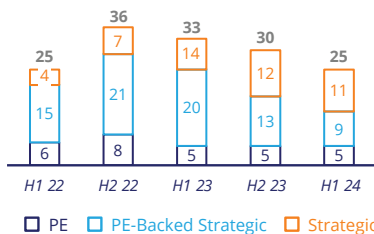


Global Medtech Contract Manufacturing Mergers and Acquisitions Update

H1 2024

DATA OVERVIEW

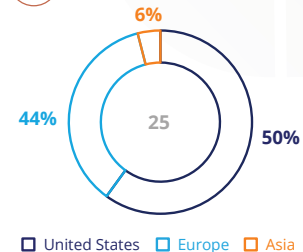
1 RECENT M&A ACTIVITY^{1,2}



2 H1 2024 PE EXITS^{3,4}

Seller	Target	Acquirer
EURAZEO	Péters SURGICAL	Advanced Medical Solutions
Apax	Healthium	KKR

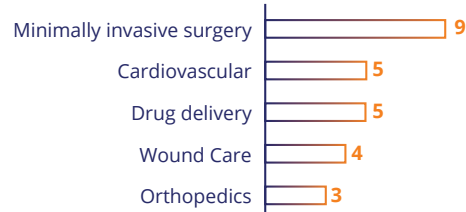
3 TARGET HEADQUARTERS



4 TARGET MFG. CAPABILITIES



5 TARGET END-MARKETS



KEY MARKET INSIGHTS

- > Deal activity in the medtech contract development and manufacturing organization (CDMO) sector was sustained in H1 2024, despite a decline in the number of transactions compared to H1 2023.
- > Against an uncertain macroeconomic backdrop, the market has continued to show resilience and a robust trajectory of industry consolidation.
- > For the fifth consecutive semester, financial sponsors, including private equity (PE)-backed strategics, have outpaced strategic buyers, leading to the creation of four new CDMO platforms and executing nine add-on acquisitions.
- > In H1 2024, we recorded two PE exits with an average holding period of 8.5 years: one strategic buyout and one PE secondary buyout.
- > Half of the targets were US-headquartered companies, and 10 transactions were global cross-border deals.
- > Targeted capabilities varied significantly, encompassing design and development, plastic and metal component manufacturing, assembly, and packaging services.
- > A trend of acquisition of specialized metal alloy capabilities for medtech applications has emerged via several recent deals: Johnson Matthey's sale of its MDC business to Montagu (\$700M), Confluent Medical's \$50M partnership with ATI's nitinol infrastructure, and Resonetics' acquisition of SAES Getters' medical nitinol business.
- > The demand for minimally invasive procedures drives the utilization of nitinol for its biomechanical properties – shape memory, super elasticity, high fatigue resistance, corrosion resistance, and biocompatibility – resulting in a key capability for outsourced service providers.
- > This trend is confirmed by target end-market applications, with minimally invasive surgery and cardiovascular leading acquirers' interests.

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Note: ¹Deals count may differ from previous publications due to a more in-depth analysis of the current PE platforms in the market. ²H1 2024 includes the acquisition of Donatelle Plastics by DuPont as it was announced on June of 2024 and is targeted for a Q3 2024 closure. ³The holding period for Eurazeo was 11 years and the exit value equated to US\$ 154M. ⁴The holding period for Apax Partners was six years and the exit value equated to around US\$ 839M.
Sources: Pitchbook; Publicly available information; Alira Health analysis.