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# Medical Device

## Industry News

### Top Medical Device Trends & Outlook for 2024

AlphaSense [Full Article](#)

The overall forecast for the medical device market is overwhelmingly positive, with an expected global revenue of \$595 billion in 2024 and a CAGR of 6.1% from 2022 to 2030. The healthcare sectors expected to be most affected by growth in the medical device space include Cardiovascular, Orthopedic, Neurovascular, Urological, and Diabetes.

These are a few key trends expected to define the current and future medical device landscape: a rise in digital therapeutics and at-home diagnostics; increased use of biometrics and wearables; adherence to regulatory guidelines with the expiration of public health emergency status; challenges specific to the EU market; increasing speed to market; ESG, inclusivity and access to developing markets; and the use of generative AI.

Companies able to navigate these hurdles, and use them to their advantage, will likely transform the healthcare industry, improve patient outcomes, and become industry leaders.

### 2023 Medical Device Funding Figures

Morgan Lewis [Full Article](#)

According to the HSBC Venture Healthcare Report 2023 Year-End Recap and 2024 Outlook, medical device companies raised \$7 billion in venture capital financings over 474 deals. This represents a 19% decrease from 2022. In 2023, first-round financing deals tended to favor devices with the quicker 510(k) pathway to market, as opposed to those requiring premarket approval (PMA). This is notable because only a few years ago, investors/funders were most interested in seeing PMAs—truly novel medical devices—as opposed to something on the 510(k) path. However, it seems this has shifted, as devices that take the 510(k) pathway are currently favored. More than 30% of the later-stage deals (Series B and beyond) in 2023 were down rounds and done at valuations that were lower than their earlier financing.

For the second straight year, medtech merger and acquisition (M&A) numbers were depressed due to inflation and high interest rates, resulting in a lack of deals greater than \$1 billion. Most medtech deals completed in 2023 were tuck-in acquisitions of products or services that fit well within the existing pipelines of the acquiring companies, as opposed to something novel that could have brought them into a new area.

### 4 Heart Device Trends Shaping the Medtech Sector in 2024

MEDTECHDIVE [Full Article](#)

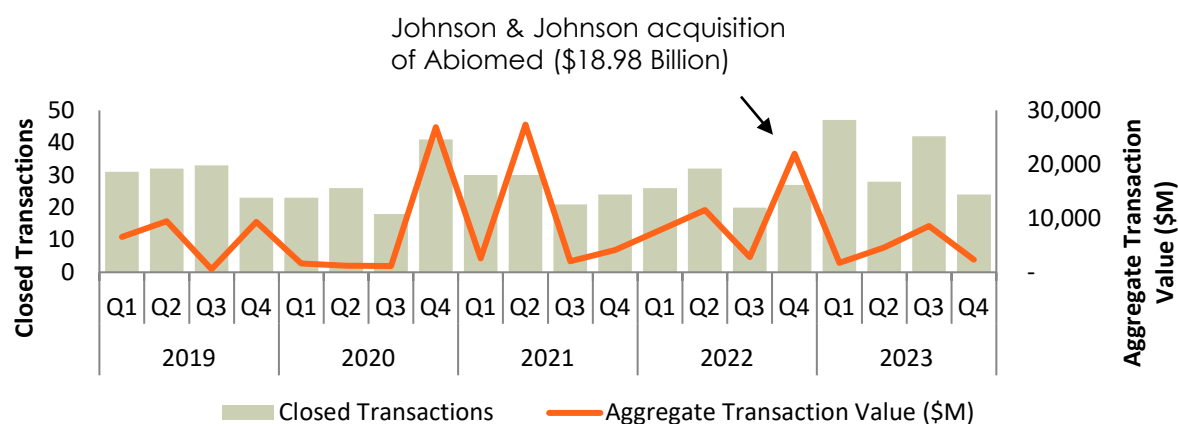
Medical technology companies in 2024 are launching devices that address two especially vexing challenges affecting millions of heart patients: high blood pressure and atrial fibrillation, a form of irregular heartbeat. Company executives anticipate multibillion-dollar markets for these treatments, and they have key developments lined up for this year.

“It does feel like a time when medtech is getting a resurgence of innovation and a resurgence of new technology for doctors to use,” said BTIG analyst Marie Thibault.

The four medtech trends mentioned in the article include pulsed field ablation (PFA); devices to reduce stroke risk associated with the heart’s left atrial appendage (LAA); a renal denervation procedure which aims to lower blood pressure thereby reducing risk for heart attack or stroke; and an expansion of the candidate pool eligible to receive replacement aortic valves.

# Medical Device

## Medical Device M&A Environment

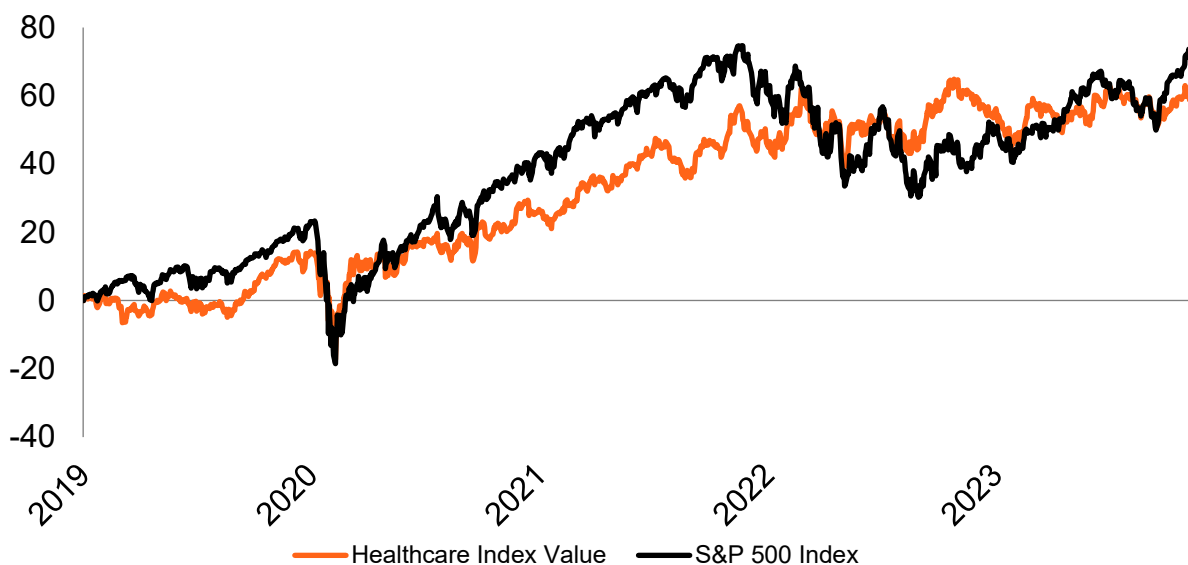


## Selected Q4 2023 M&A

Date Closed	Target	Buyers/Investors	Sector	Enterprise	EV / LTM	
				Value (\$M)	Revenue	EBITDA
12/29/2023	Heska Corporation	Veterinary Pharmaceutical Solutions	Surgical and Medical Instruments	-	254.9	(7.5)
12/28/2023	ClorDiSys Solutions, Inc.	Allentown, LLC	Surgical and Medical Instruments	-	-	-
12/20/2023	Tomtec, Inc.	Hudson Robotics, Inc.	Electromedical and Electrotherapeutic Apparatus	-	-	-
12/18/2023	Perkins Biomedical Services, LLC	Belair Instrument Company LLC	Surgical and Medical Instruments	-	-	-
12/18/2023	Seisa Medical Inc.	Tekni-Plex Healthcare	Surgical and Medical Instruments	-	-	-
12/12/2023	Opsens Inc.	Haemonetics Corporation (NYSE:HAE)	Electromedical and Electrotherapeutic Apparatus	253.6	35.7	(7.8)
12/05/2023	AffirmXH, Inc.	Life365, Inc.	Surgical and Medical Instruments	-	-	-
11/30/2023	Laminar, Inc.	Biosense Webster, Inc.; Ethicon, Inc.	Orthopedic, Prosthetic, and Surgical Appliances	400.0	-	-
11/28/2023	Innovamedica S.p.A.	GADA Spa	Surgical and Medical Instruments	-	-	-
11/20/2023	Koscher + Wurtz GmbH	Chr. Diener GmbH & Co. KG	Surgical and Medical Instruments	-	-	-
11/17/2023	Relivant Medsystems, Inc.	Boston Scientific Corporation (NYSE:BSX)	Surgical and Medical Instruments	850.0	-	-
11/16/2023	Ideaal Medical Services B.V.	Praticdose SA	Surgical and Medical Instruments	-	-	-
11/08/2023	I-Tek Medical Technologies, LLC	VitaTek	Surgical and Medical Instruments	-	-	-
11/08/2023	Burke & Burke S.p.A.	GADA Spa	Surgical and Medical Instruments	-	-	-
10/27/2023	Urotronic, Inc.	Laborie Medical Technologies, Inc.	Surgical and Medical Instruments	546.0	-	-
10/16/2023	Lutronic Corporation	Hahn & Co. Twenty-Three Co., Ltd.	Electromedical and Electrotherapeutic Apparatus	-	207.4	41.0
10/11/2023	Healthmark Industries Company, Inc.	Getinge AB (publ) (OM:GETI B)	Surgical and Medical Instruments	320.0	-	-
10/09/2023	SOMNOmedics GmbH	Airsol S.R.L.	Surgical and Medical Instruments	-	-	-
10/03/2023	CRS medical GmbH	Asker Healthcare Group	Electromedical and Electrotherapeutic Apparatus	-	18.0	-
10/02/2023	Paulson Manufacturing Corporation	National Safety Apparel, Inc.	Orthopedic, Prosthetic, and Surgical Appliances	-	-	-

# Healthcare

In 2023, the S&P outperformed the healthcare sector and ended the year above the market index. Analysts predict a bright outlook in 2024 for the healthcare sector, riding the tailwinds of technological advancements in AI and genomics, telehealth and remote monitoring, wearable tech, and personal health data.



As of 12/31/2023

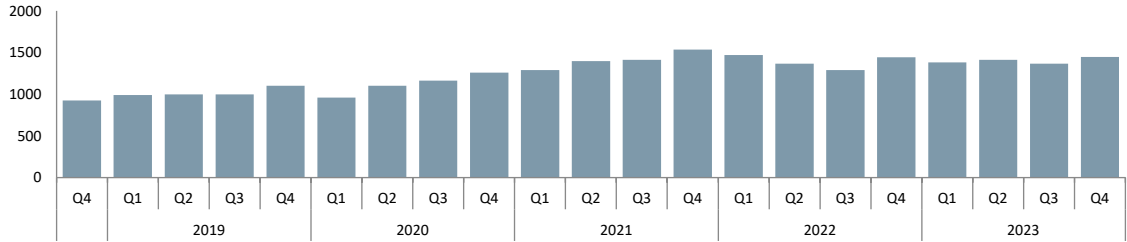
Company Name	Ticker	Enterprise Value	LTM Financials		Valuation Metrics		LTM Margins	
			Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Abbott Laboratories	NYSE:ABT	\$199,953	\$39,959	\$9,871	5.0x	20.3x	55.2%	24.7%
AbbVie Inc.	NYSE:ABBV	\$321,532	\$55,138	\$27,993	5.8x	11.5x	69.9%	50.8%
Agilent Technologies, Inc.	NYSE:A	\$42,045	\$6,833	\$1,677	6.2x	25.1x	50.7%	24.5%
Amgen Inc.	NasdaqGS:AMGN	\$179,869	\$26,833	\$13,301	6.7x	13.5x	73.7%	49.6%
Baxter International Inc.	NYSE:BAX	\$30,819	\$14,813	\$2,776	2.1x	11.1x	38.2%	18.7%
Becton, Dickinson and Company	NYSE:BDX	\$85,585	\$19,492	\$4,912	4.4x	17.4x	44.7%	25.2%
Biogen Inc.	NasdaqGS:BIIB	\$42,918	\$9,993	\$2,537	4.3x	16.9x	75.1%	25.4%
Boston Scientific Corporation	NYSE:BSX	\$93,281	\$13,757	\$3,503	6.8x	26.6x	69.1%	25.5%
Bristol-Myers Squibb Company	NYSE:BMJ	\$135,780	\$44,935	\$18,268	3.0x	7.4x	77.0%	40.7%
Cardinal Health, Inc.	NYSE:CAH	\$25,669	\$216,148	\$2,728	0.1x	9.4x	3.3%	1.3%
Centene Corporation	NYSE:CNC	\$40,681	\$139,364	\$6,548	0.3x	6.2x	16.4%	4.7%
Cigna Corporation	NYSE:CI	\$110,343	\$189,856	\$10,262	0.6x	10.8x	12.8%	5.4%
Community Health Systems, Inc.	NYSE:CYH	\$13,411	\$12,450	\$1,300	1.1x	10.3x	40.6%	10.4%
Danaher Corporation	NYSE:DHR	\$181,834	\$29,566	\$9,272	6.2x	19.6x	58.7%	31.4%
DaVita Inc.	NYSE:DVA	\$21,863	\$11,911	\$2,217	1.8x	9.9x	30.6%	18.6%
Eli Lilly and Company	NYSE:LILY	\$541,487	\$32,073	\$11,316	16.9x	47.9x	78.7%	35.3%
Gilead Sciences, Inc.	NasdaqGS:GILD	\$116,722	\$27,391	\$11,738	4.3x	9.9x	78.8%	42.9%
HCA Healthcare, Inc.	NYSE:HCA	\$115,412	\$63,162	\$12,277	1.8x	9.4x	38.7%	19.4%
Henry Schein, Inc.	NasdaqGS:HSIC	\$13,409	\$12,693	\$1,072	1.1x	12.5x	31.0%	8.4%
Humana Inc.	NYSE:HUM	\$53,242	\$102,351	\$5,201	0.5x	10.2x	17.7%	5.1%
IQVIA Holdings Inc.	NYSE:IQV	\$54,743	\$14,855	\$2,715	3.7x	20.2x	34.9%	18.3%
Johnson & Johnson	NYSE:JNJ	\$383,727	\$98,656	\$35,014	3.9x	11.0x	67.6%	35.5%
Laboratory Corporation of America Holdings	NYSE:LH	\$25,013	\$15,071	\$2,128	1.7x	11.8x	26.7%	14.1%
Mckesson Corporation	NYSE:MCK	\$66,813	\$301,506	\$4,283	0.2x	15.6x	4.0%	1.4%
Merck & Co., Inc.	NYSE:MRK	\$302,407	\$59,315	\$12,934	5.1x	23.4x	73.1%	21.8%
Molina Healthcare, Inc.	NYSE:MOH	\$17,877	\$32,503	\$1,697	0.6x	10.5x	13.2%	5.2%
Owens & Minor, Inc.	NYSE:OMI	\$3,715	\$10,229	\$359	0.4x	10.4x	19.2%	3.5%
Patterson Companies, Inc.	NasdaqGS:PDCCO	\$3,294	\$6,552	\$372	0.5x	8.9x	21.2%	5.7%
Pfizer Inc.	NYSE:PFE	\$182,781	\$68,537	\$23,792	2.7x	7.7x	69.0%	34.7%
Quest Diagnostics Incorporated	NYSE:DGX	\$20,386	\$9,297	\$1,705	2.2x	12.0x	33.4%	18.3%
Regeneron Pharmaceuticals, Inc.	NasdaqGS:REGN	\$80,414	\$13,117	\$4,654	6.1x	17.3x	52.3%	35.5%
Stryker Corporation	NYSE:SYK	\$125,029	\$19,885	\$4,993	6.3x	25.0x	63.6%	25.1%
Tenet Healthcare Corporation	NYSE:THC	\$25,379	\$20,159	\$3,589	1.3x	7.1x	37.2%	17.8%
Thermo Fisher Scientific Inc.	NYSE:TMO	\$234,504	\$43,421	\$10,841	5.4x	21.6x	40.0%	25.0%
UnitedHealth Group Incorporated	NYSE:UNH	\$520,885	\$359,982	\$34,540	1.4x	15.1x	25.0%	9.6%
Universal Health Services, Inc.	NYSE:UHS	\$15,755	\$14,025	\$1,734	1.1x	9.1x	39.2%	12.4%
Zimmer Biomet Holdings, Inc.	NYSE:ZBH	\$30,846	\$7,279	\$2,372	4.2x	13.0x	71.6%	32.6%
Zoetis Inc.	NYSE:ZTS	\$95,638	\$8,371	\$3,473	11.4x	27.5x	70.4%	41.5%
Median			2.8x	11.9x	40.3%	20.6%		
Mean			3.6x	15.1x	45.3%	21.7%		



# Healthcare

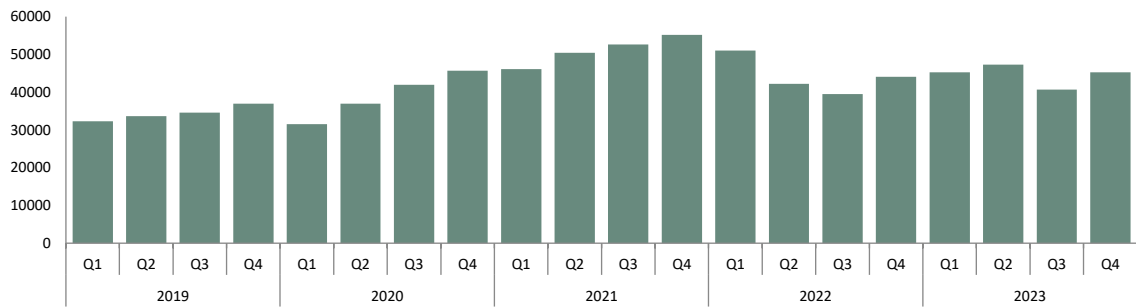
## State of the Industry

### Dow Jones US Healthcare Index



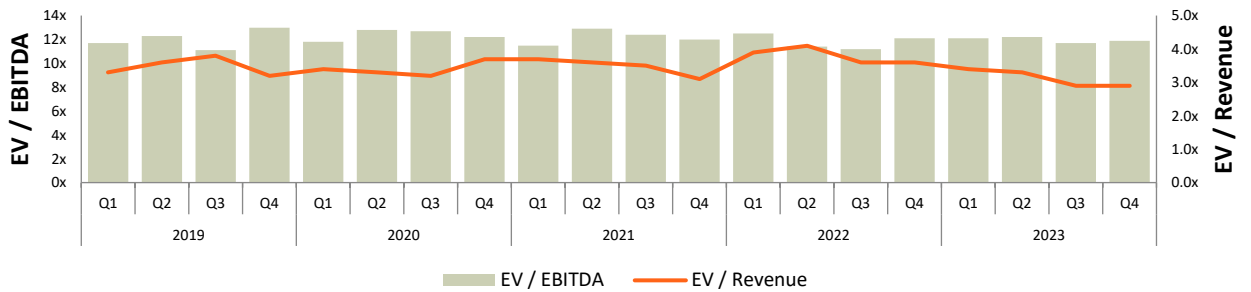
Source: Capital IQ

### Dow Jones US Select Medical Equipment Index



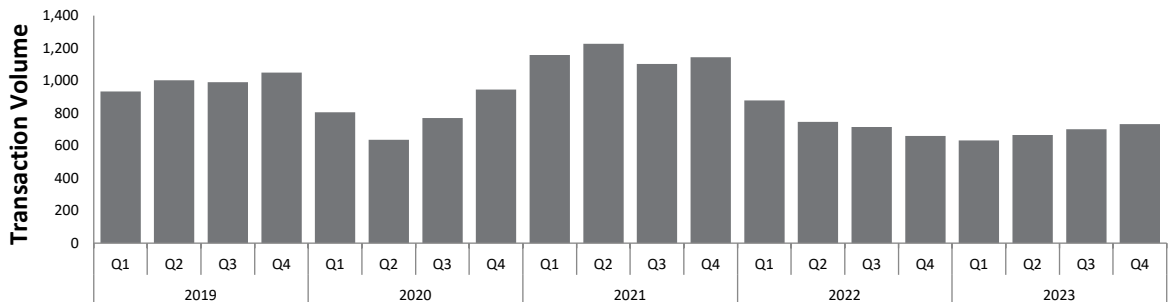
Source: Capital IQ

### Industry Valuations



Source: Capital IQ

### Healthcare Transaction Volume



Source: Capital IQ



## The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

### About Mirus

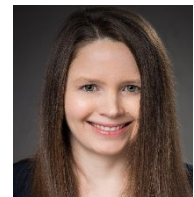
The Mirus team works with the owners of closely-held companies in multiple segments of the \$4.3 trillion US healthcare industry to achieve their desired outcome. While global in focus and experience, we benefit from being in one of the most dynamic healthcare ecosystems that includes some of the most active healthcare focused venture capital and private equity firms, leading research universities, large medical device companies and innovative med-tech and healthcare services firms. The Mirus healthcare team has experience executing a spectrum of engagements with some of the most innovative healthcare companies in the world. We have particular expertise in: medical devices, healthcare equipment, healthcare IT, diagnostics, contract research, healthcare staffing, and related companies.

### Partner Spotlight

Patrick and Kate are accomplished advisors to the medical device sector. Patrick West is an accomplished executive, entrepreneur, advisor and director with extensive executive management and M&A experience in the healthcare technology sectors. Kate has closed deals with global medical equipment companies, middle market and multi-billion dollar private equity firms, family offices, and leading technology companies. Patrick and Kate's experience gives Mirus a unique insight and an informed ability to navigate the deal process.



**Patrick West**  
781-418-5930  
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**Kate Soto**  
781-418-5934  
soto@merger.com

*"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."*

*- Bill Hanson, Founder and President of LTI*

## Mirus Healthcare Spotlight



has been acquired by



Founded in 2013, Applied BioMath's mission is to revolutionize drug invention. Applied BioMath applies biosimulation, including quantitative systems pharmacology, PKPD, bioinformatics, machine learning, clinical pharmacology, and software solutions to provide quantitative and predictive guidance to biotechnology and pharmaceutical companies to help accelerate and de-risk therapeutic research and development. Their approach employs proprietary algorithms and software to support groups worldwide in decision-making from early research through all phases of clinical trials.



has been acquired by



a portfolio company of



Jaco, located in Franklin, Massachusetts, is a leading manufacturer and integrator of computer carts and wall-arm workstations for point-of-care Electronic Health Records (EHR). GCX, based in Petaluma, CA, has been providing medical device and IT mounting solutions for the healthcare industry since 1971, through direct sales and working with original equipment manufacturers (OEM). Major product lines include wall mounts, roll stands, countertop mounts, pole mounts, and a variety of mounting accessories.



has been acquired by



a portfolio company of



Founded in 2008, TheraCell is focused on the development of advanced technologies for bone and soft tissue repair and is the inventor of the next-generation, TheraFuze DBF® demineralized bone fiber technology. Isto Biologics is a leading biologic and cellular therapy company in the orthopedic space. Hopkinton, MA-based Isto Biologics is focused on Helping Patients Heal Faster™ through innovative solutions for bone regeneration and cell-based therapies.



has been acquired by



a portfolio company of



Tunstall is a market-leading provider of technology-based health and care solutions and services which improve its customers' ability to deliver new, more efficient and effective models for health and care management in the community setting. Connect America provides personal medical response system (PERS) kits for Americans who wish to continue to live an independent life at home.