



Introduction to Lincoln International

Team Biographies



Anthony Crisman
Managing Director

“ I seek to understand client needs and goals, and work tirelessly to deliver options that achieve outcomes they deserve, while cultivating a relaxed, open and consultative relationship.

Tony leads the firm's outsourced pharmaceutical services and life sciences practices, specializing in mergers and acquisitions (M&A). He has executed sell-side and buy-side M&A transactions for private equity clients, publicly traded companies and privately held and family-owned businesses.

Tony specializes in M&A for highly differentiated outsourced pharmaceutical service businesses and clinical laboratories, helping them to understand the converging and dynamic end markets, identify growth opportunities, and leverage technology to deliver cost-saving solutions. His deep experience in pharmaceutical outsourcing and laboratory markets provides unique insights to assist growing life sciences companies (diagnostics and research products) that supply laboratories, contract research organizations, and pharmaceutical/biotechnology companies with the innovative products and technologies required to remain cutting edge.

Prior to joining Lincoln, Tony was a Vice President in the healthcare investment banking practice of GCA Savvian Advisors. Previously, he was an Associate at Vector Securities International and an Analyst in the Healthcare Corporate Finance group of RBC Capital Markets (formerly Dain Rauscher Wessels).

Tony earned a Bachelor of Science from the Carlson School of Management at the University of Minnesota.

Overview of Lincoln International



The Leading Global Middle Market Investment Bank



**Founded in
1996**

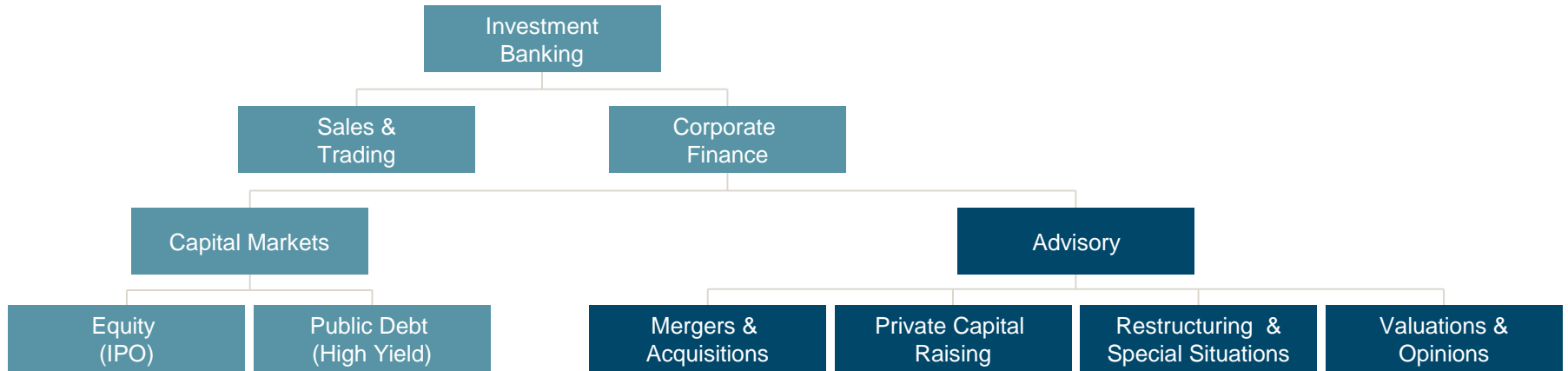
**20+ Integrated
Offices Worldwide**

**~500 Bankers
Worldwide**

**Partner
Owned**

Our Position in the Investment Banking Spectrum

The middle market is consistently the most active for M&A advisory, with **7.0x more closed mid-market transactions** than bulge bracket⁽¹⁾



(1) Source: Factset; Mid-market transactions defined as those with disclosed values less than \$500 million

Transaction Capabilities and Diverse Industry Focus

Transaction Capabilities

Mergers & Acquisitions

Sell-Side • Buy-Side • Mergers

Valuations & Opinions

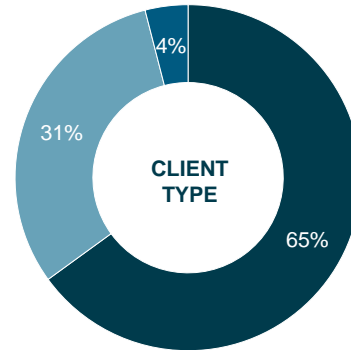
Portfolio Valuations • Transaction Opinions

Capital Advisory

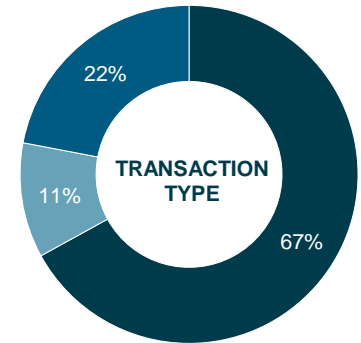
Growth Equity • Debt Advisory • Special Situations

Joint Ventures & Partnering

Joint Ventures • Strategic Alliances • Consortia



- PE or PE-Backed
- Private
- Public



- Sell-Side
- Buy-Side
- Capital Raise & Other

Industry Expertise Drives Results



BUSINESS SERVICES



CONSUMER



ENERGY, POWER & INFRASTRUCTURE



HEALTHCARE



INDUSTRIALS



TECHNOLOGY, MEDIA & TELECOM

Culture: Our Greatest Asset



EXCELLENCE

JUDGMENT
PASSION
IMPACT



ENTREPRENEURIAL

CURIOSITY
INGENUITY
COURAGE



INTEGRATED

COMMUNICATIVE
SHARING
INVOLVED



COLLABORATIVE

SELFLESSNESS
RESPECTFUL
OPEN-MINDED



INTEGRITY

HONESTY
SELF-AWARENESS
ACCOUNTABILITY

WE **ACHIEVE** OUR GOAL BY LIVING UP TO OUR **CORE VALUES**,
USING **INGENUITY** TO **OUTPERFORM** AND FOCUSING RELENTLESSLY ON **GROWTH**

GOALS

TO BE THE BEST
MID-MARKET
INVESTMENT
BANKING ADVISORY
FIRM IN THE
WORLD AND
RECOGNIZED
AS SUCH

WE **ATTRACT, RETAIN AND ENGAGE** HIGH PERFORMERS BY:

- 1 CREATING TALENT DENSITY** ● ——— | DO NOT COMPROMISE IN HIRING
ADDRESS PERFORMANCE ISSUES
CLEARLY AND PROMPTLY
- 2 MANAGING EFFECTIVELY** ● ——— | FREEDOM AND RESPONSIBILITY
CONTEXT, NOT CONTROL
HIGHLY ALIGNED, LOOSELY COUPLED
- 3 ALIGNING INCENTIVES** ● ——— | COMPENSATION POLICIES
PROMOTION POLICIES
DEVELOPMENT OPPORTUNITIES

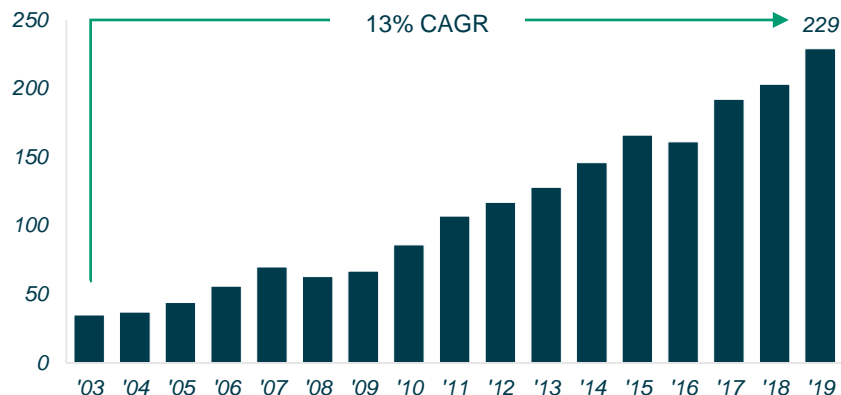
RESULTS

GREAT CLIENT
SERVICE
AND OUTCOMES

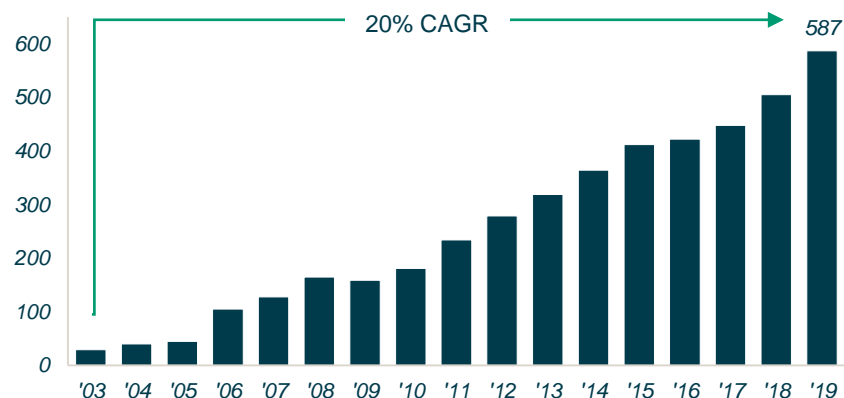
A DYNAMIC AND
DESIRABLE PLACE
TO WORK FOR HIGH
PERFORMERS

Our International, Integrated Platform Drives Results

Global Transaction Growth



Global Employee Growth



Recent Lincoln International Awards

2019, 2018, 2017, 2016, 2015

Best Place to Work

as awarded by

2018, 2017, 2016, 2015, 2014, 2013

Top 3 Sell-Side Advisor Under \$300 Million Globally

as ranked by

2016

#1 Mid-Market Sell-Side Advisor to Private Equity Globally

as ranked by

2016

Investment Bank of the Year for Private Equity Transactions

as ranked by

2013

Mid-Market Investment Bank of the Year

as awarded by

2013

#1 Advisor of Companies Sold to Private Equity in the U.S. and Globally

as awarded by

Lincoln International Global Healthcare Team

Dedicated Healthcare Bankers

Brian Bock
Managing Director
MedTech



Gunnar Brundin
Managing Director
Healthcare Services



Tony Crisman
Managing Director
Pharma Services and
Life Sciences



Shahab Fathezam
Managing Director
Pharma Services and
Life Sciences



Barry Freeman
Managing Director
Healthcare Services



Nick Konstantinou
Managing Director
Healthcare Services



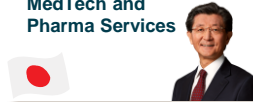
Matt Lee
Managing Director
Healthcare Services
and MedTech



Guarav Marathe
Managing Director
Life Sciences



Ikuo Mori
Managing Director
Life Sciences,
MedTech and
Pharma Services



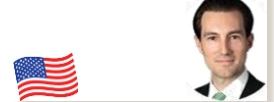
Roddy O'Neill
Managing Director
Provider Services



Francois Rispoli
Managing Director
Healthcare Services



Michael Siano
Managing Director
Healthcare IT



Francesco Silva
Managing Director
Healthcare Services



Michael Weber
Managing Director
Healthcare Services
and MedTech



Emily Wildes
Managing Director
Provider Services



Mohit Bajpai
Director
Life Sciences



Cynthia Goulet
Director
Pharma Services and
Life Sciences



Phillip Knotts
Director
Healthcare Services



Regional Support Professionals with Healthcare Expertise

Øyvind Bjordal
Managing Director
Switzerland



James Fang
Managing Director
China



Richard Floto
Managing Director
Germany



Andrei Joosten
Managing Director
Russia



Iván Marina
Managing Director
Spain



James Sinclair
Managing Director
Brazil



Eric Wijs
Managing Director
Netherlands



Process Approach



Preparation is Key to Facilitating a Successful Process

“Would you invest in your business?”

Think Like An Acquirer

- Are the existing business model and industry viable?
- Is the business positioned for growth? Can that growth be enhanced under new ownership?

Prioritize Your Preparation

- You will likely find that many of the steps are already in place at your business or can be accomplished with minimal effort
- Build upon this existing foundation and then work to address the most significant information gaps first

Don't Panic!

- No business will ever be perfect
- Buyers often prefer businesses with upside through operational, growth or profitability improvement opportunities
- Concentrate on addressing any deficiencies in your business so that it can be presented as a stable platform for growth under new ownership

Selecting Your Advisors – Investment Banker

Select Sale Process Activities

- Develop the marketing story
- Identify potential acquirers
- Prepare marketing materials
- Contact buyers
- Confidentiality agreements
- Distribute marketing materials
- Market the company
- Receive initial offers
- Management presentation
- Compile data room
- Facilitate due diligence
- Solicit / review final offers
- Negotiate letter of intent
- Complete due diligence
- Negotiate legal documents
- Close transaction

Return On Advisory Fee Analysis

Enterprise Value without Financial Advisor	\$50 million
Enterprise Value with Financial Advisor (+10%)	\$55 million
Advisory Fee (2%)	\$1.1 million
Incremental Net Enterprise Value	\$3.9 million
Return on Advisory Fee ⁽¹⁾	350%

1. Assumes same economic terms in the transaction (escrow, indemnification, survival periods, etc.)

Summary

- The sale process is incredibly time consuming and disruptive, consuming at least five to six months of dedicated effort
 - An investment bank handles the “heavy lifting” and engages the management team only at the appropriate times
- Every minute of management’s time dedicated to the sale process is one less minute that they are focused on the business
 - Buyers pay for performance, so management must focus on continuing to grow the business
- Maximizing value requires specialized expertise, including:
 - Effective company positioning
 - Compelling marketing materials
 - Knowledge and access to buyers worldwide
 - Designing a process to create a competitive environment
 - Understanding of the capital markets and their impact on the sale process
 - Dealing with buyer objections and issues
 - Structuring the transaction to meet seller’s objectives
 - Negotiating key terms of the transaction

An investment bank is an advocate of its client, with the goal of delivering the best price and terms available in the market

Selecting Your Advisors – Other Sale Process Advisors

In addition to an experienced investment banker, a strong network of advisors is needed to complete a successful transaction

Wealth Management and Planning

- Collaborating with the appropriate wealth advisor is critical in preparing for and achieving a successful transaction, as well as effectively protecting, diversifying and managing enhanced wealth
- Although some sellers have existing wealth advisory relationships, a transaction can significantly alter wealth management needs
- Lincoln has relationships with leading wealth managers across the country and can assist in identifying the right partner
- Lincoln has no “in-house” wealth advisory practice and is thus not conflicted in its recommendations



Accounting Services

- Selecting the right accounting firm is an important step in a sale transaction
- Accountants can perform numerous services in a process, including preparing normalized financials, tax structuring and seller due diligence services
- Lincoln has experience working with both global and regional firms and can identify specific individuals at both the Partner and Senior Manager level that have provided excellent service to past clients

M&A Legal Services

- An M&A attorney is a vital participant in a sale whose role spans the entire process from drafting the confidentiality agreement and purchase agreement to negotiating terms
- Effective M&A attorneys balance both their client’s objectives and the prospective parties’ desire to transact, while also protecting the client from serious legal errors
- Lincoln has experience with the leading M&A firms across the country and can assist in obtaining the optimal partner

Overview of a Sell-side M&A Deal

A typical sell-side M&A process takes six months from start to finish; associates are involved intimately throughout the process and serve as the deal “quarterback”

Pitch • 1-4 Weeks

New Business Presentation

- Provide team with quantitative analysis
- Prepare industry and company research
- Contribute to marketing strategy and company positioning
- Attend new business presentation

Preparation • 6-8 Weeks

Kick-Off Meeting

- Travel to kick-off meeting
- Interact and build rapport with client’s senior management
- Tour facility and evaluate businesses
- Formulate marketing strategy – what are the “key investment considerations”
- Finalize list of potential acquirers

Preparing Marketing Materials

- Discuss and review management forecasts
- Adjust pro forma presentation of historical financial results
- Interact daily with senior management to facilitate preparation of Marketing Materials (e.g., Confidential Information Memorandum and Management Presentation)

Marketing • 8-12 Weeks

Marketing

- Provide client with process updates and summaries
- Coordinate buyer due diligence questions with senior management
- Organize and review information received
- Correspond with potential acquirers

Closing • 6-8 Weeks

Buyer Visits & Final Offers

- Co-host management presentations and host facility visits
- Build and manage the data room
- Field due diligence requests and mediate due diligence calls between buyer and seller
- Participate in conference calls upon receipt of final offers

Negotiating & Closing

- Facilitate confirmatory due diligence
- Host follow-up buyer visits
- Participate on conference calls to negotiate purchase agreement
- Draft press release
- Attend celebratory closing dinner

Example Marketing Documents to be Prepared

Overview of Marketing Documents Used in a Traditional Sale Process

Teaser



- Anonymous document with basic information
- For general market approach
- 1-3 pages
- Lincoln format

Generate initial interest from potential bidders

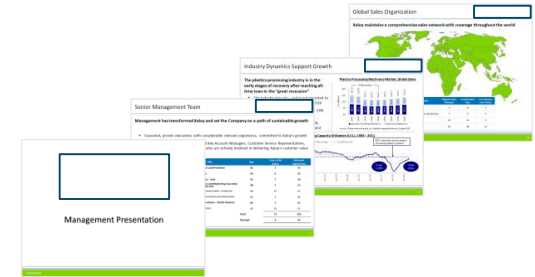
Confidential Information Presentation



- Thorough document providing the background of the business, detailed financials and growth strategy
- Provides good insight into the investment case for bidders
- Lincoln format; ~50 pages

Provide information for indication of interest

Management Presentation



- Document providing a most recent and accurate picture of the acquisition opportunity, serving as a communication tool for management
- Dedicated insight into growth potential of the business
- Seller format; 40-50 pages

Exhibit value potential

Day in the Life At Lincoln



Day in the Life of a Lincoln M&A Associate



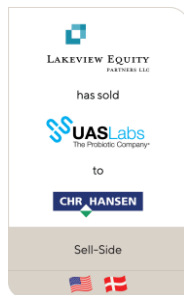
Case Studies



UAS Laboratories

Situation

- After buying the business in 2013, the Lakeview and UAS Labs management teams worked together to transform the business into the vertically integrated, probiotics powerhouse it is today—including the construction of a \$60M+ fermentation plant with the ability to manufacture proprietary cultures and strains
- UAS Labs' strong value proposition, created through deep scientific expertise, world-class facilities and capabilities, vertical integration and global presence, made them an attractive target
- The process was at the IOI stage when COVID-19 related travel restrictions and shelter-in-place orders went into effect in mid-March 2020
- The process launched as the Company experienced rapid growth and tailwinds from increased consumer healthcare awareness



Lincoln's Approach

- Lincoln's expertise across healthcare, consumer, food & beverage, manufacturing, ingredients and vitamins & supplements sectors optimally positioned UAS Labs, and its value, to the marketplace
- Lincoln approached the deal with:
 - **Bold positioning** – highlighting UAS Labs' scarcity value by touting best-in-class leadership, world class facility and capabilities, a global customer list and remarkable organic growth
 - **Robust pre-marketing** with strategics around the world
 - **Extensive data and analytics** – to support pro-forma adjustments and reinforce key attributes and trends
 - **Reinforcing potential synergies** throughout the process to help close the deal
 - **Process excellence through COVID-19** – when the world effectively shut down at the preliminary bid stage, Lincoln pivoted to a virtual process without missing a beat
 - Ultimately, the agreement was signed without buyer or seller leadership meeting each other face to face through:
 - Virtual management presentations
 - Virtual facility tours articulating the company's differentiated capabilities and infrastructure investment
 - Virtual meet-and-greet diligence with key management team members
- Lincoln acted as the exclusive financial advisor for UAS Labs, working closely with its shareholders and management throughout the sale process – this included providing advisory expertise and managing the preparatory, marketing, negotiation and due diligence phases of the transaction

Results

- UAS Labs received significant interest from 15+ leading strategic acquirers in the broader consumer health and global ingredients industry
- **UAS Labs was sold to Chr. Hansen Holding A/S (CPSE:CHR), at ~20x 2020 EBITDA**
- Chr. Hansen is an ideal partner for UAS Labs because they are a leading, global bioscience company that develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries
- The Company's strong organic growth track record will strengthen and expand Chr. Hansen's global microbial platform and human health business
- Lincoln's ability to successfully manage a cross-border transaction during the COVID-19 pandemic ensured the completion of the deal and the continued growth and success of both UAS Labs and Chr. Hansen

MNG Laboratories

Description

- Sale of Medical Neurogenetics LLC Laboratories (“MNG” or the “Company”)
- MNG is a leading clinical diagnostic provider specializing in neurogenetic and complex biochemical testing
 - Focused on improving diagnosis of pediatric rare and inherited genetic diseases
 - Offers deep neurogenetic testing menu, built on a foundation of 15+ years of expertise
 - Most comprehensive next generation sequencing tests with multimodal capabilities
- Disease-state expert with extensive proprietary database and dedicated in-house testing provides significant competitive advantages
 - Leading innovator with newly developed extensive Genome MaNaGer® database
 - One of the world’s largest neurogenetic sample collections with 18,000 cerebral spinal fluid samples and over 35,000 other physical specimens

Situation

- MNG acquired by HealthEdge Investment Partners in 2015
- Management and HealthEdge expanded capabilities, added key customer relationships and cemented a market leadership position within neurogenetics
- Created a unique, high-growth platform with a highly differentiated business model
- Given the hold period, HealthEdge was seeking liquidity while management sought a new partner for the next phase of development



Our Approach & Results

- Leveraging its significant laboratory services and genetic testing experience, Lincoln International (“Lincoln”) designed a targeted sell-side process in which we approached the following buyer categories:
 - Large, global strategic acquirers with an aggressive M&A focus
 - Mid-sized strategic acquirers backed by financial sponsors
 - Growth-oriented financial acquirers with a focus on healthcare and laboratory services
- Designed tailored marketing materials that highlighted the Company’s value-added business model, unique niche expertise, and long-term growth trajectory
- Held management presentations with interested parties and facilitated additional diligence
- In March 2019, MNG was acquired by LabCorp

