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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals –November 29th, 2024

1. Roche (SWX: ROG) Acquires Poseida Therapeutics in \$1.5 Billion Deal, Boosting Cell Therapy Portfolio

Roche has agreed to acquire Poseida Therapeutics for \$1.5 billion, strengthening its position in cell therapy. The deal includes Poseida's clinical and pre-clinical CAR-T therapies and manufacturing capabilities. Roche will pay \$9 per share in cash, plus a potential \$4 per share in milestone payments. The acquisition, unanimously approved by both companies' boards, is expected to close in Q1 2025. This move builds on their existing partnership from 2022, focusing on off-the-shelf CAR-T cell therapies. Roche gains access to Poseida's GMP manufacturing capabilities and R&D assets, including a Phase I allogeneic CAR-T program for solid tumors. The deal aims to accelerate development in oncology, immunology, and neurology. ([Link](#))

2. Henry Schein (Nasdaq: HSIC) Expands Home Health Care Footprint with Acquisition of Continuous Glucose Monitor Supplier Acentus

Henry Schein, Inc., the world's largest provider of health care solutions for dental and medical practitioners, has signed an agreement to acquire Acentus, a national medical supplier specializing in Continuous Glucose Monitors (CGMs). This acquisition, expected to close in Q1 2025, strengthens Henry Schein's position in the growing home medical supply market. The deal follows previous acquisitions in the homecare sector, bringing the company's annual revenue in this segment to approximately \$350 million. Acentus, headquartered in Tampa, Florida, has an annual revenue of about \$35 million. The transaction is expected to be neutral to Henry Schein's 2024 non-GAAP earnings per share and accretive thereafter. ([Link](#))

3. Great Hill Partners Acquires Majority Stake in Intuitive Health, Pioneering Hybrid ER-Urgent Care Provider

Great Hill Partners has acquired a majority interest in Intuitive Health from Altamont Capital Partners. Intuitive Health, founded in 2008, operates 33 facilities across the US, offering a hybrid model of freestanding emergency rooms and urgent care centers. The company serves over 500,000 patients annually, providing cost-effective and efficient care. Under Altamont's partnership since 2014, Intuitive expanded from two to 33 clinics. Great Hill aims to leverage its industry expertise to further expand Intuitive's operations and improve healthcare accessibility. The transaction's financial terms were not disclosed. ([Link](#))

4. Clearlake Capital Sells TEAM Technologies to Arlington Capital Partners, Marking Successful Healthcare Manufacturing Investment

Clearlake Capital Group has sold TEAM Technologies, a specialized healthcare manufacturing and supply chain solutions provider, to Arlington Capital Partners. During Clearlake's ownership, TEAM Technologies doubled its revenue and increased healthcare end-market exposure to over 90%. The company expanded through strategic acquisitions and organic growth initiatives, leveraging Clearlake's O.P.S.[®] framework. TEAM Technologies now operates 15 facilities across North America, offering advanced manufacturing solutions for various medical devices. The sale marks a

successful investment for Clearlake, which has over \$85 billion in assets under management and focuses on technology, industrials, and consumer sectors. ([Link](#))

5. Lauxera Capital Partners Acquires Galen Data, Expanding Its Medtech Software Portfolio

Lauxera Capital Partners has acquired Galen Data, a provider of secure cloud-based connectivity solutions for medical devices. This strategic move follows Lauxera's 2022 acquisition of Matrix Requirements, an ALM and eQMS software solution for medical device R&D. The acquisition aims to combine two industry leaders with complementary products serving the same end-customers. Galen Data's CEO, Chris DuPont, expressed excitement about the partnership, which will enable the company to accelerate growth and expand services. Lauxera's Founding Partner, Samuel Levy, emphasized the importance of leveraging data generated by medical devices to improve care. The acquisition aligns with Lauxera's vision to provide integrated software solutions for medical device companies. ([Link](#))

6. CareMax (NASDAQ: CMAX: CMAXW) Enters "Stalking Horse" Agreement with ClareMedica Amid after filing Chapter 11

CareMax, a technology-enabled value-based care delivery system, has announced a "stalking horse" purchase agreement with ClareMedica Health Partners. Under this agreement, ClareMedica will acquire CareMax's core centers' assets, including most of its operating clinics. The transaction is part of CareMax's prearranged Chapter 11 plan, supported by all of its secured lenders, following pressure after Stewart Health bankruptcy in May. The company expects the sale to be completed simultaneously with its restructuring plan. CareMax continues to provide high-quality care to its approximately 260,000 patients across 46 clinical centers. ([Link](#))

7. McLaren Health Care Acquires Park Medical Centers, Expanding Primary Care Network in Southeast Michigan

McLaren Health Care has acquired Park Medical Centers, a group of 10 primary care clinics serving 36,000 patients in Wayne, Oakland, and Macomb counties. The acquisition, effective November 15, integrates Park Medical Centers into McLaren Medical Group while maintaining existing staff and branding. Dr. Richard Brown and Jeffrey Brown will continue in leadership roles. The move enhances McLaren's presence in southeast Michigan and aims to expand services and provider networks. Park Medical Centers, with a 60-year history, will benefit from McLaren's resources to improve patient care and grow strategically. McLaren Health Care, a \$7.3 billion system, operates 13 hospitals and various healthcare services across Michigan, Indiana, and Ohio. ([Link](#))

8. Anteris Technologies Global Corp., a Structural Heart Devices Company, Files for U.S. IPO, Plans Dual Listing on Nasdaq and ASX

Anteris Technologies Global Corp. (ATGC) has filed a Form S-1 with the SEC for its proposed initial public offering in the U.S. The company plans to list its common stock on Nasdaq under the symbol "AVR" and subsequently list CDIs on the Australian Securities Exchange. ATGC, incorporated in January 2024, aims to reorganize operations of Anteris Technologies Ltd, an Australian company specializing in structural heart devices. Their lead product, DurAVR®, is a transcatheter heart valve for aortic stenosis treatment. TD Cowen, Barclays, and Cantor are joint book-running managers for the offering, with Lake Street Capital Markets as lead manager. ([Link](#))

9. StoryCatch Partners Acquires EmpiraMed, Bolstering Real-World Evidence Capabilities in Digital Health

StoryCatch Partners, a Public Benefit Corporation focused on improving mental and physical wellbeing through storytelling, has acquired EmpiraMed Inc., a leader in virtual clinical studies for real-world evidence. The merger combines StoryCatch's emphasis on empathy and evidence with EmpiraMed's expertise in site-less virtual studies and patient-reported data. This acquisition aligns with StoryCatch's mission to enhance understanding of mental, emotional, and physical health concerns. The combined entity will leverage EmpiraMed's strengths in generating real-world evidence and measuring health outcomes to better address complex participant populations. Both companies' leadership and solutions will remain in place during the transition. ([Link](#))

10. Community Health Systems (NYSE: CYH) Sells Florida Hospitals to AdventHealth for \$265M, Terminates Pennsylvania Deal

Community Health Systems, Inc. (NYSE: CYH) has agreed to sell ShorePoint Health Port Charlotte, certain assets of ShorePoint Health Punta Gorda, and related ancillary businesses in Florida to AdventHealth for \$265 million. The Punta Gorda hospital has suspended inpatient operations due to hurricane damage. The deal, expected to close in Q1 2025, is part of CHS's ongoing divestiture strategy. Cain Brothers advised AdventHealth on the transaction. CHS, headquartered in Franklin, Tennessee, operates 69 hospitals across 15 states. This sale aligns with the company's plans discussed in their Q3 2024 earnings call and subsequent public statements.

On another note: CYH and WodBridge Healthcare, Inc mutually agreed to terminate a purchase agreement on the planned divestiture of Commonwealth Health System in PA: Regional Hospital of Scranton in Scranton, PA, Moses Taylor Hospital in Scranton, PA, and Wilkes-Barre General Hospital in Wilkes-Barre, PA. The termination was due to WoodBridge's inability to satisfy the funding requirements in the Purchase Agreement because of certain developments affecting the expected proceeds available to WoodBridge from the issuance of publicly offered tax-exempt and taxable bonds. ([Link](#))

11. ARCHIMED Sells Majority Stake in Ad-Tech to Nihon Kohden, Earning 5x Return and Forming Strategic Joint Venture

Global healthcare private equity firm ARCHIMED has sold a 71.4% stake in Ad-Tech, a leading manufacturer of intracranial neuro electrodes, to Nihon Kohden, a Japanese medical device innovator. The deal, which earned ARCHIMED a 5x return on investment, includes forming a joint venture where ARCHIMED retains a 28.6% stake. Since acquiring Ad-Tech in 2020, ARCHIMED has driven significant growth and innovation in the company. The partnership aims to advance epilepsy care solutions globally. This transaction marks ARCHIMED's first deal with a Japanese firm, highlighting the importance of its recently opened Tokyo office in facilitating Asian healthcare investments. ([Link](#))

Venture and Other News

1. CalmWave Secures \$5.25M Led by Third Prime to Combat Alarm Fatigue in ICUs with AI-Powered Solution led by Third Prime

CalmWave, a Seattle-based startup, has raised \$5.25 million in funding to tackle alarm fatigue in Intensive Care Units. The round was led by Third Prime, with participation from various investors including Catalyst by Wellstar and existing backers. CalmWave's Quiet ICU solution uses "Transparent AI" to analyze patient data and provide recommendations for reducing non-

actionable alarms. The company plans to use the funds to accelerate market penetration and expand partnerships with Group Purchasing Organizations. Founded by Ophir Ronen, CalmWave aims to improve healthcare by optimizing operations and empowering data-driven decision-making in clinical environments. ([Link](#))

2. Roon Secures \$15M Series A Led by FirstMark Capital and Forerunner Ventures to Expand Health Guidance Platform

Roon, a New York-based health tech startup, has raised \$15 million in Series A funding to expand its health guidance platform. The round was led by FirstMark Capital and Forerunner Ventures, with participation from existing investors TMV and Sequoia Capital. Launched 18 months ago, Roon aims to bridge the gap between healthcare needs and trustworthy information. The company plans to use the funds to cover hundreds of conditions, focusing on women's health, cancer, neurology, metabolic health, and pediatrics. Roon partners with physicians from prestigious institutions like Harvard and Stanford to provide expert guidance, having already supported families through serious illnesses, IVF, and conditions like PCOS and endometriosis. ([Link](#))

3. Sirona Medical Secures \$42M in Series C Funding led by Avidity Partners, Appoints New CEO for Radiology IT Platform Expansion

Sirona Medical, a pioneer in cloud-native radiology IT, has raised \$42 million in Series C financing led by Avidity Partners. The funding will support the evolution of their Unify platform, customer service, and commercial expansion. Hooman Hakami, a former GE Healthcare and Medtronic executive, has been appointed as the new CEO, while founder Cameron Andrews transitions to President. Sirona's Unify platform integrates worklist, viewer, reporter, and PACS archive, offering a unified workflow experience for radiology practices. The company aims to enhance workflow efficiency, AI-powered reporting, and cybersecurity while facilitating seamless AI algorithm integration. ([Link](#))