Cardiovascular Medical Devices multiples finished the second quarter well below their 2021 Q2 record high levels, 42.9x vs. 29.9x respectively. While this was a large drop from the frothy heights of 2021, it still represents robust valuations for a highly valued segment of the healthcare market. Revenue multiples had similar decline, down to 5.2x, with Edwards Lifescience and Abiomed leading the way at 10.9x and 10.0x. In terms of EBITDA multiples, Artivion was far and away the strongest performer year-over-year, down just 3.0% compared to the 30.4% for the CMD index as a whole.

The CMD index had a challenging quarter, at one point closing down as much as 24.7%, before ultimately ending the first half down 21.1%, outperforming the Orthopedic index but trailing the Diagnostic and Diversified indices.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Diagnostic Public Comparables

PUBLIC DIVERSIFIED DIAGNOSTIC COMPANY COMMENTARY

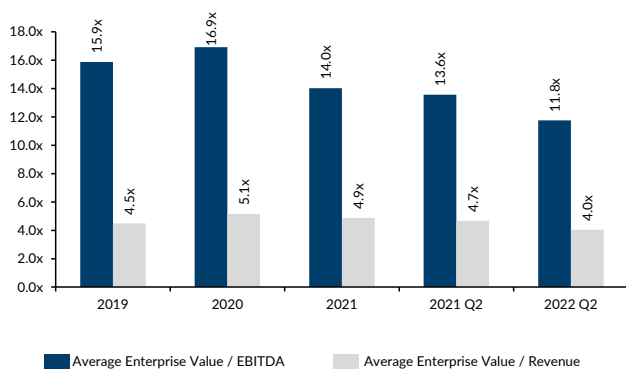
- “Diagnostics continues with a strong growth momentum. We have seen additional momentum in the first quarter for the COVID testing. That has decreased in the second quarter and is supposed to decrease further for the remainder of this year. But what is good to note is a really good solid growth of the underlying our routine business, excluding COVID test. So for the future, I think we are well positioned here.” – Servin Schwan, Roche, CEO & Executive Director
- “The biologics market remains very healthy as evidenced by the increasing number of treatments in development and production. And given this backdrop of such a significant and sustained increase in activity, we expect the growth rate in this market to remain very strong for many years to come.” Rainer M. Blair, Danaher Corp., President, CEO & Director

DIVERSIFIED DIAGNOSTIC PUBLIC COMPARABLES SUMMARY

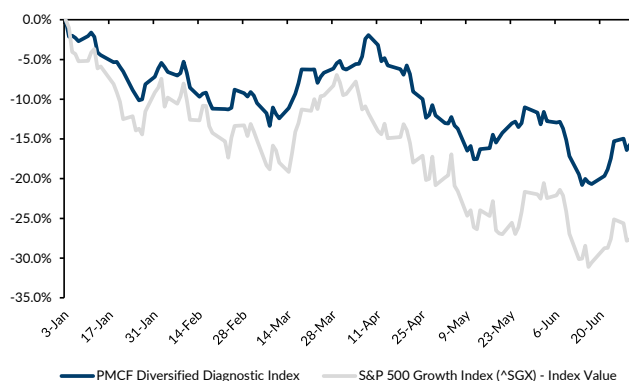
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2022	9,290	16,841	190,240	198,017	4.5x	14.4x	25.2x
Becton, Dickinson and Co.	6/30/2022	2,572	16,365	70,277	84,072	4.3x	16.0x	38.9x
Danaher Corporation	4/1/2022	3,717	22,878	181,494	203,929	6.7x	18.9x	29.8x
Hologic, Inc.	6/25/2022	2,394	2,845	17,282	17,732	3.4x	7.2x	11.4x
Laboratory Corporation of America	6/30/2022	1,069	6,371	21,725	27,048	1.7x	6.7x	10.8x
Novartis AG	6/30/2022	19,637	31,087	183,899	195,430	3.8x	6.1x	8.2x
Quest Diagnostics Incorporated	6/30/2022	790	4,637	15,607	19,570	1.8x	6.3x	8.8x
Roche Holding AG	3/31/2022	7,393	31,597	272,586	300,870	4.3x	11.5x	19.7x
Thermo Fisher Scientific Inc.	4/2/2022	2,752	33,255	212,673	243,351	5.9x	18.6x	28.3x
High		19,637	33,255	272,586	300,870	6.7x	18.9x	38.9x
Mean		5,513	18,431	129,531	143,335	4.0x	11.8x	20.1x
Median		2,752	16,841	181,494	195,430	4.3x	11.5x	19.7x
Low		790	2,845	15,607	17,732	1.7x	6.1x	8.2x

As of June 30, 2022

DIVERSIFIED DIAGNOSTIC MULTIPLES



DIVERSIFIED DIAGNOSTIC INDEX



EV/EBITDA multiples within the Diversified Diagnostic (“DD”) industry remained behind those of PMCF’s other tracked medical sectors in terms of absolute valuation, though they were the strongest performer over the last 12 months, down just 13.4% while the other sectors experienced 30%+ declines. Hologic had the strongest year in terms of EBITDA multiples, up 9.4%. Danaher retained the distinction of having the highest EBITDA and revenue multiples in the cohort, just barely edging Thermo Fisher on the EBITDA side.

The DD Index was down 15.8% on the year at the end of the first half. Despite its decline, it was second among PMCF’s tracked healthcare indices, behind only the DMD index, and showed strong momentum to close the quarter, rallying from 20.5% down over the last 10 days.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

2022 Venture Capital Activity Overview

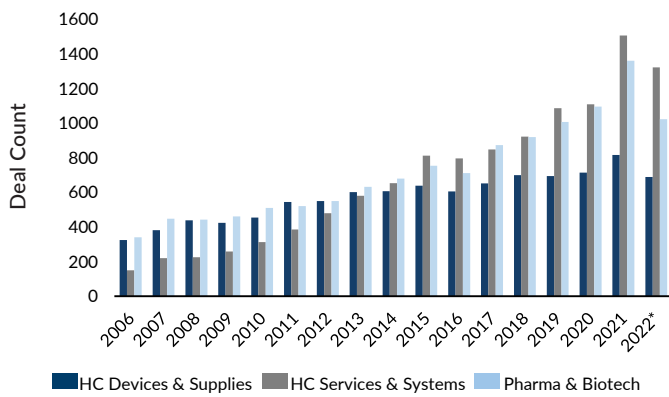
The story of the second quarter was much the same as the first quarter of 2022, with continued market pullback, though still historically high levels of activity. Annualizing performance across the first half of the year, 2022 deal value is on pace to be down 15.6%, from \$341.5B in 2021 to \$288.4B. This still represented a 72.7% increase over 2020 deal value, and a 97.4% increase over 2019, illustrating the extent to which 2021 was extraordinary. Based on year-to-date activity, the trend towards late stage companies in the VC world looks to be continuing, with 33.0% of deals involving a late stage company, the highest the figure has been since 2009. Likewise, activity at the angel & seed level dropped to 37.1% of deals, the lowest level since 2011.

It remains to be seen if this trend will persist during the remainder of 2022. As evidenced by public market uncertainty, the VC backed IPO is no longer as widespread as in 2021, limiting one of the most attractive exit strategies. Public listings reached a 13-year quarterly low with only eight completed during Q2. This change has affected late stage companies to the extent that many are revamping financing strategies and adjusting pricing expectations. Many VC investors have also taken a more conservative approach, prioritizing existing portfolio companies and working to position themselves to ride out a potential downturn by reducing cash burn.

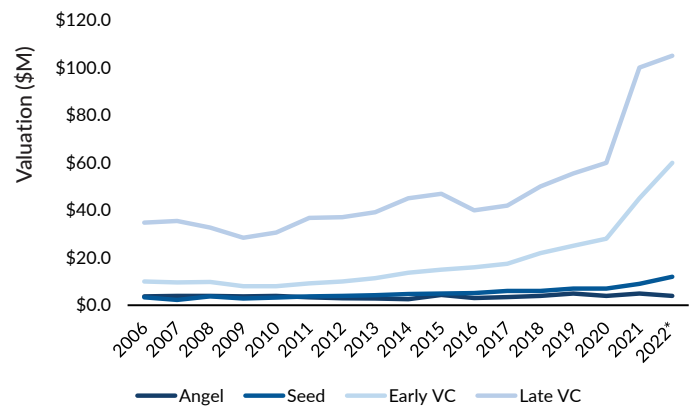
While deal count slowed, valuations remained strong for more established target companies in 2022, with investors chasing premium assets capable of withstanding market volatility and delivering outsized growth. Median pre-value excluding angel deals increased significantly, ranging from 5% for late stage all the way up to 33.3% for seed and early stage.

Focusing in on healthcare, all three subsectors experienced declines in deal volume. Pharma & Biotech had the most significant decline, down 24.8%, while HC Devices & Supplies was down 15.5% and HC Services & Systems was down 12.3%. Despite these declines in volume, VC fundraising in H1 2022 already reached 87% of 2021's full year total, a major factor driving the record high levels of dry powder.

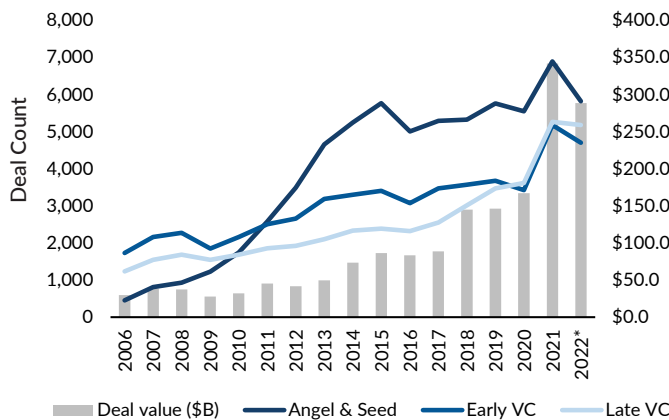
VC INVESTMENTS IN MEDICAL SECTORS



MEDIAN PRE-MONEY VALUATION BY ROUND



DEAL COUNT BY ROUND



Angel/Seed: The company has a concept or product under development, but is likely not fully operational. Typically in existence less than 18 months.

Early: The company has a product or service in testing or pilot production. In some cases, the product may be commercially available. May or may not be generating revenues. Typically in business less than three years.

Later: Product or service is widely available. Company is generating ongoing revenue; potentially positive cash flow. More likely to be, but not necessarily, profitable.

Sources: Capital IQ, PitchBook, NVCA, PMCF

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- Tailored sale process provides for extensive upfront preparation, detailed company review and identification of any potential issues in advance, and buyer evaluation/diligence ensuring the right fit
- Unique sale planning approach that helps shareholders best prepare for a future sale whether its six months or several years
- Long-term and client first approach allows PMCF to provide unbiased advice



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