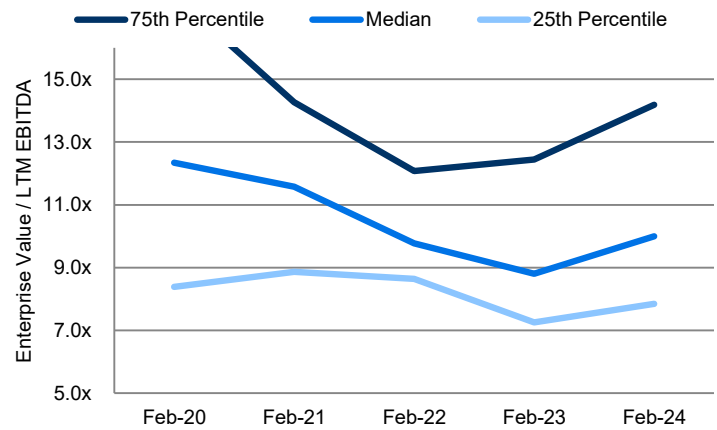


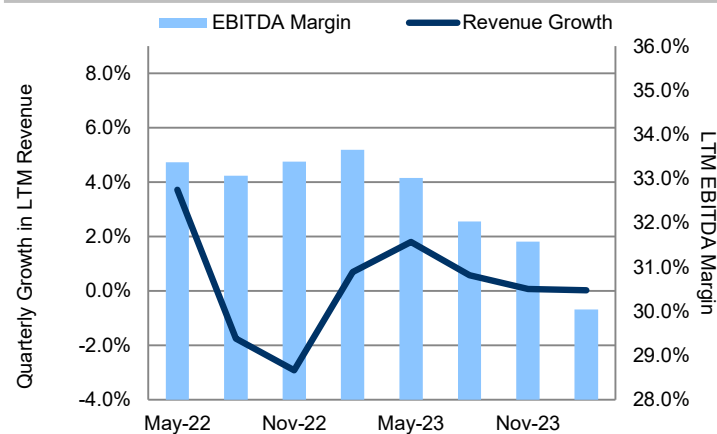
M&A Activity

- Putting 2023's slow second half in the rear-view, early indicators for 2024 deal activity are somewhat positive, particularly in the US market. Inflation is easing and rate cuts are expected, which offers some potential relief to the broader deal environment. M&A activity is expected to increase in 2024, broadly speaking, with motivating factors such as industry consolidation, digital transformation, AI, and private debt financing. Regulatory environments are seen as being the main obstacle, particularly in advanced economies, with antitrust figuring prominently as well as consideration for ESG compliance. The pharmaceutical, life sciences and biotechnology sectors will continue to provide growth and opportunities for investors.
- On December 26, 2023, Bristol Myers Squibb and RayzeBio, Inc. announced a definitive merger agreement under which Bristol Myers Squibb will acquire RayzeBio for \$62.50 per share in cash, for a total equity value of approximately \$4.1 billion. RayzeBio is a clinical-stage radiopharmaceutical therapeutics company with an innovation-leading position in actinium-based RPTs and a pipeline of drug development programs.
- On December 22, 2023, Bristol Myers Squibb and Karuna Therapeutics, Inc. announced that they have entered into a definitive merger agreement under which Bristol Myers Squibb has agreed to acquire Karuna for \$330.00 per share in cash, for a total equity value of \$14.0 billion. Karuna is a biopharmaceutical company driven to discover, develop, and deliver transformative medicines for people living with psychiatric and neurological conditions.
- On December 12, 2023, AstraZeneca entered into a definitive agreement to acquire Icosavax, Inc., a US-based clinical-stage biopharmaceutical company focused on developing differentiated, high-potential vaccines using an innovative, protein virus-like particle (VLP) platform, for approximately \$1.14 billion.
- On November 21, 2023, Merck and Caraway Therapeutics, Inc. announced that the companies entered into a definitive agreement under which Merck, through a subsidiary, will acquire Caraway Therapeutics for a total potential consideration of up to \$610 million.

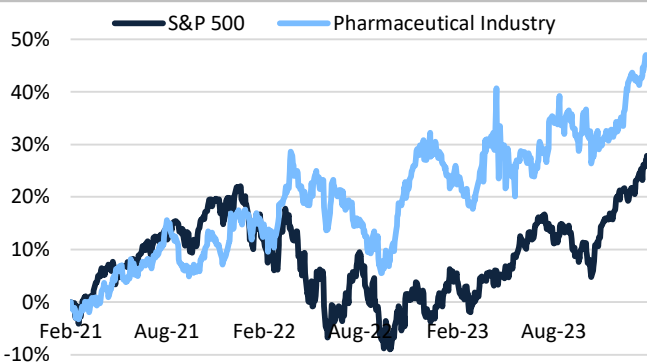
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹

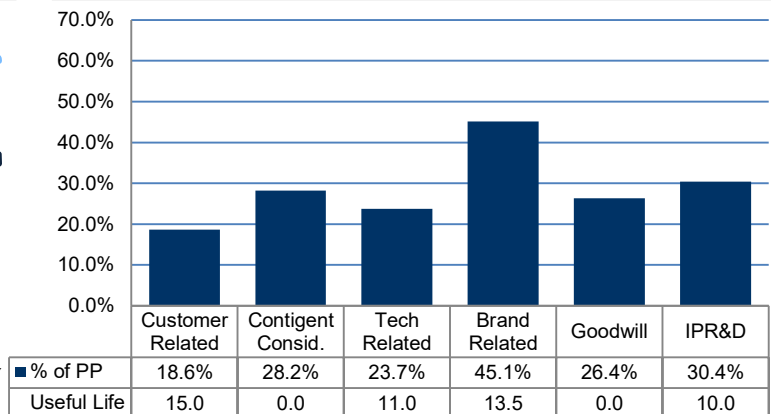


Relative Stock Price Returns²



¹ Calculated using aggregated data for JNJ, PFE, Novartis, MRK, ABBV, AMGN, Novo, GSK, Sanofi, LLY, GILD, BMY, LSE:AZN, AGN, MYL, TEVA, BHC, MNK, PRGO, ENDP, AMRX.
² The Pharmaceutical Industry is a custom, equal-weighted index constructed with the aforementioned companies.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On January 9, 2024, GSK plc and Aiolos Bio, Inc. announced that they have entered into an agreement under which GSK will acquire Aiolos, a clinical-stage biopharmaceutical company focused on addressing the unmet treatment needs of patients with certain respiratory and inflammatory conditions, for a \$1 billion upfront payment and up to \$400 million in certain success-based regulatory milestone payments.



On January 8, 2024, Novartis announced the acquisition of Calypso Biotech, a biotechnology company that provides biotechnical research and development on agricultural products and processes. The deal includes an upfront payment of \$250 million and an additional \$175 tied to development milestones for a total of approximately \$425 million.



On January 8, 2024, Johnson & Johnson announced the \$2 billion acquisition of Ambrx Biopharma, a clinical stage biopharmaceutical company that focuses on discovering and developing antibody drug conjugates and other engineered therapies to modulate the immune system.