



M & A  
WORLDWIDE

# HEALTHCARE, BIOTECH & PHARMA SECTOR

INDUSTRY REPORT 2022

## E-Health – Overview in 3 Geographies

# TABLE OF CONTENTS

---

- 01. Introduction to the e-Health Sector
- 02. Interviewing with our Dutch member – European Perspective
- 03. The perspective from our Indian Member – Asia Perspective
- 04. An Interview with our US Member – American Perspective
- 05. Insight from our Israeli member about the trends in the sector
- 06. Recent developments and M&A transactions

# INTRODUCTION

More complex challenges in the market and more dynamic changes in people's lives require more demanding services and faster approaches. That's the DNA of the Healthcare, Biotech and Pharma group.

Healthcare and pharmaceutical markets are continually developing due to chronic and lifestyle diseases, ageing population, and of course, drug and equipment innovation. Hence, M&A WORLDWIDE and its experts are quite active in deals in the healthcare, biotechnology and pharmaceutical sectors as well as a large scope of life science sectors.

We have a strong team of M&A advisors around the world in the Healthcare, Biotech and Pharma industries. 2021 has been a very challenging year for the industry as the highlights were focused on the vaccine, as the most relevant deals occurred precisely in the segment. However other niches have been clamoring for some attention as well, from investors.

This report intends to be an overlook of our vision of the industry in these three Continents: Europe, Asia and Americas. We decided to interview a member from each Continent, hoping that they can describe what the impact of Covid was and how the sector reacted in terms of M&A in this year.

## THE EUROPEAN PERSPECTIVE

**Would you consider that Covid has actually increased opportunities for e-health business in Europe? Or that trends weren't affected by the pandemic?**



Maurice Koopmans  
Healthcare, Biotech &  
Pharma IG Leader  
Aeternus -The  
Netherlands

I am convinced that Covid accelerated e-Health acceptance in certain healthcare domains and thus increased the opportunities for e-Health business in Europe. When talking to clients in for example mental healthcare and elderly care, the story is that pre-Covid resistance towards certain e-Health solutions (e.g. communication tools, tele-monitoring) suddenly vanished. Caused by the increasing shortage of qualified staff and the need for cost reduction, there was already a strong trend towards the implementation and use of e-Health solutions. Covid proved to be an accelerator. But also, for example MedTech and medical supply companies experienced a push from Covid, whereas healthcare institutions and staff faced enormous challenges and pressure. When looking at it from an M&A perspective, the same trend emerges. The number of deals and the vigor of Private Equity investors in e-Health is unprecedented, whereas the pre-Covid consolidation trend in care has somewhat declined.

“Pre-Covid resistance towards certain e-Health solutions suddenly vanished.”

### **Looking to the long term, what was the biggest impact the sector suffered due to the pandemic?**

I believe that the Covid pandemic proved that e-Health is not only here to stay, but the implementation, use and acceptance is going much faster than expected.

### **From a pure M&A perspective, how has the post-covid recovery in the e-Health business sector been?**

2021 is a record year in terms of both the number of deals as well as deal size. Even though I am somewhat inclined to build the argument that things will be cooling down eventually, still the indicators that this will not happen in the short run prevail. In general, as long as there is the need for money to flow into the market, I expect M&A activity will continue in top gear for a while.

### **Has the new e-Health market outlook (M&A wise) changed dramatically when compared with the situation at the end of 2019?**

I do not think it changed dramatically when compared to the situation at the end of 2019. Although everyone was holding their breath due to Covid, it is now back to normal..

### Do you consider that the new e-Health M&A business has been attracting more and bigger players?

More for sure, bigger not necessarily. The underlying trends in healthcare, such as the shortage of qualified staff and the need for cost reduction, combined with interesting e-health business model traits (e.g. scalability) did not go unnoticed. It is in particular the entry of Private Equity investors that make up for the increased number of players in the e-Health M&A arena. From an M&A perspective this has put an upward pressure on company valuations. Examples in which investors overbid strategic buyers are no longer an exception.



## THE ASIAN PERSPECTIVE

### How do you feel e-Health companies in the Asian region reacted during the pandemic?



**Naveen Sharma**  
Associate Director,  
Transaction Advisory  
Services at ASA  
Corporate Catalyst  
(India) Pvt, Ltd, the M&A  
Worldwide Partner in  
India.

E-Health Companies have blossomed and boomed during the COVID Pandemic as they are mostly engaged in Telemedicine or e-Pharmacy or PPO or HMO servicing which increased dramatically in Pandemic Time.

Venture Capital, Pharma Companies were the biggest investors in the Sector with Traditional Conglomerates paying premiums as high as 12 -16 Times Sales/ Revenue of e-Health Companies.

### What do you think that was the major/long-term impact in this sector with the pandemic?

Some of the long-term impacts are the complete disruption in Delivery, Inventory, Customer Expectations for Service and Pricing in Pharmacy, Diagnostics, Primary Care and Patient Health Records segments across the price and service spectrum.





*“e-Health companies have blossomed and boomed during the COVID Pandemic”*

**How would you describe the M&A market, now that you are recovering from the Pandemic, specifically in the e-Health sector?**

We have seen very high Premiums like 12-16 times Revenue due to sudden huge traction in large markets and the possibility of fast scaling in poor infrastructure economics coupled with COVID fear leading to the migration of offline customers to digital mediums.





## THE AMERICAN PERSPECTIVE

**Looking to the long term, what was the most significant impact the sector suffered due to the pandemic?**



Eric Yetter  
Healthcare, Biotech &  
Pharma IG Member  
FOCUS Investment  
Banking – USA.

I think the biggest impact will be in nursing homes, and a potential shift away from residential models toward home healthcare and hospice.

**From a pure M&A perspective, how has the post-covid recovery in the e-Health business sector been?**

M&A is very active across the healthcare spectrum in the United States.

Particularly hot sectors include healthcare service and e-Health or tech-enabled services. As one would expect, telemedicine is of high interest to investors.

Overall, we saw a rapid recovery in M&A beginning in Q4 2020.

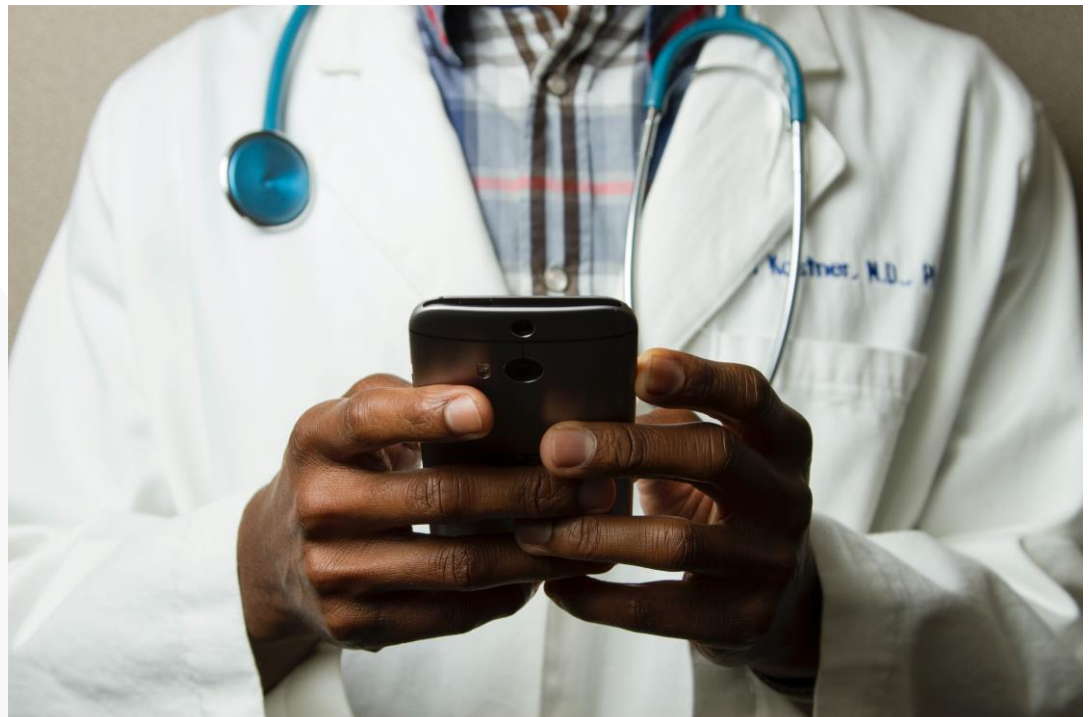


**Has the new e-Health market outlook (M&A wise) changed dramatically compared with the situation at the end of 2019?**

Not really – I think it has rebounded and we have more interest than ever.

**Do you consider that the new e-Health M&A business has been attracting more and bigger players?**

Private equity continues to be very interested in the space, and larger strategic players (for example, health insurance companies and hospital systems) are generally becoming more interested in investing in other areas of healthcare, including e-Health.



## TRENDS IN THE SECTOR

The advances in Biotechnology have been fundamental in key breakthroughs in modern medicine, allowing us to treat and cure conditions that were considered irreversible until just a few years ago. BioTech—and genomics in particular—have played a key role in the global response to the COVID-19 pandemic, and regularly lead to new discoveries in diagnostics and therapeutics for cancer and other life-threatening conditions.

After a period of relative stagnation in this sector, between 2019-2020, 2021 marks the change from the initial "investment freeze" of 2020 to fast-growing fund raising and an accelerated investment period.

On the global level, Covid-19 has put life sciences technologies under the spotlight, and the success of the vaccinations has reinforced this point. Life sciences companies from around the world registered a record year of financing and 2021 has not even ended yet.

Source: Ctech by Calcalist



Dr. Laurent Choppe  
Healthcare, Biotech & Pharma IG Member  
Cukierman & Co. Life Sciences  
Israel

## DEVELOPMENTS IN THE SECTOR

COVID-19 accelerated existing sector trends including investment in digital tools and data analytics to improve the patient experience, increased retention in clinical trials by making trial participation more convenient and relevant, and shortening the time from discovery to market. This will be a differentiator for companies that can continue to build on the momentum and figure out how to make it a value-creating competency. Also, look for the next wave of growth in medical devices to be driven by innovation around AI and technology-enabled products and robotics.

According to PwC Health Research Institute, recent changes made by the FDA have made it easier for digital health products to be cleared and approved, offering life sciences companies, and pharmaceutical companies in particular, the opportunity to accelerate approvals and improve provider and patient satisfaction.

According to the same report, there are four major regulatory changes to digital health which creates new opportunities for the pharmaceutical sector:

(1) digital health precertification - companies with high degrees of regulatory quality are eligible for shorter reviews (2) multiple function devices - the FDA will treat as separate the various functions of a digital health device, making it easier to have full-function products (3) companion applications - the FDA will allow digital apps intended to supplement prescription drugs to be regulated as labeling and not require approval, and (4) over the counter (OTC) drug digital labeling - OTC drugs may be approved based on evidence that consumers can use digital labeling to select a drug for treatment.

## RELEVANT DEALS IN 2021



### Visby Medical inked \$12,3 M to develop next generation test device

Visby Medical Inc. secured \$12.3 million in funding from the U.S. Biomedical Advanced Research and Development Authority (BARDA) to develop a next generation device to detect influenza and COVID-19 in a single point-of-care rapid PCR test and, subsequently, as an over-the-counter test for consumer use.

### Vesta Healthcare pulls in \$65M in growth capital

Vesta Healthcare, a digital health platform focused on home-based care, pulled in \$65 million in growth capital, backed by Deerfield, Kaiser Permanente, to help it expand in other states and increase program offerings.

### Komodo Health Acquires Breakaway Partners to Improve Patient Access

Breakaway Partners offers the most up-to-date data intelligence, providing effective targeting, messaging, and timely pull-through initiatives driving sales performance. This acquisition allows Komodo to create the industry's first prescription drug access business solution based on a comprehensive, real-time view of real-world outcomes and cost.

### Digital Health Platform BrightInsight Raises \$101 Million

BrightInsight is an IoT platform that captures, transmits, and analyzes data from connected medical devices and apps. The new funding will accelerate its growth and support its customers' digital health product launches globally.

### Qardio inks EHR deal with Redox

The partnership will enable remote care delivery and translate electronic health record (EHR) data into information for clinical decision-making, according to the companies.

# LATEST TRANSACTIONS

Ireland Dec. 2021  <b>MML</b>  Medical Distribution  <b>Cruinn Diagnostic Limited</b>  Sell-side	USA Nov. 2021  <b>IPO</b>  Medicinal cannabis or cannabinoid industry  <b>Canna-global Acquisition Corp.</b>  IPO	Belgium Nov. 2021  <b>Atlas Dental Care</b>  Dental Lab  <b>Prothesia</b>  Sell-side
Sweden Nov. 2021  <b>AcuCort</b>  Develops a drug, in the form of a fast-dissolving oral film – for cases such as acute and severe allergic reactions  Equity Raise	Norway Oct. 2021  <b>Ecura AS</b>  Assisted living and habilitation  <b>Verdia AS</b>  Sell-side	USA Oct. 2021  <b>IPO</b>  Healthcare and Technology within biotechnology and pharmaceutical sectors  <b>Maxpro Capital Acquisition Corp.</b>  IPO
Germany Oct. 2021  <b>Acura MVZ GmbH</b>  Dental Clinic  <b>Dental clinic in North-Rhine</b>  Buy-side	Ireland Jul. 2021  <b>Nutritics</b>  Food & Health Platform  <b>Ten Kites</b>  Buy-side	Israel & USA Jul. 2021  <b>FA International</b>  USA Medical Aesthetic Company  Equity Raise

# LATEST TRANSACTIONS

<p>Germany Jul. 2021</p> <p><b>Acura MVZ GmbH</b></p> <p>Oral and maxillofacial surgery</p> <p><b>Leading Clinic in Bavaria</b></p> <p>Buy-side</p>	<p>India &amp; SW June 2021</p> <p><b>SOTAX</b></p> <p>Solutions for Pharmaceutical Testing</p> <p><b>Ortiv-Q3 Research</b></p> <p>Buy-side</p>	<p>Israel &amp; SW Apr. 2021</p> <p><b>Grünenthal</b></p> <p>Pain Management</p> <p><b>Mestex</b></p> <p>Sell-Side</p>
<p>Ireland Apr. 2021</p> <p><b>CareChoice</b></p> <p>Nursing Home</p> <p><b>Elm Hall Nursing Home</b></p> <p>Sell-side</p>	<p>USA Apr. 2021</p> <p><b>Certified Group</b></p> <p>Cosmetic, supplement and personal care product testing</p> <p><b>Microconsult, Inc.</b></p> <p>Sell-side</p>	<p>Germany Mar. 2021</p> <p><b>Acura MVZ GmbH</b></p> <p>Dental Clinic</p> <p><b>Dental clinic in North-Rhine</b></p> <p>Buy-side</p>
<p>USA Oct. 2021</p> <p><b>IPO</b></p> <p>Healthcare and Technology within biotechnology and pharmaceutical sectors</p> <p><b>Maxpro Capital Acquisition Corp.</b></p> <p>IPO</p>	<p>Ireland Dec. 2020</p> <p><b>KM Medical</b></p> <p>Healthcare Software</p> <p><b>Clanwilliam Health</b></p> <p>Sell-side</p>	<p>Germany Dec. 2020</p> <p><b>Triton Mittelstandsfonds II</b></p> <p>A state accredited Hospital</p> <p><b>Klinik Schöneberg GmbH</b></p> <p>Buy-side</p>



## OUR EXPERTS TEAM LEADING TEAM



NETHERLANDS

**Maurice  
Koopmans**

mkoopmans@m-a-  
worldwide.com



IRELAND

**Alan Kelly**

kelly@m-a-  
worldwide.com

## TEAM



TURKEY

**Çiğdem Bicik**

bicik@m-a-  
worldwide.com



FRANCE

**Didier Busquet**

busquet@m-a-  
worldwide.com



DENMARK

**Tânia Braga**

tbraga@m-a-  
worldwide.com



ISRAEL

**Dr. Laurent  
Choppe**

telaviv-lifescience@m-a-  
worldwide.com



FRANCE

**Bertrand Dufay**

dufay@m-a-  
worldwide.com



NETHERLANDS

**Tom Moonen**

tmoonen@m-a-  
worldwide.com



UNITED KINGDOM

**Joe Powell**

jpowell@m-a-  
worldwide.com



POLAND

**Iwona  
Penwarden**

ipenwarden@m-a-  
worldwide.com



GERMANY

**Dr. Holger  
Wiemann**

hwiemann@m-a-  
worldwide.com



USA

**Eric Yetter**

eyetter@m-a-  
worldwide.com



## HEALTHCARE, BIOTECH & PHARMA SECTOR

INDUSTRY REPORT 2022

[m-a-worldwide.com](https://m-a-worldwide.com)

---

**The Americas** Argentina / Brazil / Canada / Ecuador / United States of America

**Europa** Belgium / Bulgaria / Croatia / Denmark / Finland / France / Germany / Hungary / Ireland / Israel / Italy / Lithuania / Netherlands / Norway / Poland / Portugal / Spain / Sweden / Turkey / United Kingdom

**Asia & Australasia** Australia / China / Hong Kong / India / Japan / Malaysia / Singapore / Thailand / Vietnam