

ProventisPartners.

M&A FACTS – H2 2024
HEALTH INDUSTRIES SECTOR

February 2025



M&A HIGHLIGHTS AND MARKET INSIGHTS

The healthcare M&A market experienced increased activity, driven by a greater number of smaller transactions.

H2 2024 deal activity

804
Deals

Deal activity increased in H2 2024 compared to H1 2024 in the health sector, dominated by strategic investors who focused on smaller size transactions.

€50bn
Deal value

Deal volume in H2 2024 was significantly lower than in H1 2024, driven by smaller-sized transactions, high capital costs and uncertainty about US presidential elections.

Valuations

EBITDA trading multiples decreased compared to the previous half-year, driven by a cautious investor environment.

H1 2024	H2 2024
19.4x	18.3x
Trading EBITDA Multiple	

In H2 2024, political and macroeconomic uncertainties resulted in a corresponding decrease in transaction EBITDA multiples.

H1 2024	H2 2024
14.5x	12.9x
Transaction EBITDA Multiple	

Insights

Overall, the healthcare focus during this half-year has shifted towards smaller-sized targets.



Strategies

Patent expirations will drive companies to either innovate internally or acquire new technologies, leading to an increase in M&A activity. Conversely, divestiture strategies may focus on selling non-core assets to refocus on high-performing core businesses.



Long-term trends

The sector is anticipated to benefit significantly from various positive trends, including digitization, personalized care, rising patient affluence, aging populations, and increased focus on health and well-being.



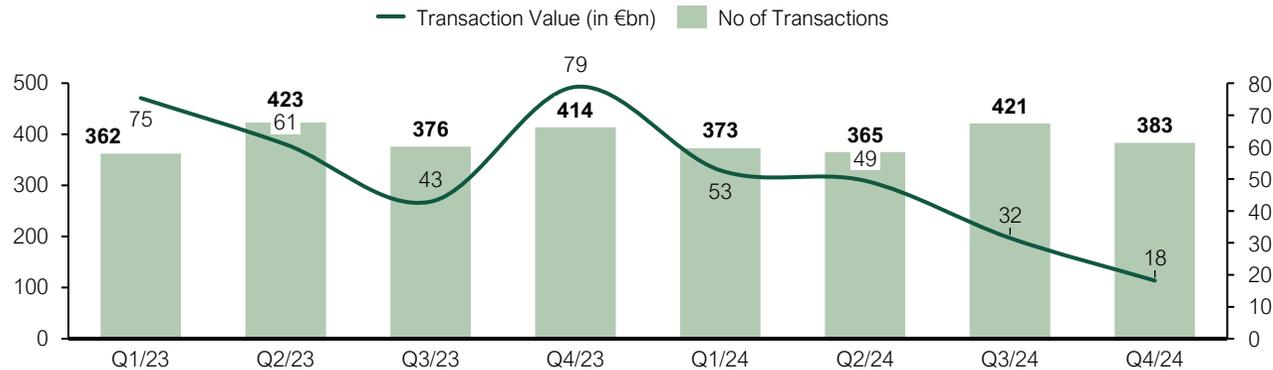
Key growth areas

Key growth areas include digital health applications, the emerging potential of AI to accelerate drug discovery, as well as developments in the GLP-1 medication space.

M&A SUMMARY

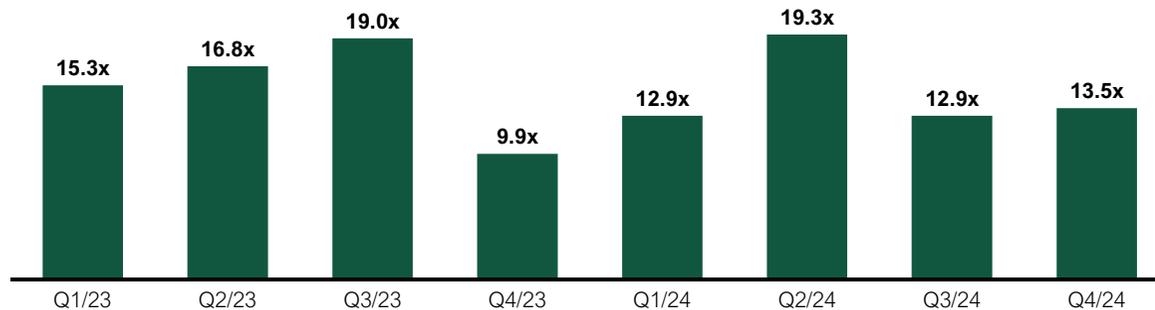
The healthcare M&A market showed high activity in recent years, with a shift towards smaller transactions in H2 2024.

Healthcare M&A Deal Count, Recorded Transaction Volume 2023-2024



Healthcare M&A Transaction Multiples 2023-2024

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.



Data Source: S&P Capital IQ.



“While the average deal size increased, partly due to the rise in share prices or value of the more attractive companies, the volume has remained remarkably constant: this suggests that acquirors are still only looking to in-fill their pipelines rather than make wholesale changes. Total R&D spending is also staying quite constant resulting in portfolio pruning also being consistent. How the IPO and secondary market comes back in 2025 will make a further impact on value, but probably not the number of deals”

Nick Johnston
Senior Advisor

NOTABLE TRANSACTIONS IN THE HEALTHCARE SECTOR

Overall transaction value decreased in the second half of 2024, with deals in the pharmaceuticals, biotechnology, and life sciences sectors leading the way.

Announced Date	Target	Acquirer	Stake %	Total Transaction Value	Implied EV/ EBITDA
06/12/2024	Motif Labs Ltd., Canada	Organigram Holdings Inc., Canada	100	61m	19.4x
1 26/11/2024	Poseida Therapeutics, Inc., United States	Roche Holding AG, Switzerland	100	1'474m	n/a
25/11/2024	Genetics business of Benchmark Holdings plc, -	Starfish Bidco AS, -	100	312m	17.9x
2 21/11/2024	Kate Therapeutics Inc., United States	Novartis AG, Switzerland	100	1'049m	n/a
05/11/2024	Nexus AG, Germany	TA Associates Management, L.P., United States	100	1'231m	23.1
06/09/2024	iM3 Dental Limited/iM3 Pty Ltd, -	Vimian Group AB, Sweden	100	144m	18.7x
31/07/2024	Eurobio Scientific Société anonyme, France	IK Partners; NextStage AM, United States	52	226m	12.7x
29/07/2024	Nerio Therapeutics, Inc., United States	Boehringer Ingelheim International GmbH, Germany	100	1'201m	n/a
23/07/2024	Rotech Healthcare Holdings Inc., United States	Owens & Minor, Inc., United States	100	1'250m	6.0x
22/07/2024	Hamilton Thorne Ltd., Canada	Astorg Asset Management, Luxembourg; FAX Capital	100	264m	57.5x
16/07/2024	GENUONE Sciences Inc., South Korea	Macquarie Korea Asset Management Co., Ltd., -	100	614m	14.2x
08/07/2024	Morphic Holding, Inc., United States	Eli Lilly and Company, United States	100	2'946m	n/a

Data Source: S&P Capital IQ.



Confidential

Selected H2 2024 Transactions



Deal Specs:

Roche acquired Poseida Therapeutics for an EV of EUR 1'474m.

Details:

The acquisition strengthens Roche's strategy, advancing innovative therapies in oncology, immunology, and neurology, and establishing leadership in donor-derived off-the-shelf cell therapies.



Deal Specs:

Novartis acquired Kate Therapeutics for an EV of EUR 1'049m.

Details:

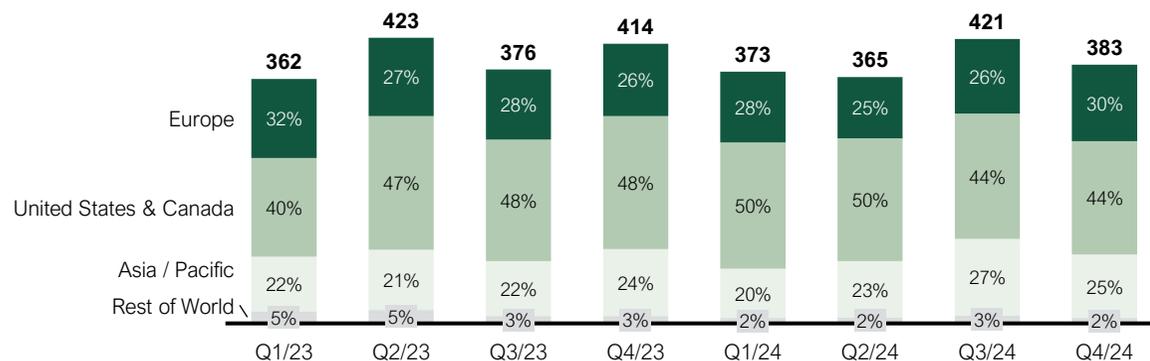
The acquisition of Kate Therapeutics bolsters Novartis' focus on gene therapy and neuroscience innovation, adding advanced technology platforms and preclinical therapeutic candidates for DMD, FSHD, and DM1.

M&A DEAL ANALYSIS¹

Majority of transactions are driven by strategic buyers, once the science has proven strong enough; innovative biotech companies with some form of proven science are driving higher valuations for smaller cap transactions.

Deal Volume by Region

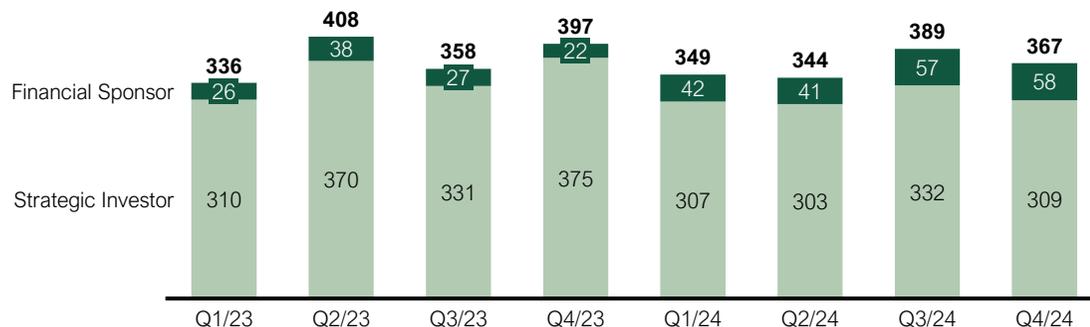
Deal count by Target Region



Deal Volume by Investor Type

Deal count by Investor Type

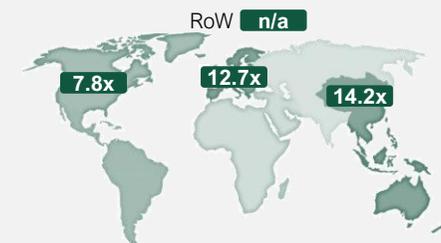
Announced transaction with identified investors.



Data Source: S&P Capital IQ.

1) Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.

EBITDA Multiple (LTM) by Target Region



EBITDA Multiple (LTM) by Investor Type



EBITDA Multiple (LTM) by Company Size



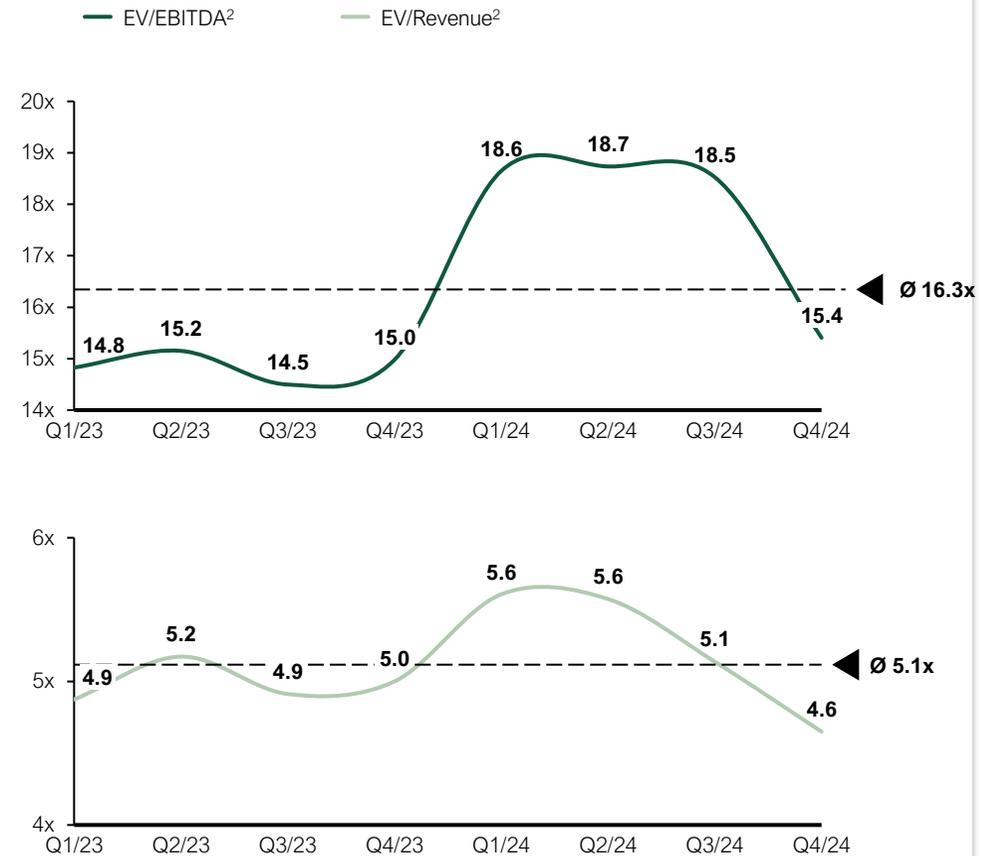
TRADING MULTIPLES – PHARMA & BIOTECH

Valuations of pharma and biotech companies decreased compared to H1 2024 following overall concern with pricing, reimbursement and the change in the US administration.

Enterprise value multiples of comparable listed companies

Company	EV/Revenue ¹	EV/EBITDA ¹
 Roche	3.8x	10.4x
 Novo Nordisk	13.8x	29.0x
 AstraZeneca	5.2x	15.0x
 GRIFOLS	3.0x	17.1x
 CSL	8.0x	25.7x
 REGENERON	5.9x	15.4x
 eurofins	2.1x	9.5x
 Lonza	5.8x	20.6x
 SAMSUNG BIOLOGICS	17.6x	39.2x
 hikma.	2.2x	7.8x
 teva	2.1x	7.5x
 Divis	12.9x	43.2x

Median multiples of comparable listed companies over time



Data Source: S&P Capital IQ. 1) Average Multiples 2) The graph depicts the median multiple for the entire peer group (see appendix)

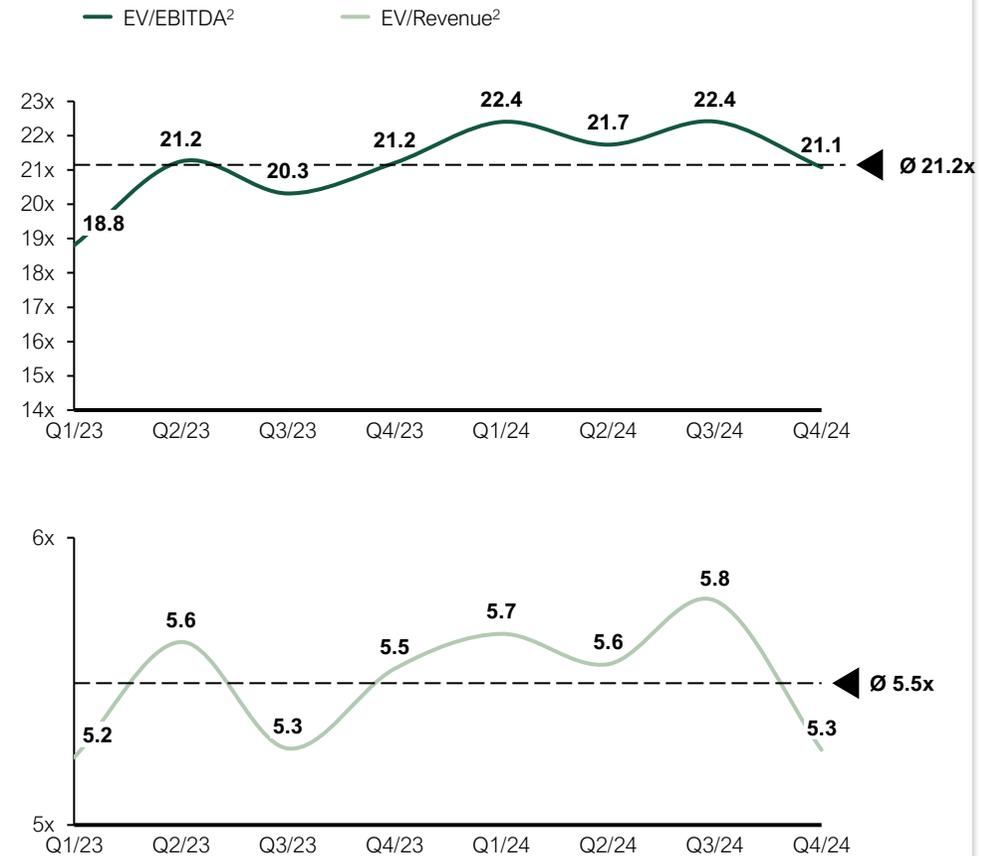
TRADING MULTIPLES – HEALTH TECHNOLOGY/MEDTECH

Trading medtech multiples have contracted, reflecting growing pressures on pricing and profitability in this sector.

Enterprise value multiples of comparable listed companies

Company	EV/Revenue ¹	EV/EBITDA ¹
 ThermoFisher Scientific	5.5x	20.8x
 Abbott	4.7x	16.8x
 danaHER	7.2x	21.3x
 INTUITIVE	17.3x	54.7x
 Medacta	5.3x	20.6x
 Sonova	4.6x	17.8x
 smith&nephew	2.7x	13.0x
 SIEMENS Healthineers	3.3x	19.5x
 stryker	6.4x	24.6x
 Boston Scientific	7.1x	27.0x

Median multiples of comparable listed companies over time



Data Source: S&P Capital IQ. 1) Average Multiples 2) The graph depicts the median multiple for the entire peer group (see appendix)

PROVENTIS PARTNERS CONTINUE EXPANDING IN THE HEALTHCARE SECTOR

Proventis Partners proudly announces the appointment of Nick Johnston as our new senior advisor in the Healthcare sector.



Nick Johnston

Senior Advisor
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Sector focus:

- Healthcare products
- Therapeutic Pharmaceuticals
- Medical Technology
- Diagnostics
- Digital Health

Education and professional career:

- Experience advising numerous companies across the healthcare product arena over 25 years; bringing together a mix of advisory and entrepreneurial capabilities
- Board member of medical device company Cypher Surgical
- Advisor for several medical charities on new funding models
- Stichill Partners, London
- Alantra, London
- Perella Weinberg Partners, London
- JPMorgan, London
- Biotech and Medtech entrepreneur
- JPMorgan, New York
- Graduate of the University of North Carolina at Chapel Hill

M&A and Corporate finance engagements:

- Company sale
- Company acquisition
- Joint Venture
- Corporate Merger
- Leverage Buy-Outs
- Initial Public Offering
- Strategic portfolio review
- Start-Up financing and exit support
- Acquisition Financing
- Corporate strategy

Selected Clients Nick Johnston advised:



M&A Facts H2 2024

Healthcare

SUB-SEGMENTS OF HEALTHCARE¹

Diverse field of sub-segments, each contributing uniquely to the evolution and efficiency of modern healthcare practices.



1) Only 5 sub-segments (marked with an asterisk) have been considered for our analyses.

PROVENTIS PARTNERS HEALTHCARE SECTOR TEAM

An M&A team of 35 professionals is at your disposal at Proventis Partners.

Our Healthcare Team



Jan Wetter, Partner

- 17+ years of experience in M&A
- Successfully closed several M&A transactions in the healthcare sector.



Dr. Jan-Philipp Pfander, Partner

- 30+ years of experience in advising clients in chemicals, pharma CMOs and related sectors
- Numerous relevant M&A projects with and for Lonza, Bayer, etc.



Nick Johnston
Senior Advisor



Dr. Uwe Nickel
Partner



Artur Maibach
Vice President



Daniel Bütikofer
Analyst

Selected Healthcare Deals

M&A Sell-Side



Didactic has acquired Arion Group, a pioneering owner-managed healthcare company.



M&A Buy-Side



Rhenopharma Group has acquired Konopharma AG, a leading Swiss CMO specializing in the manufacturing of solid dosage forms.



M&A Sell-Side



Sale of F. Hunziker + Co AG, leading producer of functional confectionery products, to Amapharm GmbH.



M&A Sell-Side



Sale of OnlineDoctor AG, a leading tele-dermatology platform as part of a successful exit.

M&A Sell-Side



Beyond Capital Partners acquired a majority stake in the ANK medical supply store group.



M&A Sell-Side



The shareholders of Pflegehelden GmbH sold their shares to Rigeto Unternehmerkapital GmbH.



PROVENTIS PARTNERS TRACK RECORD

Our experience results from more than 430 completed M&A transactions with a total value of more than EUR 22 billion.

Experience from 20 years of Proventis Partners



PROVENTIS AS PART OF MERGERS ALLIANCE

Excellent contacts with national and international strategic buyers and Private Equity firms through our worldwide network.

Overview global network Mergers Alliance



Switzerland Proventis Partners	Benelux OXEYE HJW Capital Advisors	USA Dresner Partners	Peru EFIC Partners	Brazil/Caribbean BroadSpan Capital
Germany Proventis Partners	Italy Ethica Corporate Finance	USA Montminy & Co	Chile Servicios Financieros Altis	Thailand Khronos Advisory
Austria Proventis Partners	Spain Norgeston	Mexico Broadspan	Japan Tokyo Kyodo Accounting Office	Korea Stewart & Co.
United Kingdom Opus Corporate Finance	Poland IPOPEMA	India Singhi Advisors	Australia Greenstone Partners	
France Aurignac Finance	Croatia InterCapital Investment Banking			

Our locations in German speaking Europe



- 1 Hamburg
- 2 Frankfurt
- 3 Zurich

Total **33** locations globally
A third in Europe



1,761
Deals since
2010

107
Deals
in 2024

280+
Professionals

Proventis Partners is an integral part of Mergers Alliance – a partnership of award-winning M&A specialists who provide high-quality advisory services to companies that need an international network for their M&A deals.

OUR CONTACT INFORMATION

We would be happy to meeting you in person.



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Your sector expert contacts



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APPENDIX

Healthcare Peer Group (Pharma/Biotech).

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2024	TEV/EBITDA LTM H2 2024	H1 vs. H2 Trend	Sector
Eli Lilly and Company	United States 	671'429	697'741	36'638	14'854	61.9x	43.2x	▼	Big Pharma
Novo Nordisk A/S	Denmark 	371'731	369'330	36'285	17'848	37.6x	20.5x	▼	Big Pharma
Johnson & Johnson	United States 	336'317	351'244	78'549	26'918	11.7x	12.0x	△	Big Pharma
AbbVie Inc.	United States 	303'313	365'205	49'791	22'980	13.6x	14.6x	△	Big Pharma
Merck & Co., Inc.	United States 	243'067	265'858	56'642	20'557	15.9x	11.8x	▼	Big Pharma
AstraZeneca PLC	United Kingdom 	196'243	220'394	45'911	16'489	16.7x	13.1x	▼	Big Pharma
Roche Holding AG	Switzerland 	218'713	252'071	61'055	21'854	10.6x	11.1x	△	Big Pharma
Novartis AG	Switzerland 	189'022	205'618	43'563	18'815	12.3x	10.8x	▼	Big Pharma
Pfizer Inc.	United States 	145'218	206'102	53'182	16'450	19.3x	10.7x	▼	Big Pharma
Sanofi	France 	116'968	134'231	45'566	12'503	9.9x	10.5x	△	Big Pharma
Median						14.7x	11.9x	▼	

1) EBITDA LTM does not include income (loss) from affiliates.

2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

Source: S&P Capital IQ (01/2025)

M&A Facts H2 2024

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Amgen Inc.	United States 	135'325	184'960	27'923	10'981	18.7x	15.4x	▼	Biotech
Gilead Sciences, Inc.	United States 	111'192	127'099	25'373	12'507	8.2x	9.3x	△	Biotech
Vertex Pharmaceuticals Incorporated	United States 	100'171	91'039	9'527	3'987	23.1x	20.9x	▼	Biotech
CSL Limited	Australia 	81'499	92'755	13'710	4'310	24.5x	21.9x	▼	Biotech
Regeneron Pharmaceuticals, Inc.	United States 	74'026	58'974	11'924	4'123	22.2x	13.2x	▼	Biotech
UCB SA	Belgium 	36'464	39'074	5'208	1'185	22.4x	33.0x	△	Biotech
Biogen Inc.	United States 	21'524	26'306	8'614	2'587	14.8x	8.9x	▼	Biotech
Neurocrine Biosciences, Inc.	United States 	13'349	12'439	2'011	563	25.4x	19.5x	▼	Biotech
Genmab A/S	Denmark 	12'713	10'523	2'661	919	13.6x	11.3x	▼	Biotech
Grifols, S.A.	Spain 	5'681	17'373	7'006	1'259	14.7x	12.3x	▼	Biotech
Median						20.5x	14.3x	▼	

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Samsung Biologics Co.,Ltd.	South Korea 🇰🇷	44'164	44'152	2'979	1'321	30.7x	34.9x	△	CRO/CMO/CDMO
Lonza Group AG	Switzerland 🇨🇭	41'249	43'211	6'955	1'911	19.0x	21.5x	△	CRO/CMO/CDMO
Agilent Technologies, Inc.	United States 🇺🇸	37'059	39'227	5'996	1'659	23.1x	21.9x	▽	CRO/CMO/CDMO
West Pharmaceutical Services, Inc.	United States 🇺🇸	22'914	22'737	2'579	668	27.7x	29.6x	△	CRO/CMO/CDMO
ICON Public Limited Company	Ireland 🇮🇪	16'723	19'544	7'448	1'511	16.8x	11.7x	▽	CRO/CMO/CDMO
Avantor, Inc.	United States 🇺🇸	13'852	18'329	6'115	965	15.4x	16.8x	△	CRO/CMO/CDMO
Sartorius Aktiengesellschaft	Germany 🇩🇪	13'392	18'446	3'324	768	23.5x	23.1x	▽	CRO/CMO/CDMO
Revvity, Inc.	United States 🇺🇸	13'120	15'134	2'438	706	18.2x	18.6x	△	CRO/CMO/CDMO
Medpace Holdings, Inc.	United States 🇺🇸	9'952	9'464	1'857	392	29.7x	20.4x	▽	CRO/CMO/CDMO
Eurofins Scientific SE	Luxembourg 🇱🇺	9'273	12'190	6'724	1'308	8.8x	8.3x	▽	CRO/CMO/CDMO
Median						21.0x	21.0x		

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Source: S&P Capital IQ (01/2025)

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Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2024	TEV/EBITDA LTM H2 2024	H1 vs. H2 Trend	Sector
Sun Pharmaceutical Industries Limited	India 	51'083	49'132	5'404	1'477	27.2x	31.3x	△	Generics
Celltrion, Inc.	South Korea 	26'393	27'150	1'963	496	47.1x	58.2x	△	Generics
Teva Pharmaceutical Industries Limited	Israel 	24'154	39'874	15'038	4'291	7.7x	8.4x	△	Generics
Divi's Laboratories Limited	India 	18'273	17'868	922	274	53.5x	61.8x	△	Generics
Sandoz Group AG	Switzerland 	17'382	20'969	9'406	599	23.8x	31.2x	△	Generics
Viatrix Inc.	United States 	14'353	27'844	13'452	4'112	6.2x	6.2x	▽	Generics
Dr. Reddy's Laboratories Limited	India 	13'053	12'934	3'209	875	12.5x	13.8x	△	Generics
Torrent Pharmaceuticals Limited	India 	12'835	13'048	1'198	380	29.1x	32.4x	△	Generics
Zydus Lifesciences Limited	India 	11'036	11'038	2'290	662	20.2x	15.5x	▽	Generics
Hikma Pharmaceuticals PLC	United Kingdom 	5'344	6'330	2'816	788	7.8x	7.7x	▽	Generics
Median						22.0x	23.4x	△	

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Source: S&P Capital IQ (01/2025)

M&A Facts H2 2024

Healthcare

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Healthcare Peer Group (MedTech).

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2024	TEV/EBITDA LTM H2 2024	H1 vs. H2 Trend	Sector
Thermo Fisher Scientific Inc.	United States 	192'203	220'190	37'951	9'478	21.3x	20.8x	▼	MedTech
Abbott Laboratories	United States 	189'494	196'729	36'955	9'706	17.6x	18.2x	△	MedTech
Intuitive Surgical, Inc.	United States 	179'572	175'575	7'053	2'246	66.7x	71.8x	△	MedTech
Danaher Corporation	United States 	160'145	175'795	21'266	6'728	25.6x	23.3x	▼	MedTech
Stryker Corporation	United States 	132'576	143'513	19'702	5'104	25.4x	25.3x	▼	MedTech
Boston Scientific Corporation	United States 	127'153	135'850	14'266	3'643	31.8x	33.8x	△	MedTech
Siemens Healthineers AG	Germany 	57'307	70'882	22'363	3'736	19.2x	18.0x	▼	MedTech
Sonova Holding AG	Switzerland 	18'822	20'321	3'935	859	19.4x	21.4x	△	MedTech
Smith & Nephew plc	United Kingdom 	10'455	13'408	5'266	1'004	12.0x	12.5x	△	MedTech
Medacta Group SA	Switzerland 	2'267	2'487	544	125	22.2x	18.4x	▼	MedTech
Median						21.7x	21.1x	▼	

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2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

Source: S&P Capital IQ (01/2025)