

MEDICAL TECHNOLOGY M&A PULSE

SECOND QUARTER 2021



Q2'21

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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.

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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



2021 Q2 Market Summary

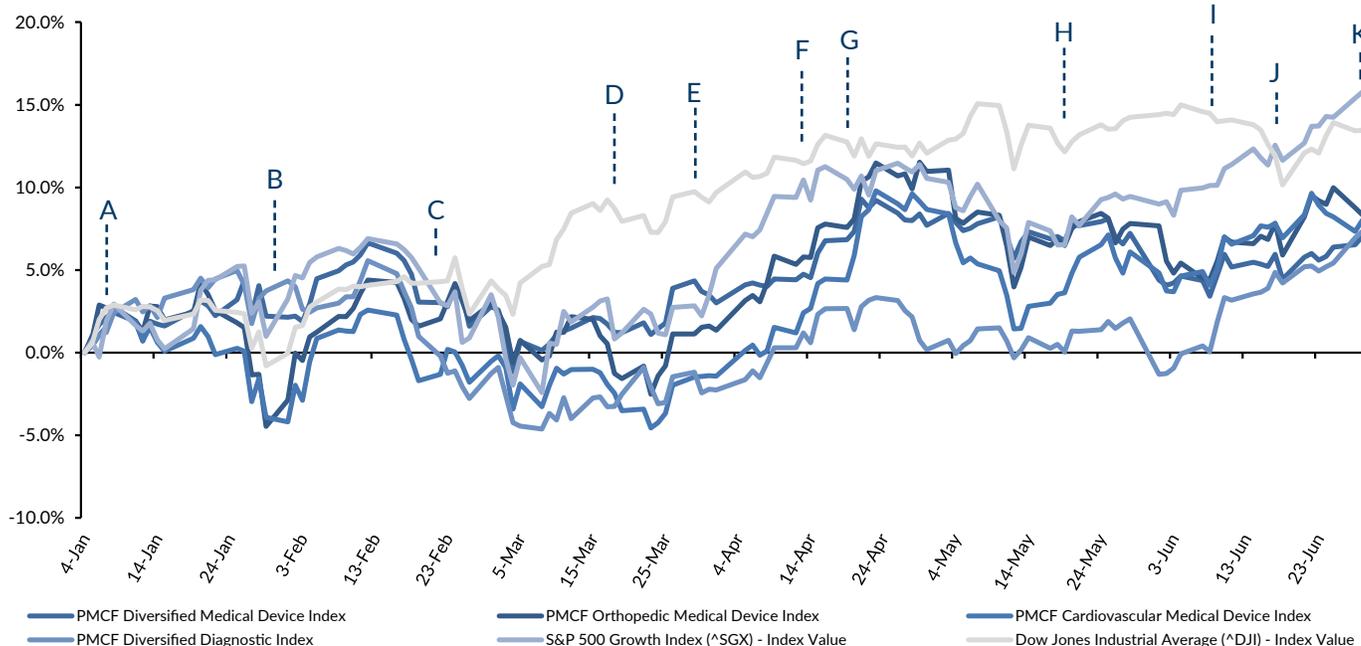
2021 1H: SIGNIFICANT PROGRESS

- The second quarter saw the U.S. achieve significant milestones in the fight to control COVID-19, with the country reaching 50% of adults fully vaccinated in late May. Correspondingly, by mid-June both COVID cases and deaths had fallen to their lowest point since March of 2020, highlighting the impact of the country's mass vaccination strategy.
- Private markets continued their surge during the second quarter, with transaction volume up meaningfully from both the pandemic impacted 2020 second quarter as well as 2019. Business owners concerned about potential capital gains tax increases, paired with private equity investors seeking to deploy record amounts of dry powder have worked in tandem to push activity to a frenzied pace. This activity in private markets has been paired with skyrocketing valuations in the venture capital world, most notably among late-stage start-ups.
- During the year to date, PMCF's four Medical Technology indices have seen mixed results, though they finished the first half of 2021 tightly grouped, up between 6.4% and 8.2% on the year. This trails the benchmark S&P 500 Growth Index which climbed significantly in June and finished up 15.6%, and the Dow Jones Industrial Average, which closed up 14.2%.

KEY 2021 EVENTS TIMELINE

- January 4, 2021 | United Kingdom Begins Administering AstraZeneca Vaccine
- February 1, 2021 | More Americans Vaccinated Than Infected with COVID-19
- February 21, 2021 | Pfizer Vaccine Found to be 98.8% Effective Against Deaths / Hospitalizations
- March 19, 2021 | U.S. Administers its 100 Millionth COVID-19 Vaccine Shot
- April 2, 2021 | CDC Announces Vaccinated Travelers Can Travel Domestically at Low Risk
- April 16, 2021 | U.S. Administers its 200 Millionth COVID-19 Vaccine Shot
- April 17, 2021 | Global Death Count From COVID-19 Reaches 3 Million People
- May 25, 2021 | Half of U.S. Adults Are Fully Vaccinated Against COVID-19
- June 10, 2021 | COVID-19 Cases and Deaths in the U.S. Fall to Lowest Point Since March 2020
- June 15, 2021 | U.S. Records 600,000 COVID-19 Deaths
- July 7, 2021 | Delta Variant Surpassed Alpha Variant to Become Dominant U.S. Strain

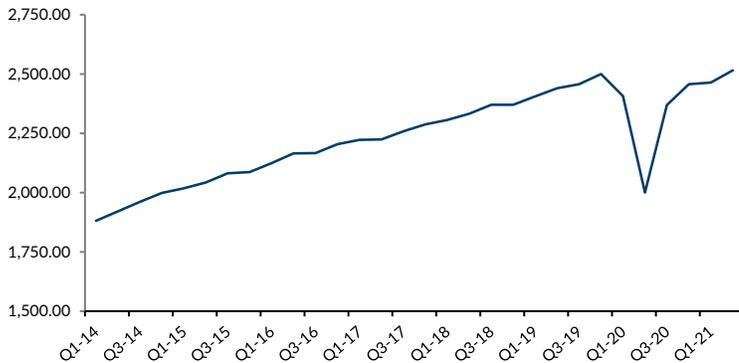
PMCF MEDICAL TECHNOLOGY INDICES PERFORMANCE



Sources: Capital IQ, PitchBook, Company Reports, Fraser

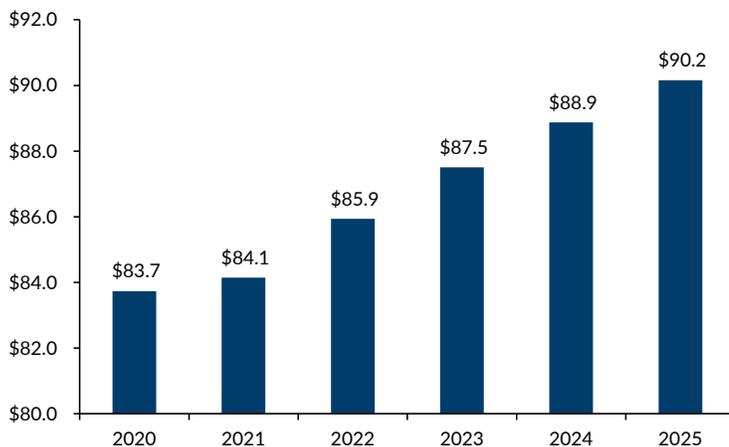
Trends in Medical Technology

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



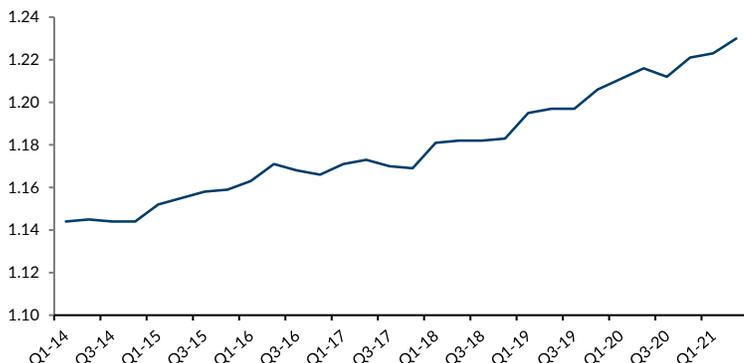
- Personal Health Care Service expenditures serve as a proxy for activity in the broader Healthcare and Medical industries, with high levels of service expenditures correlated with strong performance in other sectors.
- After a brief downturn due to broad health care system disruptions and temporary delays of elective procedures, personal health care service expenditures have slightly exceeded pre-pandemic levels and continue to grow steadily, up 1.6% between the first and second quarter of 2021.

U.S. MEDICAL INSTRUMENT & SUPPLY MANUFACTURING (\$B)



- The Medical Device, Instrument, Technology, and Supply industries in the United States together constitute one of the most critical and advanced industries in the world, leveraging advances in biotechnology, materials science, robotics, and therapeutics.
- Growth between 2020 and 2021 is expected to be relatively minimal, due to the combination of COVID-19 and slow down of non-pandemic related medical R&D and manufacturing. However, the longer-term industry outlook remains bright.

MEDICAL EQUIPMENT & SUPPLY PRODUCER PRICE INDEX (PPI)



- As medical industry revenues are growing, producer costs are also rising, often due to COVID-19 safety measures and supply chain disruptions. 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 122.6, up from 121.6 in Q2 2020.

Source: Federal Reserve Bank of St. Louis

Note: Year-over-year Percent Change in Medical Equipment Industry

Data as of Q2 2021, Index Dec 2003 = 100 PPI

Medical Technology M&A Activity

Medical Equipment

Allergan Aesthetics, an AbbVie company (NYSE: ABBV) acquires Soliton (NASDAQ:SOLY)

May 2021 — Allergan Aesthetics, an AbbVie company (NYSE: ABBV), announced a definitive agreement to acquire Soliton (NASDAQ:SOLY). Soliton is the developer of RESONICTM, a rapid acoustic pulse device that provides non-invasive treatment of cellulite. The device recently received 510(k) clearance from the FDA and utilizes rapid, high-frequency sound waves to disrupt targeted areas. Carrie Strom, President, Global Allergan Aesthetics and Senior Vice President, AbbVie commented “Soliton’s technology offers a new, completely non-invasive approach with clinically-proven results to reduce the appearance of cellulite with no patient downtime. The addition of this technology complements Allergan Aesthetics’ portfolio of body contouring treatments. Health care providers will now have another option to address consumers’ aesthetic concerns.” Soliton expressed similar excitement, with Executive Chairman Walter Klemp saying “Allergan Aesthetics’ brand recognition, global footprint, track record and commitment to developing best-in-class aesthetic treatments makes the Company ideally suited to maximize the commercial potential of the RESONICTM rapid acoustic pulse technology.”

Therapeutic Device

Endologix acquires PQ Bypass

April 2021 — Endologix, a global leader in vascular disease treatment, announced it has completed its acquisition of PQ Bypass, a privately held pioneer in the severe peripheral arterial disease (PAD). “The acquisition of PQ Bypass is a seminal moment in Endologix’s history, building upon our leadership in the treatment of abdominal aortic aneurysm to champion disruptive technologies for the treatment of vascular disease,” said Richard Mott, CEO and chairman, Endologix. PQ Bypass’ Detour platform has been designated by the FDA as a Breakthrough Device and is currently being studied in a U.S. and European clinical trial. The Company had previously received equity funding from Deerfield Management. Andrew ElBardissi, MD, and partner at Deerfield remarked “We are excited about the progress that Endologix has made over the past year. With the acquisition of PQ Bypass, we believe the company is positioned to accelerate its leadership in the treatment of vascular disease, and we look forward to supporting continued growth.”

Consumable & Disposable

CooperSurgical, a subsidiary of CooperCompanies (NYSE:COO) acquires obp Medical

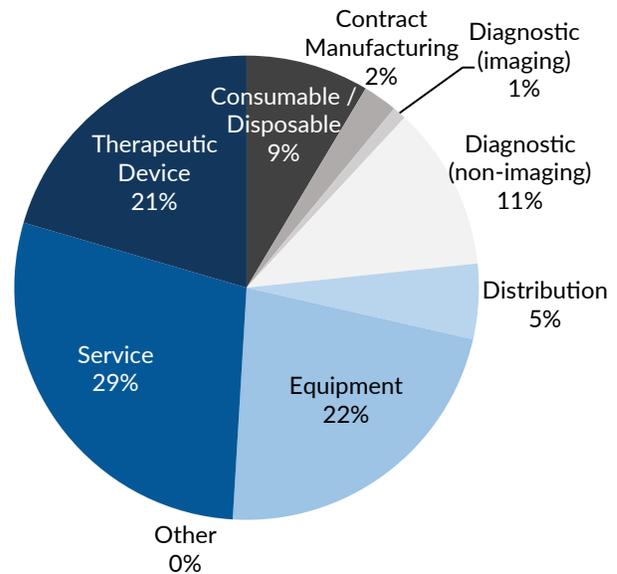
May 2021 — CooperSurgical, a leader in manufacturing and marketing a wide range of women’s health care brands, and a subsidiary of global medical device company CooperCompanies (NYSE:COO), announced the acquisition of obp Medical, a developer of single-use, self contained illuminating medical devices. These devices include vaginal speculums, anoscopes, and laryngoscopes, and are designed to maximize clinical efficiency by integrating an LED light source, eliminating both the need for operating room lighting, and the expenses associated with reprocessing. “obp Medical’s suite of self-illuminating devices has been extremely well-received by providers. We’re thrilled to make them part of our offering to hospital and practice-based women’s health providers,” said Holly Sheffield, President of CooperSurgical. “Adequate visualization is critical to diagnosis and treatment. These products will facilitate improved patient care worldwide.”

M&A Activity Roundup

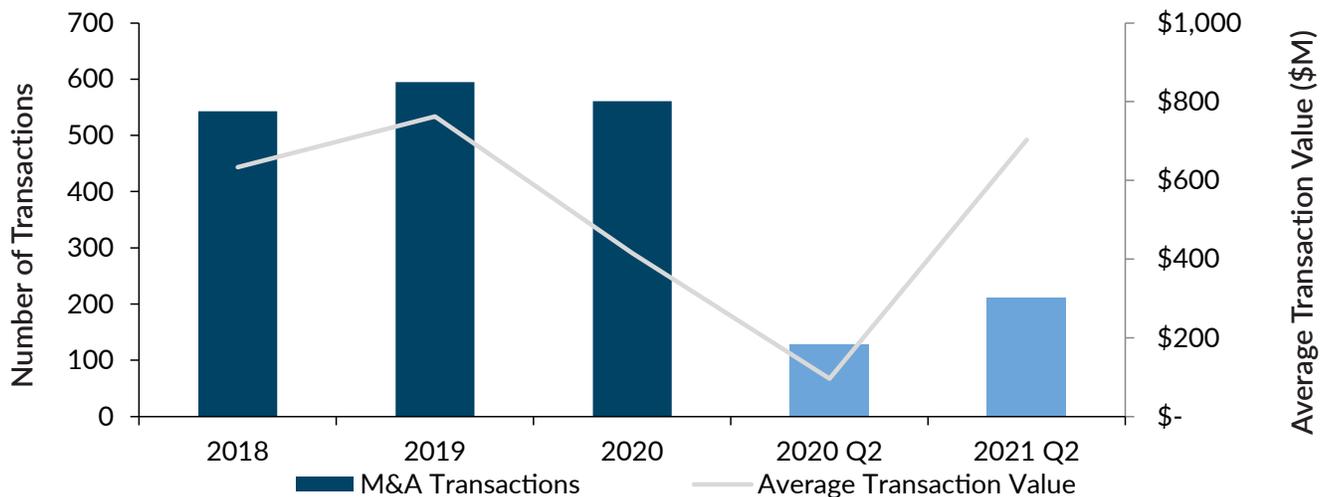
TRENDS IN MEDICAL TECHNOLOGY M&A

- M&A transaction volume in the second quarter of 2021 was significantly up from the second quarter of 2020, with 210 transactions announced in 2021, compared to 128 announced in 2020's second quarter (145 recorded in Q2 of 2019). Since the inception of the PMCF medical technology database in 2012, 2021 has seen the strongest first and second quarters by transaction volume.
- Average transaction value during the quarter was also very strong; the 72 transactions with disclosed values averaged \$703 million, up from \$96 million in Q2 2020. The largest announced deals this quarter were Thermo Fisher's acquisition of PPD, Inc., and Datavant, Inc.'s acquisition of CIOX Health.
- As a percentage of overall M&A transactions, those with Therapeutic Device, Equipment, and Service target companies were again the three most active segments, during the quarter, making up 64% of announced deals.

TRANSACTIONS BY PRODUCT SEGMENT - Q2 2021



MEDICAL DEVICE M&A TRANSACTION METRICS



Period	Mean/Median	Transaction Value (\$MM)	TEV/REV	TEV/EBITDA
2021 Q2	Mean	\$703.0	6.52x	18.30x
2021 Q2	Median	\$42.5	3.48x	13.14x
2020 Q2	Mean	\$95.6	3.56x	19.78x
2020 Q2	Median	\$9.8	1.24x	11.27x
2020	Mean	\$414.8	5.28x	30.54x
2020	Median	\$23.7	2.40x	13.57x
2019	Mean	\$762.3	6.76x	18.06x
2019	Median	\$24.8	2.83x	14.08x
2018	Mean	\$633.8	6.64x	17.52x
2018	Median	\$57.5	2.50x	13.63x

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Medical Equipment M&A

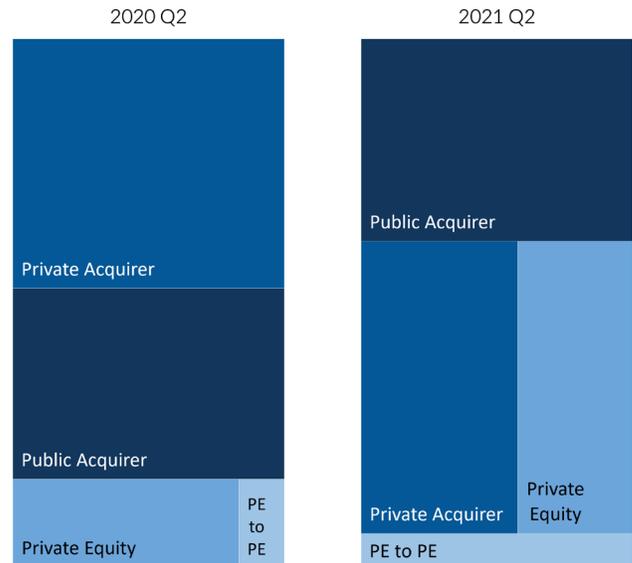
TRENDS IN MEDICAL EQUIPMENT M&A

- Medical Equipment M&A activity increased significantly when comparing Q2 2020 and Q2 2021, climbing from 36 to 47 announced transactions. This was again a record setting quarter for the sector, with quarterly transaction volume the second highest in PMCF's database, behind only Q1 2021.
- Announced transactions among public acquirers, private equity, and PE to PE were all up, with public acquirers leading the way at 38% of transactions. Private acquirers' volume fell slightly compared to the same quarter last year.
- In cross border transactions, domestic transactions saw a notable increase from 10 to 17 announced transactions. International buyers were also highly active, with 23 transactions involving international targets during the quarter.
- Reflecting buyer's continued focus on COVID-19 related care companies, the three most active end markets within Medical Equipment were Respiratory, Hospital Care, and Monitoring. Each of these end markets is on pace to set the high-volume mark across the 2018 - 2020 time period.

FINANCIAL VS. STRATEGIC BUYER MEDICAL EQUIPMENT



MEDICAL EQUIPMENT TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2018	2019	2020	20 Q2	21 Q2
Acute Care	1	1	4	1	-
Aesthetic	3	2	-	-	-
Cardiovascular	3	5	3	1	1
Drug Delivery	9	1	5	2	2
Furniture/Equipment	39	37	25	4	4
Home Health	5	10	9	2	2
Hospital Care	3	7	21	7	6
Infection Control	6	5	1	-	1
IVD	5	-	1	1	1
Monitor	12	8	12	7	6
Neurovascular	-	2	2	-	-
Ophthalmology	4	7	6	-	4
Ortho	2	1	-	-	1
Other	17	19	11	2	5
Respiratory	7	7	6	2	7
Support	5	9	6	3	4
Surgical	27	15	17	4	3
Total	148	136	129	36	47

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2018	2019	2020	20 Q2	21 Q2
Int'l-to-Int'l	65	66	57	21	23
U.S.-to-Int'l	15	11	12	1	2
U.S.-to-U.S.	59	48	46	10	17
Int'l-to-U.S.	9	11	14	4	5
Total	148	136	129	36	47

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Therapeutic Device M&A

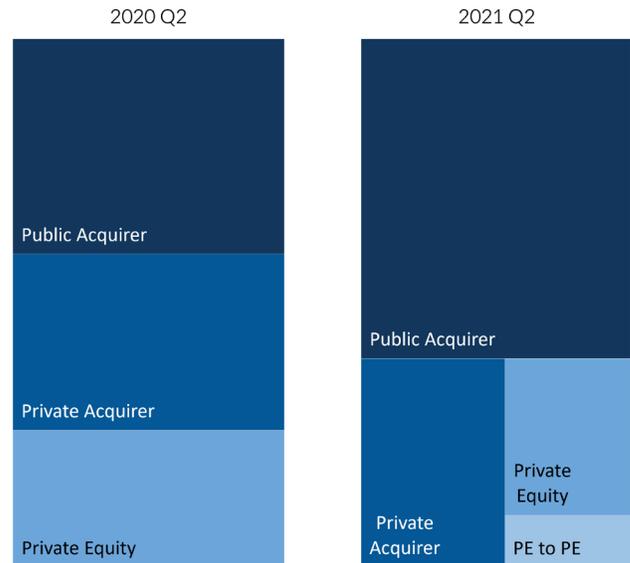
TRENDS IN THERAPEUTIC DEVICE M&A

- Therapeutic Device M&A was up slightly quarter-over-quarter, with transaction volume increasing from 38 to 43 in Q2 2021. The bulk of this activity came from strategic buyers, with 35 of the 43 transactions involving a strategic acquirer.
- Unsurprisingly, given the activity level of strategic buyers, public groups were the most active in the Therapeutic Device space during Q2 2021, making up nearly half of the 43 announced transactions.
- Orthopedic and Other were again the most common end markets within the broader Therapeutic Device segment, a position that they have held each year since 2017. Cardiovascular and Ophthalmology were also active segments with their YTD transactions nearly exceeding their 2020 totals through just half of the year.
- The global interconnectedness of medical M&A continues to be highlighted, with over 44% of announced transactions involving at least one international party, keeping pace with recent trends and refuting the notion that the COVID-19 pandemic and related supply chain issues would lead to an immediate pull back in cross border activity.

FINANCIAL VS. STRATEGIC BUYER THERAPEUTIC DEVICE



THERAPEUTIC DEVICE TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2018	2019	2020	20 Q2	21 Q2
Acute Care	-	6	3	-	1
Aesthetic	-	-	-	-	1
Cardiovascular	9	7	10	4	5
Drug Delivery	2	-	2	-	-
Furniture/Equipment	-	1	3	-	-
Home Health	9	2	5	2	1
Hospital Care	2	-	-	-	-
Infection Control	-	3	-	-	1
IVD	1	3	1	-	-
Monitor	1	-	2	-	-
Neurovascular	-	5	1	-	1
Ophthalmology	12	13	7	2	4
Ortho	27	33	37	11	12
Other	32	23	36	6	12
Respiratory	2	3	3	1	2
Support	1	1	2	-	3
Surgical	4	2	5	1	-
Total	102	102	117	27	43

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2018	2019	2020	20 Q2	21 Q2
Int'l-to-Int'l	49	34	47	8	16
U.S.-to-Int'l	7	6	10	3	3
U.S.-to-U.S.	35	51	46	14	20
Int'l-to-U.S.	11	11	14	2	4
Total	102	102	117	27	43

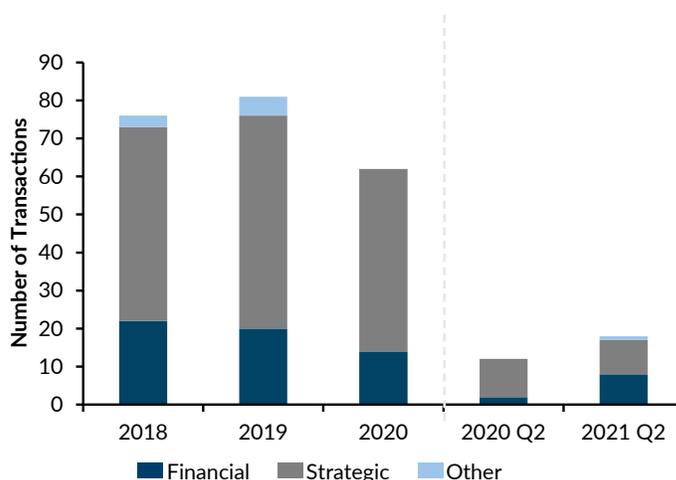
Sources: Capital IQ, PitchBook, Company Reports, PMCF

Consumable & Disposable M&A

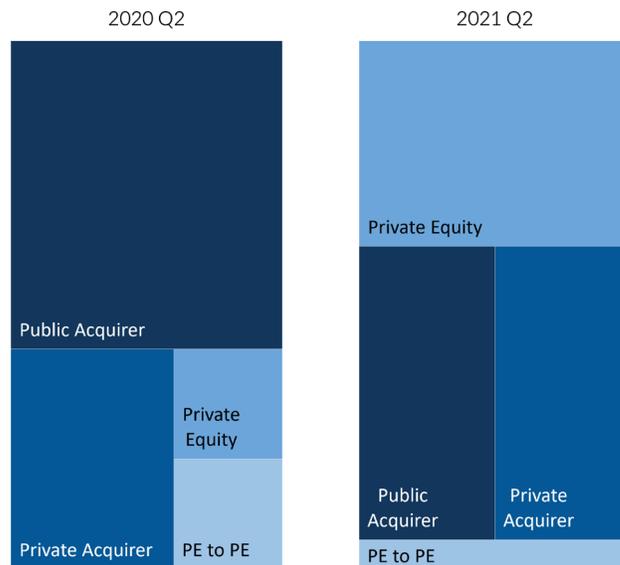
TRENDS IN CONSUMABLE & DISPOSABLE M&A

- Consumable & Disposable M&A market activity was up 50% in Q2 compared to the same quarter in 2020. Activity slowed slightly from Q1 2021's robust pace, with a strategic buyer pull back driving the 2021 quarter-to-quarter slowdown (9 Q2 transactions vs. 17 Q1 transactions). Financial buyers kept their pace at 8 announced transactions.
- Public acquirers were less active in 2021 Q2 than in 2020, with 2 fewer transactions announced in 2021. Private equity groups and private acquirers maintained similar transaction volumes, recording 5 and 7 announced deals, respectively.
- Looking at cross border trends in the sector, Q2 2021 saw a rise in the proportion of deals involving U.S. sellers, with half of the 18 transactions having a U.S. seller, compared to just 2 of 12 transactions in Q2 2020.
- Continuing the trend from previous year and Q1, Infection Control was still the leading end market within the Consumable & Disposable sector, with 9 transactions announced. This brings the end market's total transactions to 15 in the first half of 2021, compared to 19 in all of 2020 and 2 in 2019.

FINANCIAL VS. STRATEGIC BUYER CONSUMABLE & DISP.



CONSUMABLE & DISP. TRANSACTIONS BY BUYER TYPE



TRANSACTIONS BY END MARKET

End Market	2018	2019	2020	20 Q2	21 Q2
Acute Care	7	8	8	3	1
Aesthetic	1	2	-	-	-
Cardiovascular	3	2	-	-	-
Drug Delivery	3	5	8	2	1
Furniture/Equipment	-	1	-	-	1
Home Health	4	4	2	-	-
Hospital Care	2	9	6	-	4
Infection Control	11	2	19	3	9
IVD	10	5	1	-	-
Monitor	-	-	-	-	-
Neurovascular	-	-	-	-	-
Ophthalmology	-	3	1	-	-
Ortho	-	-	1	-	-
Other	16	22	11	4	-
Respiratory	1	2	2	-	-
Support	3	6	3	-	2
Surgical	15	10	-	-	-
Total	76	81	62	12	18

CROSS BORDER TRANSACTION TRENDS

Seller-to-Buyer	2018	2019	2020	20 Q2	21 Q2
Int'l-to-Int'l	30	42	36	9	9
U.S.-to-Int'l	6	9	4	-	2
U.S.-to-U.S.	31	25	21	2	7
Int'l-to-U.S.	9	5	1	1	-
Total	76	81	62	12	18

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Medical Device Public Comparables

PUBLIC DIVERSIFIED MEDICAL DEVICE COMPANY COMMENTARY

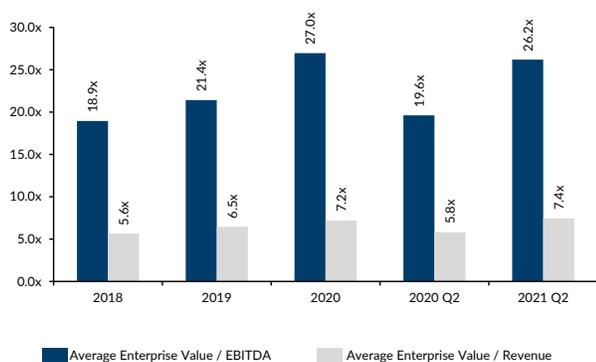
- “We fully anticipate [the] broader trend of pandemic recovery to sustain, but geographic disparities and emerging variants could slow and undermine the pace. Also just like our health care peers and countless other companies, Baxter is subject to the impact of inflation in the rising cost of freight, fuel and other raw materials and commodities.” - Jose Almeida, Baxter Chairman of the Board, President & CEO
- “We did start to see some impact on elective procedures from the COVID delta variant in the last 1 to 2 weeks in certain U.S. states and have assumed some continuation of this in our guidance.” – Christopher Reidy, Becton, Dickinson and Company Executive VP, CFO & Chief Administrative Officer

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	6/30/2021	8,944	18,501	208,172	217,958	5.9x	20.4x	36.7x
Baxter International Inc.	6/30/2021	3,136	6,636	40,967	44,508	3.8x	15.6x	39.4x
Becton, Dickinson and Company	6/30/2021	3,177	17,733	71,765	86,323	4.5x	15.6x	44.0x
Boston Scientific Corporation	6/30/2021	2,675	9,468	61,611	68,404	6.8x	28.1x	NM
Intuitive Surgical, Inc.	6/30/2021	4,439	0	109,823	105,426	23.1x	71.0x	95.4x
Johnson & Johnson	4/4/2021	24,619	33,613	437,038	446,032	5.3x	15.5x	29.3x
Medtronic plc	4/30/2021	10,817	27,404	169,507	186,268	6.2x	22.1x	47.4x
Smith & Nephew plc	4/3/2021	1,387	3,566	19,201	21,380	4.6x	22.1x	42.3x
Stryker Corporation	6/30/2021	2,325	13,155	98,972	109,802	7.5x	27.7x	71.2x
High		24,619	33,613	437,038	446,032	23.1x	71.0x	95.4x
Mean		6,835	14,453	135,229	142,900	7.5x	26.5x	50.7x
Median		3,177	13,155	98,972	105,426	5.9x	22.1x	43.2x
Low		1,387	0	19,201	21,380	3.8x	15.5x	29.3x

As of July 01, 2021

DIVERSIFIED MEDICAL DEVICE MULTIPLES



DIVERSIFIED MEDICAL DEVICE INDEX



EV/EBITDA multiples for the Diversified Medical Device (“DMD”) sector finished the second quarter of 2021 at near record levels, up over 30% from the same period in 2020, concluding at 26.2x, up from 19.6x a year ago. Average multiples were, again, led by extremely strong performance from Intuitive Surgical at 71.0x. Average EV/Revenue multiples also exhibited healthy growth, up 28% between the second quarters of 2020 and 2021. Intuitive led that group at 23.1 times revenue, with the next closest being Stryker and Boston Scientific at 7.5x and 6.8x, respectively.

The PMCF DMD index is up 6.7% in the first half of 2021, down modestly from the 2021 peak of 9.3% reached in mid-April. After strong April performance in the sector, May was mostly flat, but June saw some downward movement in the first part of the month.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Orthopedic Public Comparables

PUBLIC ORTHOPEDIC MEDICAL DEVICE COMPANY COMMENTARY

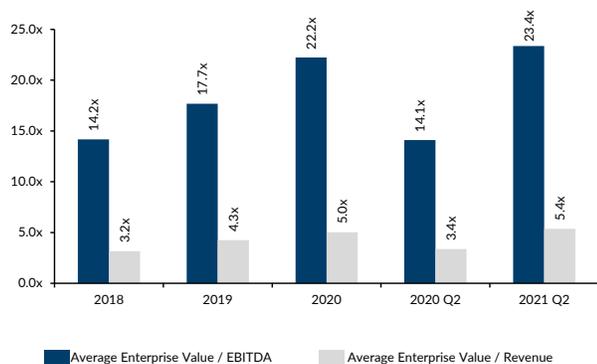
- “We saw ... accelerated sales momentum as the impact of the COVID-19 pandemic has eased.... However, the recovery ramp of elective procedures continues to be variable by region and geography and has a more pronounced impact on our orthopedic and spine implant businesses.” - Glenn Boehlein, Stryker VP & CFO
- “We’re beginning to see several virtuous cycles emerge, all emanating from the value created by the adoption of our robotic technology. We have surgeons ... master increasingly complex pathologies because of the technology and may even perform surgery in situations that would be considered inoperable without robotic assistance.” - David Demski, Globus Medical CEO, President and Director

ORTHOPEDIC MEDICAL DEVICE PUBLIC COMPARABLES SUMMARY

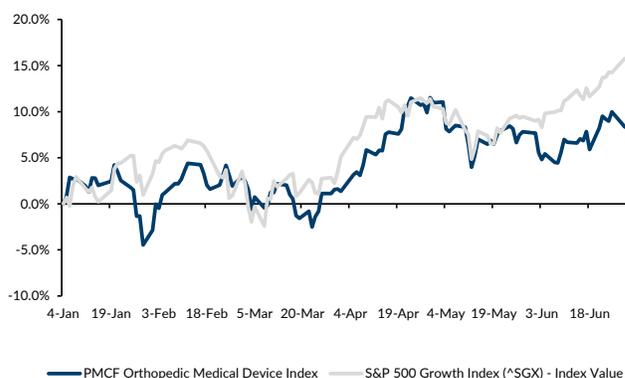
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Alphatec Holdings, Inc.	6/30/2021	77	95	1,483	1,525	8.7x	NM	NM
Colfax Corporation	4/2/2021	764	2,384	6,326	7,991	2.6x	15.6x	81.5x
Globus Medical, Inc.	6/30/2021	460	6	7,887	7,433	8.5x	33.6x	65.4x
Integra LifeSciences Holdings Corporation	6/30/2021	397	1,721	5,845	7,168	5.3x	19.7x	34.7x
NuVasive, Inc.	6/30/2021	204	1,008	3,502	4,306	4.0x	22.6x	NM
Orthofix Medical Inc.	6/30/2021	80	27	805	752	1.8x	28.4x	NM
Smith & Nephew plc	4/3/2021	1,387	3,566	19,201	21,380	4.6x	22.1x	42.3x
Stryker Corporation	6/30/2021	2,325	13,155	98,972	109,802	7.5x	27.7x	71.2x
Zimmer Biomet Holdings, Inc.	6/30/2021	1,043	7,867	34,012	40,841	5.8x	19.8x	59.8x
High		2,325	13,155	98,972	109,802	8.7x	33.6x	81.5x
Mean		749	3,314	19,781	22,355	5.4x	23.7x	59.1x
Median		460	1,721	6,326	7,433	5.3x	22.4x	62.6x
Low		77	6	805	752	1.8x	15.6x	34.7x

As of July 01, 2021

ORTHOPEDIC MEDICAL DEVICE MULTIPLES



ORTHOPEDIC MEDICAL DEVICE INDEX



The OMD index has seen significant growth since 2020, with multiples 66% higher above Q2 of 2020 (23.4x vs. 14.1x). Most of this growth came during the first quarter of 2021, while the second quarter saw only a modest increase (23.0x to 23.4x). Revenue multiples are up since Q2 of 2020 and slightly above 2020 year-end. Globus had the highest EBITDA multiple during the quarter, trading at 33.6x, while Alphatec Holdings had the highest revenue multiple at 8.7x.

PMCF's OMD index was up 8.2% during the first half of the year, lagging the S&P 500 Growth Index YTD performance which was up 15.6%. Much of the Q2 OMD index strong performance was in April, rising nearly 6%, but ultimately faced June headwinds and finished the quarter up around 3%.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Cardiovascular Public Comparables

PUBLIC CARDIOVASCULAR MEDICAL DEVICE COMPANY COMMENTARY

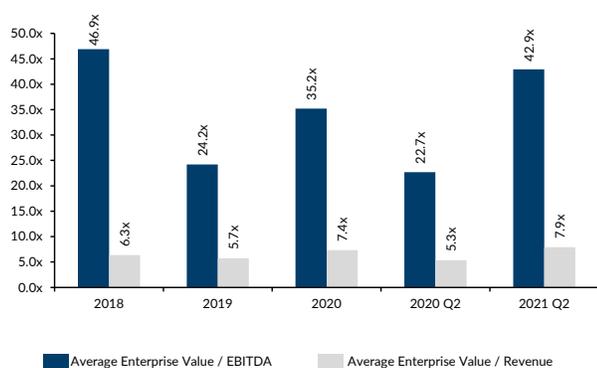
- “We continue to be encouraged by measured improvements in the operating environment in quarter 2, particularly in the U.S., where we saw more willingness and reception from hospital customers to evaluate new product offerings in recent months.”- Fred Lampropoulos, Merit Medical Systems Chairman, CEO, & President
- “Since our last call [4/29/21], the number of people with COVID vaccines in EMEA has increased substantially, and the number of hospitals operating in a more traditional workflow also continues to increase. Both of these factors have led to further market normalization and improved our sequential revenue.” - James Mackin, CryoLife Chairman, President & CEO

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.	6/30/2021	523	6	14,189	13,672	15.7x	51.3x	63.3x
AngioDynamics, Inc.	5/31/2021	51	30	1,045	1,023	3.8x	115.0x	NM
Cardiovascular Systems, Inc.	6/30/2021	207	23	1,709	1,525	6.6x	NM	NM
CryoLife, Inc.	6/30/2021	50	365	1,122	1,437	5.5x	36.7x	NM
Edwards Lifesciences Corporation	6/30/2021	1,561	684	65,154	64,277	14.4x	43.4x	77.7x
LeMaitre Vascular, Inc.	6/30/2021	22	39	1,248	1,266	9.4x	29.1x	52.2x
Medtronic plc	4/30/2021	10,817	27,404	169,507	186,268	6.2x	22.1x	47.4x
Merit Medical Systems, Inc.	6/30/2021	70	373	3,615	3,918	4.1x	24.7x	NM
Terumo Corporation	6/30/2021	1,693	2,254	30,034	30,595	5.6x	22.9x	43.4x
High		10,817	27,404	169,507	186,268	15.7x	115.0x	77.7x
Mean		1,666	3,464	31,958	33,775	7.9x	43.1x	56.8x
Median		207	365	3,615	3,918	6.2x	32.9x	52.2x
Low		22	6	1,045	1,023	3.8x	22.1x	43.4x

As of July 01, 2021

CARDIOVASCULAR MEDICAL DEVICE MULTIPLES



CARDIOVASCULAR MEDICAL DEVICE INDEX



Cardiovascular Medical Devices finished 2021 Q2 up substantially from valuation levels a year ago, with 89% growth in EV/EBITDA and 49% growth in EV/Revenue multiples. EV/EBITDA multiples rose slightly since the end of Q1 and remain in range of reaching the decade’s valuation peak, set at year end 2018.

The CMD index is up 7.90% on the year, a couple percent below the peak that was reached in the middle of April. The CMD index was once again the second strongest performing of PMCF’s four tracked medical indices, topped only by the OMD. Despite strong relative performance within the healthcare sector, the CMD index still lags the broader S&P 500 Growth Index, as COVID variants weigh heavily on the industry outlook.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

Diversified Diagnostic Public Comparables

PUBLIC DIVERSIFIED DIAGNOSTIC COMPANY COMMENTARY

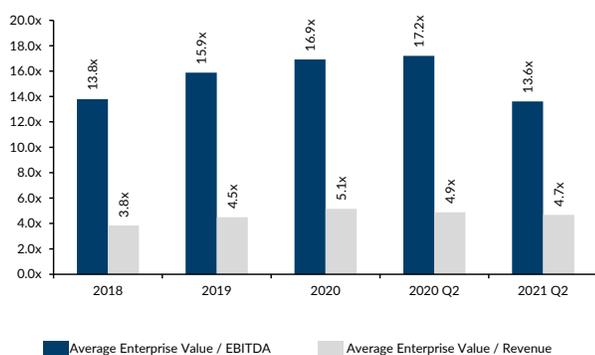
- Looking ahead, with the assumption that COVID-19 will be an endemic disease, we believe that the point-of-care molecular respiratory testing market will expand significantly from where it was prior to the pandemic.” – Rainer Blair, Danaher Corporation, President, CEO & Director
- “[Diagnostic] Sales increased more than 55% ... Excluding COVID testing-related sales, underlying Diagnostics sales increased 37% compared to last year. Strong sales growth in our underlying Diagnostic business is being driven by improving routine diagnostic testing as health care systems continue to recover from the pandemic...” – Robert Ford, Abbott Laboratories, President, CEO & Director

DIVERSIFIED DIAGNOSTIC PUBLIC COMPARABLES SUMMARY

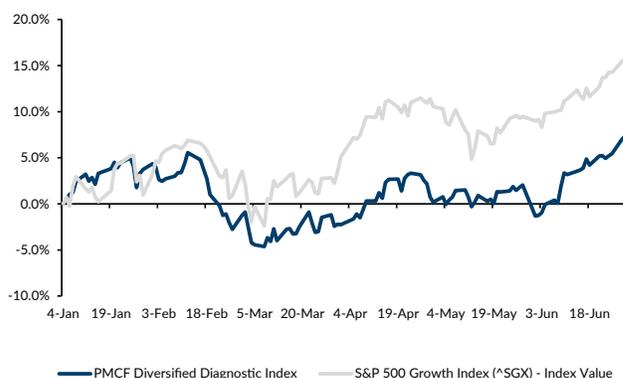
Company Name	LTM as of	Cash (\$MM)	Debt (\$MM)	Market Cap (\$MM)	TEV (\$MM)	TEV/REV	TEV/EBITDA	P/E
Abbott Laboratories	6/30/2021	8,944	18,501	208,172	217,958	5.9x	20.4x	36.7x
Becton, Dickinson and Co.	6/30/2021	3,177	17,733	71,765	86,323	4.5x	15.6x	44.0x
Danaher Corporation	4/2/2021	6,330	21,255	194,162	212,366	8.6x	25.6x	42.8x
Hologic, Inc.	6/26/2021	828	3,162	17,421	19,756	3.6x	6.7x	9.3x
Laboratory Corporation of America	6/30/2021	1,964	6,358	27,143	31,558	2.1x	6.7x	10.3x
Novartis AG	6/30/2021	5,314	35,845	204,752	235,369	4.7x	12.7x	25.7x
Quest Diagnostics Incorporated	6/30/2021	560	4,647	17,368	21,574	2.0x	6.3x	10.1x
Roche Holding AG	6/30/2021	8,671	17,561	327,665	340,469	5.1x	12.8x	21.2x
Thermo Fisher Scientific Inc.	4/3/2021	5,583	18,654	200,259	213,330	5.9x	16.8x	25.6x
High		8,944	35,845	327,665	340,469	8.6x	25.6x	44.0x
Mean		4,597	15,968	140,968	153,189	4.7x	13.7x	25.1x
Median		5,314	17,733	194,162	212,366	4.7x	12.8x	25.6x
Low		560	3,162	17,368	19,756	2.0x	6.3x	9.3x

As of July 01, 2021

DIVERSIFIED DIAGNOSTIC MULTIPLES



DIVERSIFIED DIAGNOSTIC INDEX



EV/EBITDA multiples within the Diversified Diagnostic (“DD”) industry were once behind those of PMCF’s other tracked medical sectors, closing the second quarter at 13.6x. EV/Revenue multiples have shown some strength, maintaining similar valuation levels as Q2 of last year. Becton, Dickinson and Co., Danaher Corp. and Abbott Laboratories led the way among DD companies, trading at 44.0x, 42.8x, and 36.7x, respectively.

The sector’s stock performance gained steam towards the end of the quarter, perhaps indicating investor belief that the Delta and other future variants may increase the demand for diagnostic tests. For the year, the index is up 6.4%, recovering from a brief downturn in March.

Sources: Capital IQ, PitchBook, Company Reports, PMCF

2021 Q2 Venture Capital Activity Overview

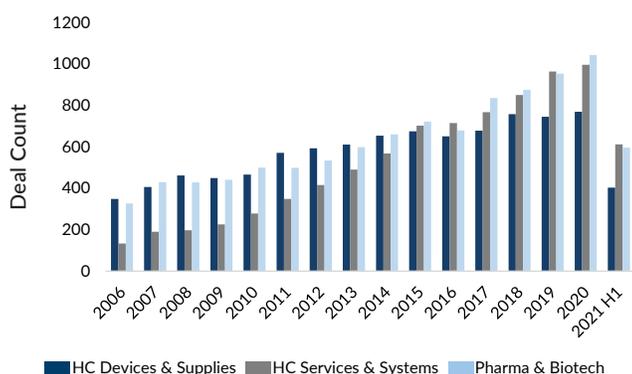
The second quarter of 2021 was another remarkable quarter in the venture capital world, setting the stage for what should be a record setting year, with activity levels on pace to exceed 2020. Valuations have risen across sectors and deal stages, demonstrating the asset class's resilience against pandemic headwinds. The ongoing shift towards late-stage investments persisted during the second quarter, with late-stage companies pulling in over 70% of all VC investment dollars. As a result, overall median valuations continued to move higher, though the Early VC, Seed, and Angel investment stages all saw increased valuations within their respective markets as well.

HC Services & Systems are on track towards setting a record for annual sector deal activity for the 16th consecutive year, dating back to 2006, suggesting continued strong investor appetite in the space. Pharma & Biotech are also on pace to set another annual volume record after the second quarter was just below Q1's robust deal activity. Total deal activity across the three healthcare sectors was 1,611 for the first half of 2021, well above last year's pace during the same timeframe. HC Devices & Supplies are also on pace to exceed 2020 levels, though total deals lagged the other two healthcare focused sectors.

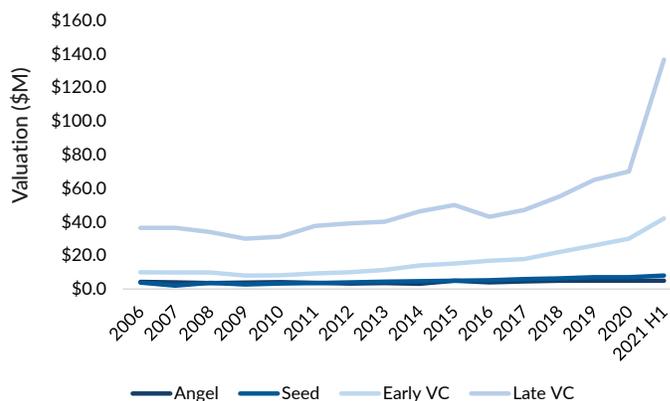
While deal activity continues at a blistering pace, total deal value in the first half of the year proved even more impressive. In the first 6 months of 2021, total deal value has already nearly reached the 2020 annual amount (\$150B vs. \$164B) which was the previous high-water mark for deal value. The surge in mega-deals has been the driving force behind the surge in total deal value. Median deal valuations also spiked in early-stage VC deals, with a sizable uptick compared to the prior year. Angel and seed median valuations remain consistent with recent trends, at \$8M and \$5M respectively.

Comparing the three healthcare related VC industries, HC Devices & Supplies, HC Services & Systems, and Pharma & Biotech, HC Devices & Supplies was the most active sector, with approximately 268 deals completed during the quarter, compared to 257 in Pharma & Biotech, and 186 in HC Devices & Supplies.

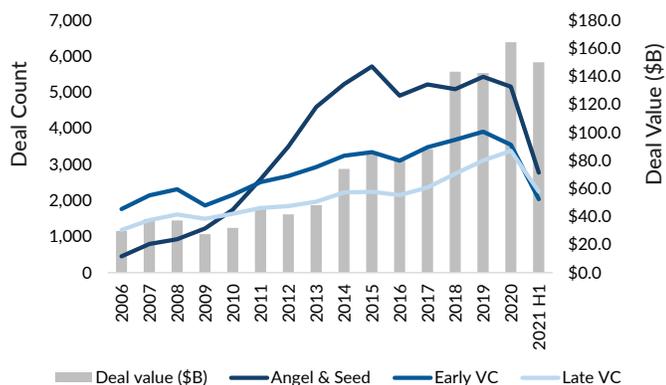
VC INVESTMENTS IN MEDICAL SECTORS



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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- Long-term and client first approach allows PMCF to provide unbiased advice



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