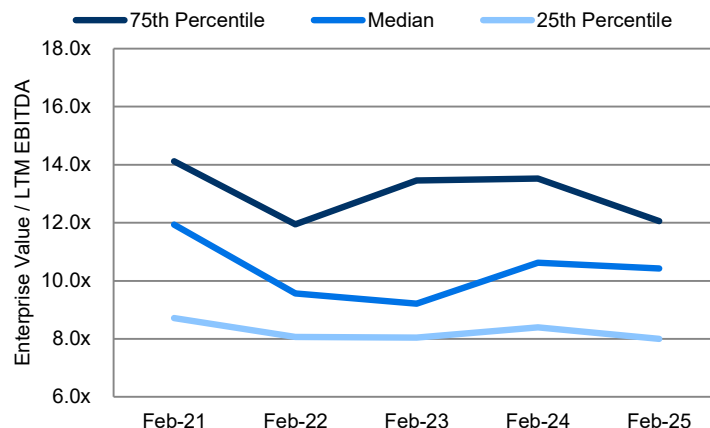


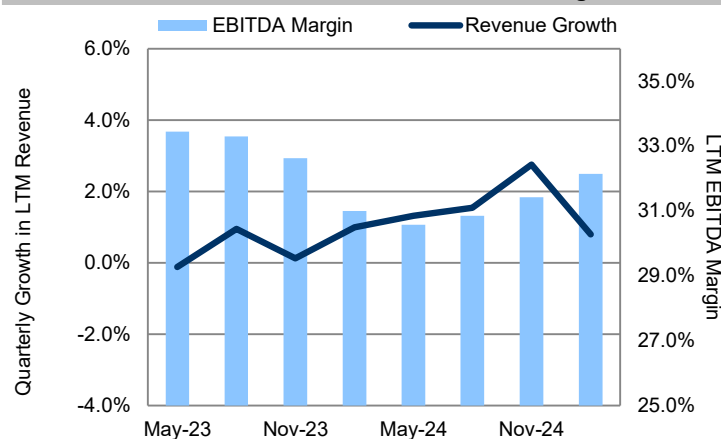
M&A Activity

- The 2024 M&A market wrapped up things nicely as deal makers successfully navigated rate changes, macroeconomic factors, higher financing costs and a major US election. 2024 North American M&A volume increased 10% with value climbing 16% when compared to 2023. In 2024 private equity deal making volume and value in the US grew 13% and 19%, respectively. In North America and Europe, M&A median valuation multiples softened to 8.8x EV / EBITDA for the year. In 2024 private equity median multiples in North America and Europe climbed to 12.2x EV / EBITDA. The outlook for 2025 remains positive as deal makers aim to take advantage of industries such as TMT, IT, healthcare, AI, industrials and energy. Digital transformation, private equity dry powder, regulatory easing, and expected rate cuts could all help spur activity in 2025.
- On January 13, 2025, Johnson & Johnson announced the acquisition of Intra-Cellular Therapies for \$14 billion. Intra-Cellular Therapies Inc. makes Caplyta, a once-daily pill for treating adults with schizophrenia and depression tied to bipolar disorder.
- On December 11, 2024, AbbVie and Aliada Therapeutics completed their agreement under which AbbVie will acquire Aliada, a biotechnology company advancing therapies using a novel blood-brain barrier (BBB)-crossing technology to address challenging central nervous system (CNS) diseases, for approximately \$1.4 billion.
- On November 21, 2024, Novartis announced the \$1.1 billion acquisition of Kate Therapeutics, a preclinical-stage biotechnology company that focuses on adeno-associated virus (AAV)-based gene therapies.

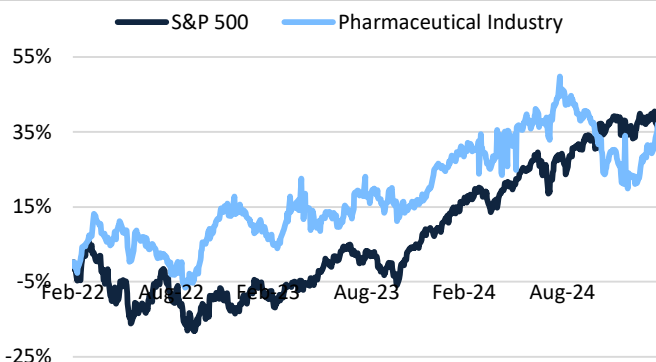
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹

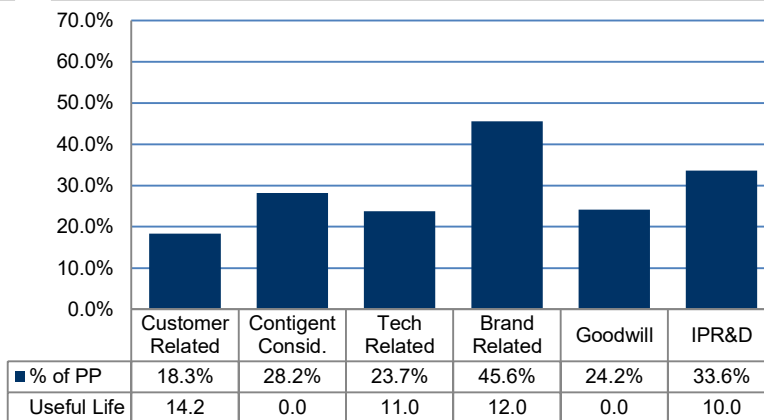


Relative Stock Price Returns²



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 13, 2025, Eli Lilly and Company and Scorpion Therapeutics, Inc., a private biotechnology company developing small molecule precision oncology therapies, announced a definitive agreement for Lilly to acquire Scorpion's PI3Kα inhibitor program STX-478 for approximately \$2.5 billion.



On January 13, 2025, Johnson & Johnson announced the acquisition of Intra-Cellular Therapies for \$14 billion. Intra-Cellular Therapies Inc. makes Caplyta, a once-daily pill for treating adults with schizophrenia and depression tied to bipolar disorder.



On January 13, 2025, GSK plc and IDRx, Inc. announced that they entered into an agreement under which GSK will acquire IDRx, a Boston-based, clinical-stage biopharmaceutical company dedicated to developing precision therapeutics for the treatment of GIST. GSK will pay \$1 billion upfront, with potential for an additional \$150 million success-based regulatory approval milestone payment.