Market assessment and valuation analysis of a liquid biopsy joint-venture in Asia Pacific, Middle East and Africa (AMEA) to support internal decision-making for a proposed transaction



Client Challenge

The client, a global investment bank, had been approached with an investment opportunity for its AMEA-focused JV with a liquid biopsy manufacturer and engaged KPMG to conduct commercial due diligence and market-based valuation analysis

Conducted comprehensive analysis on the current market and competitive landscape in the liquid biopsy sector with a focus on AMEA region, and assessed the JV's competitive positioning based on technology and regulatory status

Project Phases

Provided strategic view on growth opportunities, considering term sheets of comparable deals, unmet needs and opportunities for partnership in AMEA region, and the JV's competitive strength in service offering

Performed market-based valuation on the JV through comp analysis and benchmarking and identified investment risks



Detailed view on the competitive landscape across the care continuum for liquid biopsy



In-depth analysis on major competitors' service offering, technological maturity, regulatory status, and market sentiment



Valuation benchmarking with comparable companies and multiples selection based on deal market, competitive positioning, forward revenue growth, and term sheet

Competitive Landscape									
Early Detection / Screening	Diagnosis ⁽²⁾	Treatmen	nt Selection	Monitoring					
pplied to high-risk patients to identify sease early	Used for definitive diagnosis of a disease	Used to predict clinical response to specific treatments		Monitor cancer recurrence and treatment efficacy					
LBx Competitive I	Landscape at a Glance ⁽⁶⁾	competitor	competitor	competitor					
competitor competitor	competitor	competitor	competitor	competitor					
competitor competitor	competitor	competitor	competitor	competitor					
competitor competitor		competitor	competitor	competitor					
competitor			competitor	competitor					
			competitor	competitor					
			competitor	competitor					

	Competitive Positioning						
	competitor	competitor	competitor	competitor			
Revenue (2020)	data	data	data	data			
Diagnostic Name	data	data	data	data			
Service Offering	dete	data	dete	data			
Tumor Profiling	data	data	data	data			
CDx Indications	data	data	data	data			
Sensitivity/Specificity (*)	data	data	data	data			
Turnaround(TAT)	data	data	data	data			
FDA Approval	data	data	data	data			
AMEA Approval	data	data	data	data			
US Medicare/Private Payor Reimbursement	data	data	data	data			
AMEA Reimbursement	data	data	data	data			
Cost	data	data	data	data			
Genes Tested	data	data	data	data			
Additional Notes	data	data	data	data			
Impact on JV Valuation	data	data	data	data			

Valuation Analysis

Guideline Public Company	BEV/TTM Revenue	BEV/NFY Revenue	5-Year FWD ¹ Revenue CAGR	WACC ²
Company	data	data	data	data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Company	Data	Data	Data	Data
Maximum	Data	Data	Data	Data
Upper Quartile	Data	Data	Data	Data
Mean	Data	Data	Data	Data
Median	Data	Data	Data	Data
Lower Quartile	Data	Data	Data	Data
Minimum	data	data	data	data
JV Selected Multiples				

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

© 2022 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. 1 General Disclaimer: The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation. Independence Disclaimer: Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.