

MEDICAL TECHNOLOGY M&A PULSE

FIRST QUARTER 2023



Q1'23

INSIDE THIS ISSUE

Trends in Medical Technology	PAGE 4
Medical Technology M&A Activity	PAGES 5-9
2023 Q1 Public Market Summary	PAGES 10-13
Venture Capital Activity Overview	PAGE 14

PMCF Medical Technology Team

ABOUT PMCF

PMCF is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. 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



BRYAN HUGHES
Managing Director
312.602.3636
Bryan.Hughes@pmcf.com



MATT JAMISON
Managing Director
312.602.3583
Matt.Jamison@pmcf.com



JAKE STESLICKI
Vice President
312.602.3674
Jake.Steslicki@pmcf.com



PETER KONYNDYK
Associate
616.643.4168
Peter.Konyndyk@pmcf.com

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



2023 Q1 Market Summary

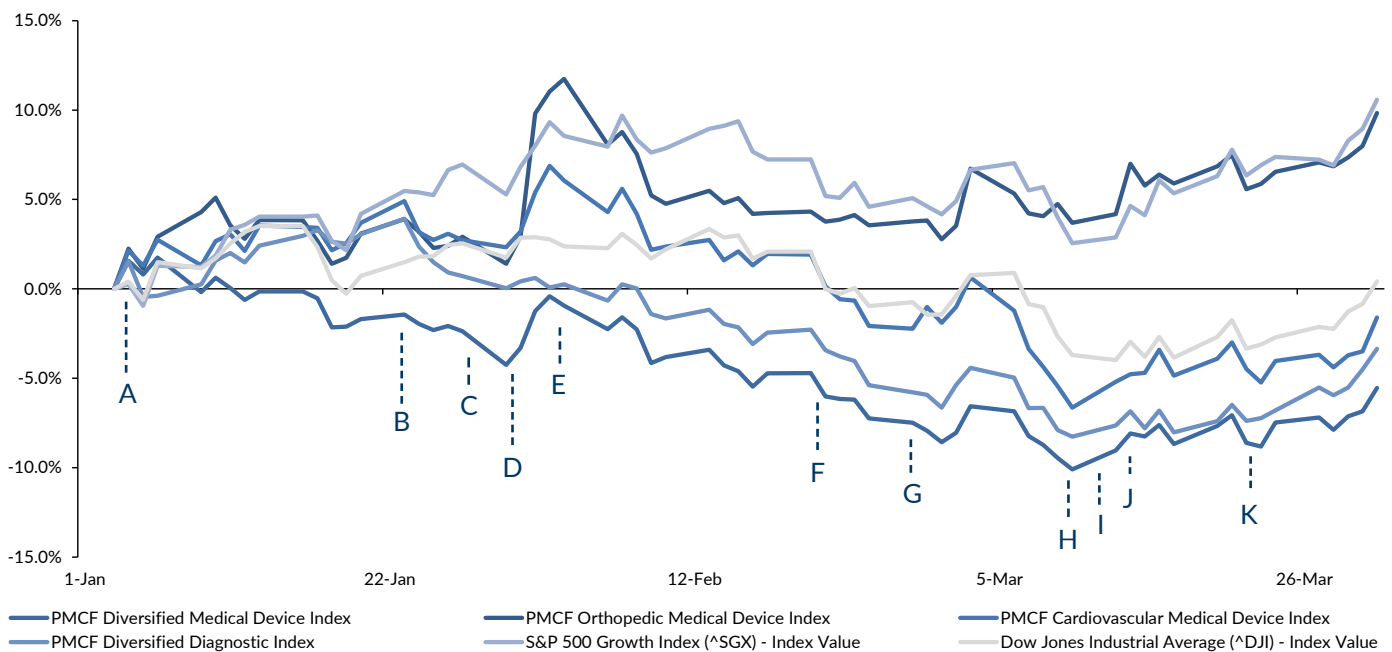
Q1 2023: A RESILIENT MACRO ECONOMY

- Q1 2023 performance was volatile, even in comparison to a challenging 2022. Companies continue to try and make sense of conflicting macro environment signals; particularly a strong U.S. consumer, paired against an ambitious and somewhat unpredictable Federal Reserve. Consumer spending across sectors remains strong, with Healthcare expenditures rising 6.8% over the past year. Broadly, public markets were flat for the quarter, with the Dow down just under 1%, while the S&P 500 Growth Index experienced a solid rebound, rising approximately 10%.
- Medical M&A activity in the first quarter largely kept pace with 2022 levels, seeing 138 announced transactions vs. 131 in the same period last year. The Consumables and Disposables sector had a very strong first quarter, making up 23% of all transactions, much higher than its typical 10-15% transaction share.
- Most medical device sectors tracked by PMCF struggled in the first three months of the year, with the exception of Orthopedic index. The Orthopedic index was the sole positive performer during the first quarter, keeping pace with the S&P 500 Growth Index, both up approximately 10%. PMCF's Diversified Medical Device index trailed the pack, ending Q1 down 5%. Going forward, companies will continue to monitor interest rates, rising inflation, and the effects they have on the U.S. consumer and broader macroeconomic picture.

2023 NOTABLE EVENTS TIMELINE

- January 7, 2023 | Kevin McCarthy elected as speaker of the House of Representatives
- January 24, 2023 | Microsoft announces multilayer investment in OpenAI, creator of ChatGPT
- January 31, 2023 | President Biden confirms end of COVID-19 emergency declaration for May 11
- February 1, 2023 | PayPal, among other technology companies, announce layoffs
- February 6, 2023 | The U.S. shoots down a Chinese balloon floating in U.S. airspace
- February 20, 2023 | President Biden visits Ukraine for the first time since Russia invasion
- February 23, 2023 | Staff and Personnel of the European Commission banned from using TikTok
- March 10, 2023 | Silicon Valley Bank fails
- March 12, 2023 | Signature Bank fails
- March 12, 2023 | The U.S. Treasury makes funds available to backstop bank deposits
- March 19, 2023 | UBS agrees to buy Credit Suisse for more than \$1B

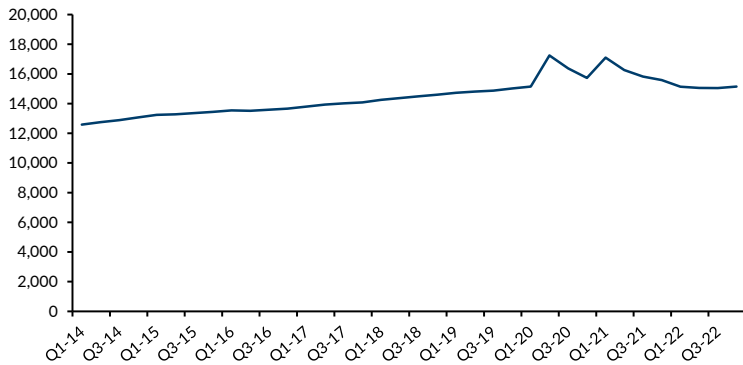
PMCF MEDICAL TECHNOLOGY INDICES PERFORMANCE



Sources: Capital IQ, PitchBook, Company Reports, Fraser

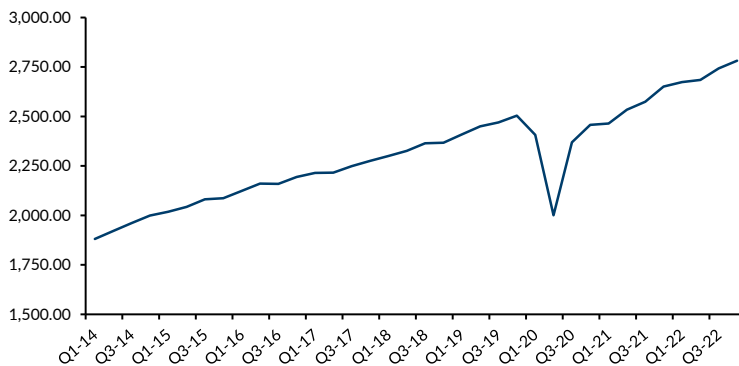
Trends in Medical Technology

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



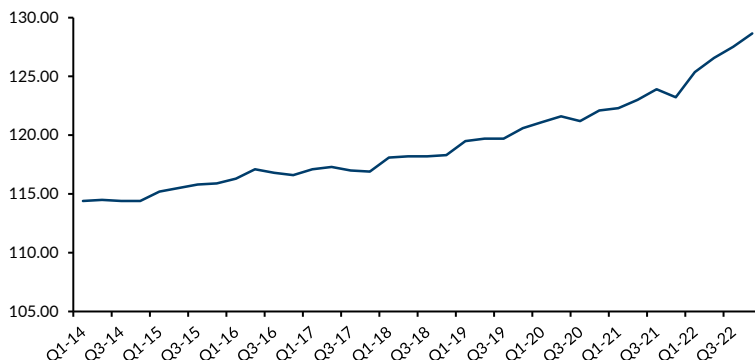
- Real disposable personal income refers to the amount U.S. residents have left to spend after paying taxes, adjusted for inflation. It has historically been relatively stable and increasing, though it recently went through a period of volatility during the pandemic.
- For various segments of the healthcare industry, spending on healthcare is correlated with disposable income, making it a valuable macroeconomic indicator. First quarter total disposable income was \$15.6B, up 3% from the year prior.

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.
- Health care service expenditures recovered from the disruptions and temporary delays of elective procedures during the pandemic. Total expenditures continue to grow notably, 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 coming out the pandemic. 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 up 4.3% over the past year.

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

Medical Technology M&A Activity

Medical Equipment

Journey Health & Lifestyle Brands acquires LifeWalker Mobility Products

February 2023 — Journey Health & Lifestyle Brands Inc. (“Journey”) has acquired LifeWalker Mobility Products (“LifeWalker”). Journey is a manufacturer and distributor of products and services to assist seniors with daily mobility, comfort, sleep, and safety. LifeWalker is the manufacturer and distributor of the UPWalker® family of products. The acquisition expands Journey’s platform of branded products through the addition of the upright walker. Mitch Yoel, Journey CEO, said, “We are excited to bring LifeWalker’s revolutionary UPWalker® products into the Journey family. This acquisition will enable us to broaden and deepen our product portfolio with a world-class product line that can now scale using Journey’s robust marketing, sales, and distribution channels. Ultimately, the two companies together allow us to positively impact more consumers’ lives and bring more value to our retail partners.” Growth capital for the acquisition was provided by Peloton Equity, among other investors. The transaction closed during the first quarter of 2023. Valuation metrics were not disclosed.

Therapeutic Device

Tyber Medical acquires ADSM-Synchro Medical

February 2023 — Tyber Medical (“Tyber”) announced the acquisition of ADSM-Synchro Medical, a French orthopedic medical device company. ADSM specializes in the development and distribution of implants dedicated to treating surgical forefoot pathologies. The acquisition is anticipated to increase Tyber’s international presence and provide its customers with a wider range of available products. Tyber Medical Chief Executive Officer Jeff Tyber said of the transaction, “Tyber Medical is excited to welcome the ADSM team, as well as the incorporation of the ADSM products into our rapid-access private label model for the spine, extremity and trauma markets. ADSM’s strong experience and existing Class I, Class IIa and Class IIb MDR approval of their screw-based technology is key to accelerating our global market access strategy.” The transaction closed during the first quarter of 2023. Value details were not disclosed.

Consumable & Disposable

Biosynex (EPA: ALBIO) acquires Chembio Diagnostics, Inc.

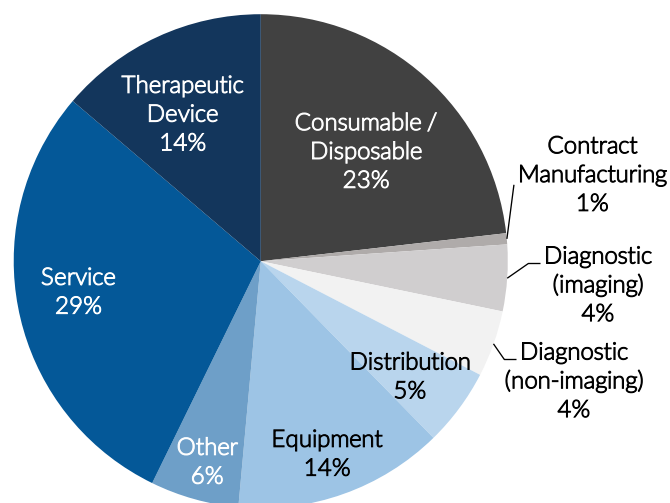
January 2023 — Biosynex SA announced the acquisition of Chembio Diagnostics. Biosynex is a publicly traded, French company specializing in the design and distribution of rapid tests. Chembio is a point-of-care diagnostics company focusing on infectious diseases. The combination is anticipated to complement Biosynex’s existing product portfolio and provide new market opportunities. Additionally, Biosynex anticipates significant operational synergies in procurement, R&D logistics, and production. Larry Abensur, CEO of Biosynex, stated, “The integration of this structure into the Biosynex Group gives us direct access to the American market, which we believe is the most important in terms of turnover for the in vitro diagnostics industry. Chembio already benefits from numerous FDA approved products (510k, PMA and CLIA waived products). It is also recognized in the rapid HIV test market with WHO prequalified products that will open up new business opportunities for us internationally.” The transaction closed on April 27, 2023.

M&A Activity Roundup

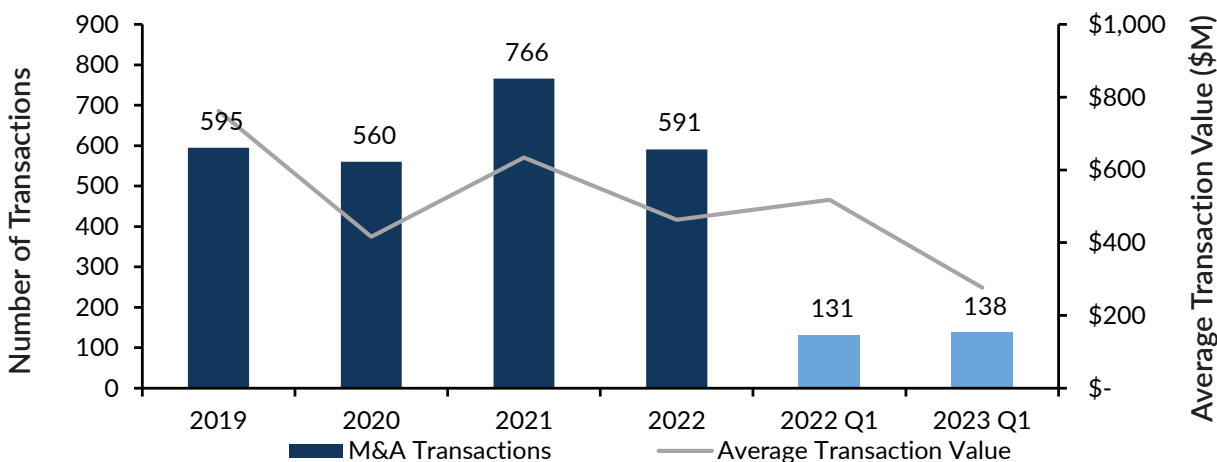
TRENDS IN MEDICAL TECHNOLOGY M&A

- Despite broader M&A market challenges in Q1 2023, healthcare M&A volume was slightly higher than in Q1 2022. The first quarter saw 138 medical device transactions announced, a modest tick above 2022, which had 131 transactions.
- The Service segment was the most active, comprising just under 30% of all transactions, similar to 2022's share. Consumable / Disposable and Therapeutic Devices followed closely behind with 23% and 14% shares, respectively.
- Of the Q1 2023 transactions with disclosed EVs and EBITDA values, median TEV / EBITDA multiples were down from the year prior (9.7x vs. 18.0x). The 2022 and 2023 first quarters had relatively few transactions with publicly available valuation data, explaining some of the variance in metrics, though challenging market conditions certainly had an impact as well.

TRANSACTIONS BY PRODUCT SEGMENT - Q1 2023



MEDICAL DEVICE M&A TRANSACTION METRICS



Period	Mean/Median	Transaction Value (\$MM)	TEV/REV	TEV/EBITDA
2023 Q1	Mean	\$276.6	5.15x	9.80x
2023 Q1	Median	\$27.3	1.86x	9.71x
2022 Q1	Mean	\$517.9	15.31x	50.80x
2022 Q1	Median	\$26.7	4.20x	18.05x
2022	Mean	\$463.0	9.98x	27.01x
2022	Median	\$29.7	2.39x	15.70x
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

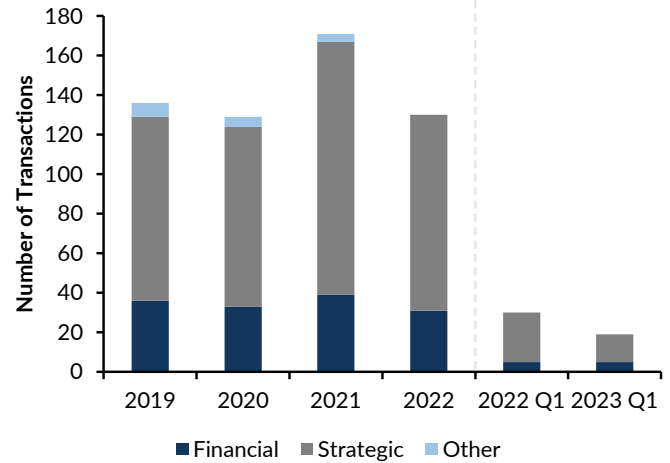
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Medical Equipment M&A

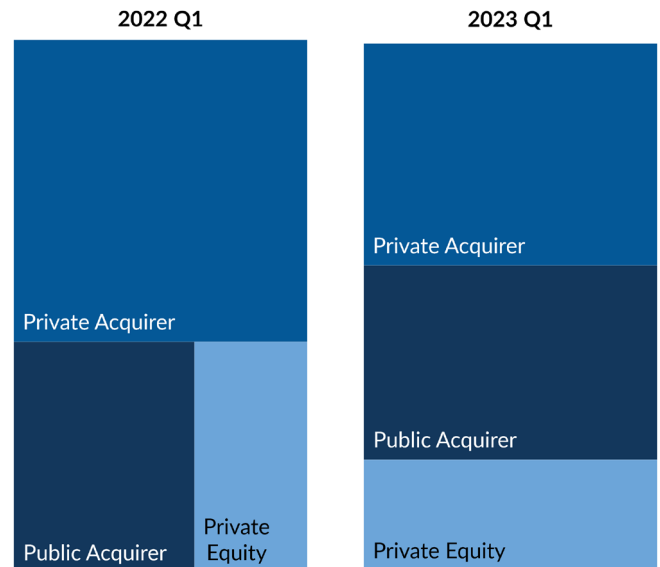
TRENDS IN MEDICAL EQUIPMENT M&A

- Medical Equipment M&A volume in the first quarter of 2023 was down compared to the same period last year. Strategic acquirers continued to be the most active in the space, with 14 acquisitions, compared to 5 by financial buyers
- Private and public acquirers were similarly active during the first quarter, announcing 8 and 7 transactions, respectively. Compared to a year ago, private acquirers slowed down their pace (17 compared to 8 deals). Private equity acquirers were the third most active group, similar to the prior year.
- International acquisitions nearly kept pace with 2022 levels. U.S to U.S. transactions did not see the same level of activity compared to the first quarter of last year. Cross border transactions were in line with historical averages.
- In line with recent history, Furniture/Equipment was the leading end market within the broader Medical Equipment category. Ortho followed behind as the next most active markets in the subsector.

FINANCIAL VS. STRATEGIC BUYER MEDICAL EQUIPMENT



MEDICAL EQUIPMENT TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q1	'23 Q1
Acute Care	4	2	-	-	-
Aesthetic	-	1	3	2	-
Cardiovascular	3	4	5	1	-
Drug Delivery	5	8	1	-	-
Furniture/Equipment	25	37	28	8	5
Home Health	9	11	8	2	1
Hospital Care	21	19	13	5	2
Infection Control	1	2	3	-	1
IVD	1	6	3	-	-
Monitor	12	16	15	7	-
Neurovascular	2	2	-	-	-
Ophthalmology	6	8	5	2	-
Ortho	-	6	8	-	4
Other	11	10	5	-	3
Respiratory	6	12	6	1	1
Support	6	11	10	-	1
Surgical	17	16	17	2	1
Total	129	171	130	30	19

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q1	'23 Q1
Int'l-to-Int'l	57	62	62	14	11
U.S.-to-Int'l	12	16	12	4	2
U.S.-to-U.S.	46	76	43	9	3
Int'l-to-U.S.	14	17	13	3	3
Total	129	171	130	30	19

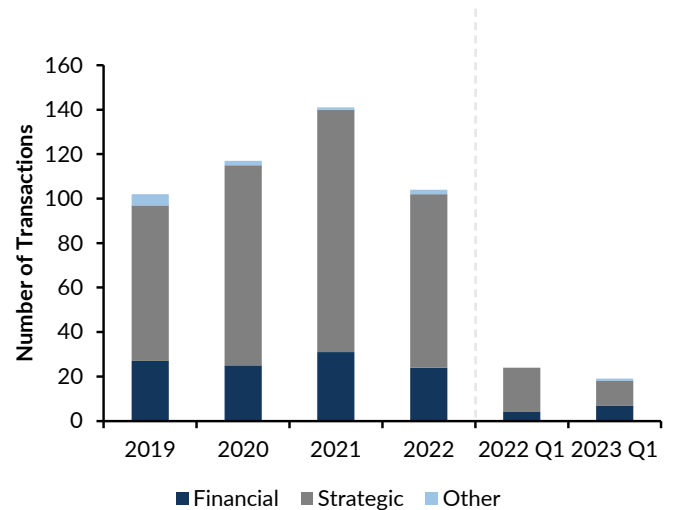
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Therapeutic Device M&A

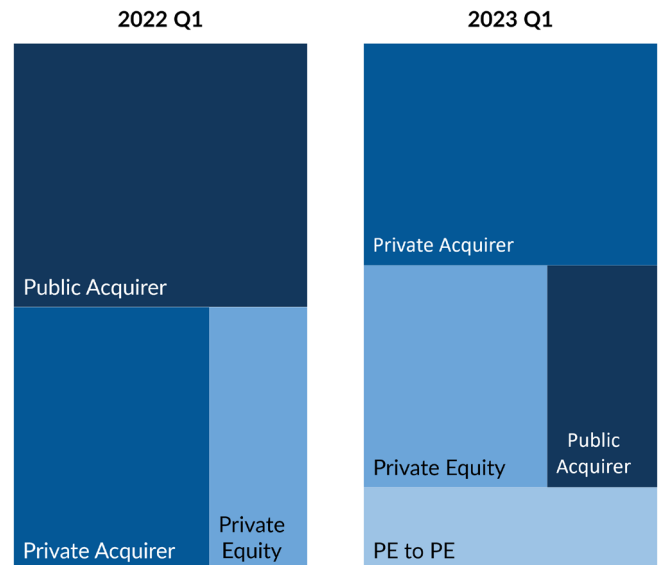
TRENDS IN THERAPEUTIC DEVICE M&A

- Therapeutic Device M&A volume continued its slower pace with 19 announced transactions in the first quarter of 2023; 5 transactions less than the same period of 2022.
- In the first quarter of 2023, private acquirers in the Therapeutic Device space announced 8 transactions, leading the group. This activity level matched the first quarter of 2022. Public acquisitions slowed the most, with 3 transactions, compared to 12 last year. Private equity related transaction volume increased with 8 total transactions involving a private equity buyer.
- Cardiovascular and diversified Other were the top end markets in Q1. The quarter had transactions across the end market spectrum, with activity in nearly all of the selected end markets.
- The trend of transactions concentrated in international to international and U.S. to U.S. continued, consisting of nearly 70% of all volume. U.S. acquirers remain interested in international targets, with 4 announced transactions, twice the number seen in Q1 2022.

FINANCIAL VS. STRATEGIC BUYER THERAPEUTIC DEVICE



THERAPEUTIC DEVICE TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q1	'23 Q1
Acute Care	3	3	3	1	-
Aesthetic	-	1	3	-	1
Cardiovascular	10	18	9	4	3
Drug Delivery	2	-	3	-	-
Furniture/Equipment	3	2	1	-	-
Home Health	5	7	1	-	1
Hospital Care	-	1	1	-	2
Infection Control	-	2	-	-	-
IVD	1	1	-	-	-
Monitor	2	-	1	-	2
Neurovascular	1	4	10	1	1
Ophthalmology	7	15	20	4	-
Ortho	37	28	18	4	2
Other	36	45	23	6	3
Respiratory	3	8	3	2	2
Support	2	5	2	1	1
Surgical	5	1	6	1	1
Total	117	141	104	24	19

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q1	'23 Q1
Int'l-to-Int'l	47	61	45	8	7
U.S.-to-Int'l	10	10	8	2	4
U.S.-to-U.S.	46	59	38	9	6
Int'l-to-U.S.	14	11	13	5	2
Total	117	141	104	24	19

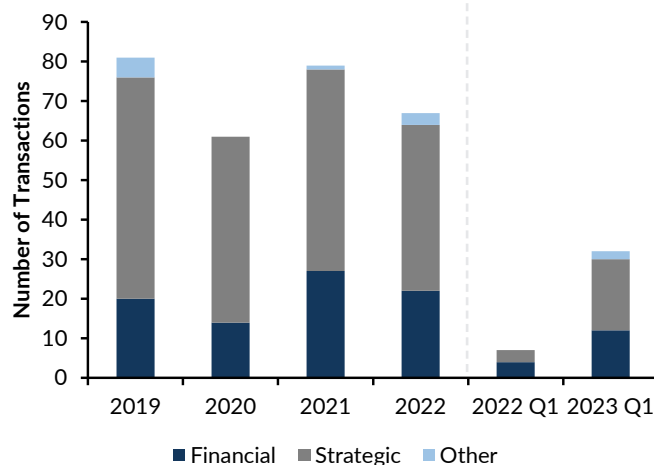
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Consumable & Disposable M&A

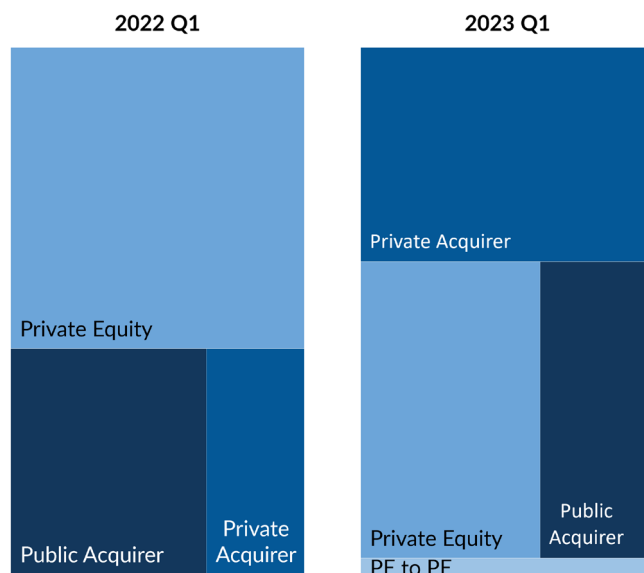
TRENDS IN CONSUMABLE & DISPOSABLE M&A

- Consumable & Disposable M&A had a robust first quarter, compared both to the same period last year as well as any year in recent history. 32 transactions were announced during the first three months, 25 more than a year ago.
- Private acquirers and private equity buyers led the uptick in consumable and disposable M&A transactions with 13 and 11 transactions, respectively. Public acquirers increased activity significantly as well, with 7 transactions announced compared to 2 transactions during Q1 of 2022.
- Similar to 2022 segment trends, purely international and purely domestic activity was strong on a year-over-year basis, comprising 41% and 31% of announced transactions. Naturally with a strong quarter, there was growth in cross border transactions, matching the full year 2022 results.
- Transactions by end market were distributed, with most transactions occurring in the Support end market, 31% of all transactions this quarter. This was followed by Other diversified markets and Hospital Care with 5 and 4 announced transactions, respectively.

FINANCIAL VS. STRATEGIC BUYER CONSUMABLE & DISP.



CONSUMABLE & DISP. TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2020	2021	2022	'22 Q1	'23 Q1
Acute Care	8	9	1	-	-
Aesthetic	-	1	3	-	1
Cardiovascular	-	-	1	-	1
Drug Delivery	8	4	3	-	-
Furniture/Equipment	-	1	-	-	-
Home Health	2	2	1	-	1
Hospital Care	6	14	-	-	4
Infection Control	18	27	21	4	2
IVD	1	3	3	-	1
Monitor	-	1	-	-	-
Neurovascular	-	-	1	-	-
Ophthalmology	1	1	3	-	1
Ortho	1	-	3	-	1
Other	11	4	7	1	5
Respiratory	2	-	1	-	1
Support	3	6	9	-	10
Surgical	-	6	11	2	4
Total	61	79	68	7	32

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2020	2021	2022	'22 Q1	'23 Q1
Int'l-to-Int'l	35	41	39	3	13
U.S.-to-Int'l	4	8	5	-	5
U.S.-to-U.S.	21	23	20	4	10
Int'l-to-U.S.	1	7	4	-	4
Total	61	79	68	7	32

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Medical Device Public Comparables

PUBLIC DIVERSIFIED MEDICAL DEVICE COMPANY COMMENTARY

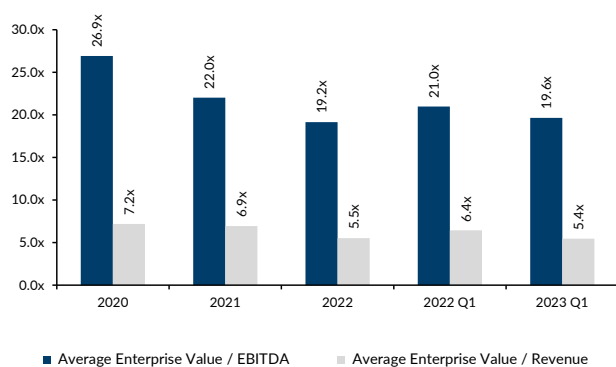
- “We think there is some backlog effect from patients generally returning to more normalized health care routines given the effect of the pandemic over several years. Included within that is diagnostic pipelines, we see the last year being above pre-Covid levels.” – Jamie Samath, Intuitive Surgical, Inc., Senior VP & CFO
- “Overall, the environment continues to stabilize and is in line with our view that challenges will persist, not escalate. While we’re seeing signs of inflation cooling off, it is still more than twice the historical average. We see continued labor pressure with different market dynamics impacting hiring and increasing wages for certain roles, particularly in our supply chain organization.” – Thomas Polen, Becton, Dickinson and Company President, CEO & Chairman

DIVERSIFIED MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

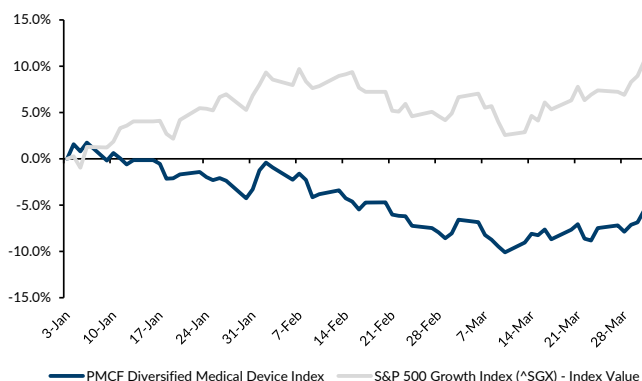
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	3/31/2023	9,532	17,026	175,984	183,700	4.2x	14.8x	25.9x
Baxter International Inc.	3/31/2023	1,673	16,889	20,504	35,782	2.4x	10.5x	NM
Becton, Dickinson and Company	3/31/2023	1,987	18,224	70,277	86,516	4.6x	17.5x	47.8x
Boston Scientific Corporation	3/31/2023	570	9,365	71,910	80,964	6.3x	24.6x	111.5x
Intuitive Surgical, Inc.	3/31/2023	4,692	0	89,480	84,864	13.7x	43.1x	70.0x
Johnson & Johnson	1/1/2023	23,519	40,959	405,107	422,547	4.5x	12.8x	23.0x
Medtronic plc	1/27/2023	11,137	28,128	107,259	124,427	4.0x	14.0x	26.5x
Smith & Nephew plc	12/31/2022	350	2,872	12,106	14,628	2.7x	13.9x	53.0x
Stryker Corporation	3/31/2023	1,757	13,560	108,145	119,948	6.5x	25.6x	46.3x
High		23,519	40,959	405,107	422,547	13.7x	43.1x	111.5x
Mean		6,135	16,336	117,864	128,153	5.4x	19.6x	50.5x
Median		1,987	16,889	89,480	86,516	4.5x	14.8x	47.0x
Low		350	0	12,106	14,628	2.4x	10.5x	23.0x

As of March 31, 2023

DIVERSIFIED MEDICAL DEVICE MULTIPLES



DIVERSIFIED MEDICAL DEVICE INDEX



EV/EBITDA multiples for the Diversified Medical Device (“DMD”) sector are modestly lower in Q1 2023, compared to the same quarter in 2022 (19.6x vs. 21.0x). Revenue multiples are lower as well, 5.4x vs. 6.4x. Intuitive Surgical continues to lead the pack at 43.1x, with Stryker and Boston Scientific following in a far second and third place, each between 24.0x – 26.0x. Baxter International experienced the largest change from first quarter of 2022, seeing its multiple fall nearly 40%.

The DMD index was the worst performing of the PMCF tracked indices, finishing Q1 down 5.6%. This followed a 10% drop during the 2022 calendar year. Performance lags the benchmark S&P 500 Growth Index which was up 10.6% during the first quarter.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Orthopedic Public Comparables

PUBLIC ORTHOPEDIC MEDICAL DEVICE COMPANY COMMENTARY

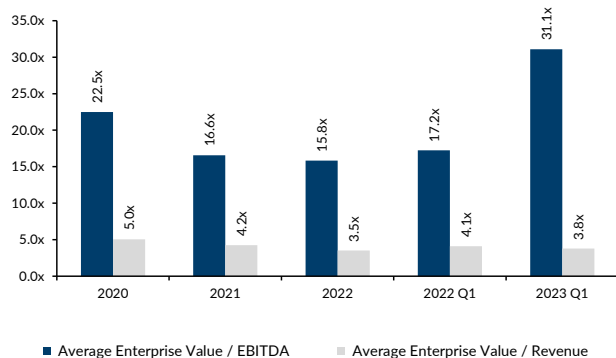
- “Our growth in the first quarter is an encouraging start, and the recent growth headwinds in China orthopedics will ease as the year progresses... [T]he first quarter also benefited from higher-than-expected surgery levels in established markets.” – Anne-Francoise Nesmes, Smith & Nephew CFO & Executive Director
- “I mentioned earlier that we’re at a place where more and more robots are being adopted. I think as time passes and we may call it an inflection point, you see other facilities want to get on and adopt robotic technology. I think we have to continue to sell those benefits as we walk into the macroeconomic headwinds.” – Keith W. Pfeil, Globus Medical Senior VP & CFO

ORTHOPEDIC MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

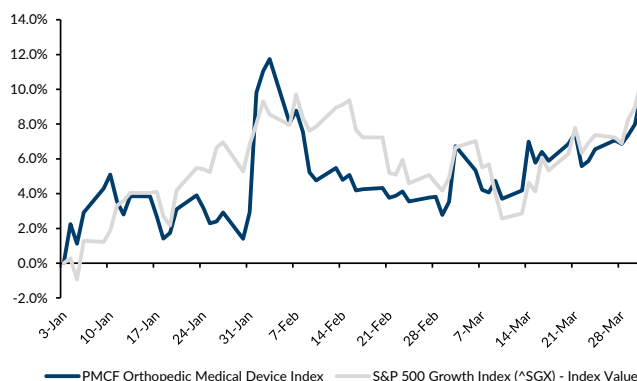
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Alphatec Holdings, Inc.	3/31/2023	117	466	1,733	2,106	5.9x	NM	NM
Enovis Corporation	3/31/2023	22	357	2,915	3,252	2.1x	14.1x	NM
Globus Medical, Inc.	3/31/2023	504	0	5,683	5,178	4.6x	15.6x	30.6x
NuVasive, Inc.	3/31/2023	181	1,008	2,163	2,989	2.4x	12.5x	54.2x
Orthofix Medical Inc.	3/31/2023	50	87	611	648	1.3x	121.8x	NM
Smith & Nephew plc	12/31/2022	350	2,872	12,106	14,628	2.7x	13.9x	53.0x
Stryker Corporation	3/31/2023	1,757	13,560	108,145	119,948	6.5x	25.6x	46.3x
Zimmer Biomet Holdings, Inc.	3/31/2023	330	5,980	27,106	32,763	4.7x	14.2x	93.6x
High		1,757	13,560	108,145	119,948	6.5x	121.8x	93.6x
Mean		414	3,041	20,058	22,689	3.8x	31.1x	55.6x
Median		256	737	4,299	4,215	3.7x	14.2x	53.0x
Low		22	0	611	648	1.3x	12.5x	30.6x

As of March 31, 2023

ORTHOPEDIC MEDICAL DEVICE MULTIPLES



ORTHOPEDIC MEDICAL DEVICE INDEX



Orthopedic Medical Device multiples in the first quarter saw a large increase, as compared to prior years. The sector had significant variance with Orthofix experiencing a drastic multiple increase, primary from lower reported earnings while holding a steady share price. The broader group continues to trade similarly to Q1 of 2022. Cash reserves for each company are low, an area to focus on throughout 2023.

The OMD index was the best performer, and the only positive index of PMCF’s tracked, indices, up 9.8% in the year-to-date period. This was ahead of the Dow but still lagged the S&P Growth Index by ~1%.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Cardiovascular Public Comparables

PUBLIC CARDIOVASCULAR MEDICAL DEVICE COMPANY COMMENTARY

- “The number of interventional procedures is recovering, which will contribute to the continuation of overall high growth. In particular, cardiovascular therapy products in the U.S. market, Neurovascular and stent graft look likely to expand and become overall growth drivers as expected. In the United States, its adoption is spreading not only in coronary, but also neurovascular and abdominal more than previously expected..” – Shinjiro Sato, President, CEO, Group Managing Executive Officer & Director of Terumo Corporation
- “We see some issues in staffing. On the other side of the coin, I think that you are seeing some pent-up demand [of catch-up procedures], I think it’s going to be out there for a while.” – Fred P. Lampropoulos, Merit Medical CEO & President

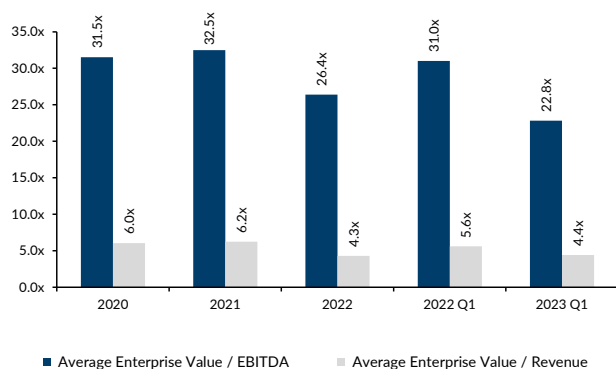
CARDIOVASCULAR MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	3/31/2023	9,532	17,026	175,984	183,700	4.2x	14.8x	25.9x
AngioDynamics, Inc.	2/28/2023	30	55	406	431	1.3x	47.0x	NM
Artivion, Inc.	3/31/2023	31	356	531	857	2.7x	19.0x	0.0x
Edwards Lifesciences Corporation	3/31/2023	1,254	688	50,143	49,660	9.2x	25.1x	33.9x
LeMaitre Vascular, Inc.	3/31/2023	81	17	1,137	1,073	6.6x	25.4x	55.3x
Medtronic plc	1/27/2023	11,137	28,128	107,259	124,427	4.0x	14.0x	26.5x
Merit Medical Systems, Inc.	3/31/2023	58	266	4,239	4,447	3.9x	22.5x	57.3x
Terumo Corporation	3/31/2023	1,410	1,745	20,019	20,354	3.4x	14.8x	30.9x

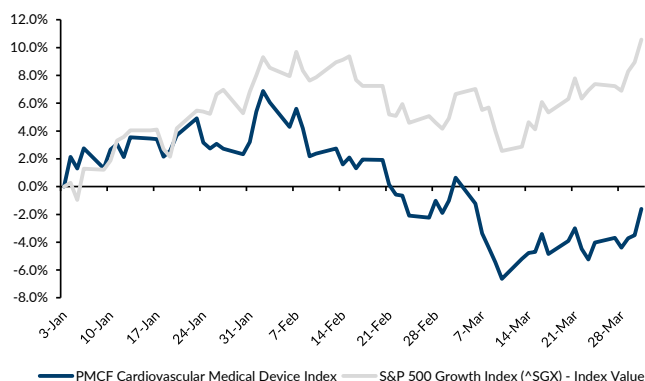
High	11,137	28,128	175,984	183,700	9.2x	47.0x	57.3x
Mean	2,942	6,035	44,965	48,119	4.4x	22.8x	32.8x
Median	668	522	12,129	12,400	4.0x	20.7x	30.9x
Low	30	17	406	431	1.3x	14.0x	0.0x

As of March 31, 2023

CARDIOVASCULAR MEDICAL DEVICE MULTIPLES



CARDIOVASCULAR MEDICAL DEVICE INDEX



Cardiovascular Medical Devices EBITDA and revenue multiples finished Q1 2023 at 22.8x and 4.4x, nearly in line with 2022 results. AngioDynamics continues to retain its premium valuation, albeit lower than the end of 2022, trading at 47.0x EBITDA. Edwards Lifesciences, once again, had the highest revenue multiple, finishing at 9.2x, slightly higher than the beginning of the quarter.

The CMD index had a modestly poor first quarter, down 1.6%. This follows a flat performance during 2022. Despite the muted performance, the CMD index was the second-best performer of the medical indices tracked by PMCF.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Diagnostic Public Comparables

PUBLIC DIVERSIFIED DIAGNOSTIC COMPANY COMMENTARY

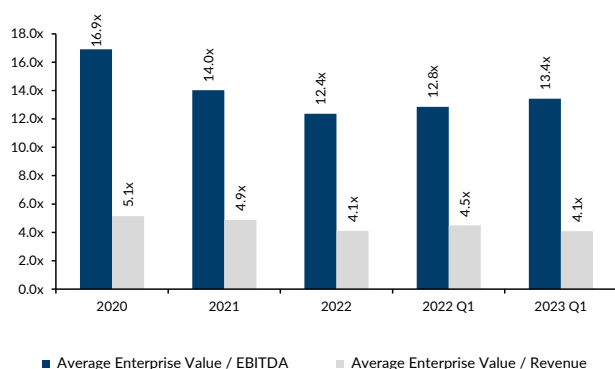
- “Performance this quarter was driven by very strong momentum across our diagnostic business, continued industry leadership in central laboratories, solid fundamentals and staffing improvements. For drug development, we expect the first half of 2023 to be more challenging than the second, as the first half continues to be impacted by MHP shortages and lower COVID-related work.” – Adam H. Schechter, Laboratory Corp. of America (LabCorp) President, CEO & Chairman
- “We are always looking at all of the [M&A] opportunities. Now the early-stage opportunities, there may be more opportunities now, simply because of the funding issues in the biotech sector. I think in the late-stage opportunities, there are not that many and it’s much more competitive.” – Thomas Schinecker, Roche Holding Chief Executive Officer

DIVERSIFIED DIAGNOSTIC PUBLIC COMPARABLES SUMMARY

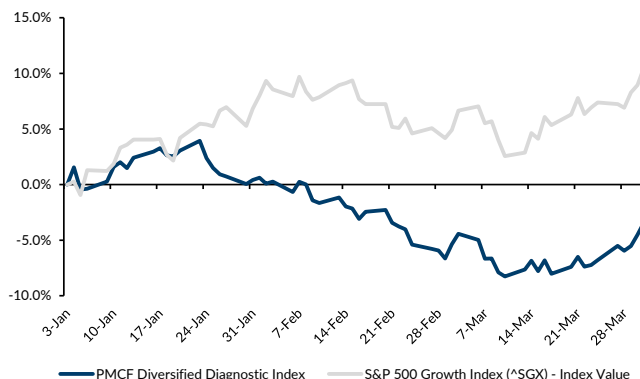
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	3/31/2023	9,532	17,026	175,984	183,700	4.2x	14.8x	25.9x
Becton, Dickinson and Co.	3/31/2023	1,987	18,224	70,277	86,516	4.6x	17.5x	47.8x
Danaher Corporation	3/31/2023	7,379	20,932	183,764	198,993	6.4x	17.8x	26.1x
Hologic, Inc.	12/31/2022	2,476	2,848	19,897	20,268	4.5x	11.8x	20.6x
Laboratory Corporation of America	3/31/2023	394	6,359	20,304	26,288	1.8x	8.9x	16.4x
Novartis AG	3/31/2023	12,187	29,204	209,026	226,126	4.2x	11.8x	28.6x
Quest Diagnostics Incorporated	3/31/2023	175	4,622	15,750	20,312	2.1x	8.5x	17.8x
Roche Holding AG	12/31/2022	10,563	28,874	230,156	252,818	3.5x	9.2x	17.0x
Thermo Fisher Scientific Inc.	12/31/2022	8,524	36,158	222,150	249,954	5.6x	20.4x	32.7x
High		12,187	36,158	230,156	252,818	6.4x	20.4x	47.8x
Mean		5,913	18,250	127,479	140,553	4.1x	13.4x	25.9x
Median		7,379	18,224	175,984	183,700	4.2x	11.8x	25.9x
Low		175	2,848	15,750	20,268	1.8x	8.5x	16.4x

As of March 31, 2023

DIVERSIFIED DIAGNOSTIC MULTIPLES



DIVERSIFIED DIAGNOSTIC INDEX



EV/EBITDA multiples within the Diversified Diagnostic (“DD”) industry, closed the quarter 4.5% higher than a year ago. Company level performance was broadly stronger, with only three industry constituents reporting lower EBITDA multiples, as compared to Q1 2022. Thermo Fisher, Danaher, and Becton, Dickinson and Co. lead the industry group, each keeping pace with their 2022 multiples.

The DD Index came in slightly lower after the first quarter, down 3.4%. This follows a strong Q4 for the DD index, where it experienced a rally, but still closed with negative performance for the year.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

2023 Venture Capital Activity Overview

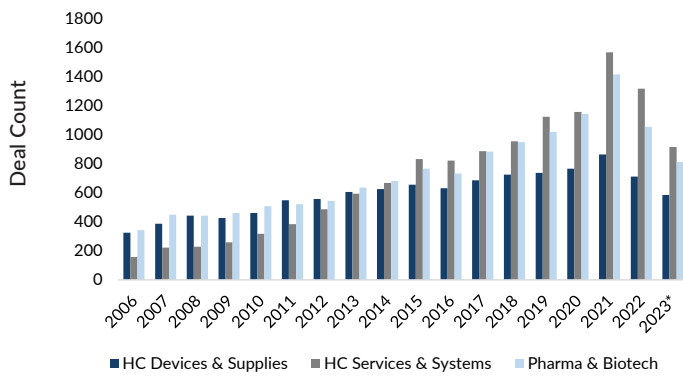
VC markets continued to be buffeted by similar headwinds experienced throughout 2022; particularly stubborn inflation and instability overseas. The first quarter of 2023 brought new challenges, with multiple regional bank challenges and failures, as banks struggle to survive shifting interest rates. Both VC volume and valuations are down compared to the robust years of late 2020, 2021, and first half of 2022. The predictions that late 2022 trends of slower VC activity were a sign of things to come proved prescient, with continued declines in the market, unsurprising given the similar macro-economic environment.

Fundraising has been difficult, with investors able to achieve higher returns through other asset classes enabled by the higher interest rate environment. The anticipated consolidation of capital into larger VC firms is being realized and is expected to continue, with 63% of all raised capital going to funds with greater than \$500M under management. This trend is driven by institutional investors opting to be more selective with the capital that they allocate to the VC class, as larger funds are generally perceived to be less risky compared to their smaller counterparts.

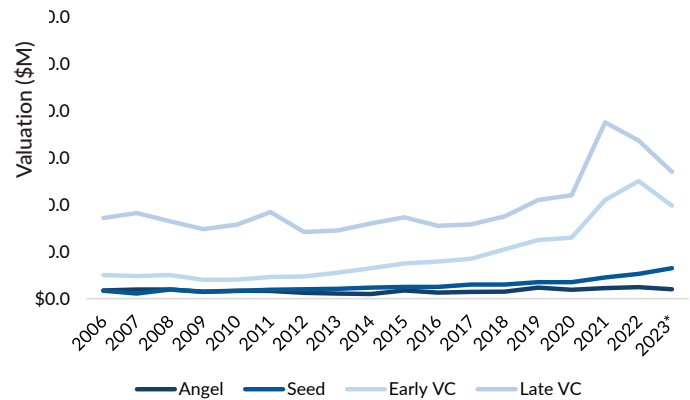
Despite early struggles, Q1 2023 deal count remains above 2020 quarterly figures and is in line with pre-COVID historical quarters. 2023 deal value is off to a slow start, slightly lower than the second half of 2022, which experienced a steep drop off from 2021 heights. Median valuations have largely held to historical averages, particularly within angel and seed investments. Early and Late VC investments are having a greater challenge in maintaining valuation levels, as capital availability becomes more restricted.

Each of the three healthcare industry subsectors had a relative decline in deal volume. This was not a healthcare specific characteristic but was experienced across sectors. Healthcare continues to hold a similar portion of activity levels, consisting 20% of all VC activity, whereas historical averages hover around 21%. Within the Healthcare group, Services and Systems have had the greatest challenge with projected activity down 30% on an annualized basis compared to 2022. Pharma and Biotech and Devices and Supplies experienced approximately a 20% drop.

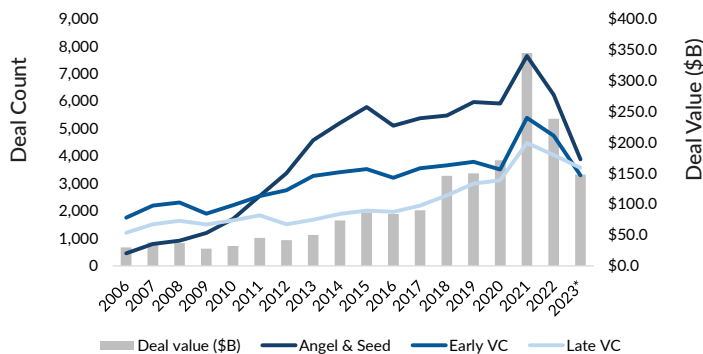
VC INVESTMENTS IN MEDICAL SECTORS



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

PMCF's Unique Approach to M&A Advisory

PMCF's M&A advisory and investment banking services are designed to provide company shareholders with a trusted advisor to oversee all transaction related aspects of a company sale or strategic acquisition. Our service levels, industry expertise in medical technology, and approach to managing transactions positions us favorably against a traditional investment banker. See below for some examples of our differentiation:

- Differentiated approach via senior banker leadership and direct involvement through every step of the transaction providing a consistent and highly experienced point of contact
- One of the largest, most active investment banking boutiques with a focus on specialty niche businesses
- Proven positioning and marketing processes to obtain premium valuations in company sales
- 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



Two-time winner, Boutique Investment Banking Firm of the Year
by M&A Advisor

Awarded, Cross Border Corporate and Strategic Acquisition of the Year
by M&A Advisor

Awarded, Cross Border M&A Deal of the Year
by M&A Advisor

Awarded, Deal of the Year
by ACG Detroit

Contact Info

PMCF | INVESTMENT
BANKING



CHICAGO

120 S. Riverside Plaza
Suite 2100
Chicago, IL 60606
Phone: 312.602.3600



DETROIT

2 Towne Square
Suite 425
Southfield, MI 48076
Phone: 248.223.3300



DENVER

8181 E. Tufts Avenue
Suite 600
Denver, CO 80237
Phone: 720.370.8181

120 S Riverside Plaza
Suite 2100
Chicago, IL 60606

Experienced Professionals. Trusted Advisors. Proven Results.

This market overview is not an offer to sell or a solicitation of an offer to buy any security. It is not intended to be directed to investors as a basis for making an investment decision. This market overview does not rate or recommend securities of individual companies, nor does it contain sufficient information upon which to make an investment decision.

PMCF will seek to provide investment banking and / or other services to one or more of the companies mentioned in this market overview. PMCF and / or the analysts who prepared this market update, may own securities of one or more of the companies mentioned in this market overview.

The information provided in this market overview was obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. It is not to be construed as legal, accounting, financial, or investment advice. Information, opinions, and estimates reflect PMCF's judgment as of the date of publication and are subject to change without notice. PMCF undertakes no obligation to notify any recipient of this market overview of any such change.

The charts and graphs used in this market overview have been compiled by PMCF solely for illustrative purposes. All charts are as of the date of issuance of this market overview, unless otherwise noted.

The Medical Technology Index may not be inclusive of all companies in the medical technology industry and is not a composite index of the medical technology industry sector returns. Index and sector returns are past performance, which is not an indicator of future results.

This market overview is not directed to, or intended for distribution to, any person in any jurisdiction where such distribution would be contrary to law or regulation, or which would subject PMCF to licensing or registration requirements in such jurisdiction.

PMCF is a trade name for PMCF Advisors, LLC and P&M Corporate Finance, LLC, a FINRA-registered broker-dealer and SIPC member firm. The term "PMCF" refers to one or more of these legally separate and independent advisory practices. P&M Corporate Finance, LLC provides capital-raising and private placement services that require registration as a broker-dealer. PMCF Advisors, LLC provides M&A-related services that do not require registration in reliance upon the SEC M&A Brokers No-action Letter (2014) and comparable state-level exemptive relief. Please see pmcf.com to learn more.

For more information, check out our new website, where you can access the electronic version of this report, sign up for future emails, read our latest industry reports, and more!

