

March 2024

Industry Highlights on
Healthcare



Innovative. Independent. Experienced.
North America's Middle Market M&A Advisory Boutique.



- ▶ On March 21st, US-based **Waud Capital Partners (“Waud”)** announced the acquisition of **Senior Helpers**, a US-based provider of home care and wellness offerings for seniors, from **Advocate Health**, the third-largest nonprofit health system in the US, for an undisclosed amount. Senior Helpers, operating more than 380 franchised and corporate-owned locations in 44 states, Canada and Australia, marks Waud's seventh growth platform in the home care and post-acute space
- ▶ On March 20th, **Neighbourly Pharmacy Inc. (TSX: NBLY)**, Canada’s largest and fastest growing network of independent pharmacies, announced the closing of the previously announced transaction to be taken private by **Persistence Capital Partners**, allowing NBLY increased flexibility to pursue growth, invest in innovation, and drive operational excellence
- ▶ On March 21st, **TriasMD**, a US-based musculoskeletal healthcare company operating DISC Surgery Centers, announced its acquisition of **Thousand Oaks Surgery Center**, a California-based AAAHC-accredited, Medicare-certified ASC facility serving patients across multiple specialties for an undisclosed amount, expanding TriasMD’s presence in the Greater LA area
- ▶ On March 19th, **Panoramic Health**, a US-based kidney care physician practice management business with an emphasis on value-based care, a portfolio company of US-based **Audax Private Equity**, announced its acquisition of **The Kidney and Hypertension Center**, the largest independent nephrology practice in Cincinnati, Ohio, for an undisclosed amount. The deal marks Panoramic Health’s first foray into the state of Ohio
- ▶ On March 18th, **Trive Capital**, a US-based PE firm, announced an undisclosed investment into **Formula Wellness**, a US-based provider of health, medical-based wellness, and aesthetics services with a focus on longevity science. Formula Wellness gains an experienced partner to help it expand geographically via de novo locations and acquisitions
- ▶ On March 13th, **VITAS Healthcare Corporation (“VITAS”)**, a US-based provider of end-of-life care, a subsidiary of **Chemed Corporation (NYSE: CHE)**, announced that it has entered into an agreement to acquire all hospice operations and an assisted living facility from **Covenant Health and Community Services**, a US-based provider of nursing, residential care and home health services, for US\$85 million. The deal expands VITAS’ presence in Florida and Alabama
- ▶ On March 12th, **HCAP Partners** and **Hamilton Lane (Nasdaq: HLNE)**, two US-based PE firms, announced the formation of **PAX Health**, a US-based telehealth and in-person behavioral health platform, by acquiring and merging three US-based behavioral health businesses, **Behavioral Medicine Associates**, **Workers Compensation Psychological Network**, and **Reservoir Health**, for an undisclosed amount. The combination under the PAX Health umbrella creates one of the largest behavioral health businesses in the Northeastern US and allows PAX to extend the full continuum of care to patients
- ▶ On March 5th, **Summit BHC (“Summit”)**, a US-based behavioral health company providing substance use disorder (SUD) treatment and acute psychiatric care, and portfolio company of US-based **Patient Square Capital**, announced the acquisition of **Sobriety Centers of New Hampshire**, which operates addiction treatment facilities providing services for comprehensive continuum of care in SUDs, for an undisclosed amount

Key Indicators

In \$CAD millions	Market		TEV / Revenue		TEV / EBITDA		Price % of 52-Week High
	Cap	TEV	2024E	2025E	2024E	2025E	
dentalcorp Holdings Ltd.	1,241.7	2,553.2	1.6x	1.5x	8.9x	7.9x	70.3%
CareRx Corporation	112.5	203.4	0.6x	0.5x	6.4x	5.3x	75.8%
Average			1.1x	1.0x	7.6x	6.6x	73.1%

- ▶ On March 20th, **Syllable**, a US-based provider of healthcare AI and process automation, announced its purchase of **Actium Health**, a US-based company developing the CENTARI platform to predict and prioritize a patient’s likelihood of needing specific medical services, for an undisclosed amount. The deal will provide Syllable customers with an end-to-end solution to navigate health systems, schedule appointments, refill prescriptions, and more, all in an automated, digital way
- ▶ On March 12th, **Mahana Therapeutics**, a US-based provider of digital chronic condition management programs, announced the acquisition of Berlin-based HiDoc Technologies GmbH operating as **Cara Care**, a leader in digital digestive care spanning medication management and dietary and mental health interventions, for an undisclosed amount. The combination creates a global company with a pipeline of self-guided, digital products across multiple chronic conditions
- ▶ On March 11th, **UpLift**, a US-based technology-driven behavioral health company delivering in-network therapy and psychiatry, announced that it has acquired **TAO Connect**, a US-based therapy-assisted mental health solution with digital tools designed for higher education institutions, for an undisclosed amount. The deal adds therapy-assisted digital resources to UpLift’s platform and expands coverage to over two million students across 120 higher education institutions
- ▶ On March 10th, **NanoString Technologies, Inc. (OTC: NSTGQ)**, a US-based provider of life science tools for discovery and translational research, announced that it has reached an agreement with US private equity firm **Patient Square Capital**, pursuant to which Patient Square will serve as the “stalking horse” bidder in a court-supervised restructuring process. Patient Square intends to purchase substantially all assets of NanoString’s global business operations as a going concern for US\$220 million. For the year ending Sep 30, 2023, NanoString had revenue of US\$162.4 million
- ▶ On March 7th, **Calyx**, a US-based technology-enabled provider of medical imaging services and IRT/RTSM (Interactive Response Technology/Randomized Trial Supply Management) to drug developers, announced an agreement for the acquisition of **Invicro**, a US-based next-generation quantitative imaging biomarker company, from Japan-based **Konica Minolta (TSE:4902)**, for US\$115 million. Calyx and Invicro provide complementary services and the deal will create a new global leader in the provision of medical imaging solutions and development services to the clinical research community
- ▶ On March 5th, **Healthy Together**, a US-based health technology company specializing in SaaS solutions for State-level Health & Human Services programs, announced the successful acquisition of **Kinsa Health (“Kinsa”)**, a US-based AI platform that provides predictive insights for pharmaceutical companies, public health agencies, hospital systems, and communities, for an undisclosed amount. Integrating Kinsa's AI illness forecasting engine into Healthy Together's SaaS platform will equip both public and private healthcare providers to proactively respond to and address illnesses
- ▶ On March 4th, **WindRose Health Investors, LLC**, the US-based healthcare PE firm, announced that it has completed the acquisition of **CardioOne Inc.**, a US-based cardiology-focused care delivery enablement company that offers technology and administrative support to independent cardiologists moving into the value-based care space, for an undisclosed amount. The deal will help CardioOne embark on its next chapter of growth

Key Indicators

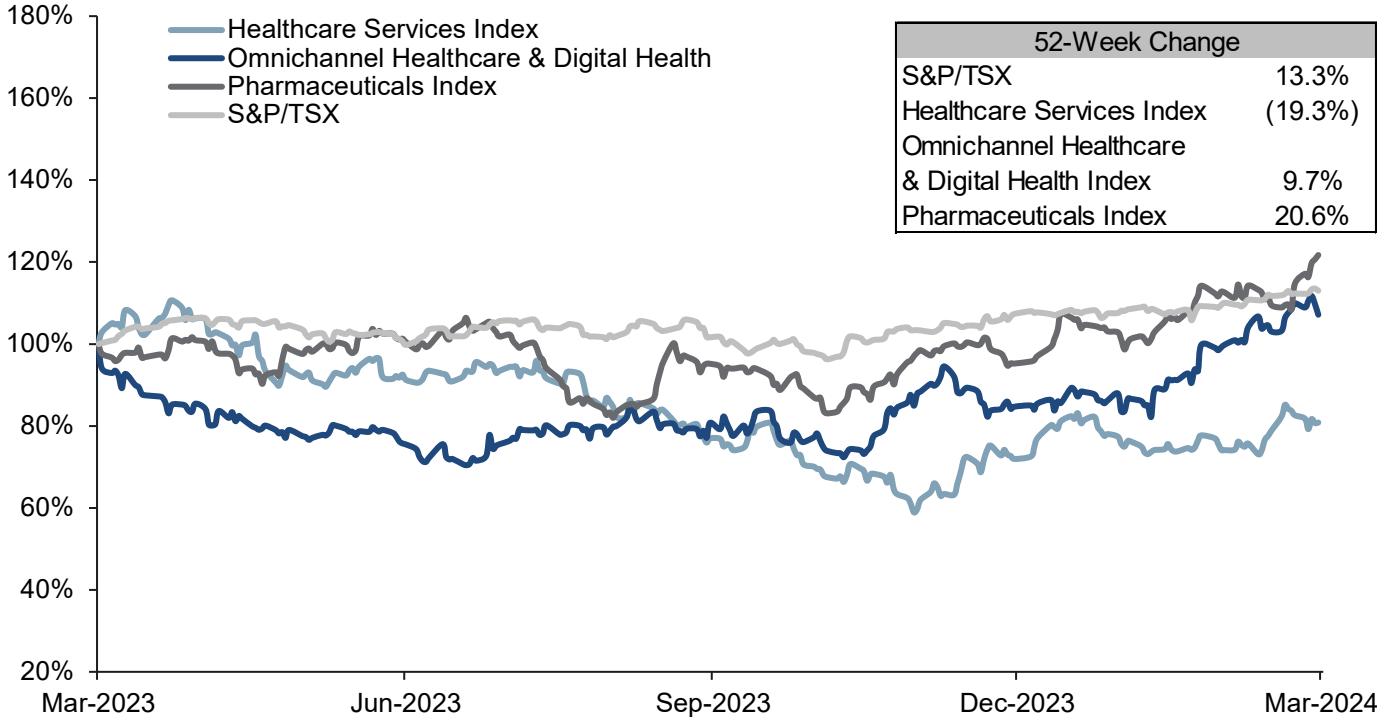
In \$CAD millions	Market		TEV / Revenue		TEV / EBITDA		Price % of 52-Week High
	Cap	TEV	2024E	2025E	2024E	2025E	
WELL Health Technologies Corp.	894.1	1,294.6	1.4x	1.3x	10.2x	8.6x	61.3%
Vitalhub Corp.	284.5	251.5	4.2x	3.8x	15.2x	13.0x	94.5%
Healwell AI Inc.	101.8	117.2	na	3.7x	neg	nmf	72.0%
LifeSpeak Inc.	39.6	122.3	2.3x	2.0x	9.6x	6.8x	84.8%
CloudMD Software & Services Inc.	25.9	36.5	0.4x	na	9.6x	na	40.5%
Think Research Corporation	24.6	71.7	0.8x	na	10.8x	na	62.0%
Average			1.8x	2.7x	11.1x	9.5x	69.2%

- ▶ On March 19th, **AstraZeneca (LSE:AZN)** announced that it has entered into a definitive agreement to acquire **Fusion Pharmaceuticals Inc. (Nasdaq: FUSN)**, a Canada-based clinical-stage biopharmaceutical company developing next-generation radioconjugates (RCs), for up to US\$2.4 billion, including contingent value payments. The acquisition marks a major step forward in AstraZeneca’s ambition to transform cancer treatment and outcomes for patients by replacing traditional regimens like chemotherapy and radiotherapy with more targeted treatments
- ▶ On March 18th, **Titan Medical Inc. (“Titan”) (TSX: TMD)** announced a definitive agreement with **Conavi Medical Inc.** to combine companies in an all-stock transaction at a ratio that values Conavi at US\$69.8 million minus certain deal expenses. The combined company will focus on continuing to commercialize Conavi’s FDA-approved Novasight Hybrid™ System, combining intravascular ultrasound and optical coherence tomography to map out a heart’s coronary arteries
- ▶ On March 13th, **IFM Therapeutics**, a US-based biopharmaceutical company focused on developing therapies that modulate novel targets in the innate immune system, announced that **Novartis (SWX:NOVN)** has exercised its option to acquire all of the outstanding capital stock of **IFM Due**, a subsidiary of IFM focused on developing small molecules that inhibit the cGAS-STING pathway, for up to US\$835 million, including milestone payments. The acquisition provides Novartis with full rights to IFM Due’s portfolio which can potentially treat an array of serious inflammation-driven diseases
- ▶ On March 6th, **BiomX Inc. (NYSE American: PHGE)**, an Israel-based clinical-stage company advancing novel natural and engineered phage therapies that target specific pathogenic bacteria, announced that it has entered into a definitive agreement to acquire **Adaptive Phage Therapeutics, Inc. (“APT”)**, a US-based clinical-stage biotechnology company pioneering the development of phage-based therapies to combat bacterial infections, for US\$11.5 million. The acquisition creates a leading phage therapy company with an advanced pipeline that includes two Phase 2 assets
- ▶ On March 5th, **Haemonetics (NYSE: HAE)**, a US-based medical technology company, announced that it has entered into a definitive agreement to acquire **Attune Medical**, a US-based manufacturer of the ensoETM proactive esophageal cooling device, the only FDA-cleared temperature regulation device indicated for esophageal protection during radiofrequency (RF) cardiac ablation procedures, for US\$160 million plus undisclosed CVRs. The acquisition will bolster Haemonetics’ presence in the electrophysiology market and complement its leadership in Vascular Closure
- ▶ On March 5th, **Telix Pharmaceuticals Limited (“Telix”) (ASX: TLX)**, an Australia-based biopharmaceutical company focused on the development and commercialization of diagnostic and therapeutic radiopharmaceuticals and associated medical devices, announced that it has entered into an agreement to acquire **ARTMS Inc.**, a Canada-based specialist in the physics, chemistry and materials science of cyclotron-produced radionuclides, for US\$82 million, including CVRs. The acquisition enhances the vertical integration of Telix’s supply chain and manufacturing of diagnostic isotopes

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In \$CAD millions	Market		TEV / Revenue		TEV / EBITDA		Price % of 52-Week High
	Cap	TEV	2024E	2025E	2024E	2025E	
Bausch Health Companies Inc.	4,706.1	27,296.1	2.1x	2.2x	6.2x	6.0x	96.2%
Knight Therapeutics Inc.	533.2	447.8	1.3x	1.2x	7.6x	6.9x	91.7%
Cipher Pharmaceuticals Inc.	219.7	180.3	6.2x	6.1x	10.5x	10.2x	95.6%
HLS Therapeutics Inc.	122.6	188.2	2.2x	1.9x	6.9x	5.7x	53.9%
Theratechnologies Inc.	79.5	97.7	0.8x	0.8x	5.2x	3.9x	29.6%
Medexus Pharmaceuticals Inc.	38.2	82.2	0.5x	0.5x	3.1x	2.4x	44.2%
Average			2.2x	2.1x	6.6x	5.8x	68.5%

Indexed Segment Performance¹



Charting the Course

- ▶ The TSX index increased 13.3% over the last 12-months, up significantly from February’s 52-week increase of 5.0%, with central bankers signaling potential rate cuts later this year
- ▶ Our Healthcare Services Index reflects a 12-month decrease of 19.3%, up from February’s decrease of 25.3%, signifying increased buyer activity after a period of inactivity
- ▶ Our Omnichannel Healthcare & Digital Health Index has recorded an increase of 9.7% over the past 12-months, up significantly from February’s 4.3% decrease, as the broader tech sector continues to rally amid hopes for rate cuts
- ▶ Our Pharmaceuticals Index increased 20.6% over the last 12-months, up significantly from February’s 0.2% decline, in line with the broader market rally

1. Index segments are market prices for the companies in each category as noted in the earlier pages of the report.

About Us

Origin Merchant Partners is an independent investment bank that provides value added corporate finance, mergers and acquisitions and merchant banking services delivered by senior professionals. Our clients engage us for our dedicated, high level of service and independent advice to address their strategic and financial plans

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