

Pharmaceutical Commercialization

Quarterly Update

Q1 2025



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Transaction Activity & Key Themes

To discuss Transaction Activity, please reach out to
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Key Themes & Industry Outlook

Consolidation of Consolidators	Full-Service Models	Regulatory Strengthening	Technology & Innovation	Specialization & Niche Expertise
• Secondary buyouts and larger private equity-backed platforms acquiring groups backed by smaller funds • In Mar-25, New Mountain Capital-backed PerkinElmer acquired Project Farma, a strategy consulting company, from Blackstone, TPG, and other private equity owners	• Utilizing acquisitions to build comprehensive, full-service models that offer a wide range of services with cross-sell opportunities • Since establishing Petauri as a platform in Feb-23, Oak Hill Capital has supported 5 add-on acquisitions, most recently Formulary Insights, to build a full-service offering	• An uptick in domestic and cross-border acquisitions looking to build out regulatory capabilities and expertise • In Jan-25, France-based EFOR Group acquired PharmEng Technology, a Canada-based consultancy specializing in regulatory affairs	• Increased focus on digital capabilities as platforms continue to integrate advanced analytics, artificial intelligence, and digital marketing solutions • In Jan-25, Athagoras Group acquired artificial intelligence company MIGx to optimize data science capabilities	• Further consolidation as companies look to differentiate by deepening their expertise in a specific therapeutic area, such as cell and gene therapy • In Feb-25, The Brydon Group acquired MedComms Experts, a medical communications firm dedicated to rare disease coverage

Q1-2025 Transaction Activity

Date	Buyer	Parent / Sponsor	Target	Type	Target Service	Growth Strategy
Mar-25	ICON	n/a	MediMedia Pharma Solutions	Add-On	Medical Communications	
Mar-25	PerkinElmer	New Mountain Capital	Project Farma	Add-On	Strategy Consulting	
Feb-25	The Brydon Group	n/a	MedComms Experts	Platform	Medical Communications	
Feb-25	Red Nucleus	THL Partners	COEUS	Add-On	Market Access & Reimbursement	
Jan-25	Fengate Private Equity	n/a	eMax Health	Platform	Market Access & Reimbursement	
Jan-25	ProductLife Group	Oakley Capital	Stragen Services	Add-On	Regulatory Affairs	
Jan-25	The Efor Group	Andera Partners	Project Delivery Partners	Add-On	Regulatory Affairs	
Jan-25	Latticework Capital Management	n/a	Life Science Connect	Platform	Marketing & Advertising	
Jan-25	G&L Scientific	Armira Partners	Omakase Consulting	Add-On	Market Access & Reimbursement	
Jan-25	The Efor Group	Andera Partners	PharmEng Technology	Add-On	Regulatory Affairs	
Jan-25	Athagoras Group	Greenpeak Partners	Quantify Research	Add-On	Evidence Development	
Jan-25	Athagoras Group	Greenpeak Partners	CSO Pharma Consulting & MIGx AG	Add-On	Regulatory Affairs	
Jan-25	Baird Capital	n/a	Newmarket Strategy	Platform	Market Access & Reimbursement	
Jan-25	Klick Health	GTCR	Peregrine Market Access	Add-On	Market Access & Reimbursement	



Platform Creation



Market Share



Product Range



Geographic Expansion

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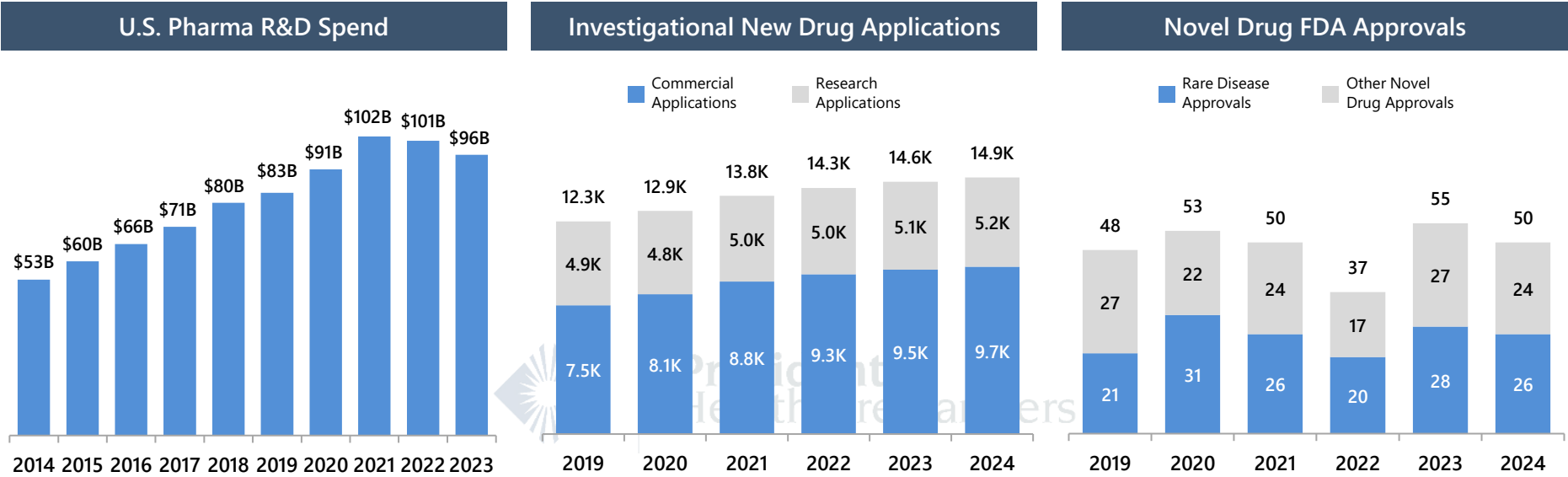


Commercialization: Competitive Landscape

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Pharmaceutical Market Environment

The pharmaceutical industry is preparing for a significant wave of loss of exclusivity (“LOE”) as blockbuster drugs approach patent expiration, prompting companies to ramp up R&D investment and accelerate new drug approvals to offset anticipated losses.



Additional Considerations

Research & Development Surge

- A looming patent cliff, with over \$350b in annual sales at risk by 2030, is forcing sponsors to accelerate internal pipelines and pursue next-gen therapies through aggressive R&D investment
- Sponsors and biotech are bolstering R&D spending in a race to develop new therapies for high-margin treatments, targeting rare or previously untreatable diseases
- Rising competitive pressures and amplified cost structures are pushing pharma companies to build differentiated expertise within narrower TAs or niche indications

Growth in IND Applications & Drug Approval Trends

- With 90 first-time generic drug approvals in 2023, competition from lower-cost alternatives is intensifying, driving pharma companies to pursue more IND applications to offset revenue erosion
- A consistent increase in IND applications signals strong pipeline momentum for 2025+, increasing the likelihood of successful, revenue-generating launches
- Despite persistent macroeconomic challenges, pharma and biotech companies continue to advance high-impact therapies, reinforced by a consistent flow of FDA novel drug approvals

Outsourced Pharma Commercialization Trends

Key Trends Impacting the Outsourcing Market

Sector Tailwinds



Rise in Specialty Drugs



Complex Regulatory Environment

- Specialty and rare disease drugs account for over half of all novel approvals over the last six years
- Smaller target patient populations and complex applications encourages the use of specialized outsourced vendors in lieu of more economically inefficient in-house pharma teams
- The Inflation Reduction Act is driving manufacturers to reassess commercialization strategies, prompting greater reliance on outsourced partners to navigate pricing pressures and compressed investment horizons
- The FDA's Benefit-Risk Framework is elevating the need for evidence-based decision-making and rewarding outsourcers that can seamlessly align regulatory, clinical, HEOR, and access / launch strategies

Sector Headwinds

- Pharma and biotech companies saw a staggering 187 rounds of layoffs in 2023, increasing 57% from 2022
- Widespread pharma layoffs indicate broader financial strain across the industry and are likely to discourage more discretionary outsourced commercialization activity
 - An increasingly crowded outsourcing landscape encourages competitive pricing pressure
- Operators must continuously invest in technology and advanced solutions to maintain expertise relative to peers while uncovering operational efficiencies and leverage

Pharma Layoffs



Increased Competition



Key Value Drivers & Differentiators



Data Analytics Proficiency



Scalable Solutions



Proven Track Record



Regulatory Knowledge



Therapeutic Expertise



Go-to-Market Speed



Patient-Centric Approach



End-to-End Solutions



AI & ML Competencies



Global Reach & Local Insights

Partners In Value

Provident is the leading investment bank offering mergers and acquisition advisory services for high growth, middle market companies in the healthcare industry.

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