

MEDICAL TECHNOLOGY M&A PULSE

SECOND QUARTER 2024



OUR INSIGHTS

Ongoing volatility in the Medical Technology M&A sector is driving heightened diligence and investor scrutiny to ensure acquisition targets are high-quality assets capable of withstanding current market turbulence. Strategic upfront planning and the guidance of an experienced transaction advisor can help position a company for a smoother sale process and expedite the closing process.

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Medical Technology Coverage Team



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



MAC CARRON
 Associate
 248.603.5084
 mac.carron@pmcf.com

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.

Mergers & Acquisitions	Carve-outs & Divestitures	Strategic Assessments	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 PMCF MEDICAL TECHNOLOGY TRANSACTIONS



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has been acquired by



a portfolio company of




has been acquired by




has been acquired by



Q2 2024 Market Summary & Outlook

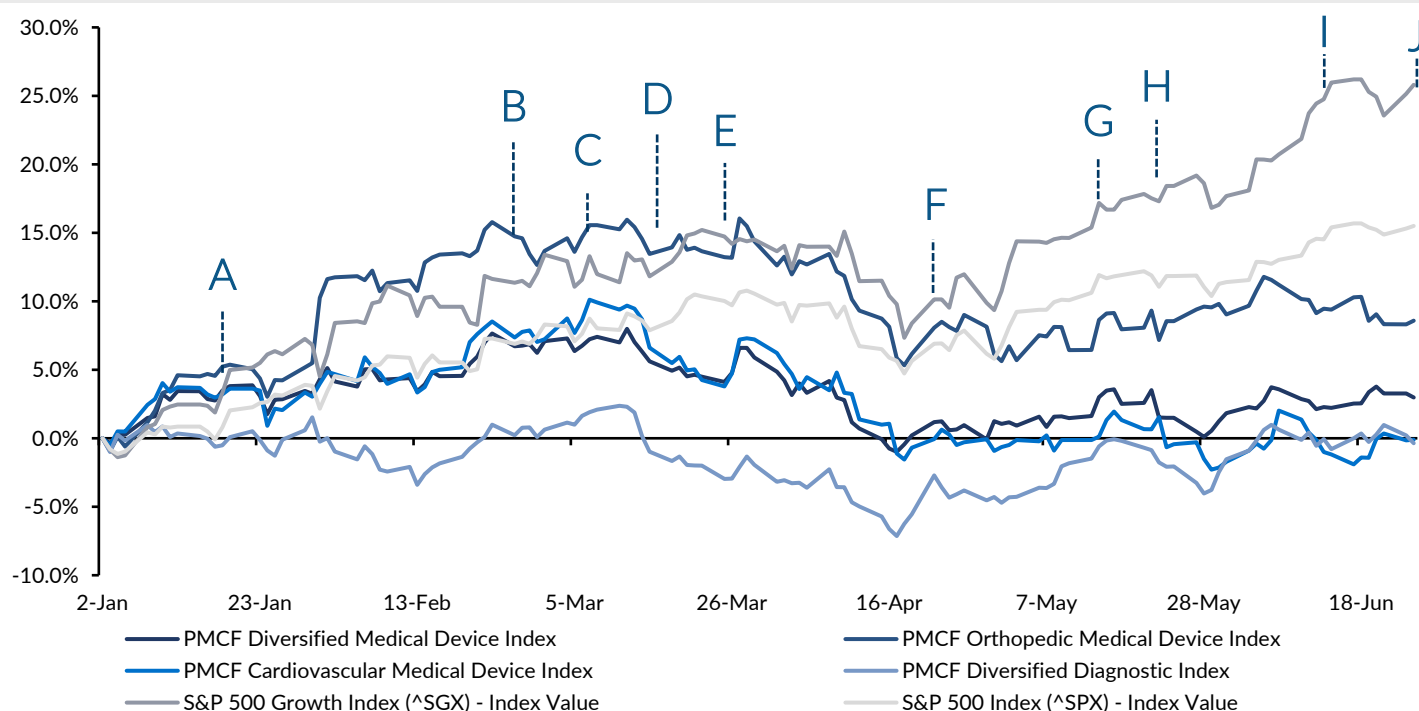
Q2 2024 - On-Going Volatility

- Cooling inflation combined with ongoing delays for a widely anticipated rate cut is creating market volatility. Investors are using lower inflation rates as rationale for a rate cut, but the Federal Reserve has yet to officially enact a cut. This uncertainty is fueling volatility as investors grapple with shifting expectations about the impact of these changes. As we move into the second half of the year, attention is turning to the presidential election and its potential effects on the economy, tax policies, and the M&A landscape. Despite the uncertainty, M&A activity remains strong for high-quality assets with solid long-term plans and stable earnings.
- In Q2 2024, Medical M&A remained strong with 128 transactions announced, bringing the total for the first half of the year to 263, slightly below 2023's figures. The Services segment led the way with 26% of transactions, followed closely by Therapeutic Devices, Equipment, and Consumables & Disposables, which accounted for 19%, 18%, and 13% of M&A activity, respectively. Optimism remains for a strong second half of the year as the presidential election looms.
- The second quarter represented underwhelming results for the Medical Device public equity performance compared to the strong start seen in Q1. The Orthopedic index remained the top performer, up 8.8% for the year, but is trailing the S&P 500 Growth Index by more than 15 bps. The Cardiovascular and Diversified Diagnostic indexes finished the quarter with negative performance, finishing down 1.1% and 0.9%, respectively.

2024 NOTABLE EVENTS TIMELINE

- January 19, 2024 | The Biden Administration cancels \$4.9 billion in federal student loan debt for 74,000 borrowers
- February 29, 2024 | Gaza's death toll exceeds 30,000 amid continued war in Palestine
- March 7, 2024 | Biden delivers the State of the Union address and positions healthcare access as a major ballot topic
- March 12, 2024 | Biden and Trump secure enough delegates to become their parties' nominees for president
- March 21, 2024 | Federal Reserve trims number of expected rate cuts from four to three
- April 23, 2024 | Congress passes a \$61 billion aid package for Ukraine after months of delay
- May 14, 2024 | The Biden Administration increases tariffs on Chinese imports, including electrical vehicles, computer chips, and medical products
- May 16, 2024 | The Dow Jones Industrial Average breaks 40,000 for the first time
- June 13, 2024 | The Federal Reserve announces interest rates would remain unchanged with only one cut expected by year end
- June 27, 2024 | Biden and Trump faced off in their first debate of 2024, setting the stage for a turbulent election cycle

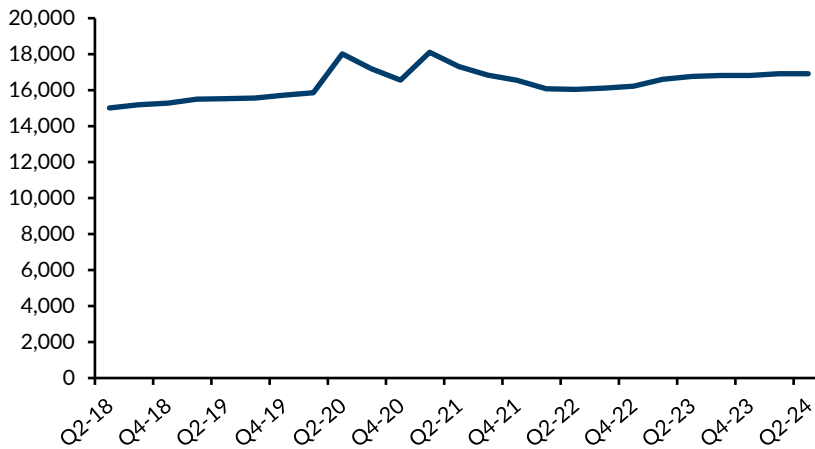
PMCF MEDICAL TECHNOLOGY INDICES PERFORMANCE



Sources: Capital IQ, PitchBook, Company Reports

Trends in Medical Technology

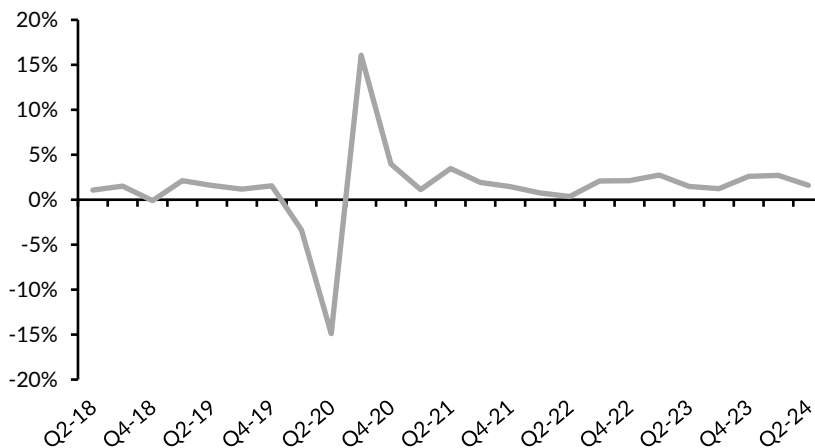
U.S. REAL DISPOSABLE PERSONAL INCOME, 2017 DOLLARS (\$B)



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.

For various segments of the healthcare industry, spending on healthcare is correlated with disposable income, making it a valuable macroeconomic indicator. Second quarter total disposable income was \$16.9B, up 0.9% from the year prior.

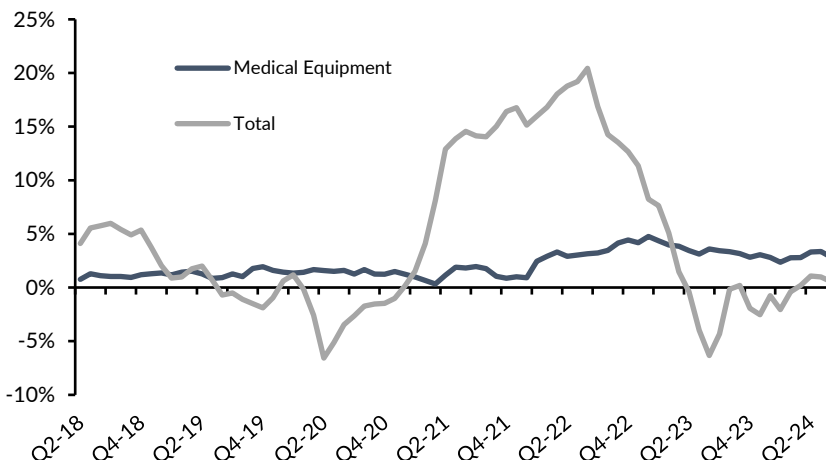
U.S. PERSONAL HEALTH CARE SERVICES EXPENDITURES (QUARTER OVER QUARTER % CHANGE)



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 continue to grow steadily, following the large swings during the COVID-19 pandemic. Total expenditures in Q2 were up 1.6% from Q1.

PRODUCER PRICE INDEX (PPI) - YEAR OVER YEAR % CHANGE



Similar to the broader U.S. economy, medical equipment producer costs rose dramatically coming out of the pandemic. The Bureau of Labor Statistics provides a Producer Price Index (PPI), which measures the average change in selling price of domestic output. The Medical Equipment & Supply PPI value serves as a proxy for Medical industry costs.

The PPI index is up 2.8% over the past year, while Medical Equipment is up 0.5%.

Sources: PMCF Research, FRED, US Census Bureau

Therapeutic Device

Johnson & Johnson acquires Shockwave Medical

May 2024 - Johnson & Johnson (NYSE: JNJ) announced it has completed its acquisition of Shockwave Medical. This transaction further extends Johnson & Johnson MedTech's leadership in cardiovascular intervention. Shockwave offers the first and only commercially available intravascular lithotripsy (IVL) platform for coronary artery disease (CAD) and peripheral artery disease (PAD) and complements Johnson & Johnson's leading positions in heart recovery (Abiomed) and electrophysiology (Biosense Webster). Joaquin Duato, Chairman and Chief Executive Officer of Johnson & Johnson, said, *"Through Innovative Medicine and MedTech, Johnson & Johnson is transforming the trajectory of cardiovascular disease, one of the leading causes of death globally. We are delighted to welcome the Shockwave team to Johnson & Johnson and look forward to bringing their innovative IVL technology to more patients around the world."*

Consumable & Disposable

Waste Management acquires Stericycle

June 2024 - Waste Management, Inc. (NYSE: WM) and Stericycle (NASDAQ: SRCL) announced that they have entered into a definitive agreement under which WM will acquire all outstanding shares of Stericycle, representing a total enterprise value of approximately \$7.2 billion. The acquisition of Stericycle adds a leading platform of differentiated assets in the attractive medical waste industry to WM's suite of environmental solutions. Given the growth outlook for healthcare services in North America, WM expects this business to deliver revenue growth that surpasses the strong fundamentals of its core business. *"At WM, we are committed to maximizing value for all our stakeholders by providing a comprehensive suite of environmental solutions to the market. The acquisition of Stericycle is a significant step in advancing this commitment because it broadens the scope of our service offerings, bringing together the leader in solid waste and a premier company in regulated medical waste services,"* said Jim Fish, President and Chief Executive Officer of WM.

Medical Equipment

Platinum Equity acquires Sunrise Medical

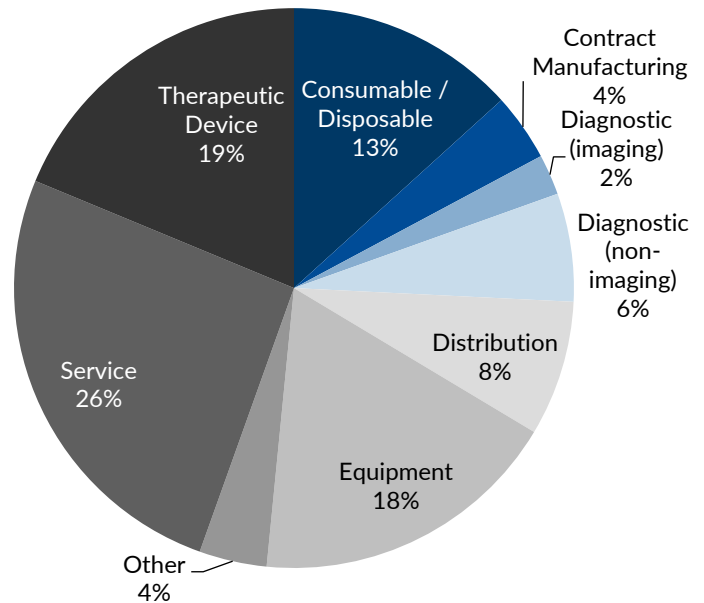
June 2024 - Platinum Equity announced a definitive agreement to acquire Sunrise Medical, a world leader in advanced assistive mobility solutions, from Nordic Capital. Financial terms were not disclosed. Sunrise Medical is active in the development, design, manufacturing, and distribution of assistive mobility products and solutions such as manual and power wheelchairs, power assist products, pediatric and geriatric therapeutic devices, mobility scooters, seating and positioning systems as well as daily living aids and other home medical equipment. *"Sunrise Medical is an innovative, global company that has been a pioneer in mobility solutions for more than 40 years. We believe strongly in the company's core mission and are committed to partnering with the management team to continue investing in development of advanced clinical solutions tailored to the individual needs of people who depend on them,"* said Platinum Equity Co-President Louis Samson.

M&A Activity Roundup

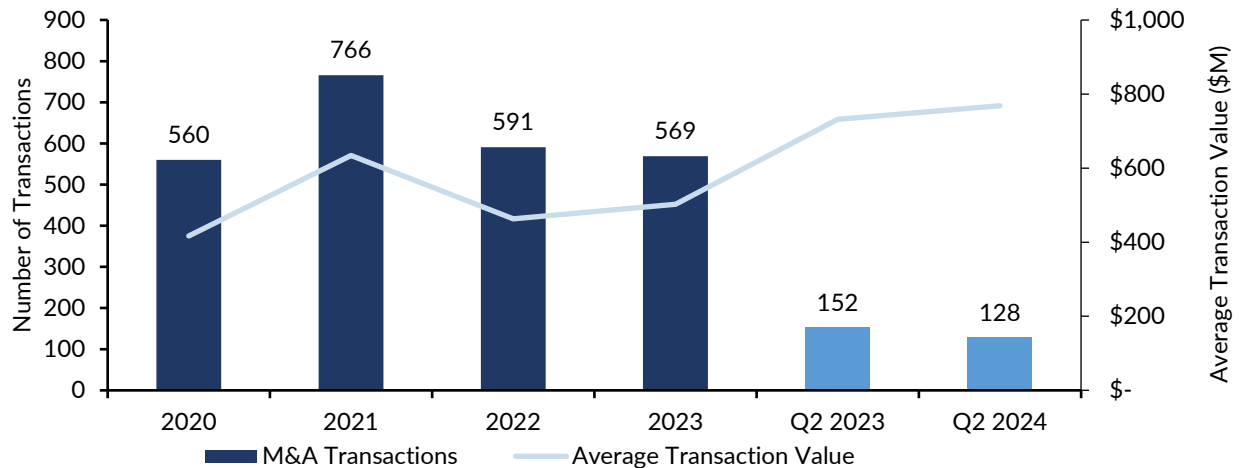
Trends in Medical Technology M&A

- In Q2 2024, M&A activity in the Medical Technology sector saw a slight decline compared to the same period in 2023, with 128 announced transactions versus 152 the previous year. Despite this dip, Medical Technology M&A is still on track to match 2023's activity levels.
- The Services segment once again led transaction volume, accounting for 26% of announced deals. Other prominent segments included Therapeutic Device, Equipment, and Consumable & Disposable, which represented 19%, 18%, and 13% of M&A activity, respectively.
- Transactions with disclosed enterprise values and EBITDA in Q2 2024, showed a significant increase in average TEV/EBITDA multiples, rising to 21.9x compared to 12.0x from the previous year. Moreover, the median size of disclosed transactions saw an increase, reaching \$90 million.

TRANSACTIONS BY SEGMENT - Q2 2024



MEDICAL DEVICE M&A TRANSACTION METRICS



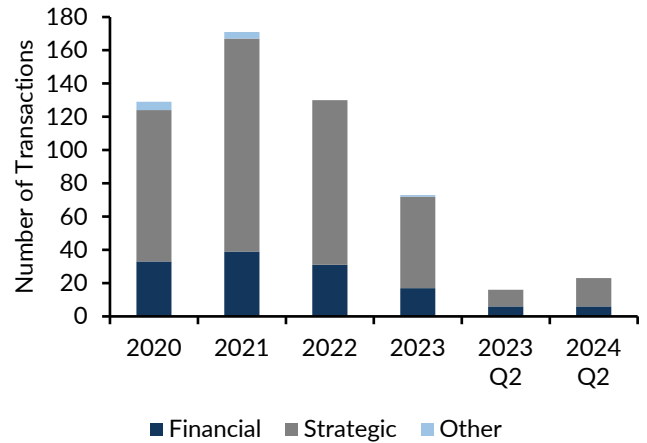
Period	Mean/Median	Transaction Value (\$MM)	TEV/REV	TEV/EBITDA
2024 Q2	Mean	\$ 768.54	6.3x	21.9x
2024 Q2	Median	\$ 89.80	3.0x	19.5x
2023 Q2	Mean	\$ 732.04	2.1x	12.0x
2023 Q2	Median	\$ 45.11	1.4x	8.6x
2023	Mean	\$ 502.30	5.6x	14.1x
2023	Median	\$ 36.40	1.6x	9.7x
2022	Mean	\$ 463.04	10.0x	27.0x
2022	Median	\$ 29.69	2.4x	15.7x
2021	Mean	\$ 634.03	6.1x	17.6x
2021	Median	\$ 60.71	3.7x	14.5x

Sources: Capital IQ, PitchBook, Company Reports, PMCF

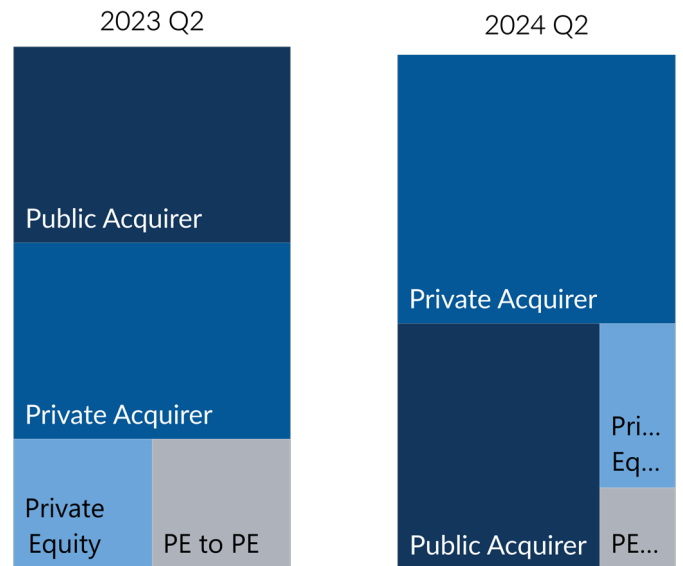
Trends in Medical Equipment M&A

- Medical Equipment M&A volume in Q2 2024 increased compared to Q2 2023, with 23 transactions announced vs 16. Strategic acquirers remained highly active, accounting for 17 of the total 23 announced transactions during the quarter.
- In Q2 2024, private acquirers outpaced public acquirers, announcing 4 more transactions compared to the latter's activity. Private equity involvement held steady, with 3 transactions recorded in Q2 2024, down slightly from 4 in Q2 2023.
- International-only acquisitions continued to lead the Equipment segment in Q2 2024, with 12 transactions, marking an increase of one from the previous year. Meanwhile, U.S. focused activity experienced notable growth, with 8 acquisitions involving U.S.-based companies—5 more than in Q2 2023.
- Consistent with historical trends, the Furniture/Equipment sector led the category with 13 transactions in Q2 2024. Following this, the Monitor and Other segments were the next most active markets within the subsector.

FINANCIAL VS. STRATEGIC BUYER



TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2021	2022	2023	'23 Q2	'24 Q2
Acute Care	2	-	-	-	-
Aesthetic	1	3	-	-	1
Cardiovascular	4	5	-	-	-
Drug Delivery	8	1	2	1	1
Furniture/Equipment	37	28	32	6	13
Home Health	11	8	3	1	1
Hospital Care	19	13	6	1	-
Infection Control	2	3	1	-	-
IVD	6	3	-	-	-
Monitor	16	15	1	1	3
Neurovascular	2	-	1	-	-
Ophthalmology	8	5	2	1	1
Ortho	6	8	7	2	-
Other	10	5	5	1	2
Respiratory	12	6	1	-	-
Support	11	10	5	1	-
Surgical	16	17	7	1	1
Total	171	130	73	16	23

CROSS BORDER TRANSACTION TRENDS

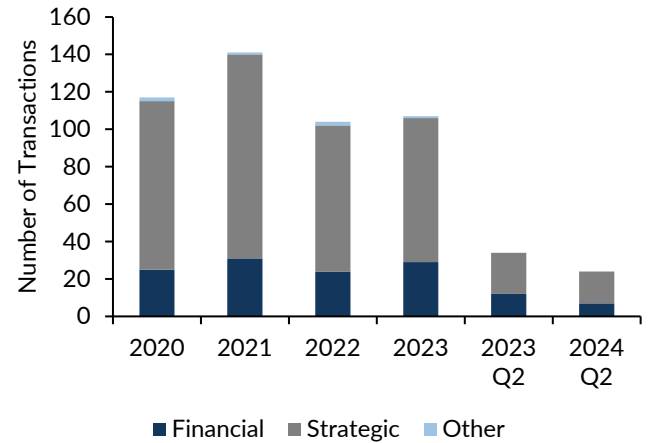
Seller-to-Buyer	2021	2022	2023	'23 Q2	'24 Q2
Int'l-to-Int'l	62	62	47	11	12
U.S.-to-Int'l	16	12	4	1	2
U.S.-to-U.S.	76	43	15	3	8
Int'l-to-U.S.	17	13	7	1	1
Total	171	130	73	16	23

Therapeutic Device M&A

Trends in Therapeutic Device M&A

- Therapeutic Device M&A wrapped Q2 2024 with 24 announced transactions, down from 34 deals in Q2 2023. As with Medical Equipment M&A, strategic acquirers remained the most active participants, accounting for 17 of the transactions in the quarter.
- In Q2 2024, both public and private acquirers were equally active in the Therapeutic Device sector, each announcing 11 transactions. Private equity groups, however, were less active, participating in just 2 transactions during the quarter.
- The Ortho segment led the Therapeutic Device M&A market in Q2 with 8 announced transactions. Trailing closely were Cardiovascular and Ophthalmology, each with 5 transactions.
- International to International led the way in Q2 2024 with 16 total transactions which is an increase from 12 in Q2 2023. U.S.-based companies experienced a slight decline to 7 transactions for this quarter.

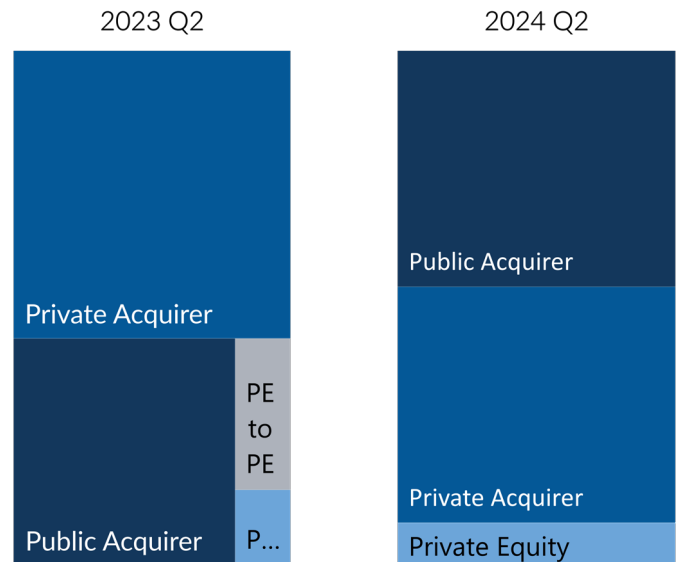
FINANCIAL VS. STRATEGIC BUYER



TRANSACTIONS BY END MARKET

End Market	2021	2022	2023	'23 Q2	'24 Q2
Acute Care	3	3	1	-	-
Aesthetic	1	3	3	2	-
Cardiovascular	18	9	15	3	5
Drug Delivery	-	3	6	2	-
Furniture/Equipment	2	1	-	-	-
Home Health	7	1	2	1	-
Hospital Care	1	1	5	1	-
Infection Control	2	-	-	-	1
IVD	1	-	2	1	-
Monitor	-	1	3	1	1
Neurovascular	4	10	10	1	2
Ophthalmology	15	20	4	1	5
Ortho	28	18	18	8	8
Other	45	23	14	4	-
Respiratory	8	3	6	2	-
Support	5	2	1	-	-
Surgical	1	6	17	7	2
Total	141	104	107	34	24

TRANSACTIONS BY BUYER TYPE



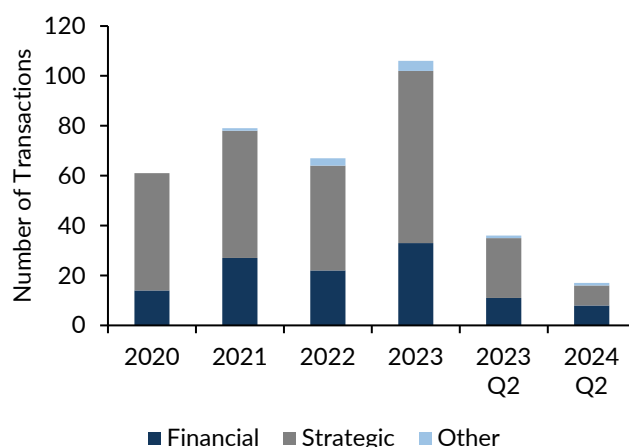
CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2021	2022	2023	'23 Q2	'24 Q2
Int'l-to-Int'l	61	45	35	12	16
U.S.-to-Int'l	10	8	17	4	2
U.S.-to-U.S.	59	38	43	16	5
Int'l-to-U.S.	11	13	12	2	1
Total	141	104	107	34	24

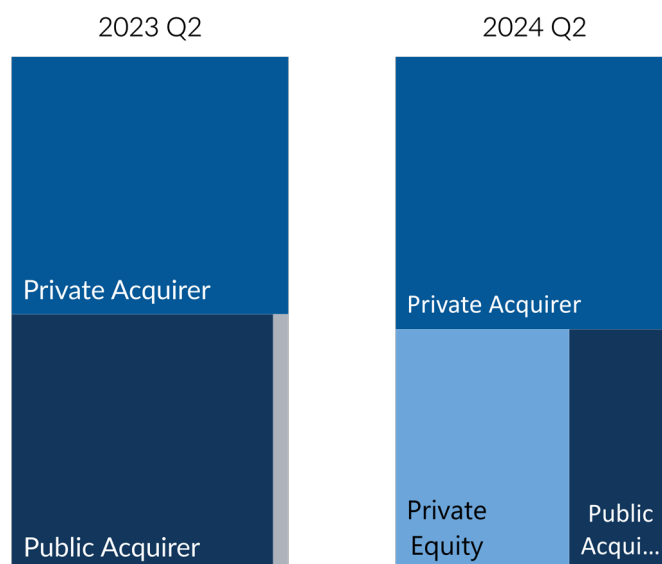
Trends in Consumable & Disposable M&A

- Consumable & Disposable M&A activity in Q2 2024 experienced a decline compared to the previous quarter (17 vs. 36 announced transactions) although 2023 saw uniquely robust activity in this segment.
- Private acquirers led M&A activity, announcing 9 transactions for the quarter. This was followed by private equity acquisitions, which constituted 36% of all Consumable & Disposable M&A. Public acquirers remained relatively quiet this quarter, announcing only 3 transactions during Q2 2024.
- Consumable & Disposable sector activity was distributed across U.S. and international markets. During Q2 2024, pure domestic transaction activity accounted for 9 transactions. International transactions declined to 6, from 18 in Q2 2023.
- Aesthetic and Drug Delivery focused transactions led the way among end markets with 3 transactions each, however activity continues to be distributed across the various end markets.

FINANCIAL VS. STRATEGIC BUYER



TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2021	2022	2023	'23 Q2	'24 Q2
Acute Care	9	1	3	2	1
Aesthetic	1	3	5	-	3
Cardiovascular	-	1	4	1	1
Drug Delivery	4	3	9	2	3
Furniture/Equipment	1	-	-	-	-
Home Health	2	1	2	1	1
Hospital Care	14	-	11	4	2
Infection Control	27	21	6	4	1
IVD	3	3	1	-	1
Monitor	1	-	-	-	-
Neurovascular	-	1	1	1	1
Ophthalmology	1	3	4	1	-
Ortho	-	3	4	-	1
Other	4	7	18	8	-
Respiratory	-	1	4	1	-
Support	6	9	20	8	-
Surgical	6	11	14	3	2
Total	79	68	106	36	17

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2021	2022	2023	'23 Q2	'24 Q2
Int'l-to-Int'l	41	39	48	18	6
U.S.-to-Int'l	8	5	10	2	-
U.S.-to-U.S.	23	20	36	13	9
Int'l-to-U.S.	7	4	12	3	2
Total	79	68	106	36	17

Diversified Medical Device Public Comparables

PUBLIC DIVERSIFIED MEDICAL DEVICE COMPANY COMMENTARY:

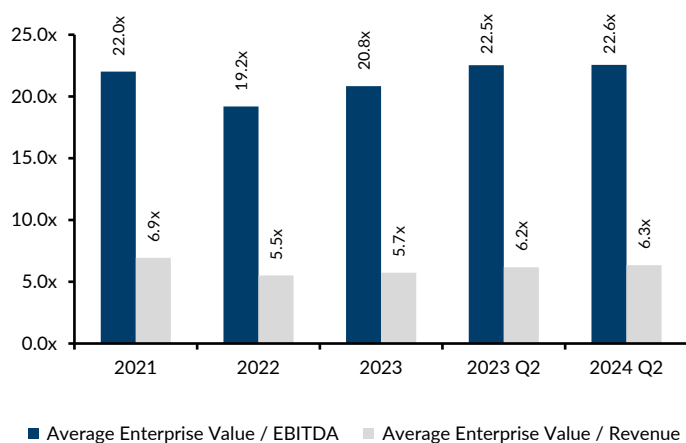
- “On the M&A front, if we’re able to find an asset that makes sense strategically to us, makes sense financially, that could add even further to that growth, then we’ve got the balance sheet to be able to do that.” – Robert Ford, Abbott Laboratories, Chairman, President & CEO
- “Our margin drivers continue to be from a couple of different things. Pricing, we continue to see upside in opportunities from a pricing perspective. In the current year, it’s been primarily outside the U.S. We looked for some of that inside in the U.S.” – Joel Grade, Baxter International, Executive Vice President & CFO

DIVERSIFIED MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

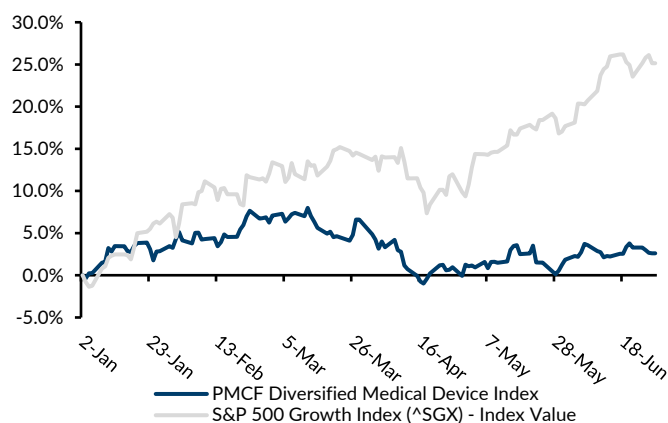
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2024	7,219	14,845	180,765	188,633	4.7x	17.6x	32.4x
Baxter International Inc.	6/30/2024	2,095	13,343	17,045	28,358	1.9x	9.2x	NM
Becton, Dickinson and Company	6/30/2024	5,310	19,323	67,544	81,557	4.2x	15.8x	49.9x
Boston Scientific Corporation	6/30/2024	2,913	10,936	113,219	121,480	8.3x	31.8x	64.7x
Intuitive Surgical, Inc.	6/30/2024	4,757	0	157,791	153,122	20.9x	66.7x	80.3x
Johnson & Johnson	6/30/2024	25,475	41,491	351,760	367,776	4.2x	11.7x	21.6x
Medtronic plc	4/26/2024	8,005	26,047	100,927	119,175	3.7x	12.8x	28.5x
Smith & Nephew plc	6/29/2024	568	3,655	10,806	13,893	2.5x	12.0x	41.5x
Stryker Corporation	6/30/2024	1,957	12,744	129,618	140,405	6.7x	25.4x	38.8x
High		25,475	41,491	351,760	367,776	20.9x	66.7x	80.3x
Mean		6,478	15,820	125,497	134,933	6.3x	22.6x	44.7x
Median		4,757	13,343	113,219	121,480	4.2x	15.8x	40.2x
Low		568	0	10,806	13,893	1.9x	9.2x	21.6x

As of June 30, 2024

DIVERSIFIED MEDICAL DEVICE MULTIPLES



DIVERSIFIED MEDICAL DEVICE INDEX



EV/EBITDA multiples for the Diversified Medical Device (DMD) sector remained stable over the past year. In Q2 2024, the multiple stood at 22.6x, only slightly up from 22.5x in Q2 2023. Revenue multiples showed a similar pattern, increasing marginally from 6.2x to 6.3x. Intuitive Surgical continues to lead the index with the highest valuation, boasting an impressive 66.7x EBITDA multiple, while Boston Scientific and Stryker hold second and third place, respectively.

The DMD Index began the year with noteworthy momentum, reaching a peak of up 7%. However, it has since moderated, ending the second quarter up 3%. Despite this strong start, the DMD Index trailed the benchmark S&P 500 Growth Index by over 20% at the end of the first half of the year.

Orthopedic Public Comparables

PUBLIC ORTHOPEDIC MEDICAL DEVICE COMPANY COMMENTARY:

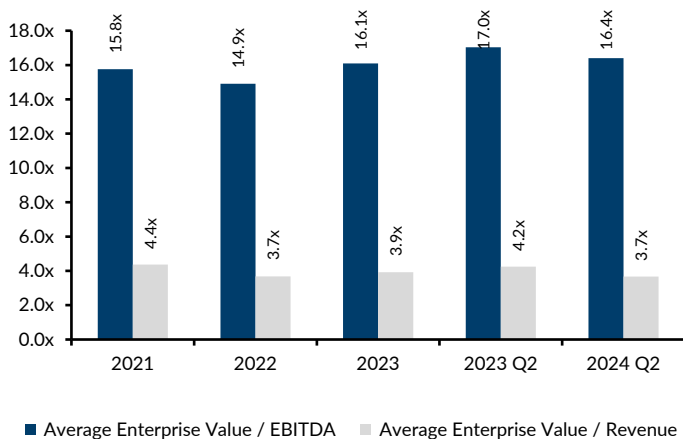
- “In the end, information asymmetry is a huge disadvantage whenever you do external deals. So, you have to be prudent. You’ve seen us shift to mostly deals, sub-billion. And if anything, a handful of larger bolt-on deals. We try to stay disciplined against our financial measures.” – Vasant Narasimhan, Novartis, CEO
- “So, as I think about capital allocation, number one, Globus is going to maintain a strong balance sheet as part of our culture. As I think about longer term, I would absolutely think that we’re going to continue to look at M&A opportunities within our core of musculoskeletal.” – Keith Pfeil, Globus Medical, Inc., CFO & COO

ORTHOPEDIC MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

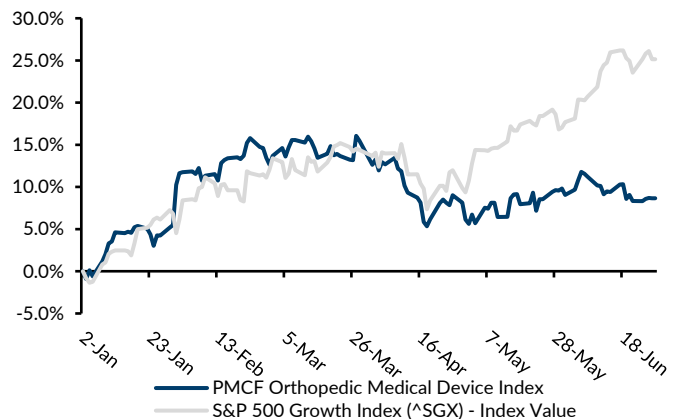
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Alphatec Holdings, Inc.	6/30/2024	100	556	1,462	1,941	3.7x	NM	NM
Enovis Corporation	6/28/2024	35	1,417	2,479	3,864	2.1x	14.8x	NM
Globus Medical, Inc.	6/30/2024	493	531	9,250	9,288	4.9x	18.5x	126.0x
Novartis AG	6/30/2024	8,431	28,987	218,368	239,093	4.9x	12.3x	24.2x
Orthofix Medical Inc.	6/30/2024	26	156	498	628	0.8x	20.8x	NM
Smith & Nephew plc	6/29/2024	568	3,655	10,806	13,893	2.5x	12.0x	41.5x
Stryker Corporation	6/30/2024	1,957	12,744	129,618	140,405	6.7x	25.4x	38.8x
Zimmer Biomet Holdings, Inc.	6/30/2024	420	6,035	22,328	27,951	3.8x	11.0x	23.5x
High		8,431	28,987	218,368	239,093	6.7x	25.4x	126.0x
Mean		1,504	6,760	49,351	54,633	3.7x	16.4x	50.8x
Median		457	2,536	10,028	11,590	3.7x	14.8x	38.8x
Low		26	156	498	628	0.8x	11.0x	23.5x

As of June 30, 2024

ORTHOPEDIC MEDICAL DEVICE MULTIPLES



ORTHOPEDIC MEDICAL DEVICE INDEX



The Orthopedic Medical Device sector experienced a relatively steady first half of 2024, with valuations aligning closely with historical trends. Even so, EV to EBITDA multiples saw a modest decline, falling from 17.0x in Q2 2023 to 16.4x. Stryker distinguished itself in the quarter, leading the sector with an impressive EV/EBITDA multiple of 25.4x.

Similar to the DMD Index, the OMD Index enjoyed an impressive start to the year, soaring by 16% and outperforming the S&P 500 Growth Index for most of the first quarter. It later stabilized and ended Q2 with a 9% gain for the year. Once again, the OMD Index stands out as the top performer among those tracked by PMCF.

Cardiovascular Public Comparables

PUBLIC CARDIOVASCULAR MEDICAL DEVICE COMPANY COMMENTARY:

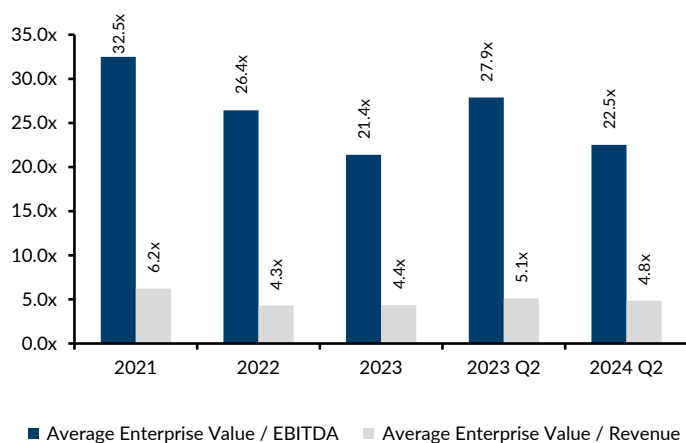
- “We expect the quarter to exhibit higher use of cash than other quarters, which is typically the case, and we are confident that the strength of our balance sheet, in combination with our capital allocation strategy, provides us with the flexibility to fund investments necessary to drive growth in our Med Tech segment.” – Stephen Trowbridge, AngioDynamics, Executive VP & CFO
- “We’ve been active with letters of intent over the last couple years...but I would say we’re not discouraged at all. I mean; to state it positively, we’re waiting for our pitch. And so, in the meanwhile, we’re just building our cash.” – David Roberts, LeMaitre Vascular, President & Director

CARDIOVASCULAR MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

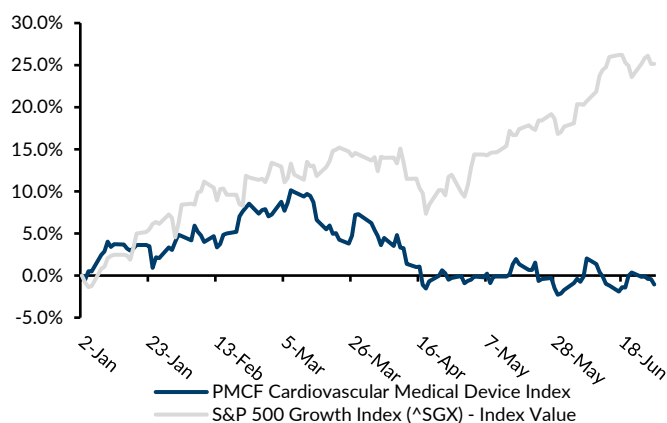
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2024	7,219	14,845	180,765	188,633	4.7x	17.6x	32.4x
AngioDynamics, Inc.	5/31/2024	76	6	242	172	0.5x	NM	NM
Artivion, Inc.	6/30/2024	55	363	1,070	1,378	3.8x	26.4x	NM
Edwards Lifesciences Corporation	6/30/2024	1,990	693	55,662	54,433	8.9x	28.1x	39.8x
LeMaitre Vascular, Inc.	6/30/2024	113	18	1,847	1,752	8.8x	33.0x	54.5x
Medtronic plc	4/26/2024	8,005	26,047	100,927	119,175	3.7x	12.8x	28.5x
Merit Medical Systems, Inc.	6/30/2024	637	871	4,994	5,228	4.1x	21.7x	49.4x
Terumo Corporation	6/30/2024	1,212	1,459	24,487	24,734	4.3x	18.0x	37.1x
High		8,005	26,047	180,765	188,633	8.9x	33.0x	54.5x
Mean		2,413	5,538	46,249	49,438	4.8x	22.5x	40.3x
Median		924	782	14,740	14,981	4.2x	21.7x	38.5x
Low		55	6	242	172	0.5x	12.8x	28.5x

As of June 30, 2024

CARDIOVASCULAR MEDICAL DEVICE MULTIPLES



CARDIOVASCULAR MEDICAL DEVICE INDEX



In the Cardiovascular Medical Device industry, multiples in Q2 2024 ended slightly below the levels seen in the same quarter of 2023, but showed improvement compared to the end of 2023, with EV/EBITDA rising from 21.4x to 22.5x. Revenue multiples remained relatively stable, finishing the quarter at 4.8x. EBITDA multiples within the sector exhibited little variation, with most companies trading in the high teens to mid-20s. However, LeMaitre Vascular stood out as an exception, trading at a notable 33.0x.

The CMD Index experienced significant fluctuations early in the year, peaking at a 10% gain in early March. However, it ultimately ended the first half of the year in negative territory, with a 1% decline. The CMD Index was the worst performer of the PMCF tracked indexes.

Diversified Diagnostic Public Comparables

PUBLIC DIVERSIFIED DIAGNOSTIC COMPANY COMMENTARY:

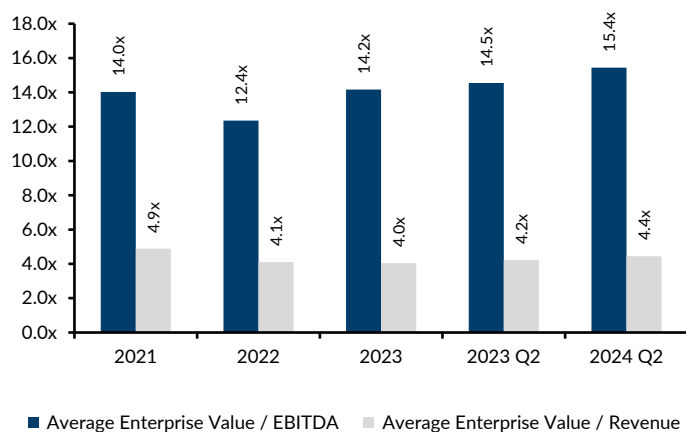
- “So, we maintain a strong bias towards M&A, and we're going to continue to be active on the M&A front. Now having said that, we evaluate capital allocation using the same ROIC lens, whether it's M&A, buyback, R&D projects, CapEx, and so forth.” – Rainer Blair, Danaher Corporation, President, CEO & Director
- “The year is progressing as we expected. So, we expect that the market will continue to improve modestly in the back half of the year, each quarter being a little better than the quarter before. And our performance will also continue to step up, and that will give us momentum going into '25.” – Marc Casper, Thermo Fisher Scientific, Chairman, President & CEO

DIVERSIFIED DIAGNOSTIC PUBLIC COMPARABLES SUMMARY

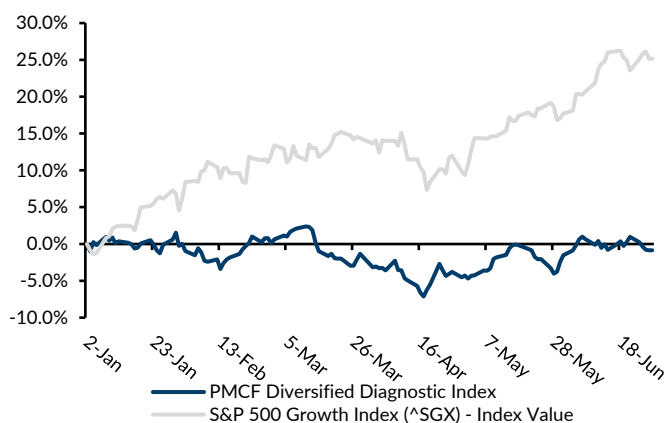
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2024	7,219	14,845	180,765	188,633	4.7x	17.6x	32.4x
Becton, Dickinson and Co.	6/30/2024	5,310	19,323	67,544	81,557	4.2x	15.8x	49.9x
Danaher Corporation	6/28/2024	2,374	18,210	185,061	200,902	8.3x	25.6x	45.8x
Hologic, Inc.	6/29/2024	2,448	2,559	17,328	17,440	4.5x	14.1x	38.9x
Laboratory Corporation of America	6/30/2024	265	6,055	17,155	22,959	1.9x	12.2x	44.1x
Novartis AG	6/30/2024	8,431	28,987	218,368	239,093	4.9x	12.3x	24.2x
Quest Diagnostics Incorporated	6/30/2024	271	5,088	15,206	20,141	2.2x	9.4x	18.4x
Roche Holding AG	6/30/2024	9,809	40,257	224,243	259,069	3.7x	10.6x	17.4x
Thermo Fisher Scientific Inc.	6/29/2024	8,823	35,427	211,089	237,796	5.6x	21.3x	35.5x
High		9,809	40,257	224,243	259,069	8.3x	25.6x	49.9x
Mean		4,994	18,972	126,307	140,843	4.4x	15.4x	34.1x
Median		5,310	18,210	180,765	188,633	4.5x	14.1x	35.5x
Low		265	2,559	15,206	17,440	1.9x	9.4x	17.4x

As of June 30, 2024

DIVERSIFIED DIAGNOSTIC MULTIPLES



DIVERSIFIED DIAGNOSTIC INDEX



Diversified Diagnostic (“DD”) industry multiples closed the quarter higher than a year ago (15.4x vs. 14.5x). This demonstrates the strongest valuation since 2022 benchmarks. Danaher Corporation continued to lead the index in terms of valuation multiples.

Echoing the struggles of the CMD Index, the DD Index faced difficulties, concluding the second quarter down 1%. However, the DD Index was down as much as 7% earlier in the year, showing notable gains towards the end of Q2.

Q2 2024 Venture Capital Activity Overview

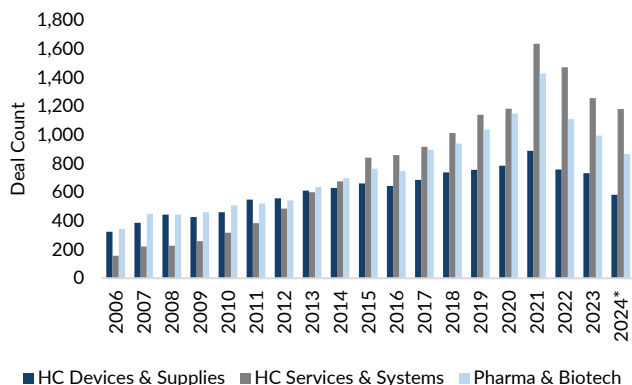
As the Venture Capital market navigates the aftermath of unprecedented investment levels during the COVID era, distinct challenges are beginning to emerge as long-term trends rather than temporary fluctuations. Investors are increasingly focused on their most promising companies amid a historically difficult exit environment. M&A activity and public listings for VC-backed firms that aren't immediately accretive have slowed, leading to increased duration in portfolio company hold periods across the market. Furthermore, fundraising is becoming more difficult, with only the most seasoned and experienced fund managers able to attract limited partner interest due to the highest risk-free rates in decades. Consequently, VCs need to deliver exceptional returns to secure investor commitment. Nevertheless, the market continues to adapt to these challenges, producing encouraging signals for the remainder of the year.

In the first half of 2024, Venture Capital activity concluded with 6,169 deals totaling \$93.4B in value, representing a 12% increase in volume and 11% decrease in value on an annualized basis from 2023. Angel, early VC, and late VC continue to split activity evenly across the market as they represented 32%, 37%, and 31% of Q2 2024 activity, respectively. Medical VC investments followed trends seen by the rest of the market, accounting for 20% of deals in the first half of 2024, which is level with 2023.

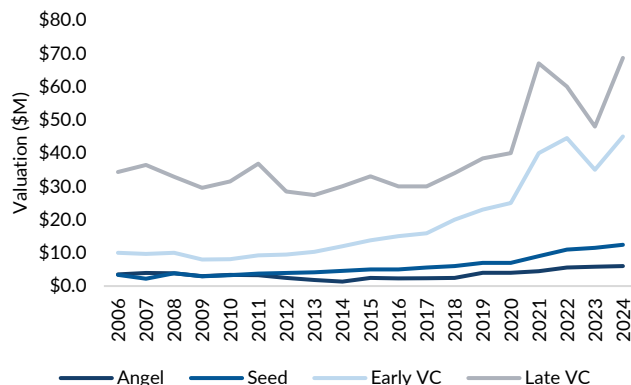
Despite fluctuations in transaction activity, median deal valuations have rebounded strongly from their post-pandemic dips. While valuations at the Angel and Seed stages have remained relatively stable, early and late-stage valuations have seen substantial increases, largely due to a few high-profile mega-deals. Overall, average deal values are significantly higher than in 2020, reflecting an 80% increase across all stages.

Looking ahead to the rest of the year, the VC market is anticipating potential developments such as a possible rate cut and the impact of the upcoming presidential election. These factors will determine whether the market continues to adapt to new trends or faces ongoing challenges as it tries to regain the previous momentum that occurred post-COVID.

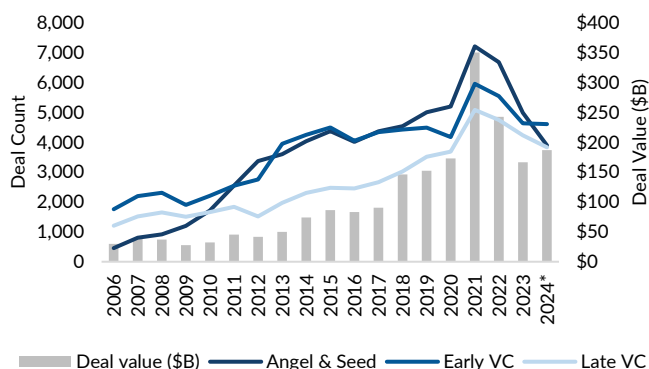
VC INVESTMENTS IN MEDICAL SECTORS



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.

*2024 metrics on an annualized basis

What is a Strategic Assessment and Why is it Important?

A Strategic Assessment is a comprehensive report that examines a business holistically with specific consideration given to the financial results, operations, and organizational structure. We advise our clients consider one before a planned liquidity event to ensure your company is ready for a transaction. This process includes:

Determining your company's current value

Identifying factors that enhance or erode value and related risk considerations

Developing strategies to bridge gaps in value and market position

7 Reasons Why a Strategic Assessment is Essential for Maximizing Business Value In Preparation of a Liquidity Event

- 1 Prepares your company for the scrutiny of capital investors
- 2 Helps ownership and management identify the value attributes and constraints of the business
- 3 Provides ownership with an understanding of perceived value considerations in the eyes of investors
- 4 Affords your company an opportunity to address shortfalls and enhance the value in advance of a capital transaction
- 5 Helps align corporate strategy with organizational, tax, and wealth transfer planning
- 6 Helps shareholders/management understand how various business strategies can impact future value
- 7 Resolves potential deal obstacles to ensure a smooth diligence process and higher likelihood of deal success

As an investment in your company, PMCF will complete a complimentary Strategic Assessment.

For additional information, please visit pmcf.com

SIGNIFICANT INDUSTRY EXPERTISE AND RESOURCES

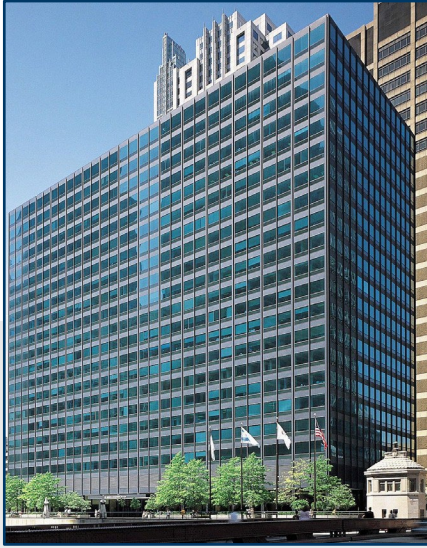
Founded in 1995, PMCF has spent 25+ years successfully advising clients in the middle market. From M&A advisory or capital raising to strategic assessment and transaction planning, we execute transactions to achieve life-changing outcomes for our clients. We leverage our significant deal experience, industry relationships, and a deep understanding of sectors we serve to support our clients' organic and inorganic growth initiatives.

PMCF takes a strategic approach to transaction planning, ensuring the positioning and messaging conveys the unique differentiators of your company. Our affiliation with Plante Moran provides us access to transaction tax experts to provide insight into structure planning considerations.

- Developing strategies to effectively deploy capital and resources to maximize ROI on your high-priority growth initiatives
- Aligning your process capabilities with key macro trends driving industry growth
- Evaluating KPI trends and results and understanding how they are used in daily management
- Reviewing the organizational chart and the internal plan for turnover and/or succession of key management team members
- Pursuing customer diversification at attractive, appropriate margins
- Understanding margin trends and concentrations of margin within product groups or customers
- Assessing your company's differentiation and position in the marketplace
- Leveraging our extensive global relationships to help penetrate new customers and/or markets

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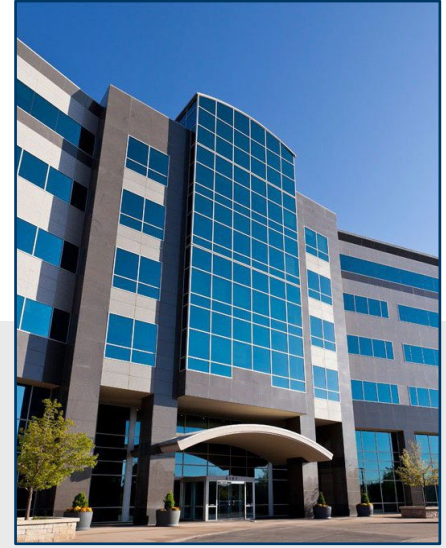
CHICAGO

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



DETROIT

3000 Town Center
Suite 100
Southfield, MI 48075
Phone: 248.223.3300



DENVER

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

OUR FIRM

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- 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 feedback

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