

TRANSACTION HIGHLIGHTS

- Forecasting over \$60MM in revenue with 55%+ gross margins
- Strong equity support from sponsor
- Impressive product with evident advantages over competitors
- Land-and-expand strategy leads to recurring revenue
- Long-term growth fueled by historical R&D and increased adoption for diagnostics
- Highly valued and successfully defended IP
- Perpetual and sublicensable agreement in place for next-gen technology

COMPANY DESCRIPTION

The Company is a privately held United States-domiciled research and diagnostic instruments manufacturer and biotechnology company that develops and sells its cutting-edge product to laboratories, universities, and medical centers across the globe. The Company has a vast portfolio of intellectual property that places it at the forefront of its industry and has established itself as a major global player in their field for over two decades. The Company has particularly differentiated itself by providing high-quality products at a lower cost-to-run than all competitors. This has allowed it to develop significant international market share, despite domestic sales being impacted by geopolitical factors. Under new ownership, the Company is poised to launch its latest technology in the United States and execute on a rapidly growing sales pipeline post funding.

In addition to the individual research and diagnostic instruments, the Company produces high-margin consumables, which provides a strong source of recurring revenue for every machine that is installed.

SPONSOR DESCRIPTION

The Sponsor is a European biotechnology investment firm operating as an independent sponsor with a strong equity package arranged for the buyout and access to additional capital. The Sponsor has a track record of successfully bringing early-stage life science companies through clinical stages. It has a large network of operating partners and institutional connections to synergize between its portfolio companies.

TRANSACTION TEAM

CHUCK DOYLE	MICHAEL HENGL	JEFFREY SCOTT	TIM GAINES	WESTON WEINBERG	JACOB CALL
PRESIDENT	CHIEF CREDIT OFFICER	MANAGING DIRECTOR	VICE PRESIDENT	ASSOCIATE	ANALYST
cdoyle@bizcap.com	mhengl@bizcap.com	jscott@bizcap.com	tgaines@bizcap.com	wweinberg@bizcap.com	jcall@bizcap.com

FINANCIAL SUMMARY

Our Client generated over \$40MM in revenue in both FY'23 and FY'24, the latter of which was affected by geopolitical factors. Despite these setbacks, our Client is on track to generate \$37MM in revenue through FYE'25 and will capitalize on a healthy sales pipeline post-close to grow revenue to over \$60MM in FY'26. A primary driver of this is their consumables segment, which is projected to grow incrementally by 60% in FY26.

000's	FY '23A	FY '24A	FY '25F	FY '26F	FY '27F
Net Sales	\$41,486	\$40,308	\$37,628	\$60,258	\$105,530
YoY Growth (%)		-3%	-7%	60%	75%
Gross Profit	\$4,864	\$2,428	\$17,128	\$33,790	\$58,007
Gross Margin (%)	12%	6%	46%	56%	55%
EBITDA	(\$41,596)	(\$43,987)	(\$30,923)	(\$26,650)	\$4,567
Net Income	(\$33,168)	\$91,130	(\$309,752)	(\$30,156)	\$320
Total Equity on Balance Sheet	\$220,478	\$312,077	\$995	(\$29,160)	(\$28,841)

\* Net Income is high in '24A due to one time income of over ~\$100MM

The Company has strong gross margin growth as the consumable business continues to develop. The Company has a land-and-expand strategy that drives growth: it installs research and diagnostic instruments; customers must buy the consumables to operate. Consumables cannot be purchased from a third party; they must be purchased from the Company itself.

\$ in thousands

2026F Gross Profit by Segment	
Research and Diagnostic Instruments Gross Profit	\$10,890
Gross Margin (%)	43%
Consumables Gross Profit	\$17,796
Gross Margin (%)	64%
Other Revenue Gross Profit	\$5,104
Gross Margin (%)	69%

OPPORTUNITY SUMMARY

\$ in thousands

Sources		Uses	
Equity Investment	\$20,000	Acquire Company	\$50,000
Tranched Equity Investment	\$50,000	Investment on Tech Transf.	\$50,000
Acquisition Loan	\$30,000	Growth Capital	\$43,200
Growth Capital Loan	\$45,000	Transaction Fees	\$1,800
Total Sources	\$145,000	Total Uses	\$145,000

The Company is seeking up to \$75MM in debt to finance the acquisition (\$30MM) of the target and fund growth capital (\$45MM). The Sponsor has already pledged \$20MM in equity to support the acquisition with \$50MM reserved for the second phase of the acquisition. Growth capital will be utilized to build its pipeline of med-devices and execute on customers' consumable needs.