

# Pharma Services Market Update

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Bourne Market Report

Q1 2024

# Table of Contents

<b>Section One — Pharma Services Update</b>	<b>5</b>
i. Market Update / Outlook	6
ii. Bourne Insight – Catalent Case Study	7
iii. Clinical Funding Outlook	11
<b>Section Two — Sub-Sector Spotlights</b>	<b>15</b>
i. Clinical Services	16
ii. Supply Chain Services	20
iii. Commercialization Services	23
<b>Section Three — Transactions &amp; Public Comps</b>	<b>27</b>
i. Relevant Transactions	28
ii. Bourne Public Comps	31
iii. Bourne Pharma Services Indices	37
<b>Section Four — Bourne Partners</b>	<b>39</b>
i. Thought Leadership	40
ii. Bourne Partners Overview	41
iii. Investment Bank Overview	42



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# Bourne's Pharma Services Expertise

Bourne Partners is a life sciences-focused investment banking and private equity investment firm with significant expertise across the Pharma and Pharma Services sectors. Since 2001, Bourne Partners has been offering a unique perspective and unmatched expertise while remaining highly focused on fulfilling the various needs of established middle market companies across the globe. Our seasoned team of professionals has extensive experience supporting both Public and Private (Founder and Private Equity backed) companies. For over 20 years, we have leveraged our comprehensive knowledge of M&A Advisory and Co-Investment opportunities to maximize outcomes for life sciences-focused clients

## Sector Expertise - Pharma Services



### Clinical & Drug Discovery Services

- Full-Service & Specialty CROs
- Site Networks / SMOs
- Patient Recruitment
- Patient Engagement & Retention
- Patient Logistics & Payments
- Clinical Data Services
- Lab Services



### Commercialization Services

- Medical Communications
- Healthcare Marketing / Advertising
- Commercial Patient Engagement
- Market Access / Consulting



### Supply Chain Services

- CMO / CDMO
- Biostorage
- Packaging / Distribution / Logistics



## Recent Pharma Services Transaction Activity

 Clincierge  
has been acquired by  
 greenphire®  
a portfolio company of  
 THOMABRAVO  
*Sell-Side M&A*

 SUMMIT  
BIOSCIENCES INC.  
has been acquired by  
 Kindeva  
DRUG DELIVERY  
a portfolio company of  
ALTARIS  
*Sell-Side M&A*

 MEDIVANT  
HEALTHCARE  
has received  
growth financing  
from  
1315  
CAPITAL  
HEALTHCARE FOR LIFE  
*Capital Raise*

 spencer  
health solutions  
has raised Series D  
financing from  
 RCT  
Aphelion Capital  
*Capital Raise*

 American  
Injectables  
has received  
growth  
financing from  
 BOURNE  
STRATEGIC  
CAPITAL  
NEW RHEIN  
HEALTHCARE INVESTORS  
*Capital Raise*

 Afton Scientific  
has sold a majority  
stake to  
A | C | P  
*Sell-Side M&A*

*Bourne Partners has been one of the most active M&A advisors in 2024*



# Capital Markets Overview

For the full report see Bourne Partner's [Capital Markets Update](#)

## Macro Developments

There is a lot to be hopeful about as inflation inches down to the Fed's target of 2% and the market prices in six rate cuts in 2024, beginning in Q2. As consumer sentiment continues to positively grow, low unemployment and strong consumer spending have bolstered the economy. US onshoring continues to be a theme, riding on the coattails of domestic investment, while geopolitical and regulatory scrutiny threaten to hamper market conditions and the dealmaking environment.

## Deal Activity Recap

In 2023, PE deal activity declined significantly, marking it the worst year since 2017 due to costly debt markets stalling LBOs. However, dry powder grew to top \$955B, which sits ready for deployment. Valuations slowly reset as bid-ask spreads narrowed, particularly in growth equity deals.

## Deal Activity Outlook

In 2024, we anticipate an increase in deal activity as PE firms respond to selling pressure from LPs. PE exit activity will likely skew later in the year as the economy stabilizes. Companies with refined profitability engines, decreasing borrowing costs, and ample PE dry powder are set to drive the next wave of deals.

## Healthcare M&A

Though not immune to the overall decline in deal activity, PE Healthcare specialist fundraising is on track to record their best year ever in terms of cumulative dollars closed, raising \$17.6B through Q3 2023. The sector has seen significant benefits from an increasing number of specialized funds and investor interest, which has in turn expanded our sponsor coverage to over 200 firms.

## Healthcare Operating Environment

Despite the overall decline in healthcare deal values in 2023, biopharma M&A remained resilient. However, 2024 is likely to see a shift towards prioritizing internal R&D, with big pharma alone projected to invest \$91B. While the funding environment for biopharma has improved, it favors later-stage pipelines. This trend is favorable for clinical service providers. However, pharma service providers that are heavily reliant on phase 1 and biotechs are expected to face sustained headwinds.

# Section One

## Pharma Services Update

i. Market Update / Outlook

ii. Spotlight – Catalent Case Study

iii. Clinical Funding Outlook



# Pharma Services Market Update

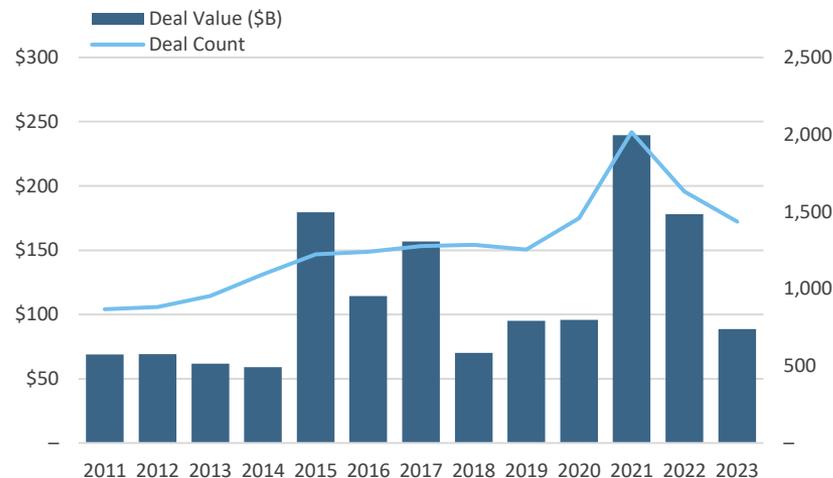
## Our Outlook

Pharma services has experienced an influx of investor interest. Bourne, which specializes in this category, has seen growing demand over the past decade. Many companies, particularly middle-market sized firms serving as outsourced service providers to pharma, often have customer concentration exceeding the general investment committee's 20% maximum. This is largely due to the sizable contracts and capacity demands of big pharma. However, the concentration risk is largely offset by sticky customer relationships and high switching costs, a result of stringent regulatory involvement and highly specialized supply chains. Consequently, thesis driven PE funds have shown increasing tolerance for this. We anticipate that outsourced pharma services will continue to see increased demand as healthcare specialists have turned away from PPM roll-up plays and value-based care models.

## Megatrends in Pharma Services

1. **Greater Distribution and Patient-Centricity of Clinical Trials.** There has been a significant increase in focus on patient-centric approaches to clinical trials, ensuring better access to treatments and improved patient experiences, as the industry continues to face enrollment and retention shortfalls. Distribution networks are evolving to accommodate hybrid trials and reach diverse, historically underrepresented patient populations
2. **Digitization, Data Aggregation, and AI Capabilities.** Advances in data analytics and aggregation allow for better data quality and insights into patient outcomes, real-world evidence, and drug safety. Pharma services providers are leveraging data to optimize clinical trial designs, enhance drug discovery, streamline manufacturing and supply chains, create commercialization and market access strategies, and inform decision-making processes across the entire pharma value chain
3. **Manufacturing Capacity and Quality.** Capacity and quality are paramount to the industry. The past year has seen crippling drug shortages and quality issues. There is a glut of capacity in some areas, like CGT and OSD, while injectable fill/finish capacity remains scarce
4. **Consolidation and Integration, or Specialization?** Pharma services providers face a delicate balance between integrating various services (such as CROs, CDMOs, and logistics providers) and maintaining specialized expertise. Finding the right mix of expansion and specialization is essential for efficient operations and successful outcomes as outsourced service providers adapt to meet the needs of drug sponsors

### Life Science Services M&A



SOURCE: Pitchbook Data, Accessed 2/29/24

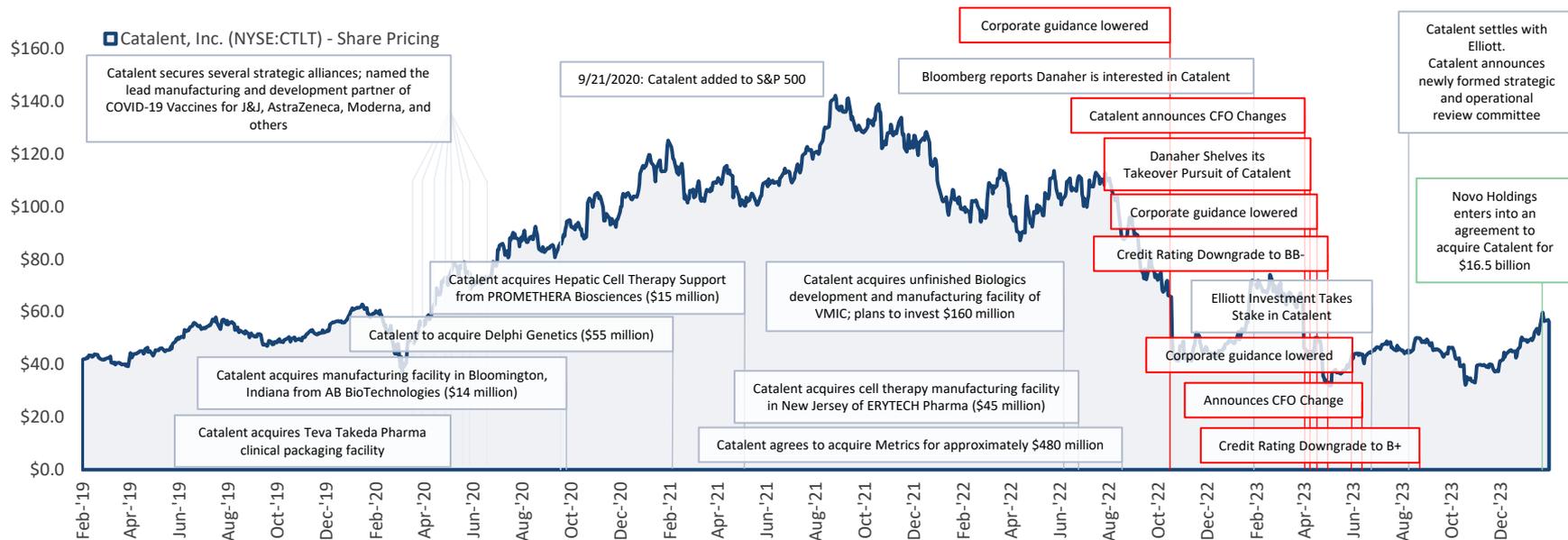
# ii. Bourne Insight

## *Catalent Case Study*





# Catalent Case Study



## Catalent

Catalent is one of the largest CDMOs with over 50 global sites and was the selected manufacturing, development, and supply partner for many of the successful COVID-19 vaccines. Following this success, the company completed 7 meaningful acquisitions, culminating in a \$480 million buyout of Metrics, and raising \$1,882M in debt. These acquisitions proved to be less accretive than initially anticipated and shortly after Catalent’s COVID revenue reached a cliff. Catalent’s Net Debt / EBITDA ratio at the beginning of FY2021 was 3.0x, and two years later, FY2023, was 6.8x. This was followed by a string of operational missteps, quality issues, executive changes, and downward earnings revisions, which erased all pandemic gains.

This attracted the attention of activist Elliott Investment Management, historically known for its success in technology, but recently showed interest in pharma outsourcing, partnering with Patient Square Capital and Veritas Capital to acquire CRO Syneos Health (SYNH) for \$7.1 billion. Elliot initiated its Catalent position in July of 2023, and on August 29th, entered into a cooperation agreement with Catalent, introducing 4 new board members and a plan to overhaul the remaining seats.

# Catalent Case Study - The Buyout

NOVO  
holdings

Has entered into a definitive agreement to acquire

Catalent®

and plans to sell three sites to



## Deal Overview

On Monday, February 5th, Novo Holdings and Catalent announced a merger agreement that will take one of the largest CDMOs private for \$63.50 per share. This equates to an enterprise value of approximately \$16.5B, which is equivalent to 19.5x CY24 consensus adjusted EBITDA, or 35.6x LTM EBITDA. This price represents a 16.5% premium to the prior trading day's closing price of \$54.51 and a nearly 40% premium to the closing price of Catalent's common stock as of August 28, 2023, the last day of trading before the company conceded to Activist Elliot Management.

In conjunction with the announcement, Novo Holdings stated it will divest 3 fill-finish sites and related assets for \$11B to Novo Nordisk, in which Novo Holdings has a controlling interest. These three facilities are located in Bloomington, Indiana; Brussels, Belgium; and Anagni, Italy and will be intended to support GLP-1 demand.

The transaction is expected to close toward the end of calendar 2024.

## VALUES

**\$16.5B**

Implied Enterprise Value

**4x**

LTM Revenue Multiple

**35.6x**

LTM Adj. EBITDA Multiple

### Novo

Novo Holdings is the controlling owner of Novo Nordisk and manager of Novo's foundation assets. Novo Nordisk is a leading global provider of diabetes care products and manufacturer of Wegovy and Ozempic. The firm manufactures and markets a variety of insulins, injectable diabetes and obesity treatments, and oral antidiabetic agents.

In a rare reversal of asset-light and outsourcing pharma strategies, the acquisition of three sites serves to vertically integrate Nordisk's supply chain, as fill-finish capacity is necessary for the injectables business. This acquisition allows Novo Nordisk to fully commit to boosting the production capacity of their obesity and diabetes treatments. Novo Nordisk especially needed additional capacity for its GLP-1 treatments, which are currently in shortage in the U.S. with supply limitations being the major bottleneck preventing the unlocking of the obesity market. Of the three fill-finish sites, two already fill GLP-1s, Brussels and Bloomington.



# Catalent Case Study - Industry Impacts

## The Structure & Economics:

Catalent's Pharma and Consumer Health (PCH), Cell Gene Therapy (CGT), and drug substance businesses will remain with Novo Holdings. PCH was ~54% of Catalent's revenue in FY23 and Biologics made up ~46%. The Biologics segment is made up of fill-finish, (accounting for ~20% of total revenue), gene therapy (~17%), drug substance (6%), and cell therapy (4%).

The total purchase price values Catalent at 19.5x CY24 EBITDA, which represents a strong multiple despite the depressed EBITDA margins and several quality issues. The major value driver is Nordisk's \$11B purchase for the 3 facilities. This is estimated to be 31x EBITDA (based on ~23% of revenue at a generous 35% EBITDA margin in those facilities). Thus, Novo Holdings is buying the remaining company (a mix of small molecule businesses and CGT manufacturing) for just ~11x EBITDA.

## Industry Impacts:

### Outsourcing Trends and M&A Valuations:

We anticipate that this deal will not trigger a reversal of the decade-long outsourcing trend in the pharma industry. While the nature of the deal is an unlikely outcome for Catalent, the timing is not unexpected given the pressure from activist shareholder Elliott. However, an entire acquisition by an entity named 'Novo' was a surprise to many, especially after Danaher has previously shown interest. This transaction is emblematic of the current state of the pharma supply chain. Supply issues have impacted nearly all manufacturers, leading to record levels of shortages. Novo Nordisk has been one of the most afflicted by this, in that after launching its biggest blockbuster drug ever, Wegovy, it has wrestled with quality-driven supply constraints that led to 6-month shutdowns, halting production and slowing the launch.

This, coupled with the assumed ~31x valuation, represents drug sponsors' frustration with supply partners and the high demand for predictable, high-quality supply. As for Novo Holdings, this deal is not off strategy and the assumed ~11x EBITDA multiple is a steal for the once industry leader minus a few troublesome fill-finish sites.

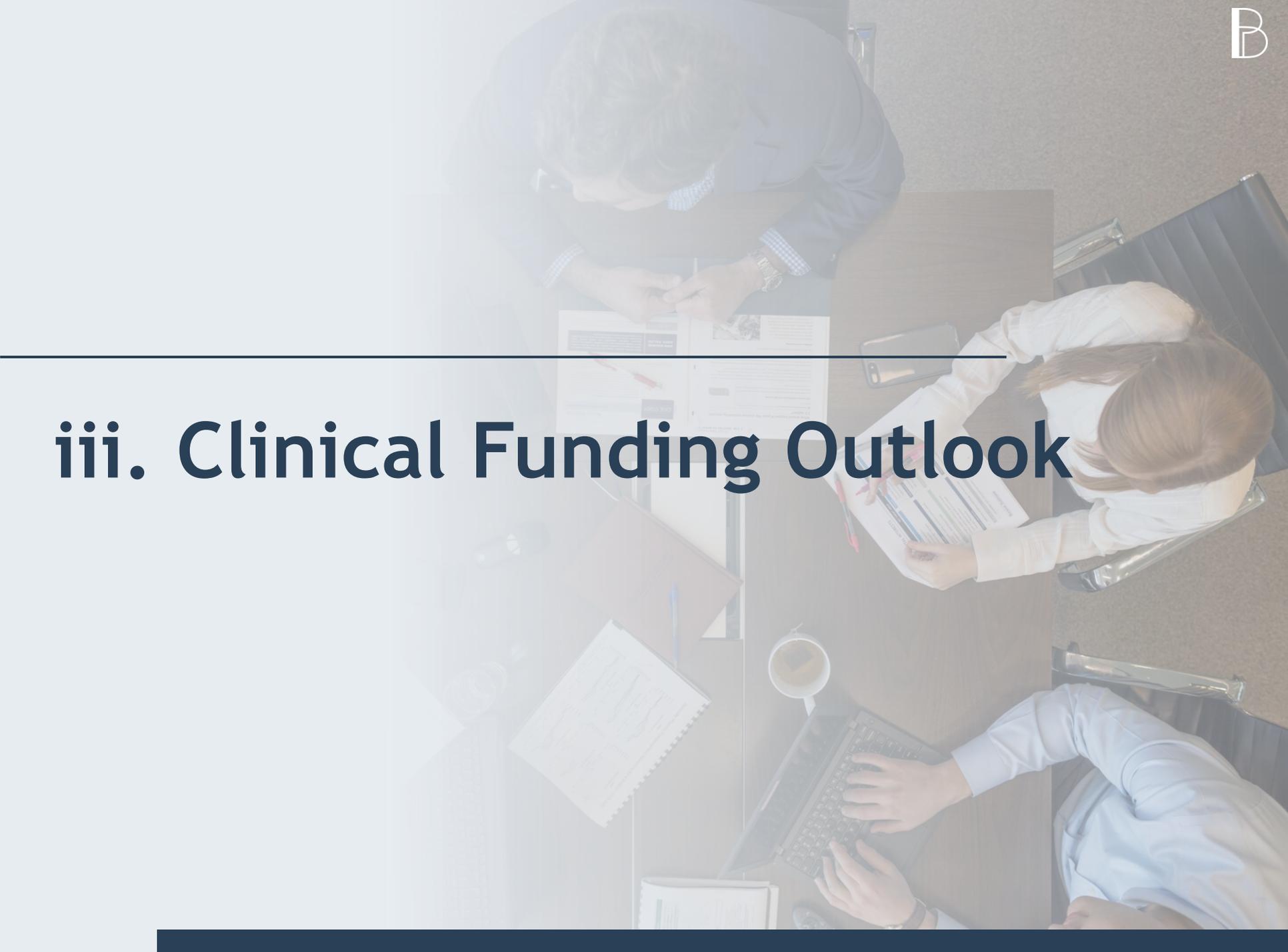
### Existing Customers & Competition:

Novo Nordisk will honor existing customer obligations at the current sites. However, customers may need to find alternative long-term suppliers as Nordisk intends to convert those sites to exclusively manufacture GLP-1s. Customers will likely be encouraged to migrate these contracts over to the primary sites operated by Novo Holdings.

The CDMO market is set to benefit from this development, as it will amplify demand for the already scarce sterile fill-finish capacity. Depending on supply agreements, Catalent / Novo Holdings may encounter challenges resigning these contracts, as switching costs are a key factor in maintaining long-term relationships in the outsourced pharma industry. This could likely create an influx of demand for competing CDMOs.

### Regulators:

The acquisition still needs FTC and EU regulatory approval. Given the FTC's strict stance on recent M&A deals, this could be challenging. Eli Lilly, Novo's main competitor with the only other approved GLP-1, Zepbound, has called for regulatory scrutiny of the deal. Lilly relies on some of the three sites included in the deal to produce its diabetes and obesity treatments. Despite these potential competition concerns, GLP-1s are expected to contribute less than 3% to Catalent's 2024 revenue.

An overhead view of three business professionals sitting around a dark wooden conference table. The man at the top is wearing a dark suit and glasses, looking at a document. The woman on the right is wearing a white blouse and is pointing at a document. The man at the bottom is wearing a light blue shirt and is typing on a laptop. The table is cluttered with various items including papers, a smartphone, a coffee cup, and a mouse. A horizontal line is drawn across the middle of the image, partially obscured by the text.

# iii. Clinical Funding Outlook



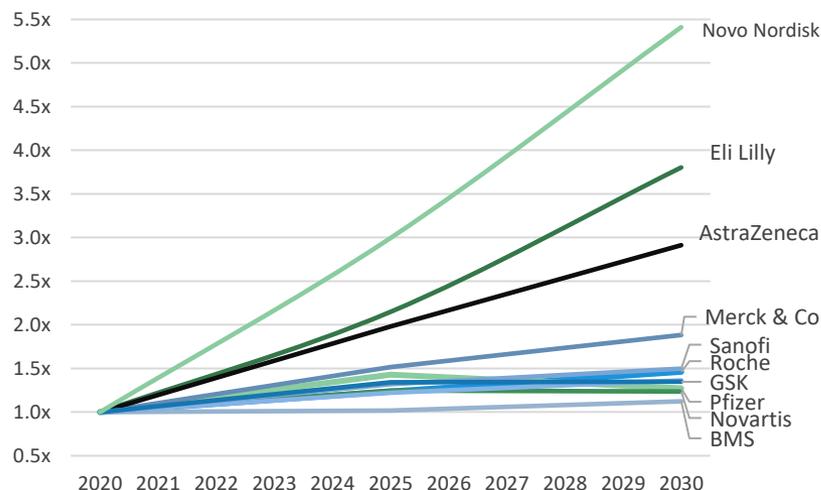
# Big Pharma Research and Development (R&D)

R&D Estimated Spend Ranking (\$M)

	2020		2025		2030	
1. Roche	11,977	Roche	14,800	Eli Lilly	22,720	
2. Pfizer	9,370	Pfizer	13,391	Roche	17,490	
3. BMS	9,237	Eli Lilly	12,841	AstraZeneca	17,095	
4. Merck & Co	8,308	Merck & Co	12,607	Merck & Co	15,630	
5. Novartis	7,636	AstraZeneca	11,635	Novo Nordisk	13,036	
6. Eli Lilly	5,976	Novartis	9,517	Pfizer	11,907	
7. AstraZeneca	5,872	BMS	9,386	BMS	10,363	
8. AbbVie	5,830	Sanofi	7,482	Novartis	9,427	
9. Sanofi	5,676	GSK	7,292	Sanofi	8,506	
10. GSK	5,435	Novo Nordisk	7,217	AbbVie	7,949	
11. Novo Nordisk	2,410	AbbVie	7,130	GSK	7,319	
<b>Total</b>	<b>\$77,727</b>		<b>\$113,298</b>		<b>\$141,442</b>	

SOURCE: Bloomberg, Company Filings, Berenberg Research

Estimated Fold Increase in Annual R&D Spend



SOURCE: Bloomberg, Company Filings, Berenberg Research

## Internal R&D – A 2024 Priority for Cash-Rich Big Pharma

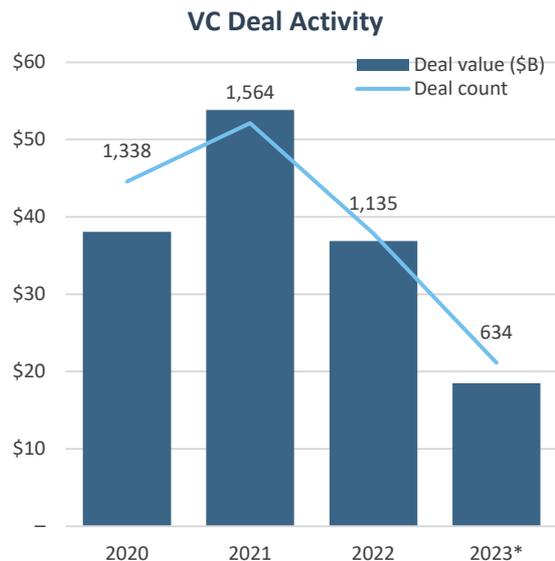
As we enter a year characterized by ongoing macroeconomic uncertainty, the impact of drug price reforms, and an impending election, cash-rich pharmaceutical companies are expected to prioritize internal research and development investments. The increased R&D investment, driven by the pandemic, hasn't slowed down. In fact, pharmaceutical companies are still allocating a record percentage of sales towards R&D.

Big pharma alone is projected to deploy \$91 billion on internal R&D in 2024, before increasing leverage positions. This surge is expected to be

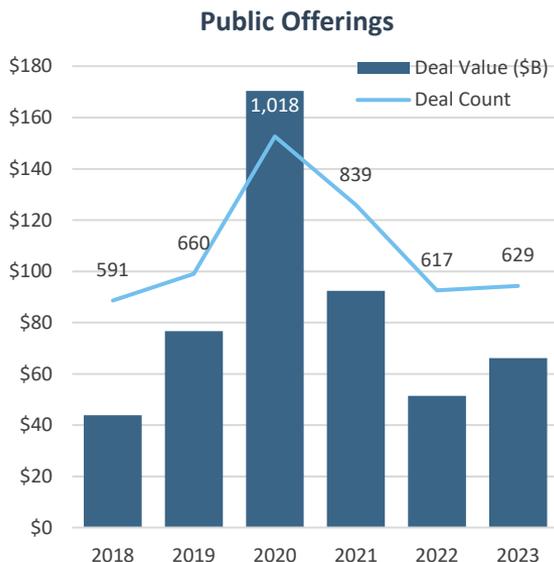
led by the reinvestment of profits from the success of obesity treatments. Companies like Novo, Lilly, and AstraZeneca are expecting to triple their R&D spending over the next decade as they redeploy their return on R&D investment.

Given the prevailing macroeconomic uncertainty, Federal Trade Commission (FTC) regulatory pressure, and the high cost of capital, it is likely that pharmaceutical companies will prioritize internal R&D over large transformative acquisitions to backfill pipelines.

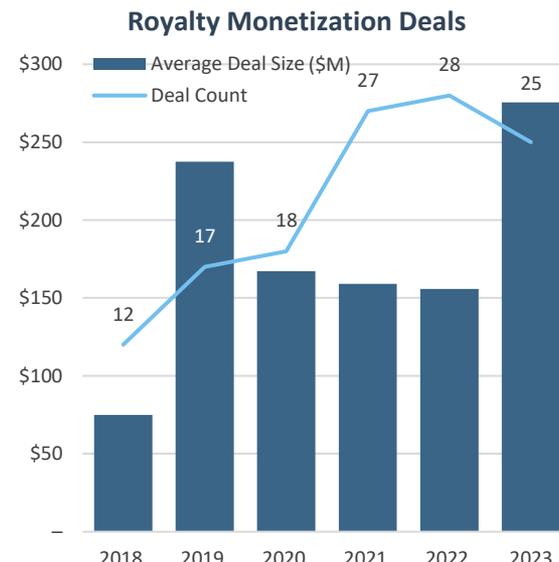
# Biopharma Funding & R&D State of Play



Sources: Pitchbook  
\* As of 9/30/2023



Sources: CapIQ  
\* As of 1/1/2024



Sources: Bourne Royalty Monetization Transaction Database  
\* As of 12/31/2023

- After enduring two years of dismal funding, the biotech sector is beginning to see brighter prospects on the horizon. Investors are gradually regaining confidence and are providing funding to promising biotechs. This renewed enthusiasm is bolstered by recent advancements in AI, which can significantly enhance the drug discovery process.
- The anticipation of future rate cuts is fueling excitement in the biotech sector, as these cuts will positively impact the valuation of biotechs' heavily discounted future cash flows. Despite a significant decline in VC deal value and count YoY since 2021, the most recent three quarters have shown an upward trend in deal value, peaking at \$6.5 billion in Q3 2023.
- Valuations have also seen an improvement, with median pre-money

valuations increasing YoY to surpass the 2021 levels. However, this is largely due to later-stage biotechs receiving the majority of funding, indicating that investors are still risk-averse.

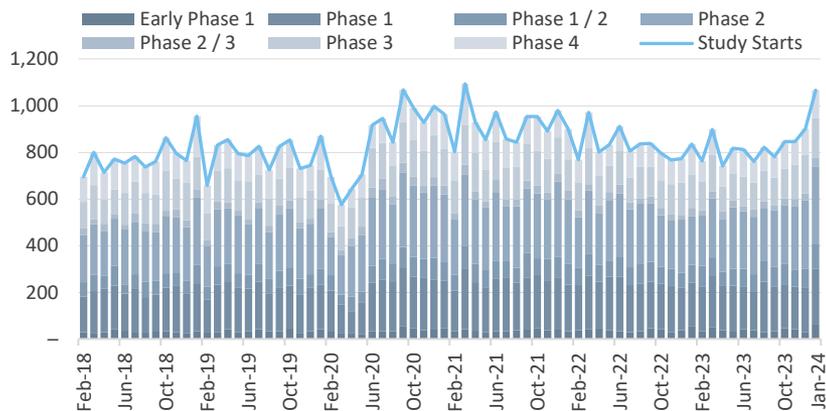
- The public markets have become more receptive to biotech offerings in the second half of 2023, which has continued into Q1 2024, further supported by the anticipation of future rate cuts.
- For biotech companies unable to secure VC funding or access public markets, alternative financing routes have emerged as a viable path to funding. Financing events such as royalty monetization, revenue interest financing (RIF), and priority review voucher (PRV) monetization can offer non-dilutive financing. These alternatives have grown in popularity amidst pricey capital markets, and Bourne has been active in structuring creative solutions for these companies.



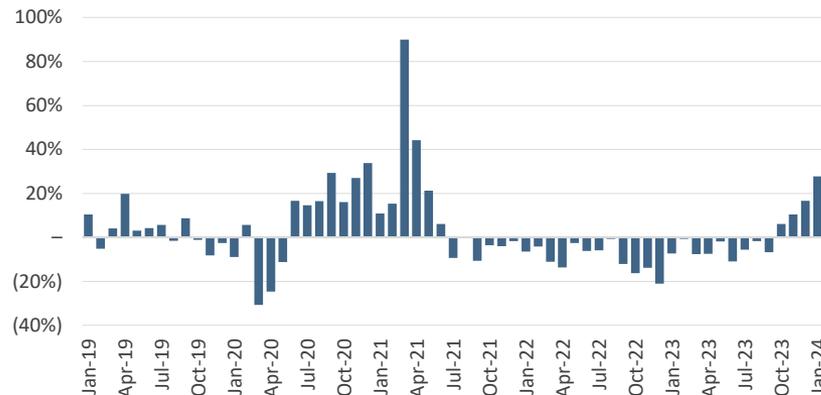
# Clinical Trial Tailwinds

Clinical activity has experienced a robust recovery and significant acceleration across the board. Clinical trial starts increased by 28% YoY. In January, there were 1,067 clinical trial starts (approximately 28 starts / day), compared to 901 starts in December (roughly 26 starts / day). This contrasts with the average of 27 clinical starts per day throughout 2023. Notably, much of the increase has been in Phase 2 trials. The daily rate of clinical trial starts continues to trend well above pre-Covid levels.

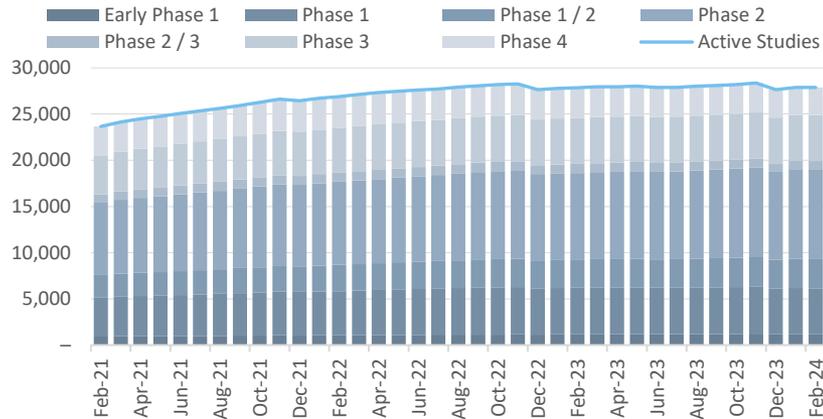
Study Starts by Phase



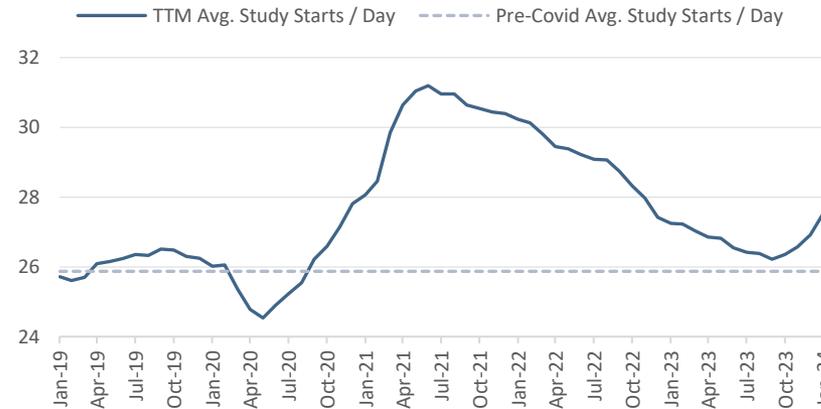
YoY % Change in Study Starts



Active Studies by Phase



TTM Average Total Study Starts / Day



# Section Two

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## Sub-Sector Spotlights

i. Clinical Services

ii. Supply Chain Services

iii. Commercialization Services



An overhead, top-down view of three business professionals sitting around a dark wooden conference table. The man at the top is wearing a dark suit and is looking down at a document. The woman on the right is wearing a white blouse and is looking at a document with a pen. The man at the bottom is wearing a light blue shirt and is typing on a laptop. The table is cluttered with various items including papers, a smartphone, a coffee cup, and a mouse. A horizontal line is drawn across the middle of the image, separating the top half from the bottom half.

# i. Clinical Services



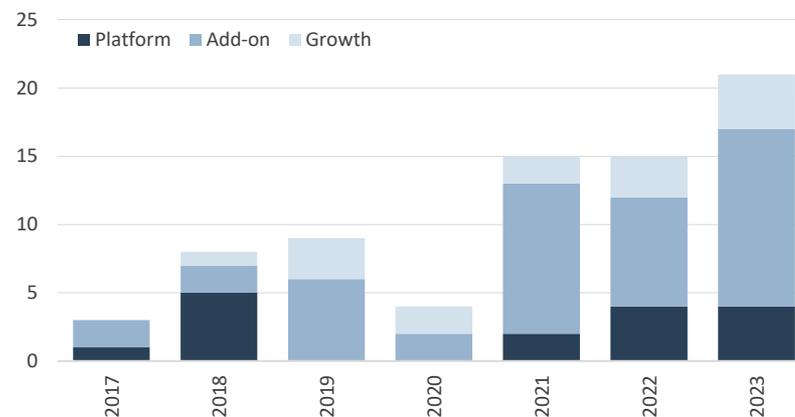
# Contract Research Organizations (“CROs”)

CROs are expected to see strong demand as clinical activity picks up. Big Pharma alone, a key customer and leading indicator, is projected to spend \$91B on R&D in 2024. The biopharma funding environment is improving, with the end of 2023 witnessing increased VC funding and more receptive public markets—a trend that has continued into 2024. However, funding has been heavily skewed towards later-stage pipelines or plays on obesity and AI, leaving Phase 1/2 and earlier candidates still cash-strapped. For this reason, Phase 1 CROs and other providers primarily servicing Biotechs will continue to face headwinds.

## Key Trends

- Site network and SMO consolidation remain a significant focus, anticipating increased M&A activity this year. Despite higher interest rates throughout 2023, which hindered extensive roll-up strategies, site networks continued to gain momentum. Now, with rates normalizing, investors are expected to further pursue this strategy in the coming year
- CROs are increasingly investing in technology, particularly in core competencies like Clinical Trial Management Systems (CTMS). However, they face challenges with "true software applications" such as Electronic Data Capture (EDC), Randomization and Trial Supply Management (RTSM), or Electronic Clinical Outcome Assessment (eCOA). This space has seen a rush of new entrants and is ripe for consolidation. However, regulatory requirements vary across service offerings and prohibit the "co-mingling" of data, hindering vertical integration and a one-stop shop solution
- The push for decentralized trials (DCT) has lost momentum post-Covid as clinical services companies struggle to provide the same level of quality care, patient engagement, and compliance quality control measures in a hybrid or decentralized setting instead of onsite

## PE Clinical Trial Site Deal Count by Type



Source: Pitchbook  
\* As of 1/17/2024

## Representative Transactions

Date	Target	Acquirer	Metrics
Mar 2024	 		\$345.0M
Feb 2024			NA
Sep 2023		 	EV:\$7.1B EV/Revenue 0.5x EV/EBITDA: 6.6x

## Market Players





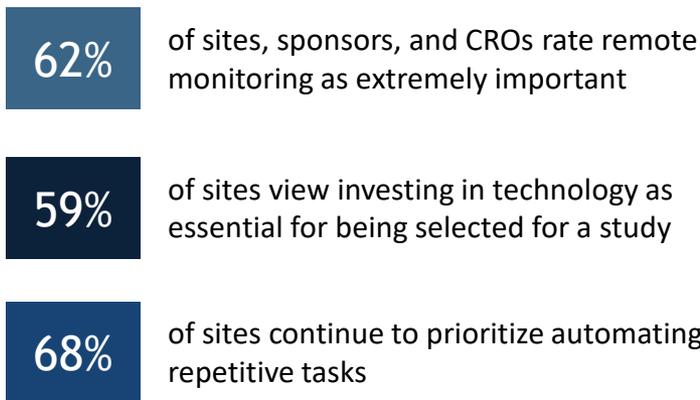
# Clinical Services - Trial Technologies

Clinical trials are currently undergoing a technological renaissance. Technology is transforming every aspect of the trial, from AI-powered drug discovery tools to patient recruiting, engagement, and management tools, trial management and randomization, and outcome assessment tools. Trials are now collecting more data than ever and often have several different portals that vary trial-by-trial and sponsor-to-sponsor. While greatly advanced, sites are often overwhelmed and experience “portal fatigue.”

## Key Trends

- Currently, clinical trial businesses are at the precipice of change in the industry brought on by the rapid improvements in data analytics, storage, and the emergence of efficiency-maximizing technologies and technology-enabled services
- With the large sea of data that these companies collect, solutions that can process, clean, store, and provide insight on large amounts of data has never been more in demand
- For example, for Phase I, the back-end data processing remains the largest opportunity to cut delivery timeframes down and reduce sponsor cost. Through automation, the industry standard of 90 - 120 days for data filling can be reduced significantly, saving costs on both the sponsor and vendor sides. Additionally, with the incorporation of RWE in orphan drug development, it is estimated that launches for market access could be brought forward as much as three years
- As technology continues to have a significant impact on the clinical trial industry, we can expect to see leaps in efficiencies and cost-reductions, paving the way for more dollars to be put towards innovation

## Site and Sponsor Survey<sup>1</sup>



## Market Players



## Representative Transactions

Date	Target	Acquirer/Investor	Metrics
Feb 2024	Lightship	OBVIOUS VENTURES Prelude Ventures	\$16.5M Series C Post-Val: \$122.5M
Jan 2024	Science 37	eMed	EV: \$38.0M EV/Revenue: 0.6x



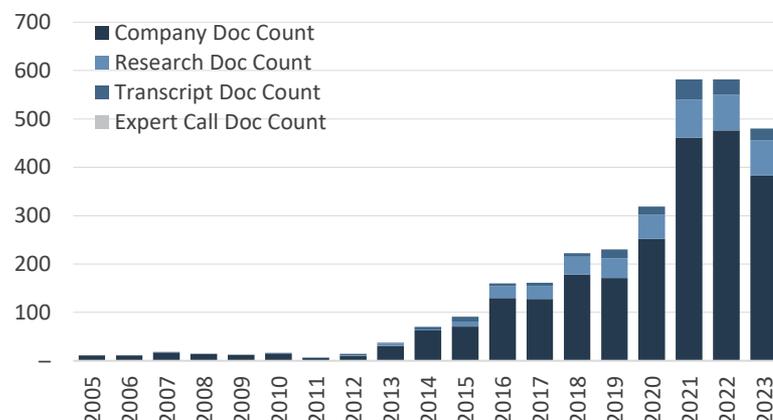
# Clinical Services - Patient Recruitment & Engagement

Patient recruitment involves clinical service providers collaborating with sponsors, CROs, and sites to attract and enroll patients in trials. Meanwhile, patient engagement companies focus on enhancing patient experiences and retention through various services, such as logistics support or interactive technology. Engaging patients in clinical trials is vital due to the high costs and time delays associated with patient recruitment. With an average dropout rate of ~35%, maintaining patient participation is key to achieving endpoints, gaining approval, and starting to recover R&D investment.

## Key Trends

- Patient-centric approaches are being prioritized as sponsors, CROs, and sites navigate the path of better serving, engaging, and retaining patients
- The market has been rewarding patient-centric approaches, which have quickly become a new investment thesis by sponsors and large strategic acquirers
- The patient experience is increasingly valued in pharma, with 383 company filings citing “Patient Retention” or “Patient Engagement”
- \$6,500 is the average cost to recruit and enroll an individual into a trial, and the average dropout rate is 35% in late-stage trials
- As therapeutics continue to target complex indications and pharma FDA regulations and study protocols become stringent around patient diversity requirements, diversity across patient populations to test a drug or treatment has never been more important or necessary

Pharma Company Documents Mentioning "Patient Retention" or "Patient Engagement"



## Market Players



## Representative Transactions

Date	Target	Acquirer	Metrics
Jan 2024	Clincierge	greenphire	NA
Feb 2024	CONTINUUM CLINICAL	SPECTRUM	NA
Nov 2023	PatientCentra <small>Patient Centered. Data Driven. Results Focused.</small>	SubjectWell	NA

An overhead view of three business professionals in a meeting. A man in a dark suit is at the top, looking at a document. A woman in a white blouse is on the right, pointing at a document. A man in a light blue shirt is at the bottom, typing on a laptop. The table is cluttered with papers, a laptop, a coffee cup, and a smartphone.

## ii. Supply Chain Services



# Contract Development Manufacturing Org. (“CDMOs”)

U.S. based manufacturing has gained significant attention due to recent drug shortages and supply chain complications, attracting government support. The U.S. gov. has pledged to back local supply chains with an investment of \$1.4T over the next seven years for capital projects across critical industries. “Onshoring” has become widespread across all sectors, especially in pharma, elevating the importance of a self-reliant pharma supply chain to a matter of national security. CDMOs are poised to benefit from this trend, and established, high-quality U.S. manufacturing capacity will continue to command a premium.

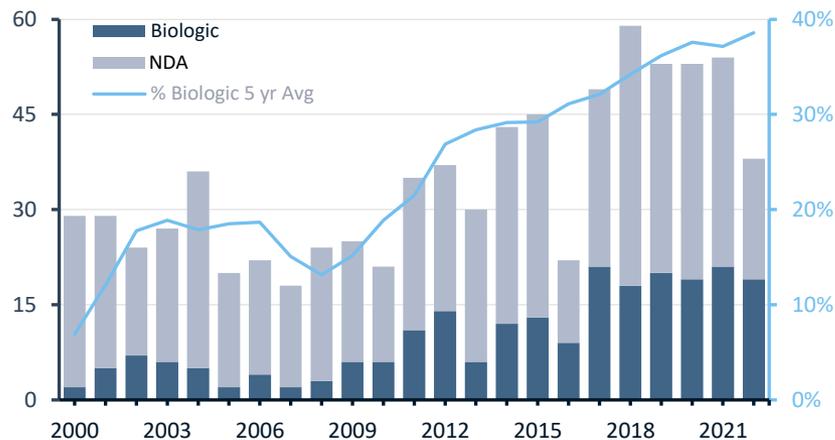
### Key Trends

- The CDMO market faces undersupply in areas like sterile fill-finish and highly potent API. Conversely, there is excess capacity in small molecule / generic API, oral drug, and cell and gene therapy (CGT). ADCs, GLP-1s, and other vaccines are driving demand for sterile injectables
- Novo Nordisk’s acquisition of 3 fill-finish sites will amplify demand for the already scarce sterile fill-finish capacity. Switching costs play a crucial role in maintaining long-term relationships in the outsourced pharma industry, potentially creating an influx of demand for competing CDMOs
- As 170 products lose exclusivity within the next six years, many of which are biologics, the demand for sterile, injectable, lyophilized (lyo), and other advanced capabilities is expected to expand. Further, legislative action and pricing encourage pharma companies to pursue large molecule drugs (for more, see Bourne’s [Pharma Sector Report](#))
- Therapeutics are becoming more specialized and making advanced technologies and capabilities more desirable. Niche delivery systems such as intranasal, transdermal, and inhalation have seen increased interest
- Pharma 4.0. CDMOs are leveraging tech-enablement to streamline workflows, operations, and expand margins

### Market Players



### Annual Drugs Approvals vs. % Biologic



Source: Nature Biotechnology

### Representative Transactions

Date	Target	Acquirer	Metrics
Mar 2024	ARGONAUT MANUFACTURING SERVICES	NewVale CAPITAL Telegraph Hill PARTNERS	\$45.0M Late-Stage
Feb 2024	Simtra BioPharma Solutions	Advent International WARBURG PINCUS	\$250M Facility Expansion
Feb 2024	Catalent	NOVO holdings	EV: \$16.5B EV/EBITDA: 35.6x
Feb 2024	SOCIETAL CDMO	core Rx	EV: \$186.3M EV/EBITDA: 16.1x

# Cold Chain: Biostorage & Logistics

The biopharma cold chain market encompasses packaging, transportation, and data services used to maintain the quality of pharmaceuticals, blood products, vaccines, and other biologics from the time of manufacture to the point of administration. It serves as a critical resource for biopharmaceutical companies and CDMOs facing storage and overflow challenges.

## Megatrends Influencing Biostorage & Logistics

### Global Demand for Sensitive Biopharmaceuticals

Increased sensitivity of biopharmaceuticals and growing demand for specialized medicines is driving the need for tailored shipping and storage solutions. Specifically, the increased diabetic population globally and personalized gene therapy drugs

### Colder Cold Chain

During the development of the COVID-19 vaccine, the pharmaceutical and cold chain sectors innovated, creating temperature-controlled packages and solutions to meet the needs of new deep-frozen COVID-19 vaccine storage. The success of the mRNA vaccines has unlocked future development within this class of drugs, many of which will require ultra-cold supply chain and storage

### Biosimilar & Complex Generics Demand

As 170 products lose exclusivity within the next six years, there will be significant generic entrants, driving demand and expanding the needs for biopharma logistics and needs

### On-Shoring & Supply Chain Redundancy

Global supply chain issues and national drug shortages are industry tailwinds. Companies are shifting away from just-in-time inventory and holding increased inventory levels

For our full analysis, see Bourne's [Biostorage Sector Report](#)



## Representative Market Sizes

**Cold Chain<sup>(15)</sup>**  
Approx. \$29.6B by 2028

**Sample Handling<sup>(17)</sup>**  
Approx. \$20.5B by 2030

**Lab Freezers<sup>(16)</sup>**  
Approx. \$7.2B by 2030

**Biobanking<sup>(18)</sup>**  
Approx. \$138.1B by 2030

An overhead view of three business professionals sitting around a dark wooden conference table. The man at the top is wearing a dark suit and glasses, looking at a document. The woman on the right is wearing a white blouse and is pointing at a document. The man at the bottom is wearing a light blue shirt and is typing on a laptop. The table is cluttered with various items including papers, a smartphone, a coffee cup, and a notebook. A horizontal line is drawn across the middle of the image, partially obscured by the text.

# iii. Commercialization Services

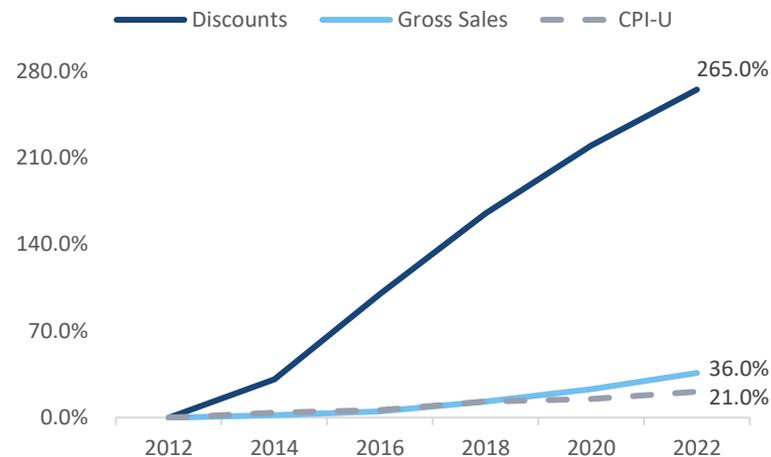


# Evolving Dynamics in Pharma Sales Channels

## Transformation in Pharma Channels

- There has been a significant shift in the strategies and channels used by pharmaceutical manufacturers to bring their products to market. The traditional sales rep-to-physician model has become nearly obsolete in the post-COVID world.
- This transformation has given way to Direct-to-Consumer (DTC) routes and Specialty Pharmacy networks, driven by ballooning gross-to-net spreads, discounts, and rebates.
- However, mis-aligned incentives and extreme buyer concentration driven by the vertical integration of pharmacy benefit managers (PBMs) and group purchasing organizations (GPOs), result in higher drug prices and place manufacturers under significant financial strain.
- When considering discounts and rebates obtained by PBMs, many of which are owned by insurers, their actual contribution increases to approximately 64% of total prescription drug spending, with a notable portion being retained as profits rather than being passed on to plan beneficiaries.

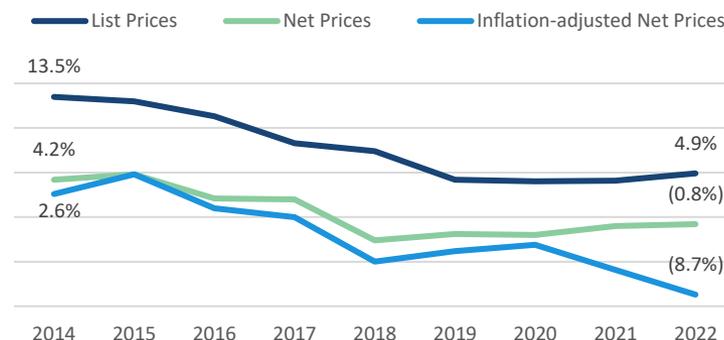
**Percent Growth in \$  
Top 15 Manufacturers 2012 – 2022**



## Issues Impacting Generic & Specialty Manufacturers

- For 2022, brand-name drugs’ net prices dropped for an unprecedented fifth consecutive year. What’s more, after adjusting for overall inflation, brand-name drug net prices plunged by almost 9%.
  - In the graph to the right, the difference between inflation-adjusted net price is 13.6%, the largest the spread has been since 2014.
  - According to 46Brooklyn, the unweighted list price growth in 2023 remains around 5%.
- Manufacturers are increasingly relying on innovative solutions to reach "inaccessible patients" and target smaller patient populations effectively. This emphasis on innovation underscores the industry's recognition of the need for tailored, highly targeted efforts to engage with patients and healthcare providers.

**% Change in Average List & Net Price for Brand Name Rx  
Drugs**





# Commercialization Services

Pharma commercialization companies can add value in various ways, depending on their position in the value chain. However, the essence of their impact can be summarized by three key drivers: Volume, Price (Gross-to-Net), and Service.

## Volume

### New Scripts

- Patients and prescribers must be educated on the availability and efficiency of products
- Transparency is the key to market access and affordability to patients. Companies like Prescriptive Health, GoodRx, discount cards, etc. are working to improve the current model
- Transparent commercial agreements can eliminate formulary placement introducing a more competitive system

### Refills

- Patient engagement tech streamlines treatment and medication management, while boosting patient outreach and adherence

### Market Players



## Price

### Gross-to-Net

- Pharma companies aim to reduce their gross-to-net spread, which is the difference between list price and net price after accounting for discounts to intermediaries like PBMs. This market is opaque by design
- Innovators seek to improve transparency between patients, providers, and pharma companies to enhance affordability and patient care

### Cash Pay / Direct-to-Consumer

- Pharma companies are looking for ways to bypass intermediaries, opting for direct-to-consumer methods, transparent pricing and efficiency, and better alignment across patients, providers, and manufactures

### Market Players



## Service

### RWD

- Data provides insight to pharma companies and prescribers of the drugs, mostly through specialty pharmacy hubs
- This data better informs doctors on how to best titrate their patients, increasing the quality of care
- Pharma companies benefit from this due to better adherence rates and increased volume

### Payment Terms

- Pharma companies can find commercial partners (better payment terms, responsiveness, etc.) dealing outside of the traditional oligopolies (GPOs, PBMs, and wholesalers)

### Market Players





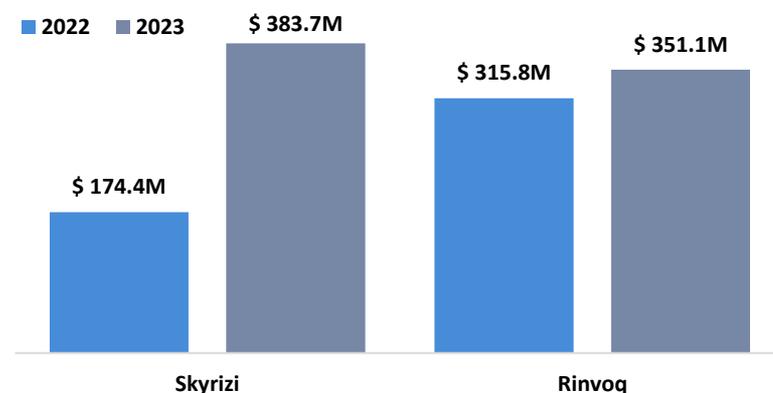
# Medical Communications Services

Medical communications (MedComms) is vital in the pharmaceutical industry, disseminating essential drug information to both healthcare professionals and the public. It focuses on education and promotion, making complex scientific concepts accessible to non-medical individuals. As new drugs with specific indications enter the market, MedComms ensures that healthcare professionals understand their benefits and risks, supported by clinical and economic data. Effective communication contributes to an informed healthcare landscape, enhancing the impact of new treatments for consumers.

## Key Trends

- M&A activity across the commercialization strategy, medical communications, and healthcare marketing space. Sponsor-backed businesses, in particular, have been highly acquisitive in late 2023 and early 2024
- As Big Pharma targets smaller, more profitable patient populations, personalized treatments require an increase in advertising spend to reach these patient populations
- Digital marketing utilizes platforms like social media and email to reach healthcare professionals and patients, and allows manufactures to gather necessary data for engagement and target market optimization

## Bingeworthy: AbbVie TV Ad Spend



Source: Fierce Pharma

## Market Players



## Representative Transactions

Date	Target	Acquirer	Metrics
Jan 2024	AVANTHC	REAL CHEMISTRY	NA
Jan 2024	SKYfactor Benchworks	Elentra	NA
Oct 2023	Prescott Medical Communications Group	citrus health group	NA

# Section Three

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## Transactions & Public Comps

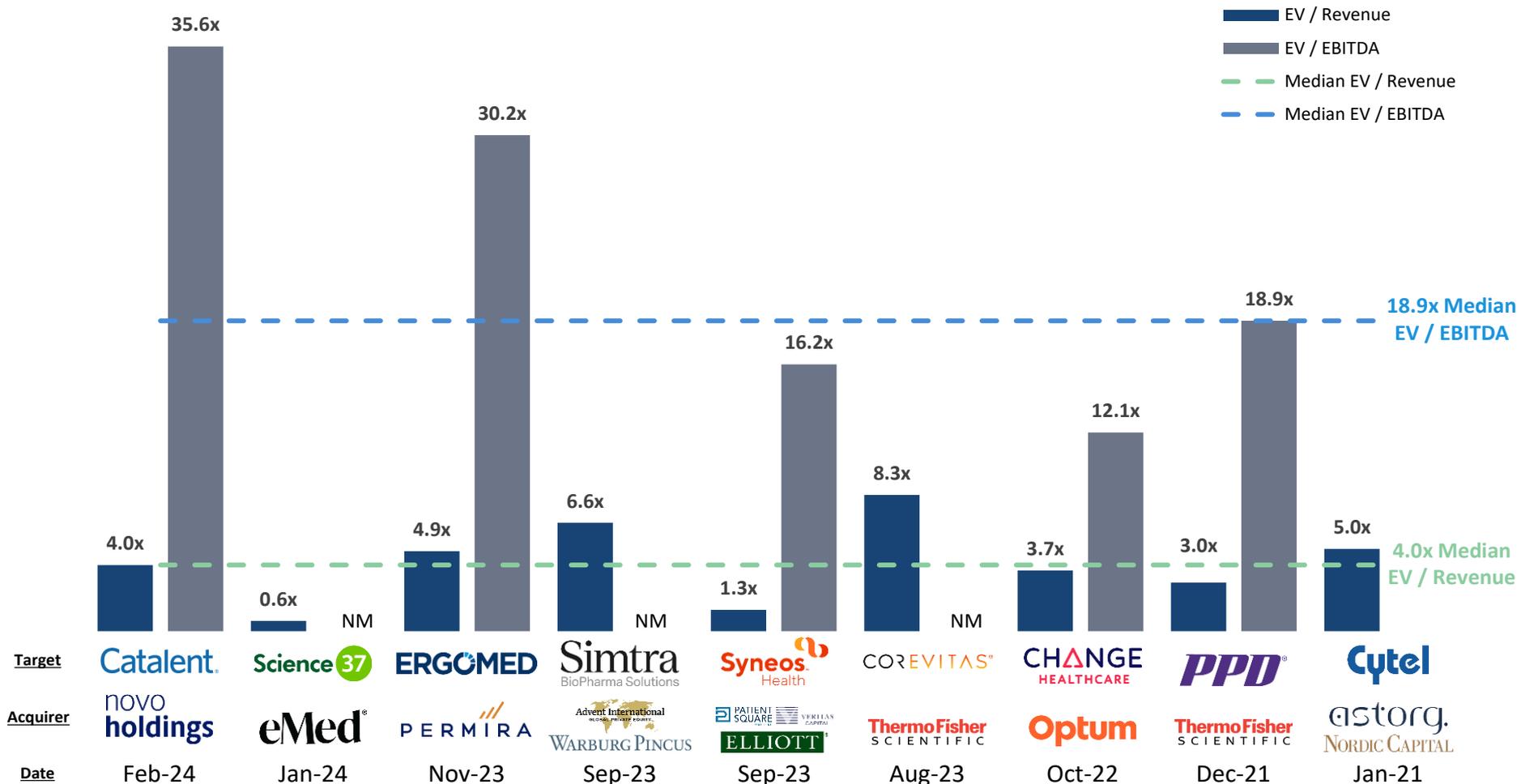
i. Relevant Transactions

ii. Bourne Public Comps

iii. Bourne Pharma Services Indices



# Relevant Pharma Services Transactions



# Relevant Pharma Services Transactions



\*Denotes Bourne Transaction

Date	Target	Acquirer	Commentary	Tags	Deal Values
Mar-2024	 		Provider of randomization and trial supply management services Provider of HUB services and patient access market services	<div style="border: 1px solid black; padding: 2px;">Access</div> <div style="border: 1px solid black; padding: 2px;">Engagement</div>	\$345.0M
Jan-2024		 	Sterile injectable drug CDMO	<div style="border: 1px solid black; padding: 2px;">CDMO</div>	Not Disclosed
Jan-2024		 <small>The Standard of Excellence</small>	Singapore-based CRO focusing on Southeast Asia and Oceania	<div style="border: 1px solid black; padding: 2px;">Data Management</div>	Not Disclosed
Jan-2024			Sterile injectable drug CDMO	<div style="border: 1px solid black; padding: 2px;">CDMO</div>	Not Disclosed
Jan-2024			Drug device CDMO	<div style="border: 1px solid black; padding: 2px;">CDMO</div>	Not Disclosed
Jan-2023			Provider of concierge travel and logistics support for patients participating in clinical trials	<div style="border: 1px solid black; padding: 2px;">Engagement</div>	Not Disclosed
Nov-2023			Clinical trial patient recruitment solutions	<div style="border: 1px solid black; padding: 2px;">Recruitment</div>	Not Disclosed
Nov-2023			Provider of healthcare advertising services	<div style="border: 1px solid black; padding: 2px;">MedComms</div>	\$245.0M TEV
Oct-2023			Provider of data-driven commercialization services for the pharma and healthcare spaces	<div style="border: 1px solid black; padding: 2px;">Commercialization</div>	\$95.0M TEV
Sep-2023			Digital and healthcare communication services	<div style="border: 1px solid black; padding: 2px;">MedComms</div>	Not Disclosed

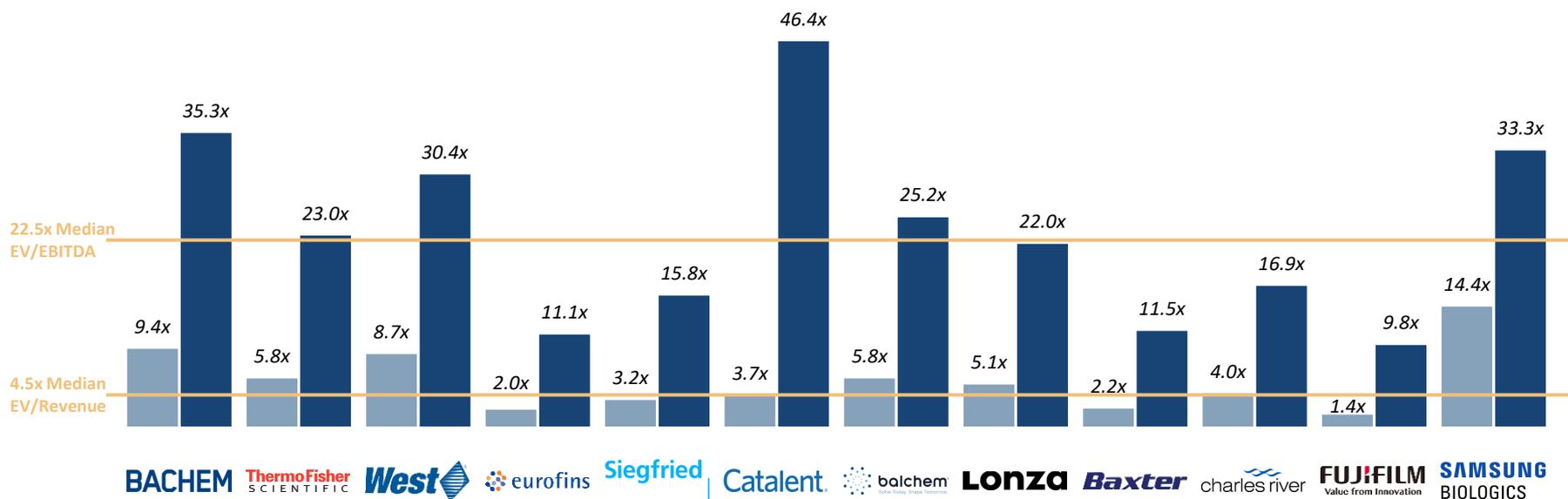
# Relevant Pharma Services Transactions



\*Denotes Bourne Transaction

Date	Target	Acquirer	Commentary	Tags	Deal Values
Sep-2023	Vax TRIALS	Emmes	Digital and healthcare communication services	Data Management Full-Service CRO	Not Disclosed
Sep-2023	MEDIVANT® HEALTHCARE	1315 CAPITAL	Sterile injectable drug CDMO	CDMO	Not Disclosed
Aug-2023	bamboo Strengthen through flexibility	APTITUDE HEALTH LINDEN	Medical communications firm	MedComms	Not Disclosed
Aug-2023	WORLDWIDE CLINICAL TRIALS	KOHLBERG & COMPANY	Full-service, global CRO	Full-Service CRO	\$2.0B TEV
Aug-2023	COREVITAS	ThermoFisher SCIENTIFIC	RWE, data analytics, and patient engagement services	Engagement Commercialization	\$913M TEV TEV/Rev: 8.3x
Jun-2023	tkg	petaurihealth YOUR SPRINGBOARD TO SUCCESS	Healthcare strategic advisory and marketing agency intended to serve life sciences companies	Commercialization	Not Disclosed
Jun-2023	CSG HEALTH GROUP	calcium NexPhase CAPITAL	Medical communications platform for healthcare professionals	Engagement Commercialization	Not Disclosed
May-2023	BEGHOU CONSULTING	VARSITY HEALTHCARE PARTNERS	Commercialization consulting firm	Commercialization	Not Disclosed
Jan-2023	Clinical Site Services Accelerating Patient Recruitment	LATTICEWORK HEALTHCARE PARTNERS	Global patient engagement organization with patient recruitment and media buying services	Engagement Recruitment	Not Disclosed

# Bourne Comps - CDMO

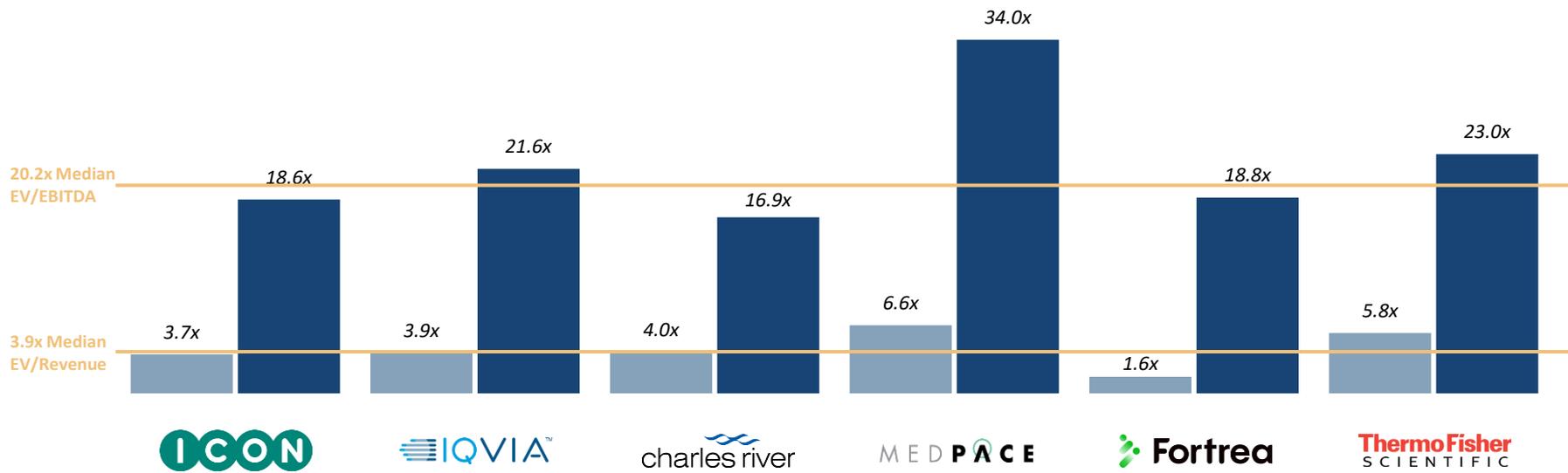


Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>CDMO</b>												
Bachem	CH	\$5,942	\$1	\$323	\$5,619	\$159	9.4x	35.3x	(2.0x)	(17.4x)	29.6%	-
Thermo Fisher Scientific	US	\$219,762	\$36,711	\$8,077	\$248,396	\$10,800	5.8x	23.0x	2.7x	8.7x	39.9%	A-
West Pharma	US	\$26,294	\$309	\$854	\$25,749	\$848	8.7x	30.4x	(0.6x)	(47.3x)	38.3%	-
Eurofins	LU	\$11,556	\$4,340	\$1,355	\$14,542	\$1,312	2.0x	11.1x	2.3x	4.9x	21.1%	-
Siegfried	CH	\$4,340	\$528	\$67	\$4,801	\$304	3.2x	15.8x	1.5x	10.4x	25.2%	-
Catalent	US	\$10,336	\$5,014	\$229	\$15,121	\$326	3.7x	46.4x	14.7x	3.2x	17.9%	B+
Balchem	US	\$5,064	\$330	\$64	\$5,330	\$212	5.8x	25.2x	1.3x	20.0x	32.7%	-
Lonza Group	CH	\$39,074	\$3,326	\$1,981	\$40,419	\$1,837	5.1x	22.0x	0.7x	30.0x	29.0%	BBB+
Baxter	US	\$20,826	\$14,364	\$3,194	\$31,996	\$2,776	2.2x	11.5x	4.0x	2.9x	38.2%	BBB
Charles River Labs	US	\$13,576	\$3,127	\$277	\$16,426	\$970	4.0x	16.9x	2.9x	5.8x	37.0%	BB+
FUJIFILM	JP	\$26,084	\$5,011	\$1,723	\$29,371	\$2,987	1.4x	9.8x	1.1x	8.9x	40.1%	AA-
Samsung Biologics	KR	\$41,236	\$1,472	\$1,586	\$41,123	\$1,237	14.4x	33.3x	(0.1x)	(362.9x)	48.6%	-

Mean (Equal Weighted)	5.5x	23.4x	2.4x	(27.7x)	33.1%
Median (Equal Weighted)	4.5x	22.5x	1.4x	5.3x	34.9%
Mean (Market Cap Weighted)	6.1x	23.2x	2.2x	(29.8x)	38.1%
Min	1.4x	9.8x	(2.0x)	(362.9x)	17.9%
Max	14.4x	46.4x	14.7x	30.0x	48.6%



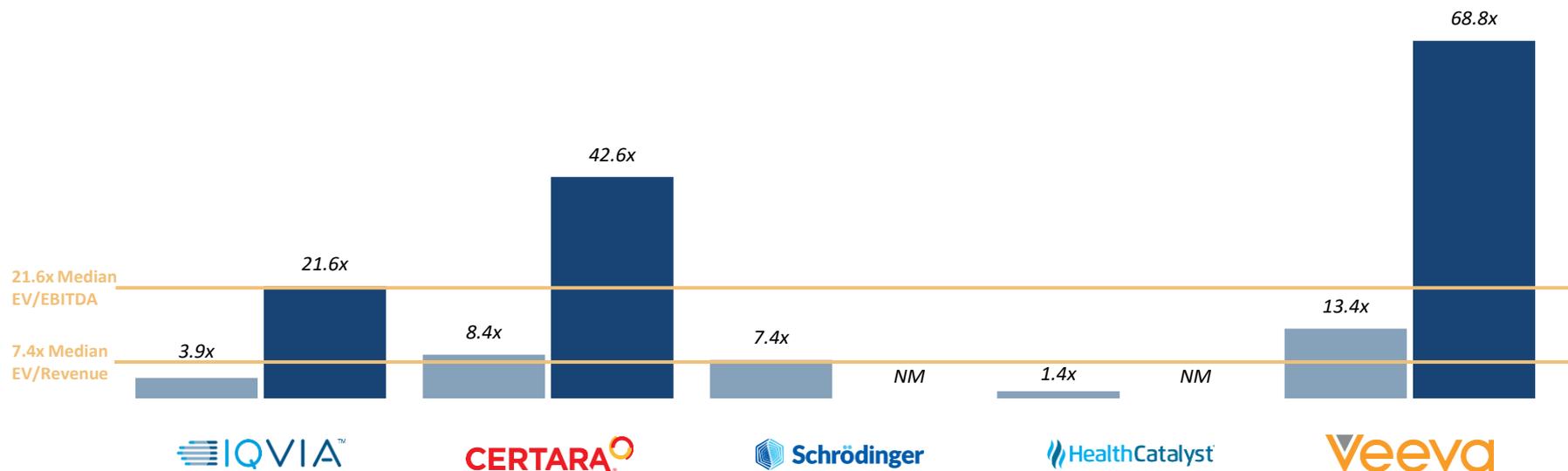
# Bourne Comps - CRO



Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>CRO</b>												
ICON	IE	\$26,853	\$3,938	\$380	\$30,411	\$1,632	3.7x	18.6x	2.2x	8.5x	29.7%	BBB-
IQVIA	US	\$45,949	\$14,282	\$1,496	\$58,735	\$2,721	3.9x	21.6x	4.7x	4.6x	35.0%	BB+
Charles River Labs	US	\$13,576	\$3,127	\$277	\$16,426	\$970	4.0x	16.9x	2.9x	5.8x	37.0%	BB+
Medpace	US	\$12,434	\$164	\$245	\$12,353	\$363	6.6x	34.0x	(0.2x)	(152.6x)	66.2%	NR
Fortrea	US	\$3,350	\$1,686	\$110	\$4,926	\$262	1.6x	18.8x	6.0x	3.1x	18.2%	BB
Thermo Fisher Scientific	US	\$219,762	\$36,711	\$8,077	\$248,396	\$10,800	5.8x	23.0x	2.7x	8.7x	39.9%	A-

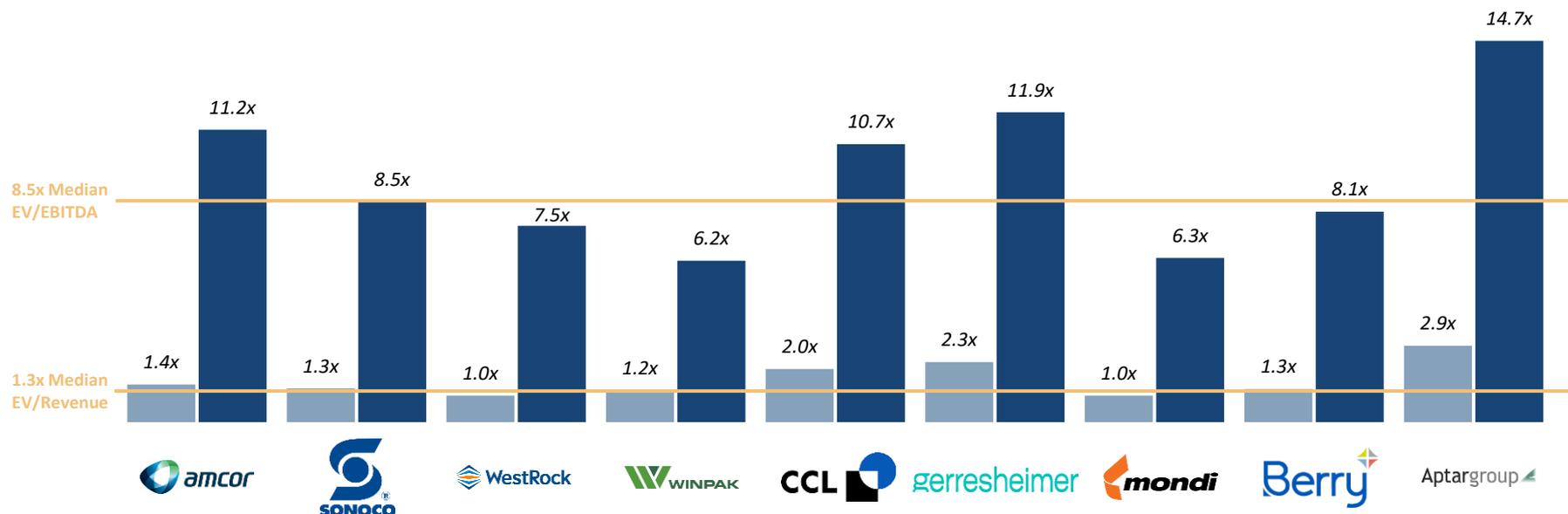
<b>Mean (Equal Weighted)</b>	4.3x	22.2x	3.0x	(20.3x)	37.7%
<b>Median (Equal Weighted)</b>	3.9x	20.2x	2.8x	5.2x	36.0%
<b>Mean (Market Cap Weighted)</b>	5.3x	22.6x	2.8x	1.7x	39.0%
<b>Min</b>	1.6x	16.9x	(0.2x)	(152.6x)	18.2%
<b>Max</b>	6.6x	34.0x	6.0x	8.7x	66.2%

# Bourne Comps - eClinical



Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>eClinical</b>												
IQVIA	US	\$45,949	\$14,282	\$1,496	\$58,735	\$2,721	3.9x	21.6x	4.7x	4.6x	35.0%	BB+
Certara	US	\$2,925	\$303	\$239	\$2,988	\$70	8.4x	42.6x	0.9x	47.3x	60.2%	–
Schrödinger	US	\$1,939	\$128	\$463	\$1,604	(\$172)	7.4x	(9.3x)	1.9x	(4.8x)	64.9%	–
Health Catalyst	US	\$472	\$249	\$318	\$403	(\$53)	1.4x	(7.6x)	1.3x	(5.9x)	45.6%	–
Veeva Systems	US	\$35,747	\$56	\$4,028	\$31,775	\$462	13.4x	68.8x	(8.6x)	(8.0x)	71.3%	–
<b>Mean (Equal Weighted)</b>							6.9x	23.2x	0.0x	6.7x	55.4%	
<b>Median (Equal Weighted)</b>							7.4x	21.6x	1.3x	(4.8x)	60.2%	
<b>Mean (Market Cap Weighted)</b>							8.0x	40.8x	(1.0x)	0.6x	51.5%	
<b>Min</b>							1.4x	(9.3x)	(8.6x)	(8.0x)	35.0%	
<b>Max</b>							13.4x	68.8x	4.7x	47.3x	71.3%	

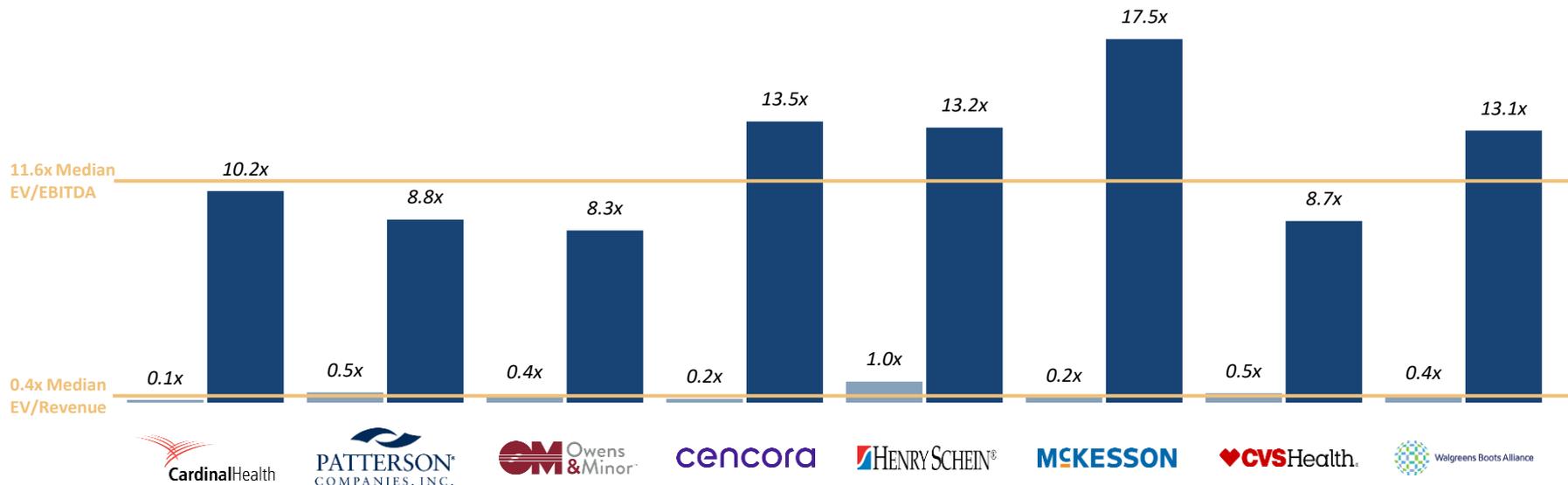
# Bourne Comps - Specialty Packaging



Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>Specialty Packaging</b>												
Amcor	AU	\$13,129	\$7,646	\$437	\$20,338	\$1,808	1.4x	11.2x	4.0x	2.8x	19.0%	BBB
Sonoco Products	US	\$5,565	\$3,403	\$152	\$8,816	\$1,039	1.3x	8.5x	3.1x	2.7x	21.2%	BBB
WestRock Company	US	\$11,569	\$9,371	\$488	\$20,452	\$2,710	1.0x	7.5x	3.3x	2.3x	17.9%	BBB
Wipak	CA	\$1,939	\$14	\$542	\$1,411	\$227	1.2x	6.2x	(2.3x)	(2.7x)	29.3%	-
CCL Industries	CA	\$9,143	\$1,728	\$586	\$10,285	\$961	2.0x	10.7x	1.2x	9.0x	28.8%	BBB
Gerresheimer	DE	\$4,005	\$1,136	\$133	\$5,007	\$420	2.3x	11.9x	2.4x	5.0x	30.0%	NR
Mondi	UK	\$7,866	\$2,232	\$1,775	\$8,323	\$1,319	1.0x	6.3x	0.3x	18.2x	37.4%	A-
Berry Global Group	US	\$6,774	\$9,618	\$507	\$15,885	\$1,962	1.3x	8.1x	4.6x	1.7x	18.2%	BB+
AptarGroup	US	\$9,261	\$1,221	\$224	\$10,259	\$699	2.9x	14.7x	1.4x	10.3x	36.2%	BBB-
<b>Mean (Equal Weighted)</b>							1.6x	9.5x	2.0x	5.5x	26.4%	
<b>Median (Equal Weighted)</b>							1.3x	8.5x	2.4x	2.8x	28.8%	
<b>Mean (Market Cap Weighted)</b>							1.6x	9.8x	2.5x	6.2x	25.5%	
<b>Min</b>							1.0x	6.2x	(2.3x)	(2.7x)	17.9%	
<b>Max</b>							2.9x	14.7x	4.6x	18.2x	37.4%	

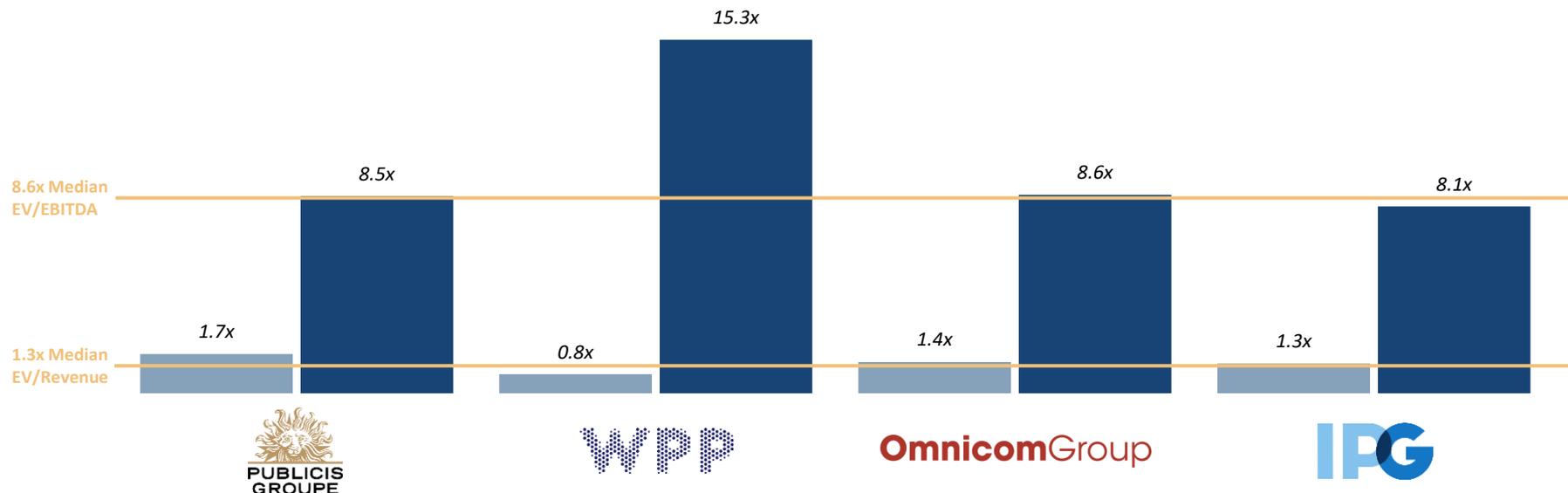


# Bourne Comps - Distributors / Wholesalers



Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>Distributors / Wholesalers</b>												
Cardinal Health	US	\$27,575	\$4,723	\$4,591	\$27,707	\$2,728	0.1x	10.2x	0.0x	209.9x	3.3%	-
Patterson Companies	US	\$2,450	\$906	\$129	\$3,227	\$367	0.5x	8.8x	2.1x	4.2x	21.3%	BB-
Owens & Minor	US	\$1,887	\$2,406	\$243	\$4,050	\$490	0.4x	8.3x	4.4x	1.9x	20.6%	BBB+
Cencora	US	\$47,233	\$6,177	\$2,872	\$50,538	\$3,743	0.2x	13.5x	0.9x	15.3x	3.4%	-
Henry Schein	US	\$9,880	\$2,741	\$171	\$12,450	\$943	1.0x	13.2x	2.7x	4.8x	31.3%	BBB+
McKesson	US	\$69,105	\$7,640	\$1,982	\$74,763	\$4,283	0.2x	17.5x	1.3x	13.2x	4.0%	BBB
CVS Health	US	\$92,924	\$79,385	\$11,455	\$160,854	\$18,439	0.5x	8.7x	3.7x	2.4x	14.9%	BBB-
Walgreens Boots Alliance	US	\$18,532	\$34,704	\$796	\$52,440	\$4,016	0.4x	13.1x	8.4x	1.5x	18.9%	-
<b>Mean (Equal Weighted)</b>							0.4x	11.6x	3.0x	31.6x	14.7%	
<b>Median (Equal Weighted)</b>							0.4x	11.6x	2.4x	4.5x	16.9%	
<b>Mean (Market Cap Weighted)</b>							0.3x	12.4x	2.5x	28.7x	9.9%	
<b>Min</b>							0.1x	8.3x	0.0x	1.5x	3.3%	
<b>Max</b>							1.0x	17.5x	8.4x	209.9x	31.3%	

# Bourne Comps - Healthcare Marketing & Engagement



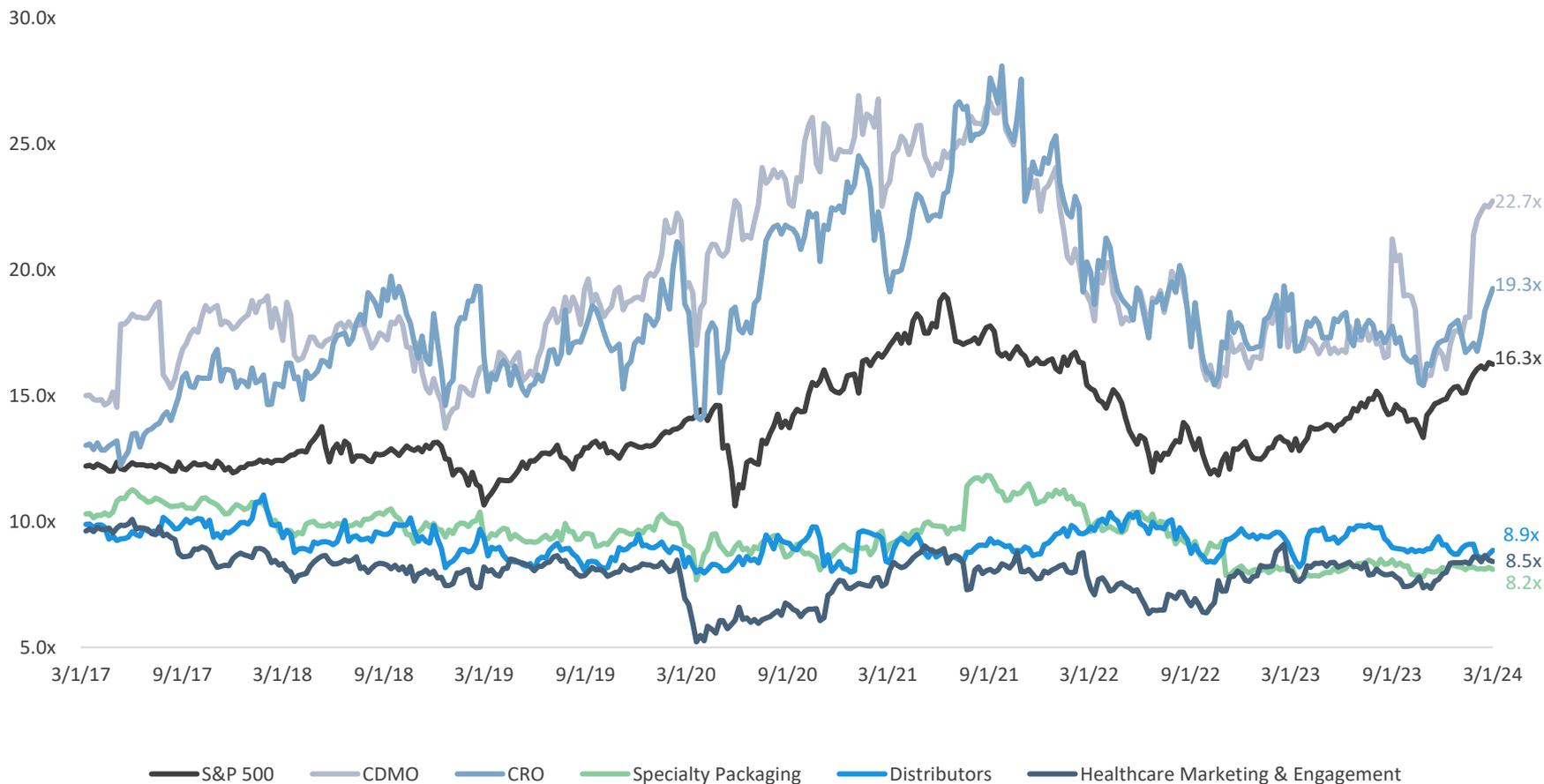
Company Name	HQ	Market Cap (\$B)	Total Debt (\$B)	Cash & Cash Eqv (\$B)	Enterprise Value (\$B)	LTM EBITDA (\$B)	EV / LTM Revenue	EV / LTM EBITDA	NET DEBT / LTM EBITDA	EV / NET DEBT	Gross Margin (%)	Credit Rating
<b>Healthcare Marketing &amp; Engagement</b>												
Publicis Groupe	FR	\$26,456	\$6,124	\$4,698	\$27,882	\$3,267	1.7x	8.5x	0.4x	19.6x	43.2%	BBB+
WPP	UK	\$9,639	\$8,758	\$2,825	\$15,573	\$1,017	0.8x	15.3x	5.8x	2.6x	17.0%	BBB
Omnicom Group	US	\$17,510	\$6,859	\$4,432	\$19,937	\$2,320	1.4x	8.6x	1.0x	8.2x	18.9%	BBB+
IPG	US	\$11,816	\$4,671	\$2,386	\$14,101	\$1,744	1.3x	8.1x	1.3x	6.2x	32.6%	BBB

<b>Mean (Equal Weighted)</b>	1.3x	10.1x	2.2x	9.1x	27.9%
<b>Median (Equal Weighted)</b>	1.3x	8.6x	1.2x	7.2x	25.7%
<b>Mean (Market Cap Weighted)</b>	0.1x	0.8x	0.1x	0.6x	3.2%
<b>Min</b>	0.8x	8.1x	0.4x	2.6x	17.0%
<b>Max</b>	1.7x	15.3x	5.8x	19.6x	43.2%



# Bourne Pharma Services Indices

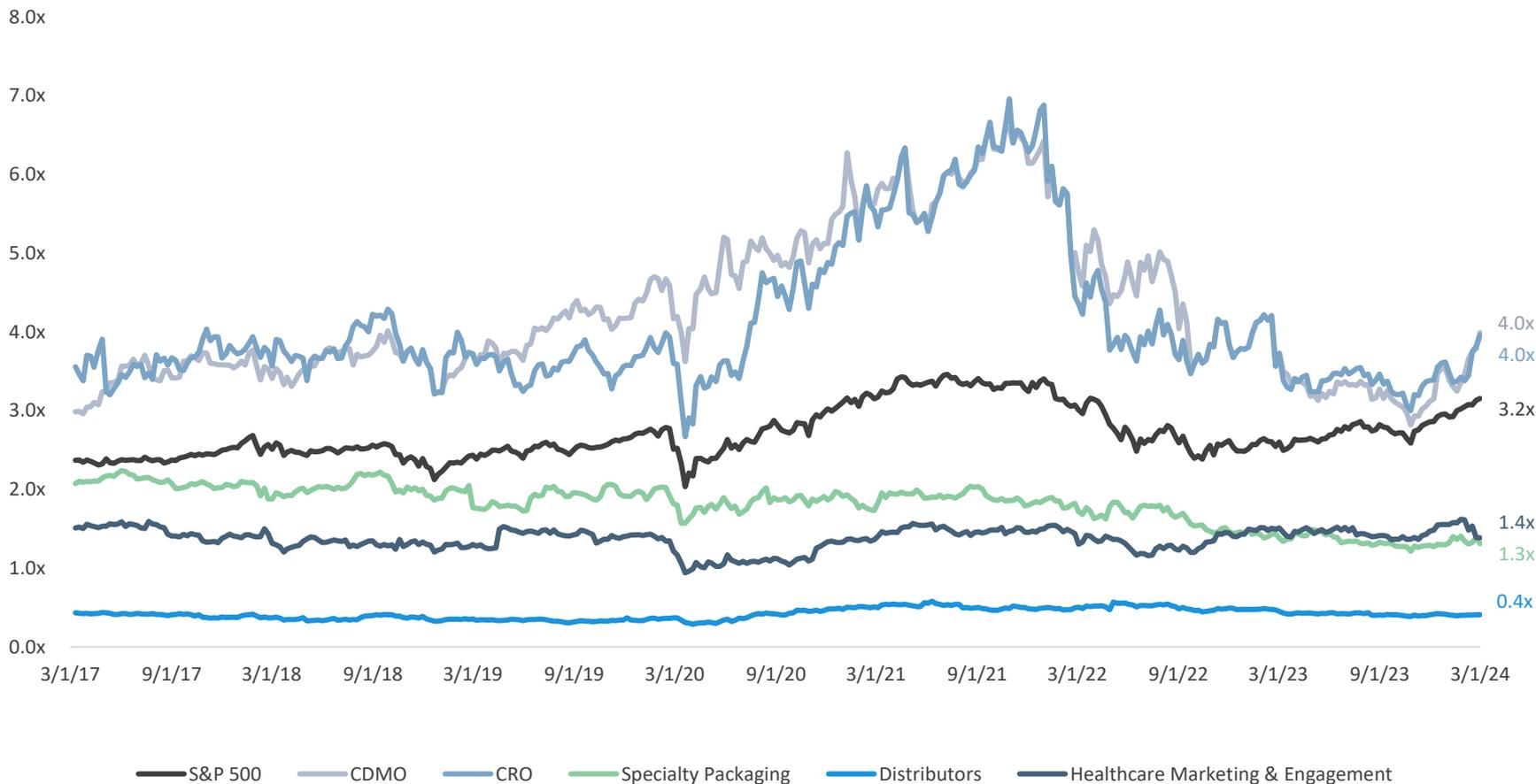
## EV / EBITDA Valuation Trends – 5-Year





# Bourne Pharma Services Indices

## EV / Revenue Valuation Trends – 5-Year



# Section Four

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## Bourne Partners

i. Thought Leadership

ii. Bourne Partners Overview

iii. Investment Bank Overview



# Thought Leadership

## Bourne Perspective

After 20+ years of exclusive industry and capital markets coverage, we know the space and we are committed to providing actionable insights to our clients. We provide cutting-edge thought leadership on all things Pharma, Pharma Services, and Consumer Health.

Through leveraging resources and insights of both Bourne Partners Strategic Capital and Investment Banking divisions, **we provide differentiated perspectives to our clients from our unique vantage point.** Our goal is to deliver heavy-hitting, timely reports in an easy-to-read format tailored specifically for executives within our industry coverage.

### Deal Profiles

**DEAL PROFILE**  
Amgen | Horizon Therapeutics

**AMGEN**  
Amgen Inc. (NASDAQ: AMGN) develops, manufactures, and delivers biotech therapies worldwide. It offers products across various therapeutic classes, including oncology, hematology, cardiovascular, inflammation, bone health, and neuroscience. Amgen was founded in 1950 and is headquartered in Thousand Oaks, CA.  
TICV: \$12.2.0bn LTM EBITDA: \$3.5.0bn LTM Revenue: \$16.3.0bn

**HORIZON**  
Horizon Therapeutics PLC (NASDAQ: HZNP) is a clinical-stage biotech manufacturing company. The company is focused on the discovery, development, and commercialization of medicines that address critical unmet therapeutic needs for rare, autoimmune, and chronic inflammatory diseases.  
TICV: \$26.0.0bn LTM EBITDA: \$1.0.0bn LTM Revenue: \$3.7.0bn

**VALUES**  
Enterprise Value: \$28.3bn  
LTM EBITDA Multiple: ~34.9x  
LTM Revenue: ~21.0x  
WTD: 08/01/2024

### Market Conference Commentary

**BIO BRIEFING**  
Xan Smith

Bourne Partners logo

### Industry Update Posts

**INSIGHT**  
Industry Update  
Recent Trends & Transactions

Bar chart showing Aggregate Reported Deal Value (USD Billions) from Week Ending June 25 to Last Week. The chart shows a significant peak in Week Ending July 1, followed by a decline in Week Ending July 8 and Last Week.

### Weekly Newsletter

Week of July 18, 2023 | Vol. 12, Issue 28

**INSIGHT**  
Newsletter  
Recent Trends & Transactions

**In This Issue**  
Upcoming Events  
Industry M&A Activity  
Recent Transactions  
Trading Comps  
Market Reports  
M&A Pipeline  
Featured Headlines  
Tanner Updates

**Quick Links**  
Who, What, How  
Investment Banking  
Strategic Capital  
Research

**Contact Information**  
Xan Smith  
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Business Development  
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**Industry Snapshot**  
Line and bar chart showing Deal Transactions and Aggregate Reported Deal Value (USD Billions) from Week Ending June 25 to Last Week. Deal transactions peaked in Week Ending July 1, while aggregate reported deal value peaked in Week Ending July 8.

**Jeremy C. Johnson**  
Senior Managing Director, Head of Investment Banking  
jjohnson@bourne-partners.com

Above is an overview of recent industry M&A activity. Click on the chart to view complete transaction tables broken out by industry sub-sectors. For additional information, see the industry M&A Activity section below.

### Market Reports

**Biostorage Services**  
Market Insight  
2023

### Expert Interviews

**MARKET INSIGHT: USING DIVESTITURES TO DELIVER EXCESS RETURNS**

**READ**

### Sector Updates

**Pharmaceutical Sector Update**  
Bourne Market Report  
1H 2023

# Bourne Partners Overview

## Our Service Offering

For over twenty years, Bourne Partners has focused exclusively on providing investment banking advisory services and making direct investments in the Pharmaceutical, Pharma Services, Pharmacy Services, and Consumer Health and Wellness industries. Since 2015, we have successfully executed on **over \$10B** in transactions, having worked with many leading companies and private equity investors in these core focus areas.

## Investment Banking

### Mergers and Acquisitions

Sell-side and buy-side assignments  
Transaction Experience: \$10M - \$3.5B

### Capital Sourcing

Debt / Equity / Hybrid  
\$10 - \$500 million raises

### Business Development Support

Development stage and approved products  
Local and international

## Strategic Capital

### Investment Focus

Direct investments in private companies  
Selective approach in vital focus areas

### Other Criteria

Cash flow positive opportunities  
Complex situations with creative structures  
Actionable growth stage or middle market business  
Flexible investment targets with established private equity relationships

## Geographic Coverage



## Sector Expertise

Pharmaceuticals

Pharma Services

Pharmacy Services

Consumer Healthcare

# Investment Banking Overview

Bourne Partners Investment Banking provides investment banking services within the healthcare and life sciences sector for external clients as well as our portfolio companies.

## Value Beyond the Deal

### Total Perspective

Experience advising, investing in, building, operating, buying, and selling companies  
 Unmatched 360° perspective for every project

### Uncompromised Service

Direct involvement of senior management throughout process  
 High level of attention regardless of transaction value

### Global Reach

Experience working with companies around the globe  
 Extensive network of potential international buyers

## Focus Areas



## Select Recent Tombstones

 has been acquired by 	 has sold its consumer CDMO operations to 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been recapitalized by 
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## Partners, Sponsors, and Lenders



## Recent Clients & Counterparties





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