



BRYAN, GARNIER & CO

Investment Banking for a Better Future

HIDDEN VALUE IN CONSUMER HEALTHCARE

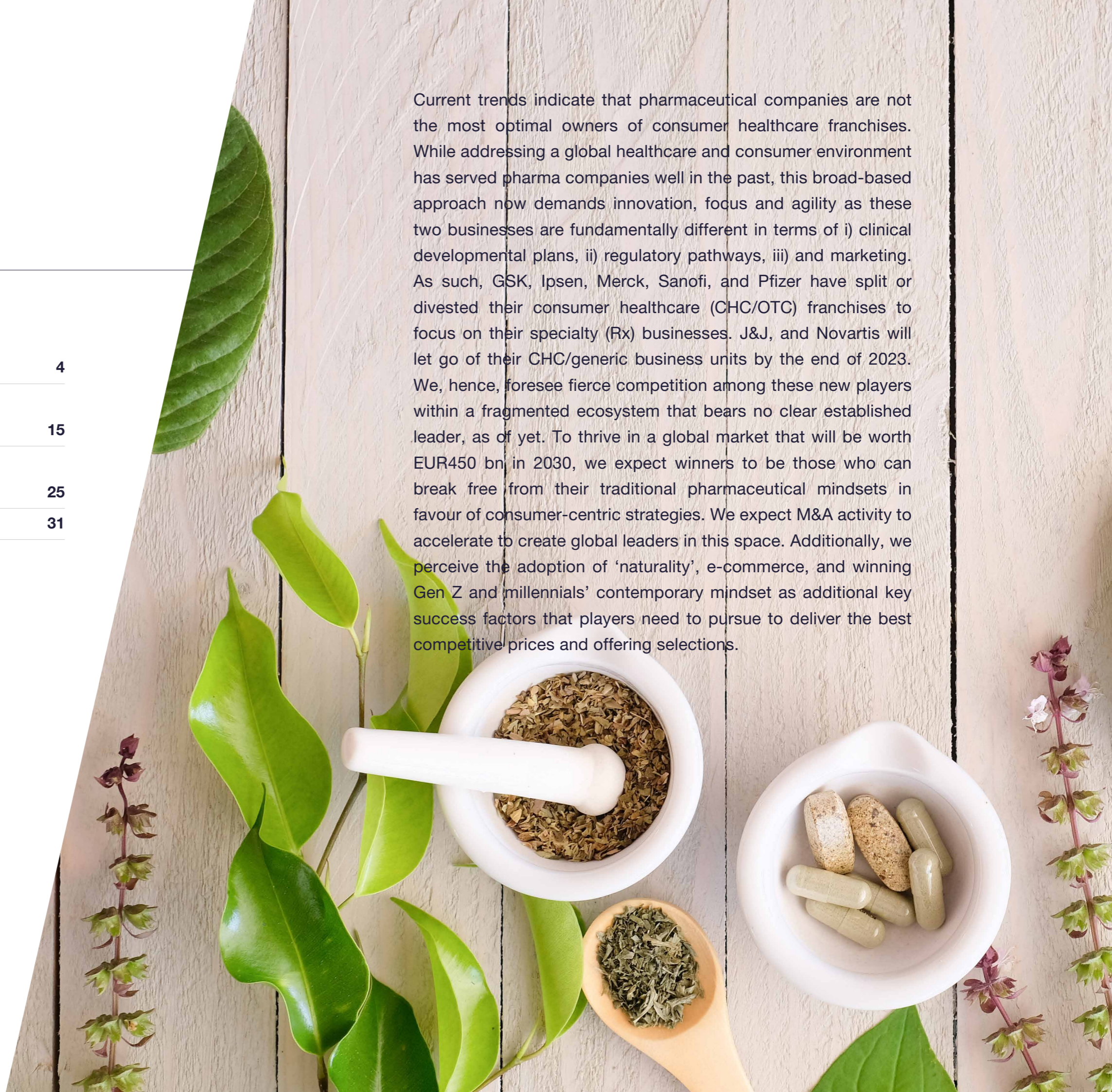
Exploring the new pockets of growth



CONTENT

1. Consumer healthcare is a heterogenous but highly attractive market	4
2. Naturality is the fastest growing consumer healthcare market segment	15
3. Branding and distribution are the name of the game	25
4. The five key factors that shape champions	31

Current trends indicate that pharmaceutical companies are not the most optimal owners of consumer healthcare franchises. While addressing a global healthcare and consumer environment has served pharma companies well in the past, this broad-based approach now demands innovation, focus and agility as these two businesses are fundamentally different in terms of i) clinical developmental plans, ii) regulatory pathways, iii) and marketing. As such, GSK, Ipsen, Merck, Sanofi, and Pfizer have split or divested their consumer healthcare (CHC/OTC) franchises to focus on their specialty (Rx) businesses. J&J, and Novartis will let go of their CHC/generic business units by the end of 2023. We, hence, foresee fierce competition among these new players within a fragmented ecosystem that bears no clear established leader, as of yet. To thrive in a global market that will be worth EUR450 bn in 2030, we expect winners to be those who can break free from their traditional pharmaceutical mindsets in favour of consumer-centric strategies. We expect M&A activity to accelerate to create global leaders in this space. Additionally, we perceive the adoption of 'naturality', e-commerce, and winning Gen Z and millennials' contemporary mindset as additional key success factors that players need to pursue to deliver the best competitive prices and offering selections.



CONSUMER HEALTHCARE IS A HETEROGENOUS BUT **HIGHLY ATTRACTIVE MARKET**

SECTION 1

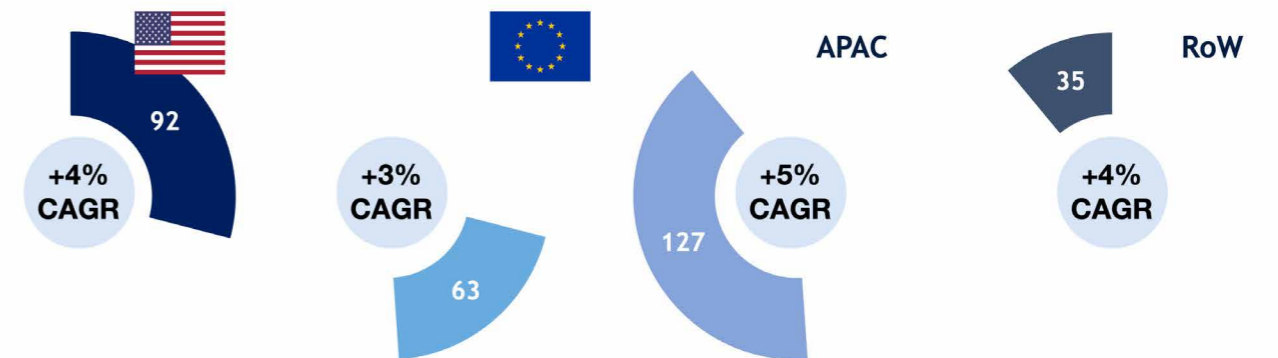


The consumer healthcare drug market is expected to reach EUR450 bn by 2030...



The global consumer healthcare market has been estimated to be worth USD 317 bn in 2022 and is expected to grow to EUR450 bn in 2030 (CAGR of 4.5% from 2022 to 2030).

FIG. 1: HIGH SINGLE-DIGIT GROWTH AFTER YEARS OF FLAT PERFORMANCE



*Market sizes in 2022 (in USD billion), CAGR (2022-2030)

Sources: Statista, Bryan, Garnier & Co Equity Research

... and is driven by increasing trends in Rx-to-OTC switches and self-care products

OVERVIEW OF THE CONSUMER HEALTHCARE UNIVERSE

Consumer healthcare universe		
Prescription (Rx) drug	Non-prescription (OTC) drug	Other fast-growing CHC products
<ul style="list-style-type: none"> • Dispensed to patient who is in possession of a prescription • Has drug status • Requires health practitioner supervision to be considered safe for use—due to drug toxicity, potential harmful effects, or method of use 	<ul style="list-style-type: none"> • Dispensed without a prescriber's authorization • Has drug status • Acceptable safety margin, low potential for misuse or abuse, and are adequately labeled (posology, treatment duration) so that consumers can self-treat • Used by consumers to treat "day-to-day" health concerns • Examples: Analgesics, Cough & Cold, Sleep disorder 	<ul style="list-style-type: none"> • Dispensed without a prescriber's authorization • Does not have drug status • Used by consumers primarily for the preservation of current physical and mental wellbeing • Examples: Probiotics, Food supplements, Dermo cosmetics and Medical devices (such as rapid tests)

Sources: LEEM, FDA, EMA, Bryan, Garnier & Co Equity Research

FIG. 3: THE CONSUMER HEALTHCARE UNIVERSE IS INHERENTLY EASIER TO NAVIGATE THAN THE RX ENVIRONMENT

	Drivers	Limitations
Consumer Healthcare	Population increase and ageing	Deregulation of distribution (larger customer access and increasing price competition from private labels and generics)
	Growing health awareness and confidence in self-medication	Increasing competition from more efficacious prescription drugs
	Delisting of drugs indicated for minor ailments	Negative impact of side-effects reported for certain well-established consumer healthcare products and dietary supplements
	Public healthcare campaigns (eg smoking, obesity...)	
	Development of lifestyle drugs (eg for obesity, alopecia...)	
	Advisory consumer healthcare concept (treatment initiation by physician)	
	Rx-to-OTC switches of blockbusters (eg loratadine, omeprazole, simvastatin)	
	Brand extension (eg travel packs, chewable tablets...)	
Rx	Population increase and ageing	Stagnation of R&D productivity
	Increasing number of blockbusters	More intense generic competition
		Maintenance of pricing pressure by governments

Sources: Smart Pharma Consulting, Bryan, Garnier & Co Equity Research

Drug distribution is performed on a two-class system: prescription (Rx) and consumer healthcare (CHC). The Food and Drug Administration (FDA) and European Medicines Agency (EMA) regulate the safety and effectiveness of both prescribed and non-prescribed drugs.

Marketing a prescription drug (Rx) as nonprescription (OTC) has become an increasing trend. This process is feasible via a switch. Drivers for switching (Rx-to-OTC switch) originally came from manufacturers, and the impetus to pursue a switch was driven by i) patent expirations, ii) the desire to be first to

market and iii) consumer demand.

Today, the trend of switching to transfer Rx users to the OTC market is influenced by other factors. Switches are an increasing trend and are now welcomed by retailers — and sometimes even regulators — because they are an effective

way of broadening consumer access to important medications. Consumer healthcare products are also frequently more cost-effective for consumers, as well as for third-party payers such as managed care organizations, pharmacy benefit managers and other insurers.

Moreover, consumers have become increasingly self-conscious about their lifestyle choices and health since the COVID-19 pandemic. The pandemic has created an atmosphere where consumers are now seeking for convenient, easy-to-get and easy-to-use self-care solutions to take care of themselves at home.

This growing awareness is characterized by the increasing demand for CHC products such as food supplements and probiotics and thus has the potential to drive growth and to transform the whole consumer healthcare environment. In the coming future, we expect new digital opportunities including personalized self-care and growing e-commerce platforms to open new avenues to reach to new customer groups and strengthen the relationships between existing ones. Furthermore, we expect consumer health companies to use big data to offer more predictive and preventive care services, thanks to data generated by patients them-

selves. Hence, we foresee better segment populations, treatments and prevention programs coming in the near future.

The Rx model is inherently 'risky' as it bears lengthy & expensive R&D, high rates of clinical drug failures, tight regulations concerning pricing, reimbursement and market approval of drugs compared to the consumer healthcare model. Engaging in a CHC pathway is less risky as players have to overcome fewer hurdles to bring their product to the market, hence making this environment more attractive to new entrants.

The consumer healthcare market is traditionally subdivided according to remedy...

FIG. 4: THE 6 CATEGORIES OF THE CONSUMER HEALTHCARE UNIVERSE



Source: Sanofi, Statista, Bryan, Garnier & Co Equity Research

According to Statista, the OTC market collectively includes analgesics, cough & cold, digestive & intestinal remedies as well as skin treatments and vitamins & minerals. The OTC market is expected to grow at a steady pace of 5% per year and is mainly driven by the steady improvement of global access to healthcare.

Phytotherapy is the practice of using medicines derived from plants or herbs to treat or prevent health conditions. We expect this category to be a fast grower mainly since many countries are seeking to expand coverage of herbal medicines, consumer expectations for natural products and the rising costs for synthetic pharmaceutical drugs.

Food supplements are intended to add to or supplement the diet and are different from conventional food with the intention to

treat, diagnose, cure or prevent diseases. Common supplements include vitamins, minerals and probiotics. According to PwC, the supplements market is expected to grow at a pace of 7% per year and is driven mainly by protein and probiotic supplements as there is a rising consumer awareness regarding digestive disorders, and physical aesthetics.

Homeopathy is one of the segments experiencing the strongest growth due to its sturdy link to naturality. The lack of side effects of homeopathic medicines drives this category to be used as premier solution by populations such as pregnant women, young children and elderly people.

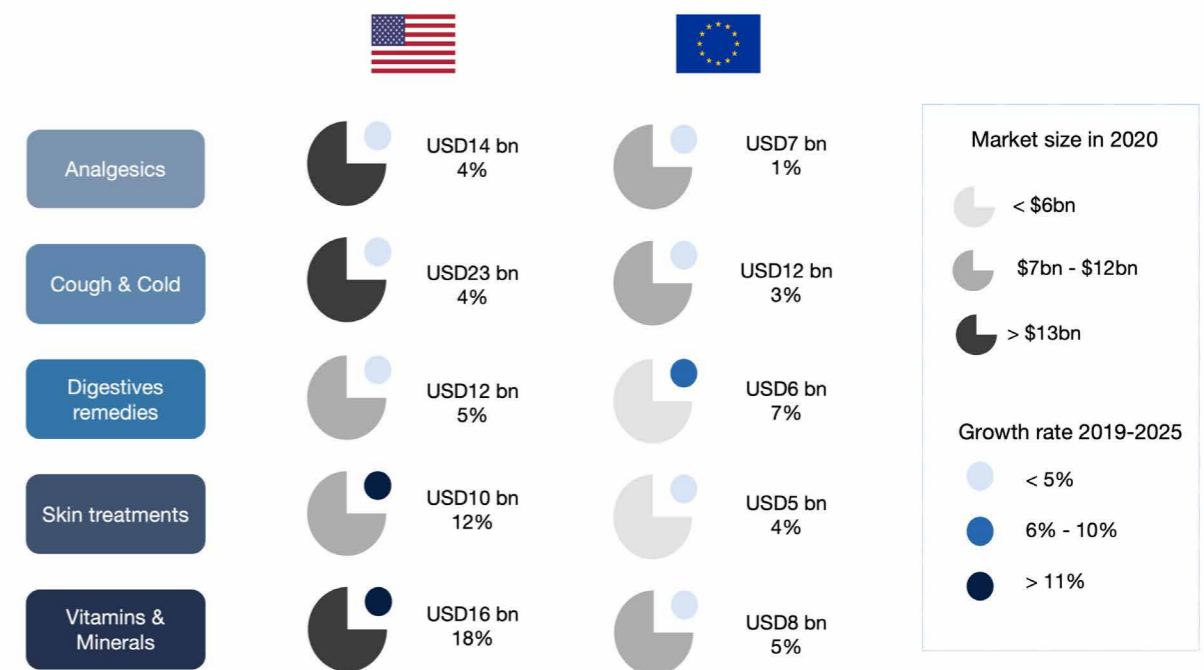
We view the Cannabis & CBD as a recent and fast-growing category as this sector has recently experienced a meteoric growth especially in the US with a very strong

growth potential worldwide, going forward.

Additionally, we have identified consumer medical devices as an emerging and fast-growing category. Since the COVID-19 pandemic, this segment has experienced tremendous growth with the boom of rapid testing or point of care tests (POTCs) which have now become a widely accepted market. The POTC market is inherently driven by diabetes, cardiovascular and infectious diseases. We expect this segment to grow to support the growing shortage of health professionals worldwide and to promote proactive prevention and efficient medicine.

... with cold & coughs remedies the largest consumer healthcare markets

FIG. 5: AN AVERAGE OF 5% GROWTH PER YEAR EXPECTED ACROSS ALL OTC PRODUCTS



Source: Statista, Bryan, Garnier & Co Equity Research



Umbrella branding, the end game in established categories...

The consumer healthcare market generally capitalizes on their strengths to stretch their portfolio/brand across segments: some come from phytotherapy (e.g., Schwabe, Bionorica), classic consumer healthcare (e.g., Reckitt, Sanofi and J&J), homeopathy (e.g., Boiron), dietary supplements (e.g., Nestlé).

FIG. 6: SANOFI'S CONSUMER HEALTHCARE PORTFOLIO STRETCHES ACROSS 4 KEY PRODUCT FAMILIES WHICH CONTRIBUTE TO 65% OF SALES



Source: Sanofi CHC, Bryan, Garnier & Co Equity Research

...with niche emerging segments not yet consolidated

The cannabis & CBD category is regarded as being more 'niche' than the other spaces since it harbors mono-product players. This market is also the youngest and most fragmented market where each company holds less than 1% of market share. Being a 'young' market, legislations concerning cannabis and CBD use are heterogeneous and still widely

differ between countries with North & South America, Oceania and Central and Eastern Europe (CEE).

To date, 44 countries worldwide have legalized the medical use of cannabis, most of them following suit to Canada and USA, where legalization for medical use started in 2018. The European Union still does not have

a unified legislation on the matter. However, there is growing favorable opinion from patients and doctors to legalize, which might shift the medical cannabis outcome.

The consumer health market benefits from strong growth drivers

FIG. 7: POWERFUL TAILWINDS ENSURING CONTINUOUS CONSUMER HEALTHCARE GROWTH

Increasing Rx-to-OTC switches	Growth of Self-care	Rise of eco-friendly consumerism
Life-cycle management of Rx patent expired drug	Access to technology	Consumers are taking are leading a more sustainable lifestyle since COVID-19
Defense strategy against generic competitors	Improved healthcare systems	Increase consumer interest in sustainability
Expansion and growth of OTC drug portfolio	Increase of health literacy	Consumers go for products that suit their ethical values
Broadening of consumer access to innovative OTC medications		More effort in biodiversity protection

Source: Forbes, Nature, Deloitte, Reckitt, Bryan, Garnier & Co Equity Research





Deep dive 1: Rx-to-OTC switches

Rx-to-OTC switches are on the upswing in all areas of drug product development. In the past 30 years, the FDA has converted more than 700 prescription (Rx) products to OTC status. There are many reasons why pharmaceutical companies decide to pursue switches from prescription (Rx) to over-the-counter (OTC) status for their drugs. Firstly, Rx-to-OTC switches are a means for pharmaceutical manufacturers to extend the life cycle of a drug that faces strong declines in sales as a result of generic entry to the Rx market. Therefore, a switch from Rx-to-OTC status generally

occurs just prior to, or at the time of Rx patent expiration. This switch provides the originator company with a long-term defense strategy from generic competitors.

In the past decades, we have seen big pharmaceutical companies team up to prepare for a Rx-to-OTC switches. For example, the Johnson & Johnson–Merck collaboration is a joint venture which was created solely for the purpose of making Merck’s Rx drugs OTC for J&J to market them. Other examples of this type of arrangement include AstraZeneca and Procter & Gamble

pairing up for the switch of Prilosec OTC, and Roche and GlaxoSmith-Kline teaming up to take Xenical over the counter.

Finally, Rx-to-OTC switches are welcomed by retailers — and sometimes even regulators — because switches are an effective way of broadening consumer access to important medications. Consumer healthcare products are also frequently more cost-effective for consumers, as well as for third-party payers such as managed care organizations, pharmacy benefit managers and other insurers.

Deep dive 2: Consumers taking a holistic approach to their self-care

Self-care has been a significant trend in the world of consumer goods fueled by the availability of information and a multitude of preventive and treatment options. In essence, self-care comprises all decisions or activities people make to ensure health and wellbeing.

Consumers all around the world are taking a holistic approach including hygiene, nutrition and lifestyle which has blurred the lines between

consumer goods and medicines. In response to this, traditional consumer packaged goods and pharmaceutical companies are converging to cater to common underlying demand trends.

With the self-care trend, consumers have been increasingly turning towards natural alternatives in their daily lives. This is a broad trend seen across sales in food, beauty, drinks, cleaning products and

consumer healthcare medications. Natural consumer healthcare products avoid chemical components and promote higher transparency.

While traditional consumer healthcare pharmaceuticals are targeted towards the treatment of specific symptoms, natural OTC also aim at prevention and well-being.

Deep dive 3: COVID-19 drove customers to focus to a leading a more sustainable lifestyle

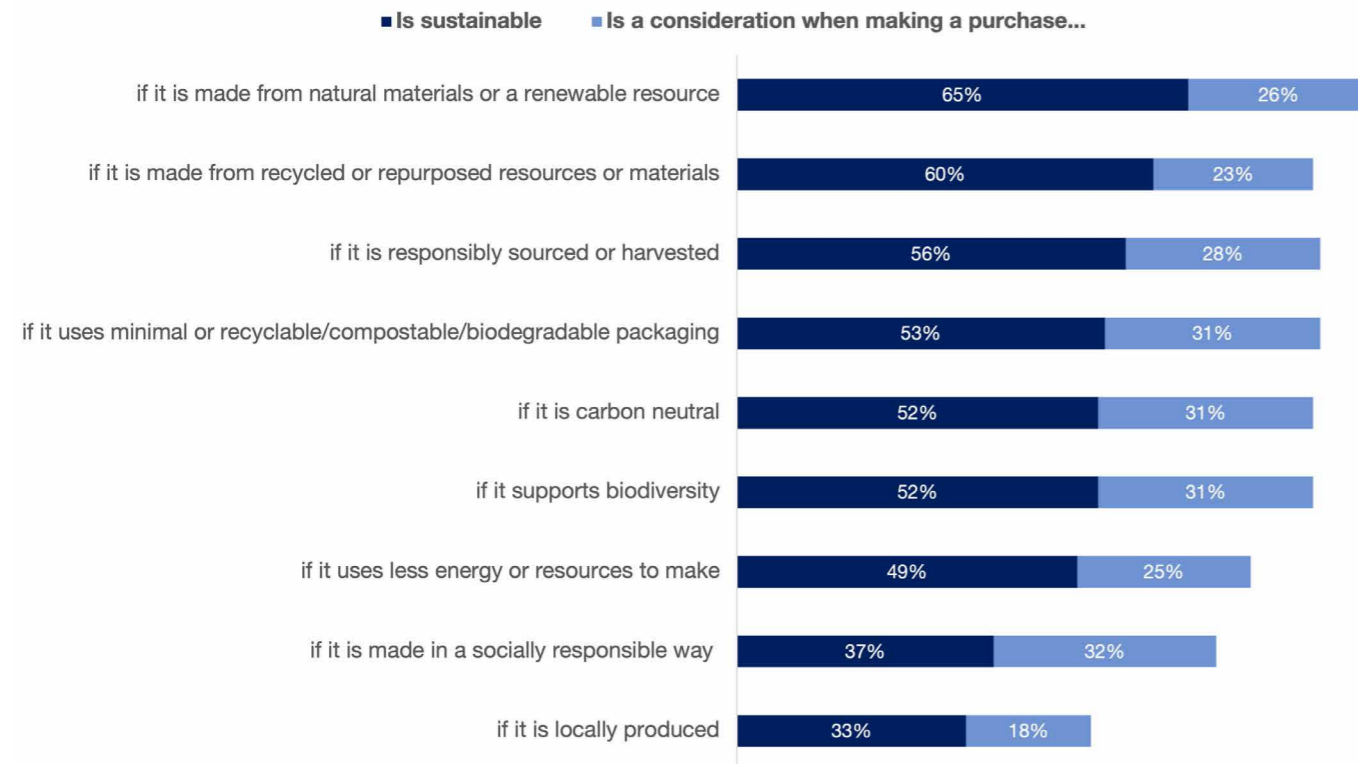
There is a sharp increase in the number of people who have adopted a more sustainable lifestyle since the COVID-19 outbreak. Consumers have significantly increased their focus on reducing their meat

consumption, opting for low carbon emission modes of transport and by pursuing a more sustainable lifestyle. This could be by choosing brands that have ethical or environmentally sustainable practices or by

no longer purchasing certain products because they have concerns around the brand’s ethical or sustainability practices or values.



FIG. 8: UK ADULTS VALUE NATURAL AND RENEWABLE PRODUCTS ABOVE ALL WHEN CONSIDERING SUSTAINABLE PURCHASES



Sources: Deloitte, Bryan, Garnier & Co Equity Research



NATURALITY IS THE FASTEST GROWING CONSUMER HEALTHCARE MARKET SEGMENT

SECTION 2



The rise of the eco-friendly consumer

The COVID-19 pandemic represented a turning point for the world as it accelerated and strengthened many consumer trends. We view the quest for greater sustainability, such as naturality in products as an inflection point rather than a just a trend.

Neither consumers nor companies seem inclined to backtrack on their environmental commitments, especially in light of worsening climate change. And as the emphasis on

sustainability continues to intensify, companies will want to continue to focus on innovations that please consumers and are good for business while doing as little harm to the planet as possible.

While there is no official term to frame naturality, products that fall in this category generally meet two requirements:

- The product is marketed as, or perceived by consumers and re-

tailers to be, natural. This aspect is comforting for the consumer as naturality is linked to safety and anti-carcinogenic properties

- The product meets certain criteria for ingredient quality, certifications, and claims.

FIG. 9: 3 PILLARS OF GROWTH FOR NATURAL PRODUCTS



Source: Bryan, Garnier & Co Equity Research



FIG. 10: MILLENNIALS ARE MOST LIKELY TO BE THINKING ABOUT NATURALITY AND SUSTAINABILITY WHILE SHOPPING

	Generation Z	Young millennials (age 23-26)	Core millennials (age 27-32)	Mature millennials (age 33-36)	Generation X	Baby boomers
I am buying more natural, biodegradable/eco-friendly products	63%	56%	59%	58%	52%	47%
I choose products with a traceable and transparent origin	58%	59%	60%	62%	56%	48%
I buy from companies that are conscious and supportive of protective of protecting the environment	54%	60%	61%	58%	53%	47%
I intentionally buy items with eco-friendly packaging or less packaging	60%	55%	60%	55%	55%	51%
When checking for products, I check the labeling/ packaging for sustainability certifications (s)	58%	57%	58%	53%	51%	53%

Sources: 2021 Global Consumer Insights Pulse survey, Bryan, Garnier & Co Equity Research

Consumers across all generations—from Baby Boomers to Gen Z—are now willing to spend more for sustainable products. Gen Z’s influence will only increase as the youngest members of this cohort grow into adulthood. By 2030, Gen Z will represent 27% of the world’s income, surpassing Millennials by 2031. Since this generation also supports brands that also sup-

port their own values and causes, it is imperative that players become aligned with these consumers. Acting on consumers’ sustainable shopping preferences will guide brands with better offering selection and more competitive pricing.

Transparency around sustainability efforts will also help brands and differentiate themselves in

the market. While consumers are looking to businesses to make products more sustainable, they want greater transparency and naturality in the products that they consume.

Natural consumer healthcare products are one of the fastest-growing product categories

Natural products are looking more and more like natural winners in the consumer-packaged goods (CPG) industry and are expected to outpace conventional products in the coming years, thanks to powerful tailwinds from consumer demand, more selection, and wider distribution.

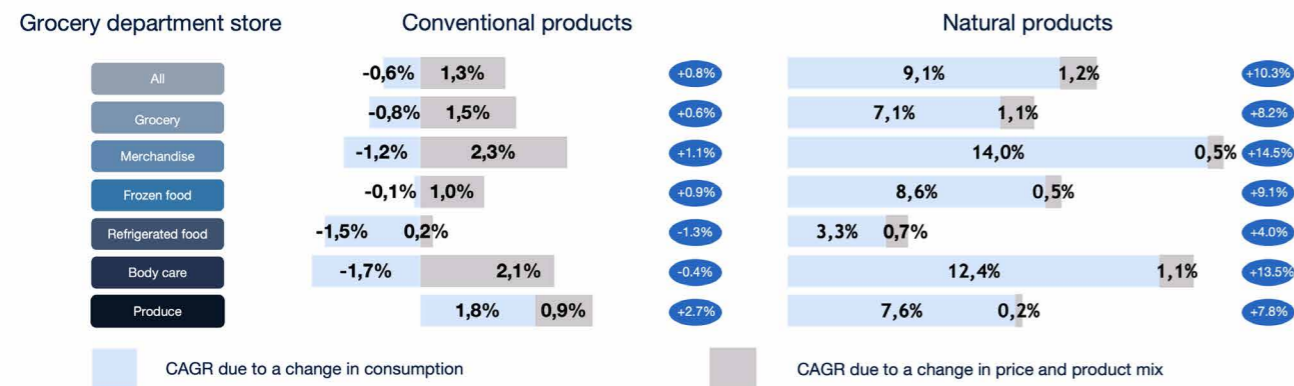
Revenue growth of natural products has come mostly from a volume effect increase, rather than

a change in the price and product mix, a fact that suggests strong, sustainable growth.

From mid-2015 through mid-2019, rising consumption (measured in volume) boosted natural-product revenue growth by 9.1% per year, on average, while changes in the price and product mix added another 1.2% per year, on average, to revenue growth. That adds up to a 10.2% CAGR for the natural-products segment.

This performance stands in stark contrast to that of conventional CPG products, which managed to eke out an overall CAGR of 0.6% only because changes in the price and product mix boosted revenue by 1.3% per year, on average, mitigating an average annual 0.6% decline in revenue from unit sales.

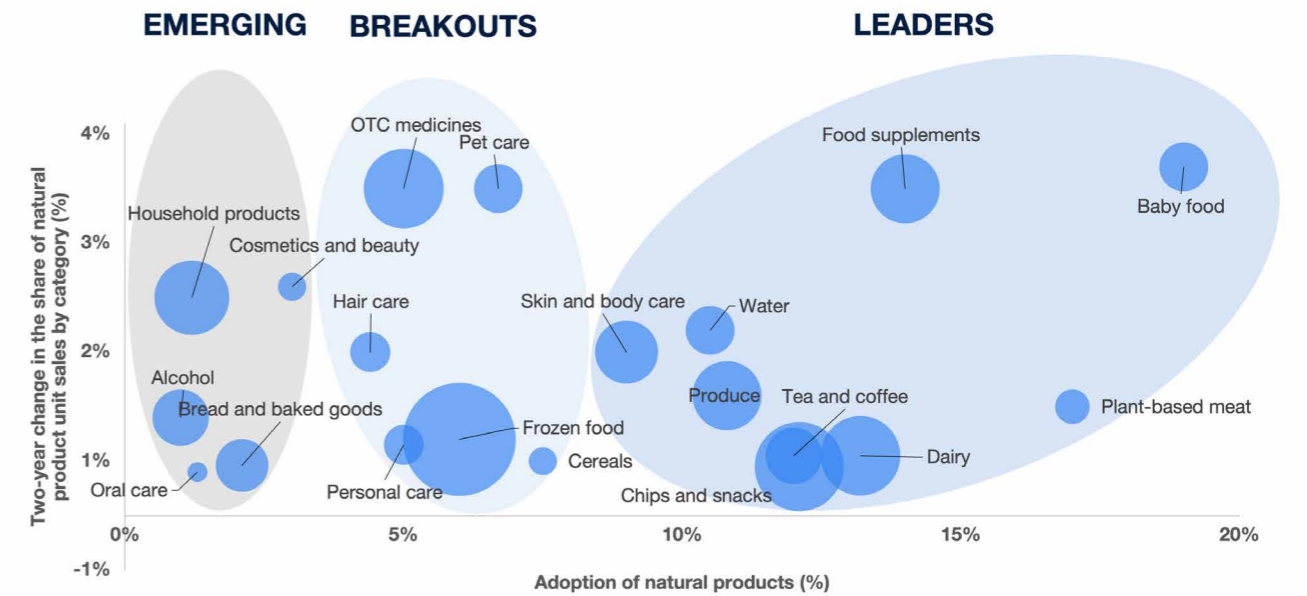
FIG. 11: GROWTH OF NATURAL PRODUCTS DRIVEN BY NEW CUSTOMERS



Source: Bryan, Garnier & Co Equity Research



FIG. 12: THE ADOPTION AND GROWTH OF NATURAL PRODUCTS VARY BY PRODUCT CATEGORY



Sources: SPINS, Bryan, Garnier & Co Equity Research

Natural OTCs represent around 9% of the global spending on medicines but have seen growth outpacing traditional categories in line with

consumer demands for enhanced naturalness in products and boosted by COVID-19. The perception that products with natural ingredients

are more effective and provide more health benefits is itself driving the growth of natural products in the consumer healthcare category.

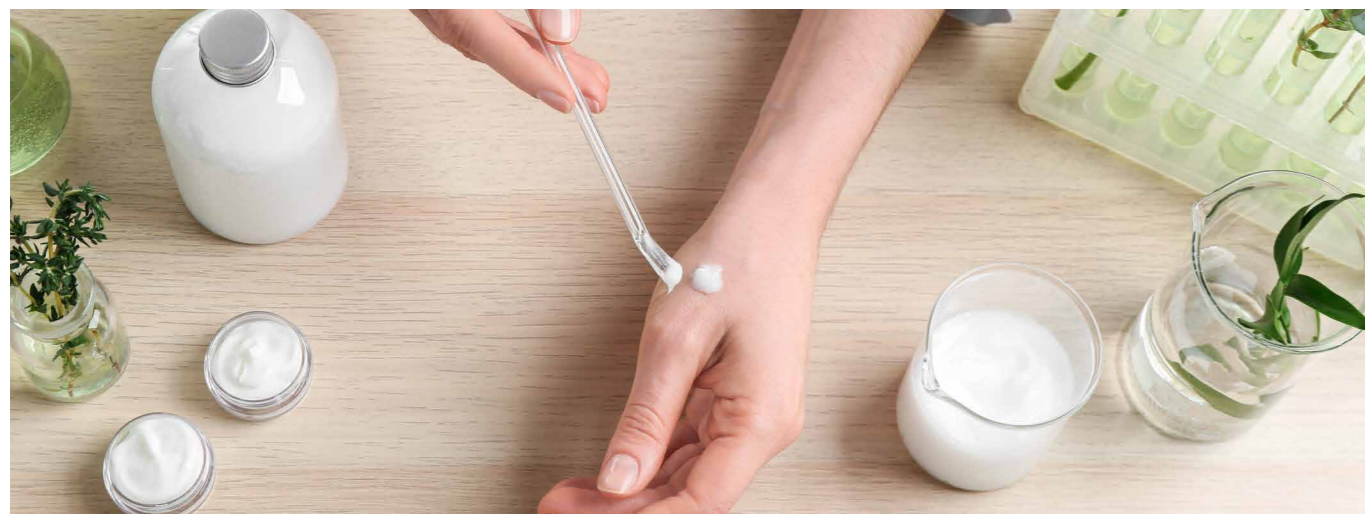


Homeopathy, probiotics and superfoods are important segments of the consumer health market

FIG. 13: OVERVIEW OF THE THREE MAIN NATURAL CONSUMER HEALTHCARE MARKETS

	Homeopathy	Probiotics	Superfoods
Definition	Homeopathy is a therapeutic method that uses natural substances to relieve symptoms. It derives from the Greek words homeo, meaning «similar,» and pathos, meaning «suffering» (such as the pathology of a disease). Homeopathy operates on a «like cures like» principle	Probiotics are live microorganisms promoted to provide health benefits when consumed which is generally by improving or restoring the gut flora.	A nutrient-rich food that is considered to be especially beneficial for the health and well-being of the consumer.
Main categories (uses)	Used for allergy, cough & colds, stress, sleep disorders, to name a few	Conditions that can be improved with probiotics include: Inflammatory bowel disease, irritable bowel syndrome, upper respiratory infections (including ear infections and the common cold) and lactose intolerance to name a few	Depending on food type but recorded benefits include anti-inflammatory, anti-carcinogenic, preventing constipation and reduce cholesterol mainly driven by anti-oxidant properties
Main Companies	     	   	   
Example brands	  	  	  

Source: Bryan Garnier & Co Equity Research



Deep dive: Homeopathy

Homeopathy is one of the segments experiencing the strongest growths due to its sturdy link to naturality.

Homeopathy is part of the consumer healthcare market since it fills the therapeutic gaps by addressing day-to-day ailments such as colds and flu-like conditions, stress and sleep disorders, allergies, and musculoskeletal pain but also recurring pathologies through well-trained healthcare professionals such as general practitioners (GPs).

Moreover, the absence of side effects of homeopathic medicines leads them to be ideal candidates

for key populations such as pregnant women, young children and the elderly. Homeopathy can also be used in supportive care where it is used, for example, to improve the quality-of-life for patients suffering from cancer, without drug interaction risk.

Successful international companies such as Boiron, Schwabe, and Heel have positioned themselves as global leaders in this field with a strong presence in North America, Western and Central Europe. Although these three players ensure distribution mainly in pharmacies through the establishment of strong local brands,

they have successfully penetrated international markets via e-commerce. Boiron, for example, is not only a homeopathic leader in France but has a strong position in the US and 50+ countries. Half of Boiron's 2021 revenues were generated internationally, with one quarter generated from the US. We expect these numbers to grow as 300m people in 70 countries use homeopathy with increasing demand.



Deep dive: Dietary supplements (Superfoods)

The superfood market is an attractive one and is expected to grow at +12% and +7% per year in the USA and in Europe, respectively. Moreover, the sector is being driven by an aging population and the increasing prevalence of obesity. The increasing awareness of public campaigns, positive body image on social media and the increasing propensity of most recent generations of doctors to prescribe dietary supplements are additional factors that are boosting the sector.

To win in this sector, players should have a strong brand recognition from distribution channels and end-customers. To get an edge over competitors, players who can leverage on their established network of pharmacies and parapharmacies.

A dietary supplement is defined as a source of nutrients with high nutritional or physiological effect which aims to complement food regime. Supplements are commercialized in single doses, regardless of as-

pects (capsules, powder packs, ampoules, tablets).

Most of existing superfoods aim to decrease health risk factors and provide a generation of wellness (helps against fatigue, stress, indigestion).

In the coming years, continued growth expected in pharmacies and e-commerce:

Pharmacies

- Most compelling channel since supplement sales achieved with advisory brought to clients. Segment expected to increase with premiumization.
- Bears an ultra-fragmented competitive landscape, with small players accounting for one half of the market

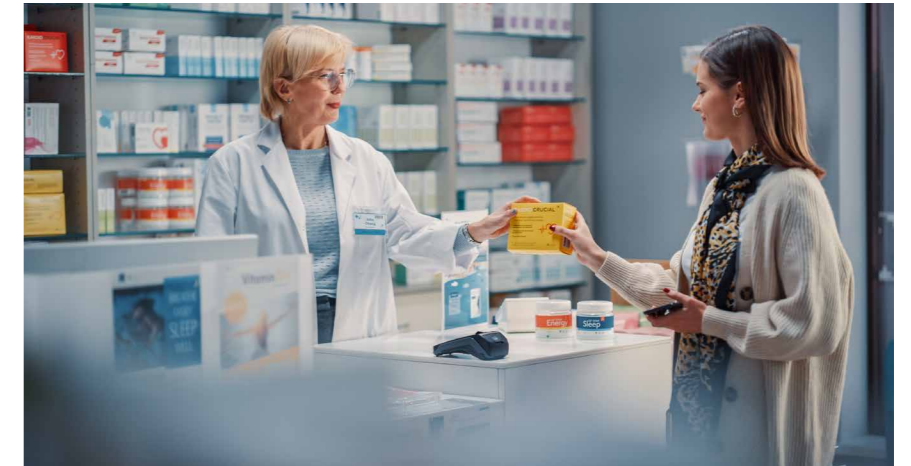
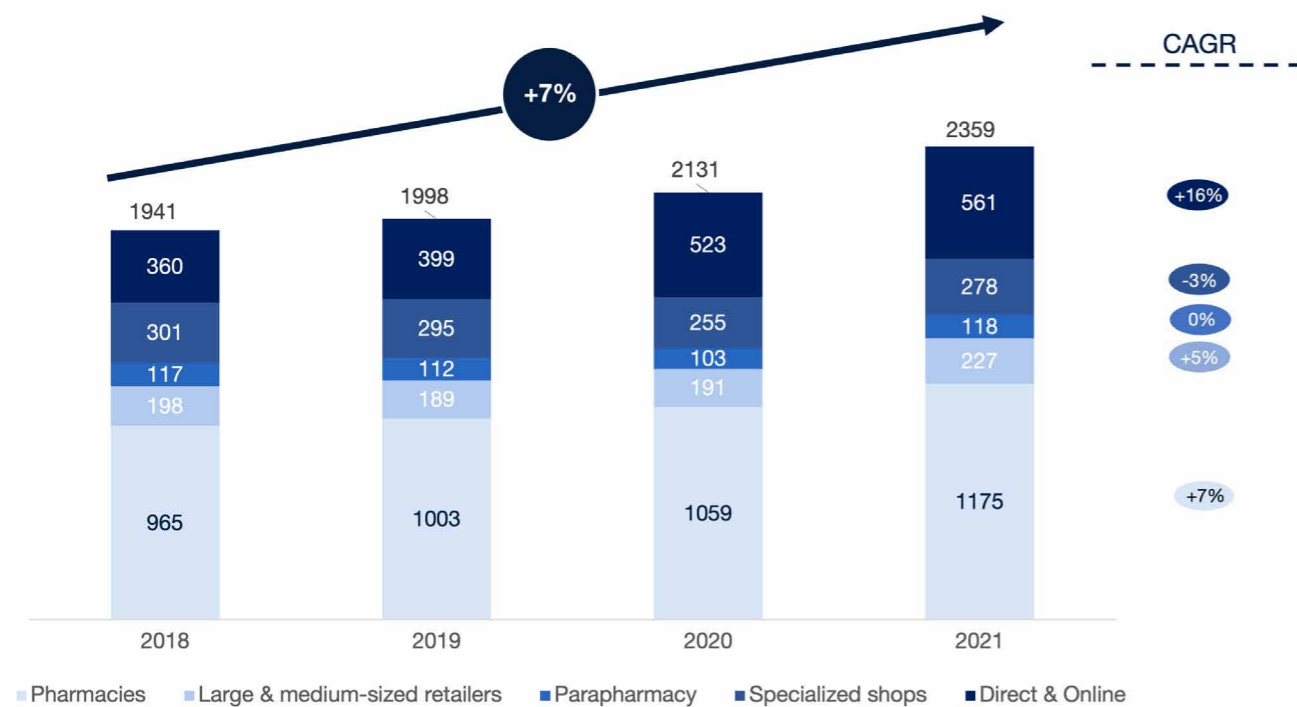
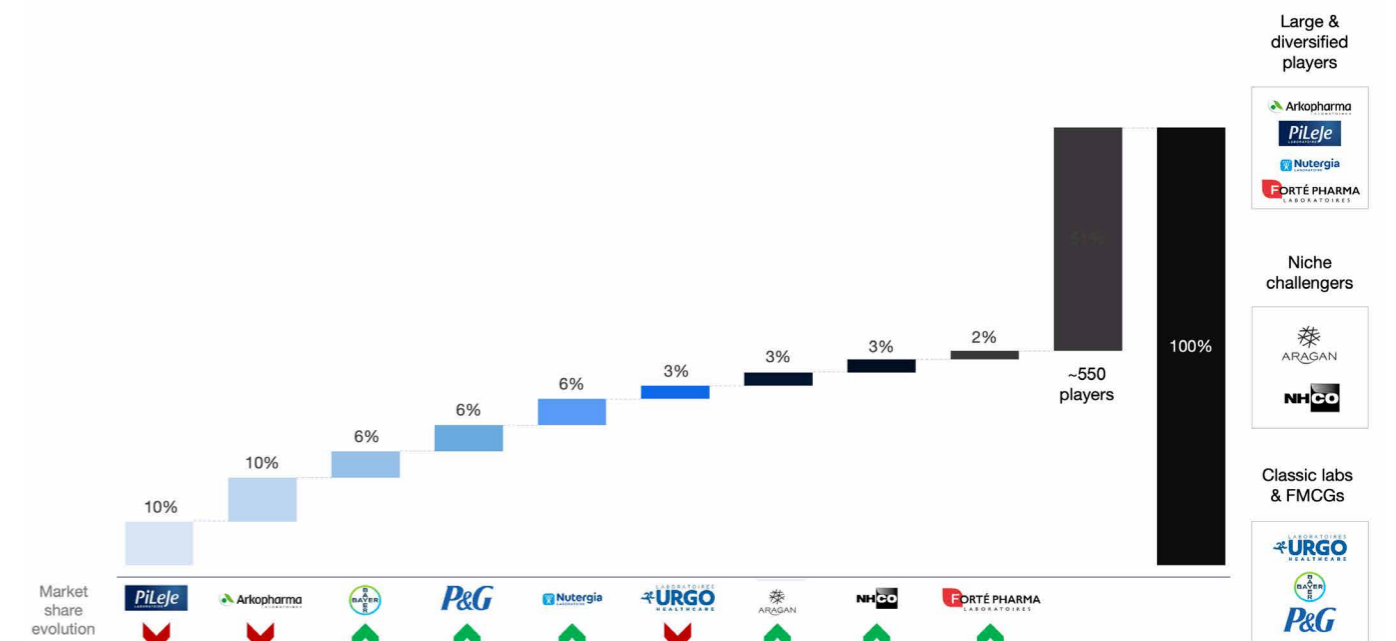


FIG. 14: DIETARY SUPPLEMENT MARKET IN FRANCE, IN EUR M, BY DISTRIBUTION CHANNELS



Source: Bryan, Garnier & Co Equity Research

FIG. 15: MARKET SHARES SPLIT FOR DIETARY SUPPLEMENT MARKET IN FRANCE, IN 2021 IN EURM



Source: Bryan, Garnier & Co Equity Research



Retailers

- Past increase driven by positioning on slimming and sleep segments but expected to decrease in the coming years. Flat evolution expected in the coming years.

Para-pharmacies

- Segment expected to decrease with difficult positioning with customers, substituted by pharmacies.

Specialized shops

- Limited growth expected with exclusivity imposed to suppliers resulting in limited offering.

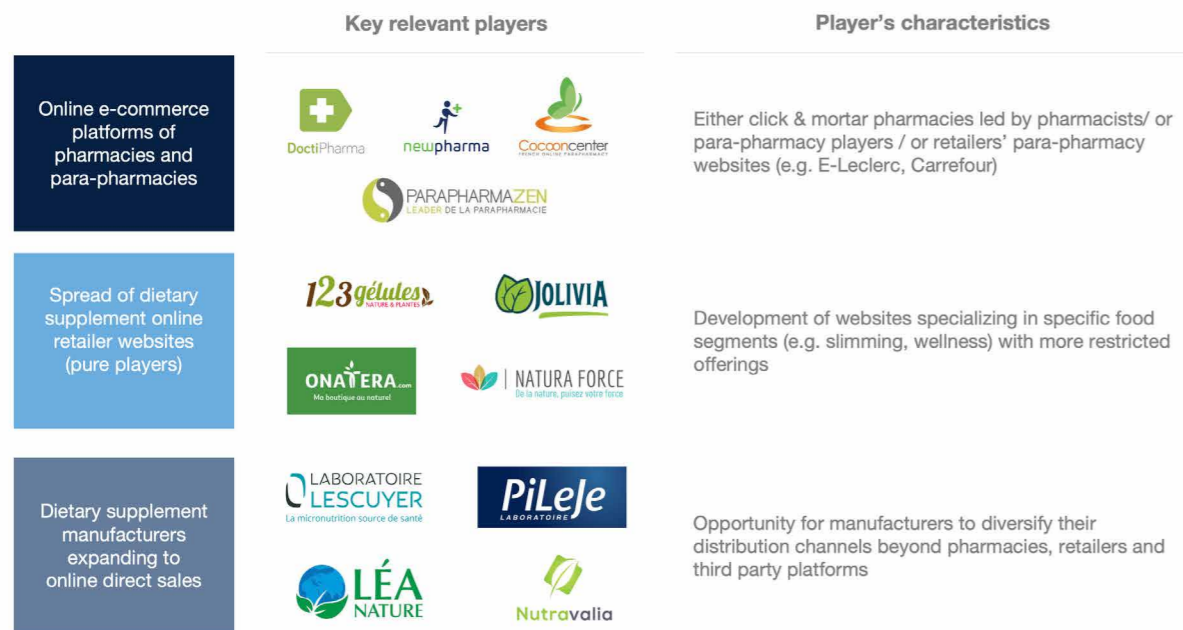
Direct sales & e-commerce

- Highest growth expected although limited by lack of advisory

BRANDING AND DISTRIBUTION ARE THE NAME OF THE GAME

SECTION 3

FIG. 16: THREE TYPES OF PLAYERS HAVE POSITIONED THEMSELVES ON SUPPLEMENT E-COMMERCE IN FRANCE



Source: Bryan, Garnier & Co Equity Research



To win in the consumer healthcare consumer health market, a trusted brand is essential...

There are very strong examples of state-of-the-art branding and marketing to be found in the consumer healthcare and natural remedy market. Consumers primarily look for trust in this market, which predominantly comes from a significantly long history, given they forfeit the

expert advice (pharmacist, physician) associated with a behind-the-counter product for the convenience of choice and easy access.

This results in brands becoming 'a household name' and trusted by consumers which cannot be repli-

cated easily. But given the significant unmet market opportunity, we believe there is room to establish trusted brands beyond the established ones.

... especially over pharma...

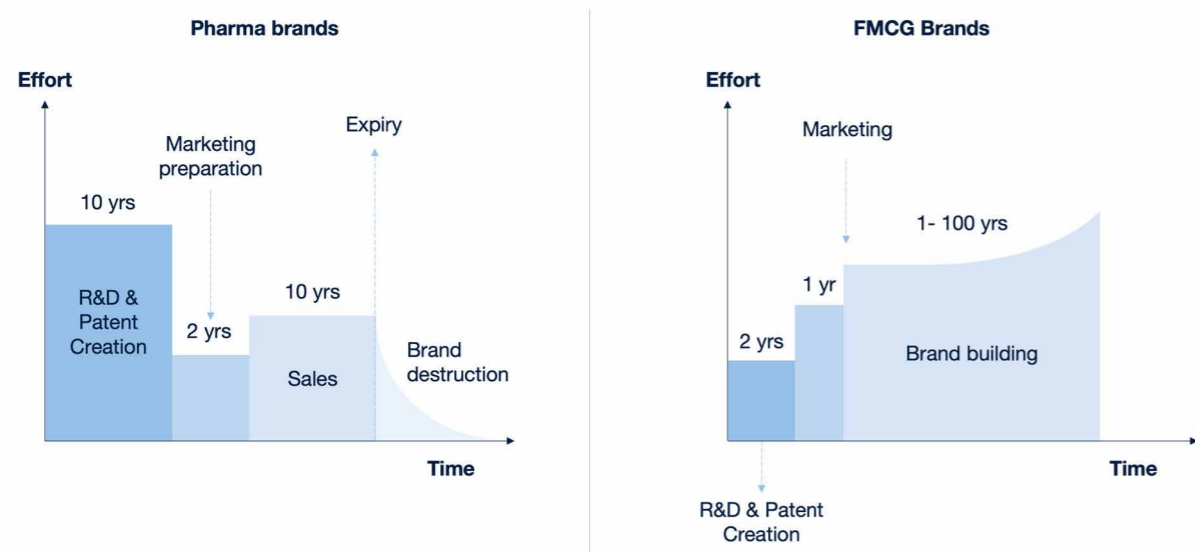
The pharmaceutical industry's product launch cycles are relatively slow. Patent production lifespans are rather short, and after patent expiry, pharmaceutical brands cannot be easily transferred. Brands of non-prescription drugs can continue for a long time compared to

prescription drugs (max 10 years) whose brand is diluted more so when more effective treatments come to market.

Conversely, Fast-Moving Consumer Goods (FMCG) companies integrate brand development early in

the product development cycle. In short: pharmaceutical companies develop products, while consumer-oriented companies primarily develop brands.

FIG. 17: THE IMPORTANCE OF BRAND BUILDING IN FMCG VERSUS PHARMA



Sources: Acta Pharmaceutica 2018, Bryan, Garnier & Co Equity Research

FIG. 18: THE FOUR 4PS OF THE MARKETING MIX



Source: Bryan, Garnier & Co Equity Research

These elements are not the primary focus of pharma companies, but at the heart of consumer-facing businesses. In particular, for the

consumer health market in natural health- and self-care, product and brand take on the most important role. Price competitiveness as well

as promotion are, generally speaking, more prominent factors in mass FMCGs.

... with favorable marketing conditions present for consumer healthcare

Brand building is a long-term process and advertising is one of the key aspects. Within this concept, new strands have emerged in certain markets like that of direct-to-consumer advertising (DTCA). The advertising of prescription drugs is banned in a large extent of countries, except the US and New Zealand.

However, with consumer health marketing, products can be advertised to the public. Consumer health

branding is similar to FMCG branding at many points and the aim of branding is to achieve brand recognition, brand preference and brand loyalty, increasing market share accordingly.

That said, we believe that major drivers for a successful branding strategy are based around trust. Customers in the consumer health market face a larger informational asymmetry than in other consumer

markets, e.g., they cannot easily distinguish by product quality (the ingredients and the functionality of a food supplement cannot be immediately or easily objectively verified). It is therefore not surprising that many successful brands in the space rely on their long history, a trusted story, and consistent core values.

Group vs Umbrella vs Mono: for brands it all comes down to trust

Brands span an assortment of different products and even categories of products. They often grew out of a former monobrand, e.g., a brand that only sells one product or narrow category of products (e.g. Starbucks - coffee). Umbrella brands follow the hierarchical organization of information in human memory. If umbrella brands successfully establish a common core value and convey a core competence, then the complete range of products or categories of products sold under this umbrella will be associated with it.

Expanding on this concept further, we observe consumer trust extends to the groups that own umbrella brands. If we take Reckitt Benckiser, who own a collection of umbrella brands, as an example, we see trust put into many of their brands, e.g. Strepsil and Neurofen, based on long-term quality. This group brand strategy is becoming

more and more influential and a key strategy for gaining consumer trust as players with a consumer health DNA are leading the charge. We see strong growth potential in group brands long term as a brand's success within a group can also be attributed to the reputation and trust put into adjacent umbrella brands.

For brands active in the consumer healthcare self- and healthcare space, the umbrella brand strategy has proven successful, as opposed to the pursuit of 'leaner' mono-brand strategies.

• **Horizontal expansion into adjacent categories:** This has often proven unsuccessful in consumer goods. For example, we associate a brand of milk with that product only – an expansion into cheese would be challenging. In consumer health for instance, the expansion into adjacent categories is more readily accepted by the

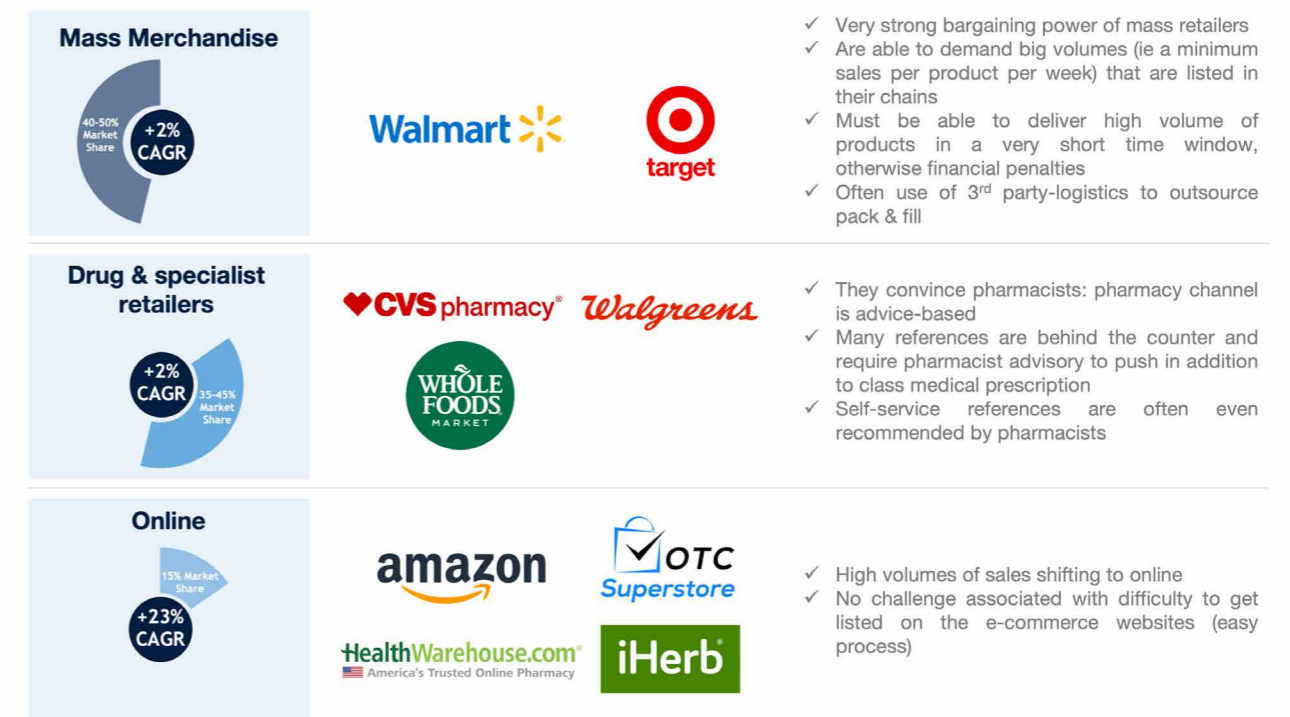
consumer. Exceptions are those where the monobrand is synonymous to the product, for example Aspirin, Pepto Bismol, etc.

• **Loss of specialization and uniqueness:** This may come with an umbrella brand strategy that is less pronounced in the consumer healthcare market. In the latter, consumers differentiate according to the trust they put into the brand, rather than the uniqueness. If a carmaker moves into selling bicycles and watches, a loss of brand identity would be a likely result. A consumer health brand expanding from natural remedies for sleep aid into natural remedies for indigestion would not be considered to lose brand identity.



Once a brand is built, an omni-channel strategy is key for distribution

FIG. 19: THREE MAIN VERTICALS MAKE UP THE CONSUMER HEALTHCARE DISTRIBUTION CHANNELS IN THE US



Source: Bryan, Garnier & Co Equity Research



Whilst the bulk of market share in North America is captured in the mass and specialized retail segment, we are seeing a growing contribution from online retail sales (e-commerce).

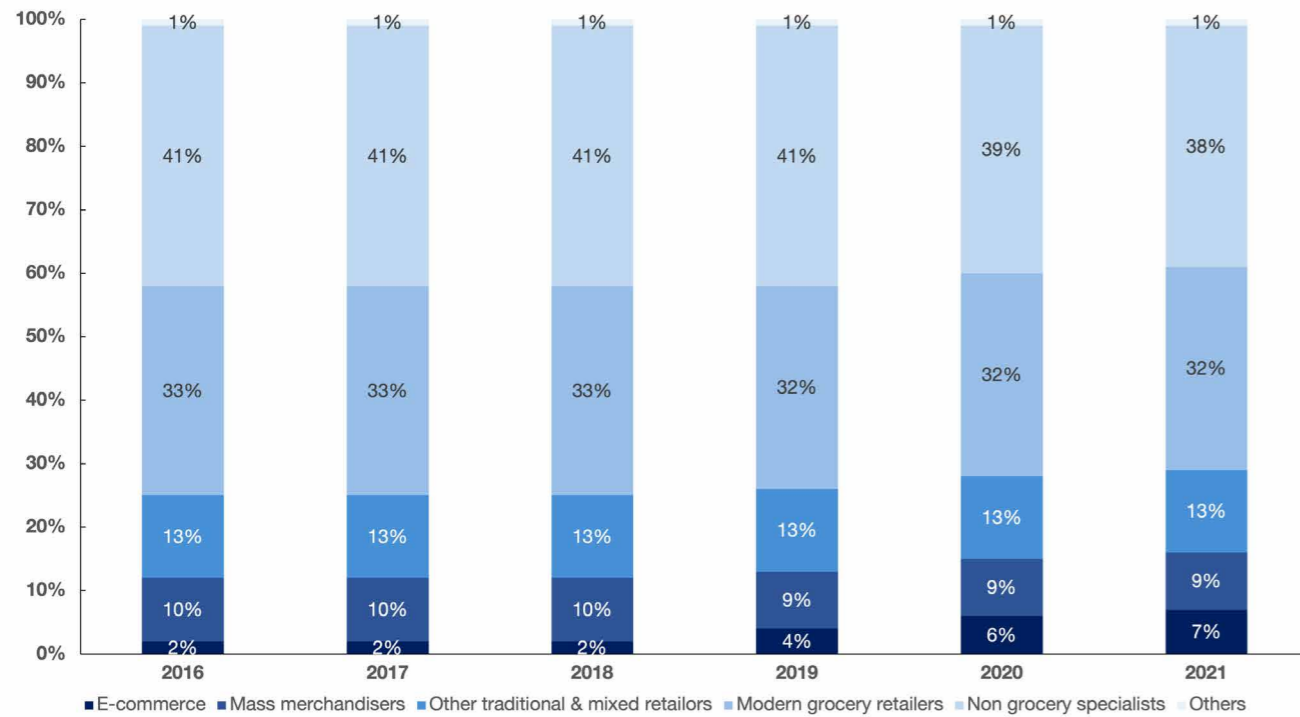
E-commerce channel essential to capture future market opportunities

The consumer health addressed market in North America is growing at +2.5% CAGR (2016 – 2021). Interestingly, e-commerce is growing the fastest with a 23% CAGR (16-

21). With the growth displayed in the e-commerce segment of the market, an omnichannel strategy is a must-have so that one can best capture market share, dominant in the mass

and specialized retail segments and the growth potential displayed in the online retail segment.

FIG. 20: CONSUMER HEALTH DISTRIBUTION CHANNELS SHOWING AN INCREASING IMPACT FROM THE E-COMMERCE SEGMENT



Sources: Statista, Bryan Garnier & Co Equity Research

E-commerce trend supported by changing consumer habits and macroconditions

With smartphone subscriptions growing globally 10% year on year, the growing number of internet and smartphone users has not only changed consumer behavior, it has also fundamentally reshaped the sales channels and retail landscape. For different reasons, the online share in the consumer health pharmaceuticals market varies significantly between countries. Among

the important drivers are the access to medicine and the development of the eCommerce market in general, but the most decisive factor is the legislation in each country

The pandemic further accelerated self-care trends as consumers were forced to prioritize health in much of their daily lives. Next to traditional healthcare channels (in per-

son doctors and pharmacy visits), consumers were engaging with healthcare digitally via telemedicine as well as incorporating molecular diagnostics or antigen self-testing into their routines.

THE FIVE KEY FACTORS THAT SHAPE CHAMPIONS

SECTION 4



The consumer healthcare market is still fairly fragmented

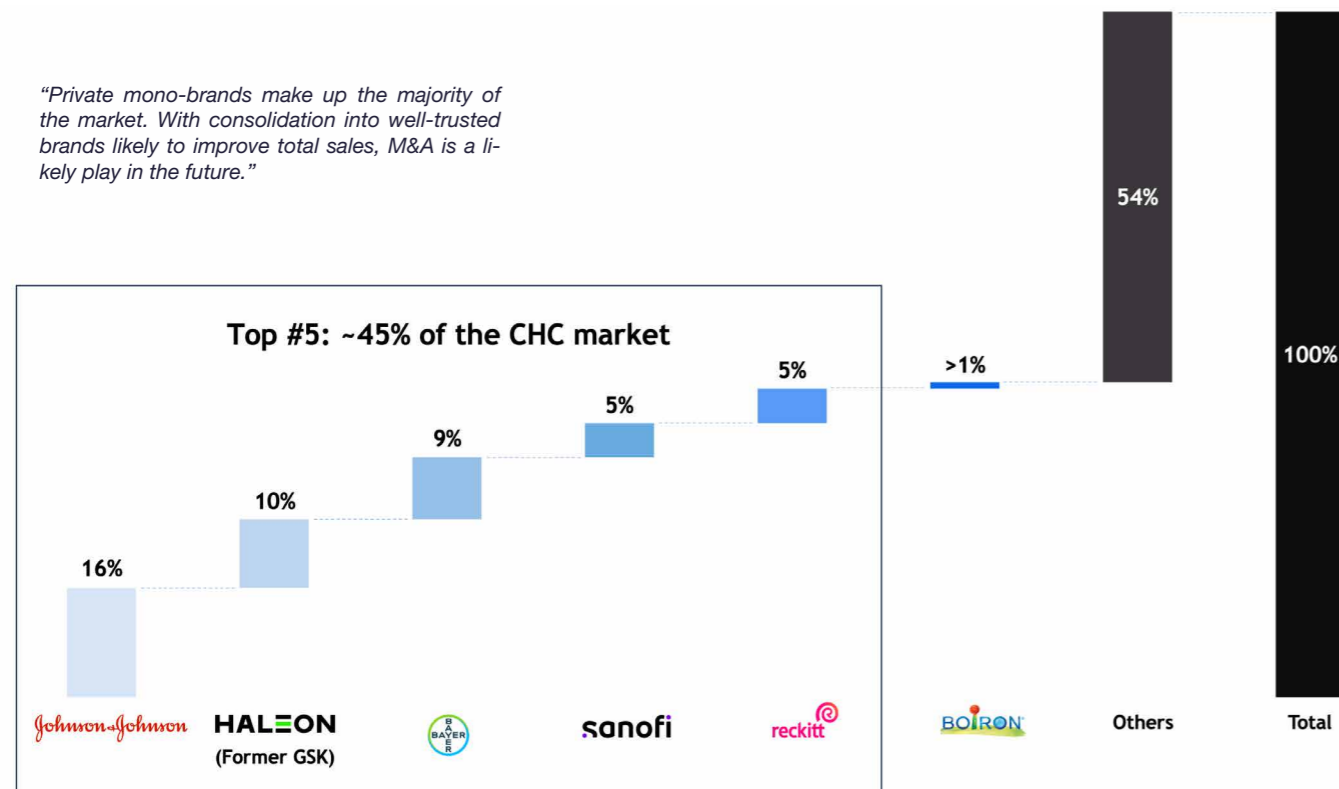
The consumer healthcare market is highly fragmented but still the core long standing brands have shown to have a dominant market share, providing billions of dollars in revenue per annum. In the US, we see the top 5 brands accounting for ~45% of the market. We have identified 5 factors of success that have enabled these brands to climb their way to the top.

With J&J, Haleon, Bayer and Reckitt taking share and Sanofi undecided. Furthermore, although from a vo-

lume perspective smaller brands and private labels may continue to gain share, there is a substantial opportunity to use umbrella brands to grow the value of the market. We would not be surprised to see PE sponsors, acquire and build new brand platforms to compete with established albeit less pure play competition. Interestingly when it comes to natural products, 90% of companies are European with US firms typically not integrating backwards (e.g. Amway, Herbalife) and not focusing

on some of the emerging trends like sustainably sourced, integrated omnichannel brands.

FIG. 21: THERE IS ROOM FOR CONSOLIDATION IN CONSUMER HEALTHCARE DRUG MARKET IN THE US



Source: Euromonitor, Bryan Garnier & Co Equity Research

Five key factors that create champions

The companies named above show to possess certain strategies in order to obtain their position in the market. We have identified 5 factors that these players have and inspiring players need to have to emerge as champions in this field. But players don't necessarily need all these factors to stand out. Historically, we have seen companies that adopted at least 3-4 of these factors emerge as dominant players.

- **Redefining Pharma to FMCG.**

Generally speaking, we believe that pharmaceutical companies are not the best owner of their consumer healthcare business units. As we pointed out earlier sections, the business strategies of Rx and OTC are fundamentally different in terms of i) clinical developmental plans, ii) regulatory pathways, iii) and marketing. Pharma companies have come to the conclusion that while a broad-based approach have served them well in the past, addressing the complexity of today's global healthcare and consumer environments now demands unprecedented innovation, focus and agility. The rate of innovation and the quest for blockbuster business model leaves little time to think about consumer healthcare novelty. And so, the recent spin off of GSK's consumer healthcare business unit (Haleon) is a move that mirrors similar initiatives undertaken by Merck, Sanofi, and Pfizer (Ipsen – Q3 2022) which

have all separated their consumer healthcare portfolios to focus on the highly profitable pharmaceutical business. Haleon wants to take share in its key markets and above market considering its maturity, success could stir greater spinout interest (Pharma), asset acquisition, and consolidation.

- **"Naturality" champions.**

We believe with COVID, trust in Pharma has been lost among certain consumer groups, which has sparked greater interest in the sourcing, value chain and production of natural consumer healthcare products. This level of integration sparks a new generation of typically family-owned private brands that have fostered these thoughts over prolonged periods like Boiron, Schwabe, Heel among others creating natural champions in an evolved consumer healthcare segment.

- **Category growth.**

Women's, Neonatal/Infant, Sports, Elderly, Pregnancy all form health categories that are likely to grow as broader categories specialize into more personalized subgroups. We reckon that this subpopulation group requires a particularly safe care offer. Furthermore, as Glanbia has reinvented from a cooperative dairy and creamery in 1964, to more value-added cheesemaker, to an integrated sports nutrition company with the vertical integration of Optimum Nutrition. We opine there are many oppor-

tunities to capture growth with branded OTCs, as there are local differences.

- **Omni-channels gaining momentum.**

Although 70%-90% of consumer healthcare sales are still offline, there is a clear push emerging to more regular online sales channels, which in turn allows well positioned players to reach new consumers stirring new growth. We believe that players need to step in and ride the wave of e-commerce and online marketing while it is trending as the millennials and Gen-Z generation, who are going to be the dominant consumer segments by 2030, are heavily driving this growth. However, we believe that a presence in each distribution channel is the best strategy to tackle this environment and maintain customer access.

- **Strong M&A activity.**

We believe as has been the case with conglomerate businesses we may find (private equity funded) buy and builds would be a rapid way to expand the consumer portfolio, or integrate towards the consumer (e.g. DSM). In our view, diversification of the product base will be key to discerning winners and losers, as buyers will want to acquire strong umbrella brands with strong reputations and track record over more exposed limited or single product companies.

Several cases highlight the trajectory of consumer healthcare self-care to FMCG

CASE STUDY: REDEFINING PHARMA TO FMCG

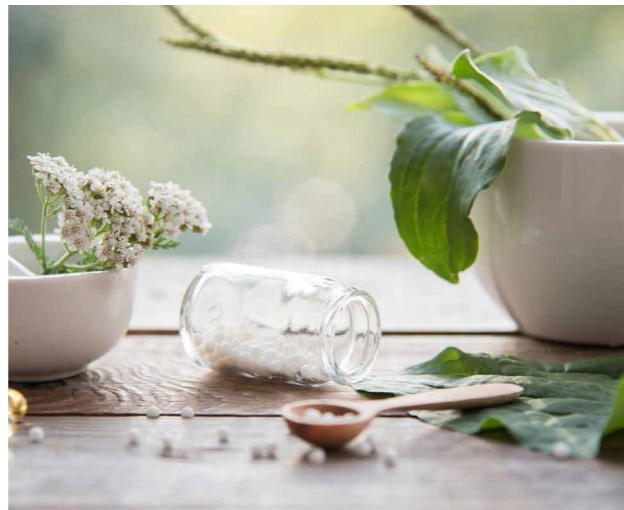
HALEON

Haleon (Advil, Nicorette, Voltaren) recently spun out from GSK, in an unprecedented move likely to define more legacy spinouts to come in Pharma if successful. We believe key items of interest for the consumer healthcare community will be i) the companies more aggressive growth strategy aimed at taking share and growing mid-single digit above market, ii) the online/e-commerce angle aiming to deploy non-traditional measures to attract consumers.

In the US, Haleon has used data to elevate the customer experience, through increased penetration with popular retailers e.g. Amazon but also through an AI-derived personalized customer experience that has seen e-commerce sales double in the last 2 years. In other markets, namely China, e-commerce sales have grown ~40% year on year. Key to this success has been i) the joint business plans/ digital partnerships with key local retailers e.g. T-mall, Alibaba, JD, ii) enhanced connection between healthcare professionals and consumers through native media platforms such as WeChat, and iii) pushing for increased integrated digital campaigns such as the Sensodyne challenge on TikTok and the Voltaren collaboration with KEEP, a leading social sports platform.

zoetis

Zoetis (Animal veterinary spinout from Pfizer) has kickstarted a new investible universe in 2013 as the company performed well, and from an odd legacy business found its stride, leading to a swath of IPOs culminating with the spinout of the former Lilly Elanco business in 2019. In turn the newsflow, information have stirred animal health IPOs and redefined a landscape that is now well understood, attractively valued, and a regular exposure among investors across the public and private markets. We believe Haleon could be of comparative importance.



CASE STUDY: NATURAL CHAMPIONS & OMNICHANNEL STRATEGIES

BOIRON®

In several European countries, homeopathy is an integral part of healthcare systems and is covered by most private health insurance plans. Homeopathy remains an important part of the self-care market in part to the strong branding power of Boiron, the largest manufacturer of homeopathic products in the world. We believe the gradual decline of traditional French reimbursement has catalyzed the company to look for new avenues of growth (COVID tests, innovations in cough & cold, probiotics), omnichannel sales, and new product launches in new geographies, essentially embodying its reputation as a strong natural consumer healthcare medicine brand globally, which in spite of its 100-year history has just begun.

Boiron recently entered the rapid test market by distributing Ninonasal, a COVID-19 test. Boiron had the human resources, equipment, storage capabilities and knowledge of distribution channels to distribute their product. The company positioned itself as legal manufacturer for NG Biotech and Anbio to either distribute their products and assemble & distribute their products.



Johnson & Johnson

There is already many manufacturers for natural consumer healthcare products, due to the fact that multinational pharmaceutical companies, such as Reckitt Benckiser or Pfizer, produce or acquire natural companies. With the support and resources of the big companies, they gain fast on an international scale. Zarbee's Naturals, for example, was originally a small start-up founded in 2008 by Dr. Zak Zarbock. In 2018, Johnson & Johnson acquired the company, after it had become successful with their natural healthcare products.

ZARBEE'S NATURALS

Zarbee's Naturals was founded as an alternative to traditional consumer healthcare medicine. They started with a honey-based kids' cough syrup and have now grown into a broad-based health and wellness brand. All products are without drugs, alcohol, gluten and artificial flavors and contain instead dark honey, elderberry and agave.

CASE STUDY:

CATEGORY GROWTH



Abtei is a German brand dating back to 1897, when Oskar Sarhage from the town of Bielefeld was introduced to traditional herbal medicine by his friend, a monk. A wholesaler of tea and spices by trade, Oskar diversified into the business of medicinal preparations, such as ribwort plantain (*plantago lanceolata*), traditionally used as a cough medicine due to its contents of phenylethanoids and iridoid glycosides. Abtei today is a leading brand for consumer healthcare natural remedies in Germany. The product portfolio spans from food supplements to flu remedies and digestion aids. Abtei has been ranked fairly consistently as one of Germany's most trusted brands in a representative survey by a German publisher. In 2022, it was voted the most trusted brand in the "vitamin products" category. Today, Abtei, is an integral part of Perrigo.



Aboca (~USD148m 2021, key products cough and cold) is an Italian fully integrated consumer healthcare player that develops 100% natural products from its own farms, controlling every aspect of its value chain. The company has over 30 years built a leading Italian brand in traditional consumer healthcare by differentiating itself, by sourcing naturality, gluten-free, and paediatric designations, and has built a brand of over 100 products. One clear example would be Grintuss, a new approach for treating cough using plant molecular complexes and honey. These products, developed through scientific research give mucoadhesive, protective and emollient properties whilst using natural ingredients from organic farming and has seen success and seen expansion into multiple products. We note that the groups growth has been financed internally and has now culminated in a greater brand presence with a second brandline (Planta Medica), fully self-financed (~10% R&D Sales)



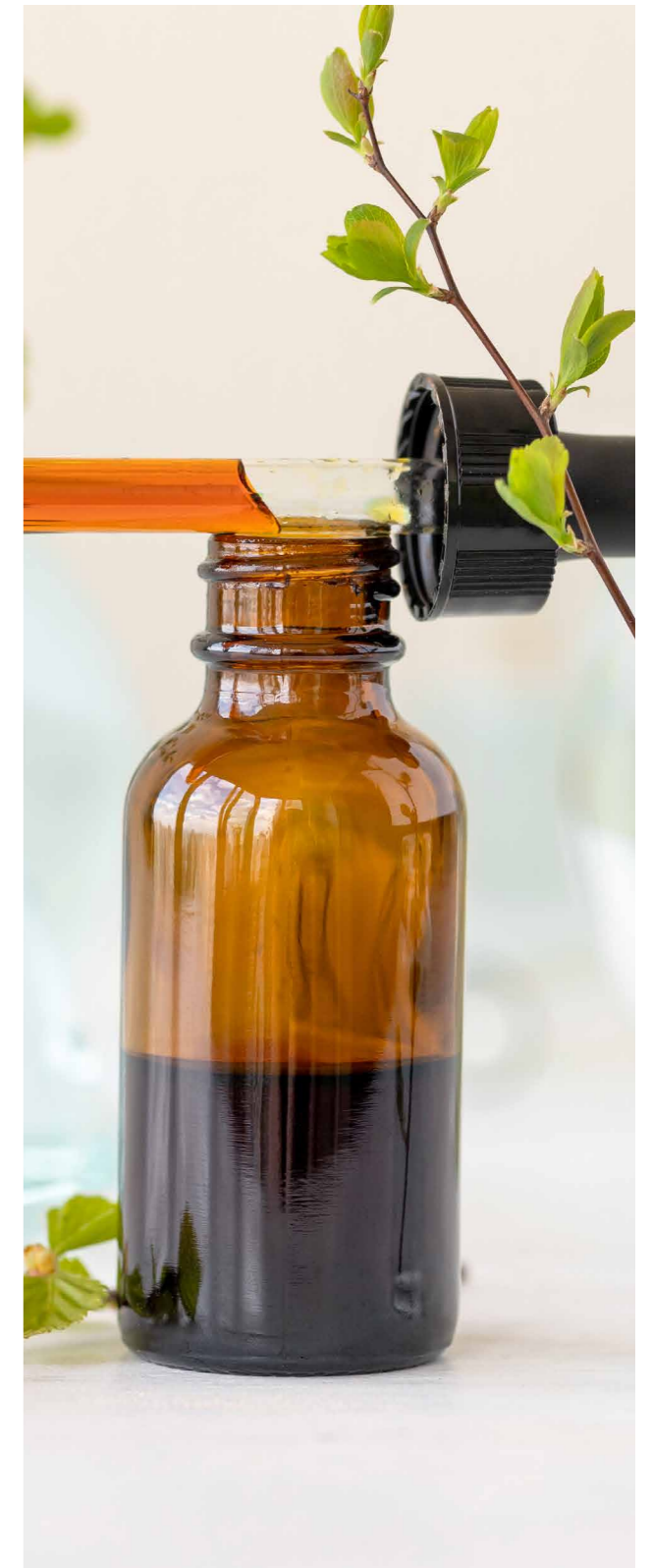
CASE STUDY:

STRONG M&A ACTIVITY



Perrigo is one of the largest manufacturers of consumer healthcare pharmaceutical products. Today, it stands as a global healthcare supplier that develops, manufactures and distributes over-the-counter (OTC) and prescription (Rx) pharmaceuticals, nutritional products, and active pharmaceutical ingredients (API).

Perrigo has gained brand notoriety and success through the acquisition of 33 companies, including 7 in the last 5 years. A total of 7 acquisitions came from private equity firms. Perrigo's largest acquisition to date was in 2013, when it acquired Elan for USD9 bn. Its largest disclosed sale occurred in 2017, when it sold TYSABRI to Royalty Pharma for USD3 bn. Perrigo has acquired in 13 different US states, and 10 countries. The company's most targeted sectors include medical products (33%) and life science (23%).



A hot market with numerous M&A activity in perspective

Since early 2017, M&A activity has been strong and relatively steady with an average of 56 deals and USD2.5 bn of capital invested per quarter. In 2021, capital invested nearly tripled compared to 2020, from USD6 bn to USD16 bn. Recently, we have seen Dermapharm AG submitting a binding offer to acquire ARKOPHARMA Laboratories at a deal value of USD459m. We see this as a strong strategic transaction for Dermapharm AG as it gives access to the natural-ity-driven French market but also yields market expansion of Dermapharm's product portfolio with the

addition of ARKOPHARMA's natural OTC products.

We have assessed companies in these value chains typically fit three categories i) legacy pharma, ii) new consumer or iii) Integrated Brands (e.g. Boiron/Haleon ex. GSK). We believe the recent lack of real pure players, namely integrated brands, has caused investors to look at the consumer segment as either i) or ii).

This informs our view that when viewed through the consumer lens, there is a substantial fragmented

opportunity irrespective of the perceived maturity of the sector being shaped today.

We believe the spinout of GSK's consumer business Haleon marks a paradigm shift in the consumer healthcare business as i) traditionally Pharma milks off-patent drugs like cash cows and retires them, ii) or Pharma spinout non-core assets (Sanofi Stada Arzneimittel spinout of 16 consumer brands in 2021, and Ipsen in 2017), but iii) rarely has a consumer business with substantial market share been created.



FIG. 23: M&A ACTIVITY IN PHARMACEUTICAL CONSUMER HEALTHCARE MARKET HAS DRIVEN BY NUMEROUS ACTORS

Date	Target	Geography	Target Description	Acquiror	EV (\$M)	LTM Financials (\$M)		Multiples (\$M)			
						Revenue	EBITDA	EV/Revenue (LTM)	EV/EBITDA (LTM)	Revenue multiple	EBITDA multiple
Jul. 2022	ARKOPHARMA Laboratories	France	ARKOPHARMA Laboratories is a pharmaceutical laboratory specializing in phytotherapy, natural medicine, and dietary supplements	Dermapharm AG	459.0	195.0	35.0	2.4x	13.1x	2.4x	13.1x
Mar. 2021	Cooper Consumer Health	France	Cooper Consumer Health manufactures and distributes over the counter selfcare solutions	CVC Capital Partners; Avista Capital Holdings	NA	NA	NA	NA	NA	0.0x	0.0x
Feb. 2021	OTC Portfolio of Actavis Group	Israel	European OTC brand portfolio	Karo Pharma	101.0	42.1	NA	2.4x	NA	2.4x	0.0x
Dec. 2020	DECIEAM	Canada	Consumer health company that focuses on beauty products including skincare, makeup, body, and hair products	Estee Lauder	2,127.7	460.0	NA	4.6x	NA	4.6x	0.0x
Dec. 2020	Nature's Bakery	USA	Nature's Bakery, LLC manufactures and sells bakery products	KIND	400.0	NA	17.5	NA	22.9x	0.0x	22.9x
Nov. 2020	Matrixx Initiatives	USA	Over the Counter health care company with Zicam brand name products	Church & Dwight	532.7	NA	NA	NA	NA	0.0x	0.0x
Aug. 2020	KIND	USA	KIND LLC manufactures and distributes healthy snacks and fruit and nut bars	Mars	5,000.0	1,500.0	NA	3.3x	NA	3.3x	0.0x
Jun. 2020	Takeda Consumer Healthcare	Japan	Pharmaceutical company with OTC medicines and quasi-drug consumer products	Oscar A-Co KK	2,284.3	574.8	NA	4.0x	NA	4.0x	0.0x
Apr. 2020	GNC Assets	USA	Substantially All Assets of GNC Holdings, Inc. comprises health and wellness products retailing business	Harbin Pharma Group	760.0	1,767.4	62.0	0.4x	12.3x	0.4x	12.3x
Apr. 2020	OTC Portfolio of Takeda	Denmark	Portfolio of OTC and Non-Core Assets in Europe and Two Manufacturing Sites in Denmark and Poland	Orifarm	670.0	NA	NA	NA	NA	0.0x	0.0x
Nov. 2019	Oral Care Assets of High Ridge Brands Co.	USA	High Ridge Brands oral care assets include power toothbrushes, travel kits, and rinse and floss items	Ranir	113.0	NA	NA	NA	NA	0.0x	0.0x
Jul. 2019	OTC/Rx Assets of Takeda	Russia	The portfolio includes OTC vitamins, food supplements, and select products within various therapeutic areas	STADA; OAO Nizhpharm	660.0	NA	NA	NA	NA	0.0x	0.0x
Jun. 2019	Dr. Scholl's	USA	Dr. Scholl's is the US based footcare business of Bayer Aktiengesellschaft	Yellow Wood Partners	585.0	234.0	NA	2.5x	NA	2.5x	0.0x
Jun. 2019	Trimb Healthcare	Sweden	Karo Pharma will Trimb Healthcare from Avista Capital Holdings. Karo will take ownership of all Trimb brands	Karo Pharma	360.6	98.6	15.9	3.7x	22.7x	3.7x	22.7x
Jun. 2019	Nestlé Skin Health	Switzerland	Nestlé Skin Health S.A. offers a range of medical and consumer skin health products	EQT Partners	10,501.1	2,882.6	NA	3.6x	NA	3.6x	0.0x
May. 2019	Ranir	USA	Ranir develops, manufactures, and sells consumer oral and personal care products	Perrigo Company	750.0	287.0	NA	2.6x	NA	2.6x	0.0x
May. 2019	Coppertone	USA	The Coppertone sunscreen business of Bayer was acquired by Beiersdorf Aktiengesellschaft	Beiersdorf Aktiengesellschaft	550.0	213.0	NA	2.6x	NA	2.6x	0.0x
Feb. 2019	OTC-Business of Moberg Pharma AB	Sweden	Divestment of OTC portfolio including Kerasal, New Skin, Dermoplast, Domeboro, Emtrix, and Zanmira	RoundTable Healthcare & Signet Healthcare Partners	155.0	48.8	NA	3.2x	NA	3.2x	0.0x
Average					1,530.0			2.9x	17.7x		
Median					585.0			2.9x	17.9x		
Min					101.0			0.4x	12.3x		
Max					10,501.1			4.6x	22.9x		

Sources: CapitalIQ, Company data, Bryan Garnier & Co Equity Research

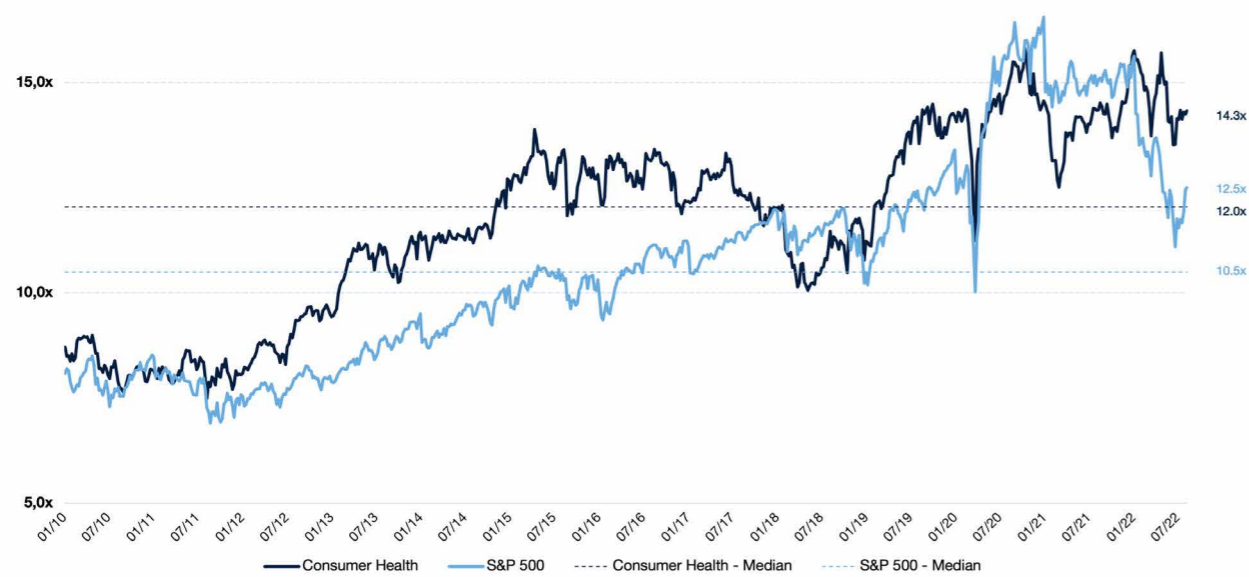
Also of note, the 12-year valuation snapshot shows consistent outpacing of the consumer health index against the S&P 500 until late 2020,

returning to norm January 2022 with a premium vs S&P 500 in line with last 12-year average (15%). Currently, the Consumer Health EV

/ EBITDA multiple is sat just under 20% above the 12-year average.



FIG 24: VALUATION TRENDS – HISTORICAL TOTAL EV/ EBITDA MULTIPLES



Note: Consumer Health basket consist of: BEI GY Equity, CHD US Equity, CL US Equity, NUS US Equity, PBH US Equity, RKT LN Equity, PG US Equity, PRGO US Equity

Sources: Bloomberg, Bryan Garnier & Co Equity Research

How do the factors for success link together?

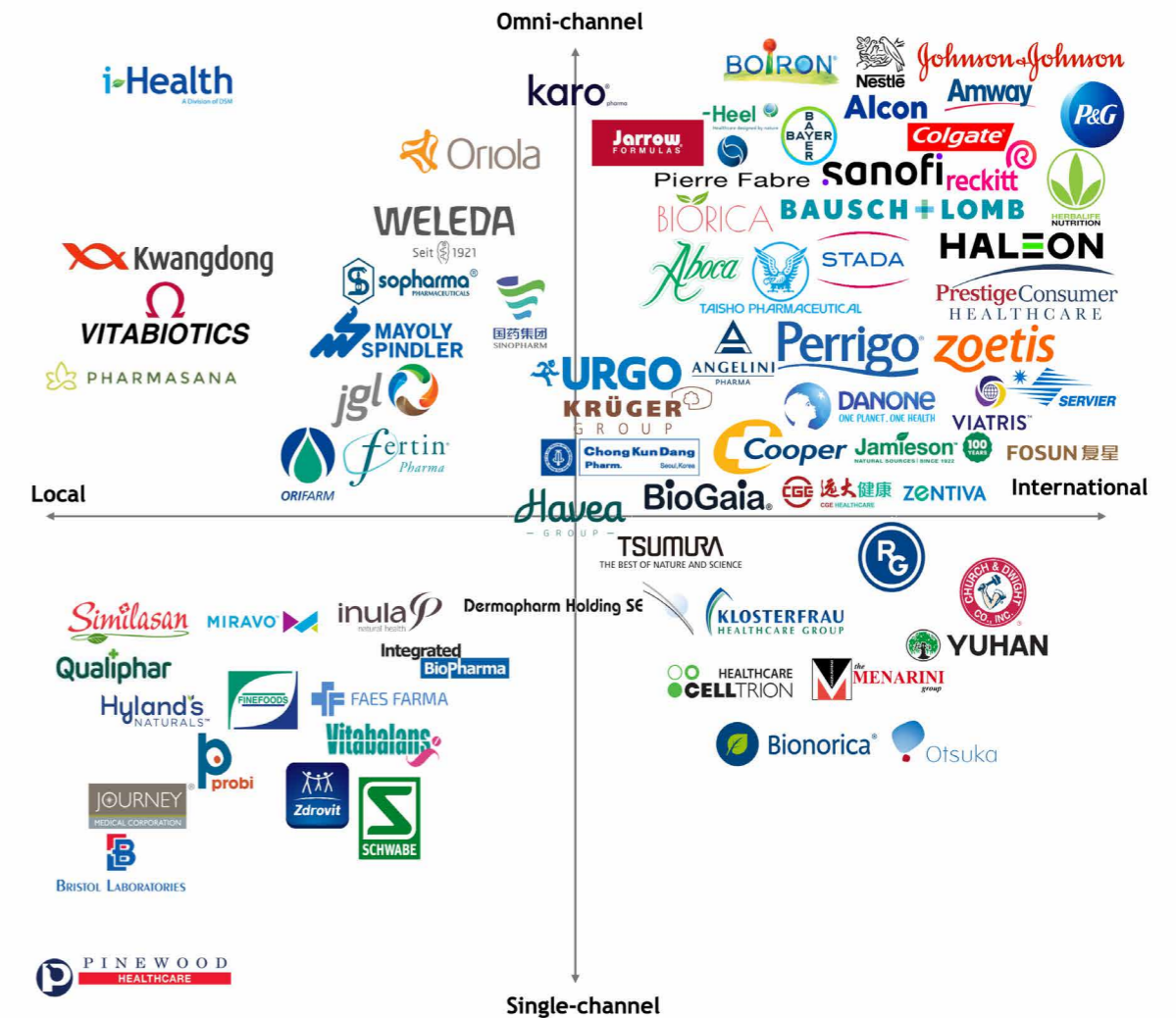
Among the consumer health universe, we see a strong correlation between the international reach of the company and the distribution strategy it employs. Additionally, we observe a correlation between revenue and international reach or distribution. We see successful names such as Haleon and J&J as being the top players in the field as they can leverage their large international exposure across a broad range of distribution networks to maximize

their revenue potential. To this end, we see names like Dermapharm, Perrigo and Church & Dwight who could prove to be great challengers to J&J/ Haleon in the future as they look to implement the 5 key factors of success.

Additionally, we see outliers of this trend either omni-channel local players or single-channel international players to be potential success stories, who can improve a single

axis to gain additional revenue potential. Names like Menarini, Otsuka and Gideon Richter candidates we feel could potentially spin off their consumer healthcare business units to mirror Big Pharma's strategic move.

FIG. 25: WE SEE THE CONSUMER HEALTHCARE UNIVERSE FOLLOW A CORRELATION BETWEEN CHANNEL AND INTERNATIONAL REACH



Source: CapitalIQ, Company data, Bryan Garnier & Co Equity Research



When looking at the correlation between a complete product portfolio and naturality we see a link between reliance on natural products in order to gain a complete portfolio of products. We also note a link between revenue and these two factors. Companies who want to gain maximum exposure to the

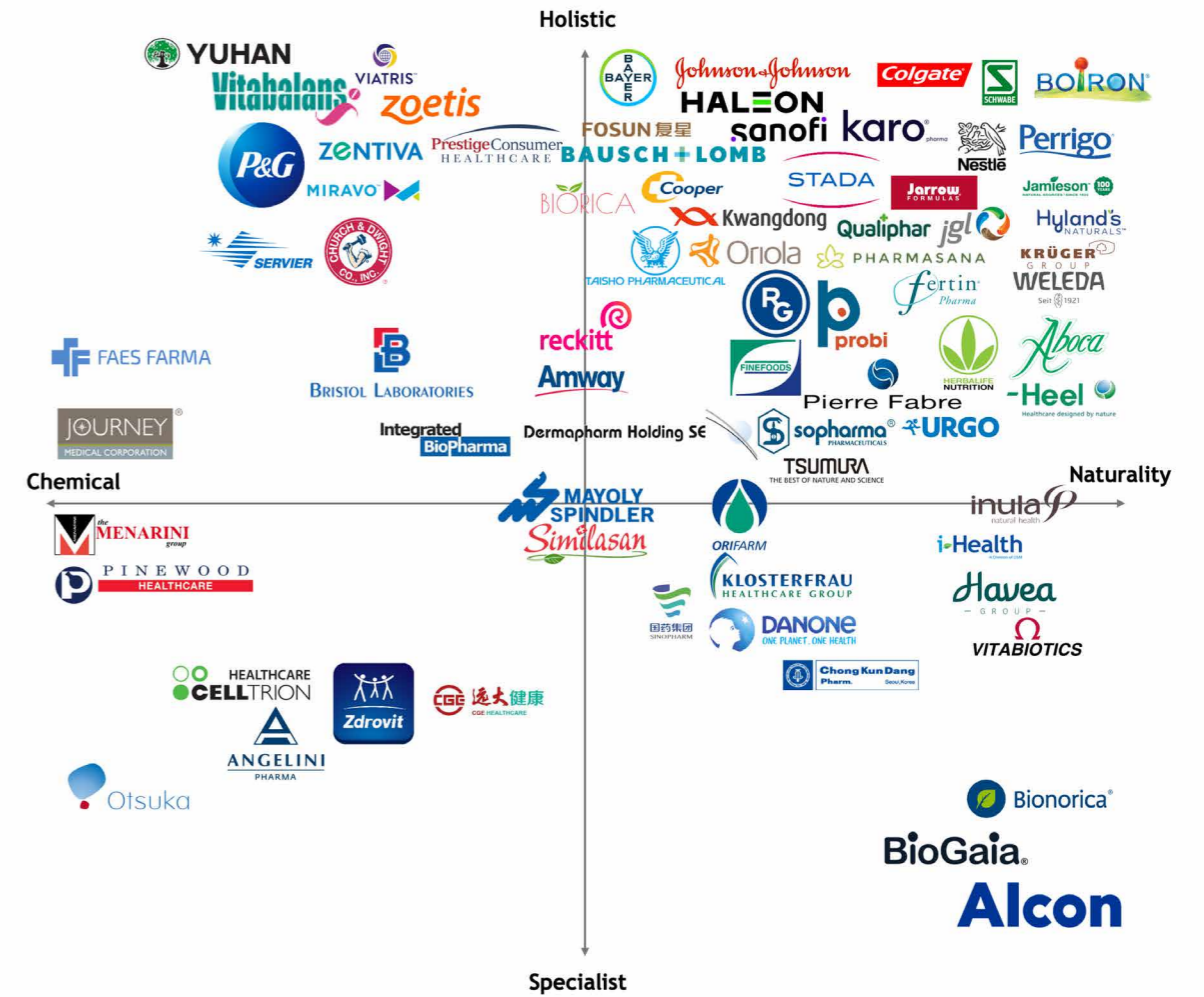
whole consumer healthcare market should look at naturality as a key avenue for growth either organically or inorganically.

Geographically, we also note the existence of a strong drive for naturality in Europe. The Old Continent has a unique, bubbling ecosys-

tem with several successful 'natural' CHC players with Boiron and Schwabe leading the pack as global organizations, followed by more regional but fast internationalizing players such as Aboca, BioGaia, Solgar and Nutergia.



FIG. 26: COMPANIES WITH A HOLISTIC PRODUCT PORTFOLIO TEND TO SHOW GREATER RELIANCE ON NATURALITY



Source: CapitalIQ, Company data, Bryan Garnier & Co Equity Research

In this report, we have shown that the global consumer healthcare market is sizeable, still very fragmented and is increasingly moving towards a consumer market. Therefore, we believe there is room for the establishment of future global leaders in this field.

Against this backdrop, we have identified several key success factors to become a leading player globally including having i) a large international exposure, ii) an umbrella branding strategy coupled with a strong corporate image and iii) a well-developed omnichannel approach, especially in e-commerce and online marketing in order to win millennials and Gen-Z generations while maintaining access to the already-existing customers. We also believe that M&A activity will be a major avenue and catalyst for success.

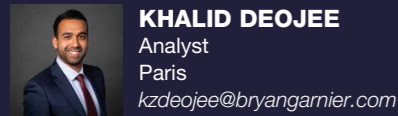
We consider the adoption of 'naturalness' as the next biggest key differentiating factor in this environment, as we view the quest for naturalness and sustainability as an inflection point rather than just a trend. In our opinion, players who want to gain a competitive edge in this market need to align themselves with this consumer trend as acting upon it will provide them with better offering

selections and a wider customer base. Consumers prioritize natural product choices as they perceive 'natural' to be safer and more transparent. Our analysis points out that companies with a holistic product portfolio tend to show greater reliance on naturalness. Many of these companies are acting upon M&A activity to follow this trend.

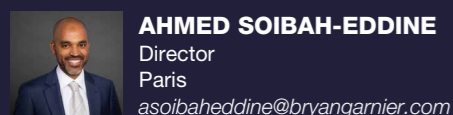
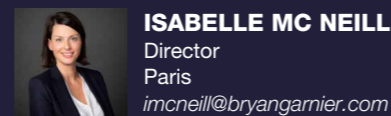
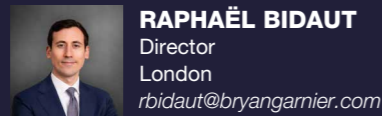
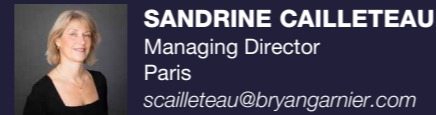
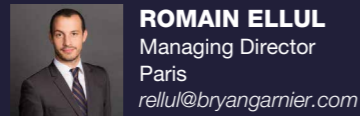
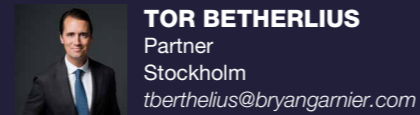
Two recent transactions that exemplify this trend: i) Dermapharm's recent binding offer to acquire Arkopharma (specialized in the field of phytotherapy, natural medicines and food supplements) for a deal value of USD459m highlights the market's strong appetite for naturalness-driven companies; and ii) the acquisition of The Bountiful Company (a global company focused on enhancing the health and wellness of people's lives via natural products such as vitamins, and minerals) by Nestlé for USD5.75 bn in 2021.



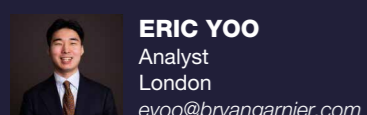
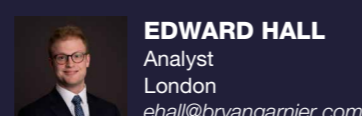
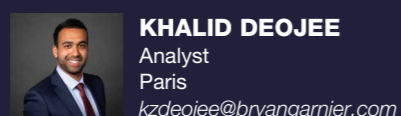
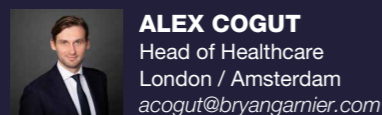
WHITE PAPER AUTHORS



HEALTHCARE INVESTMENT BANKING TEAM



EQUITY RESEARCH TEAM



RECENT TRANSACTIONS

Bryan, Garnier & Co leverage in-depth sector expertise to create fruitful and long-lasting relationships between investors and sector leading growth companies.



ABOUT BRYAN, GARNIER & CO

Bryan, Garnier & Co is a European, full service growth-focused independent investment banking partnership founded in 1996. The firm provides equity research, sales and trading, private and public capital raising as well as M&A services to growth companies and their investors. It focuses on key growth sectors of the economy including Technology, Healthcare, Consumer and Business Services. Bryan, Garnier & Co is a fully registered broker dealer authorized and regulated by the FCA in Europe and the FINRA in the U.S. Bryan, Garnier & Co is headquartered in London, with additional offices in Paris, Munich, Zurich and New York. The firm is a member of the London Stock Exchange and Euronext.

BRYAN, GARNIER & CO HEALTHCARE EQUITY RESEARCH COVERAGE



6 Analysts | 50+ Stocks Covered

With more than 150 professionals based in London, Paris, Munich, Stockholm, Oslo and Reykjavik as well as New York and Palo Alto, Bryan, Garnier & Co combines the services and expertise of a top-tier investment bank with a long-term client focus.



BRYAN, GARNIER & CO

Investment Banking for a Better Future

LONDON

16 Old Queen Street
London SW1H 9HP
United Kingdom

T: +44 (0) 207 332 2500

Authorized and regulated by the Financial
Conduct Authority (FCA)

PARIS

92 Avenue des Champs Elysées
75008 Paris
France

T: +33 (0) 1 56 68 75 00

Regulated by the Financial Conduct
Authority (FCA) and the Autorité de Contrôle
prudentiel et de résolution (ACPR)

MUNICH

Königinstrasse 9
80539 Munich
Germany

T: +49 89 2422 62 11

NEW YORK

750 Lexington Avenue
New York, NY 10022
USA

T: +1 (0) 212 337 7000

FINRA and SIPC member

STOCKHOLM

Nybrokajen 5
111 48 Stockholm
Sweden

T: +46 722 401 080

OSLO

Beddingen 8, Aker Brygge
0250 Oslo
Norway

T: +47 22 01 64 00

Regulated by the Norwegian Financial
Supervisory Authority (Norwegian FSA)

REYKJAVIK

Höfðatorg, Katrínartún 2
105 Reykjavik
Iceland

T: +354 554 78 00

VISIT OUR WEBSITE



DISCLAIMER

This document is based on information available to the public and other sources deemed reliable. No representation or warranty, express or implied, is or will be made in relation to, and no responsibility or liability is or will be accepted by Bryan Garnier & Company or any of its officers, employees or advisers as to the accuracy or completeness of this document or any other written or verbal information available to the recipient or its advisers. While all reasonable care has been taken to ensure that the facts stated are accurate and the opinions given are fair and reasonable, neither we nor any of our affiliated companies nor any of our, or their directors, representatives or employees, accepts responsibility or liability for any loss or expense arising directly or indirectly from the use of this document or its or its contents. This document is not and should not be construed as an offer, or a solicitation of any offer, to buy or sell securities.

Bryan, Garnier & Co is authorised and regulated by the Financial Conduct Authority (FCA) in the United Kingdom.

11.16-LB