



Industry Update  
**Healthcare**  
Q2 2023

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
<b>Healthcare Equipment and Supplies</b>									
Medtronic plc	MDT	\$88.10	92.2%	\$127,794	\$90,948	\$31,227	\$8,376	\$32,078	\$9,160
Stryker Corporation	SYK	\$305.09	99.4%	\$120,141	\$37,409	\$19,455	\$4,794	\$20,260	\$5,295
Boston Scientific Corporation	BSX	\$54.09	98.8%	\$84,958	\$33,601	\$13,400	\$3,384	\$14,064	\$4,031
ResMed Inc.	RMD	\$218.50	88.2%	\$28,305	\$6,752	\$4,223	\$1,292	\$4,504	\$1,405
Align Technology, Inc.	ALGN	\$353.64	95.9%	\$26,732	\$6,145	\$3,737	\$714	\$3,974	\$972
The Cooper Companies, Inc.	COO	\$383.43	97.0%	\$21,192	\$11,540	\$3,427	\$840	\$3,607	\$1,076
Teleflex Incorporated	TFX	\$242.03	87.6%	\$11,920	\$6,918	\$2,860	\$781	\$2,960	\$859
Haemonetics Corporation	HAE	\$85.14	93.2%	\$5,184	\$1,935	\$1,169	\$261	\$1,249	\$342
ICU Medical, Inc.	ICUI	\$178.19	83.9%	\$4,888	\$4,463	\$2,294	\$286	\$2,261	\$393
Integra LifeSciences Holdings Corporation	IART	\$41.13	67.8%	\$4,820	\$3,778	\$1,545	\$375	\$1,555	\$387
NuVasive, Inc.	NUVA	\$41.59	76.1%	\$2,910	\$2,090	\$1,226	\$210	\$1,280	\$300
<b>Healthcare Providers and Services</b>									
HCA Healthcare, Inc.	HCA	\$303.48	99.5%	\$115,643	\$53,594	\$61,920	\$12,308	\$63,960	\$12,590
The Cigna Group	CI	\$280.60	82.5%	\$108,853	\$150,054	\$186,021	\$9,860	\$191,906	\$11,758
Humana Inc.	HUM	\$447.13	78.3%	\$57,416	\$56,455	\$98,727	\$5,161	\$103,409	\$5,803
Centene Corporation	CNC	\$67.45	68.5%	\$39,641	\$82,853	\$138,273	\$6,315	\$147,954	\$4,897
Tenet Healthcare Corporation	THC	\$81.38	95.3%	\$25,176	\$27,157	\$20,110	\$3,693	\$20,450	\$3,383
DaVita Inc.	DVA	\$100.47	97.5%	\$22,352	\$16,959	\$11,739	\$2,010	\$11,900	\$2,328
Community Health Systems, Inc.	CYH	\$4.40	54.9%	\$13,482	\$14,648	\$12,390	\$1,244	\$12,481	\$1,513
Select Medical Holdings Corporation	SEM	\$31.86	98.2%	\$8,764	\$7,702	\$6,489	\$681	\$6,622	\$812

Source: Capital IQ

## Financial Performance (cont.)

### Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 06/30/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
<b>Pharmaceuticals</b>									
Eli Lilly and Company	LLY	\$468.98	99.8%	\$444,847	\$53,163	\$27,691	\$9,154	\$31,477	\$10,443
AbbVie Inc.	ABBV	\$134.73	80.1%	\$317,836	\$0	\$56,023	\$28,371	\$53,210	\$25,977
Merck & Co., Inc.	MRK	\$115.39	96.4%	\$287,572	\$0	\$58,311	\$12,529	\$59,100	\$14,655
Pfizer Inc.	PFE	\$36.68	66.8%	\$217,489	\$195,617	\$92,951	\$40,637	\$66,454	\$25,448
Bristol-Myers Squibb Company	BMY	\$63.95	78.5%	\$159,079	\$93,489	\$45,187	\$18,693	\$45,395	\$19,583
Perrigo Company plc	PRGO	\$33.95	77.3%	\$8,681	\$10,955	\$4,559	\$555	\$4,825	\$728
Amneal Pharmaceuticals, Inc.	AMRX	\$3.10	83.6%	\$3,059	\$3,627	\$2,272	\$466	\$2,325	\$517

Source: Capital IQ

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## Valuation Metrics

## Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Healthcare Equipment and Supplies</b>									
Medtronic plc	MDT	3.9%	7.2%	-1.4%	26.8%	-12.5%	0.7x	4.1x	15.3x
Stryker Corporation	SYK	6.4%	16.4%	10.4%	24.6%	5.4%	1.0x	6.2x	25.1x
Boston Scientific Corporation	BSX	4.2%	5.1%	8.7%	25.3%	10.7%	0.8x	6.3x	25.1x
ResMed Inc.	ALGN	12.2%	24.0%	18.0%	30.6%	14.7%	0.5x	6.7x	21.9x
Align Technology, Inc.	RMD	6.0%	8.7%	-6.3%	19.1%	-27.6%	1.6x	7.2x	37.5x
The Cooper Companies, Inc.	COO	2.6%	4.0%	9.2%	24.5%	-5.8%	0.9x	6.2x	25.2x
Teleflex Incorporated	TFX	5.0%	9.2%	1.5%	27.3%	-1.2%	1.0x	4.2x	15.3x
Haemonetics Corporation	IART	5.5%	14.7%	17.7%	22.3%	30.2%	0.4x	4.4x	19.9x
ICU Medical, Inc.	ICUI	0.8%	-2.3%	28.8%	12.5%	31.9%	0.6x	2.1x	17.1x
Integra LifeSciences Holdings Corporation	HAE	4.2%	7.9%	-1.4%	24.3%	-6.8%	1.2x	3.1x	12.9x
NuVasive, Inc.	NUVA	2.4%	3.3%	4.4%	17.2%	8.7%	1.1x	2.4x	13.8x
	<b>Mean</b>	<b>4.8%</b>	<b>8.9%</b>	<b>8.1%</b>	<b>23.1%</b>	<b>4.4%</b>	<b>88.9%</b>	<b>4.5x</b>	<b>20.4x</b>
	<b>Median</b>	<b>4.2%</b>	<b>7.9%</b>	<b>8.7%</b>	<b>24.5%</b>	<b>5.4%</b>	<b>89.4%</b>	<b>4.2x</b>	<b>20.2x</b>
<b>Healthcare Providers and Services</b>									
HCA Healthcare, Inc.	HCA	11.0%	N/A	3.0%	19.9%	0.3%	1.6x	1.9x	9.4x
The Cigna Group	CI	3.3%	14.8%	3.8%	5.3%	-3.7%	0.7x	0.6x	11.0x
Humana Inc.	HUM	5.8%	20.8%	9.1%	5.2%	6.0%	0.7x	0.6x	11.1x
Centene Corporation	CNC	3.7%	10.3%	7.0%	4.6%	11.6%	0.6x	0.3x	6.3x
Tenet Healthcare Corporation	DVA	6.6%	24.8%	3.9%	18.4%	2.8%	2.1x	1.3x	6.8x
DaVita Inc.	THC	4.6%	29.0%	1.0%	17.1%	-12.5%	0.9x	1.9x	11.1x
Community Health Systems, Inc.	CYH	3.4%	N/A	0.0%	10.0%	-14.9%	1.7x	1.1x	10.8x
Select Medical Holdings Corporation	SEM	3.9%	17.6%	3.4%	10.5%	8.1%	1.4x	1.4x	12.9x
	<b>Mean</b>	<b>5.3%</b>	<b>19.6%</b>	<b>3.9%</b>	<b>11.4%</b>	<b>-0.3%</b>	<b>121.3%</b>	<b>1.1x</b>	<b>9.9x</b>
	<b>Median</b>	<b>4.3%</b>	<b>19.2%</b>	<b>3.6%</b>	<b>10.3%</b>	<b>1.6%</b>	<b>116.5%</b>	<b>1.2x</b>	<b>10.9x</b>

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

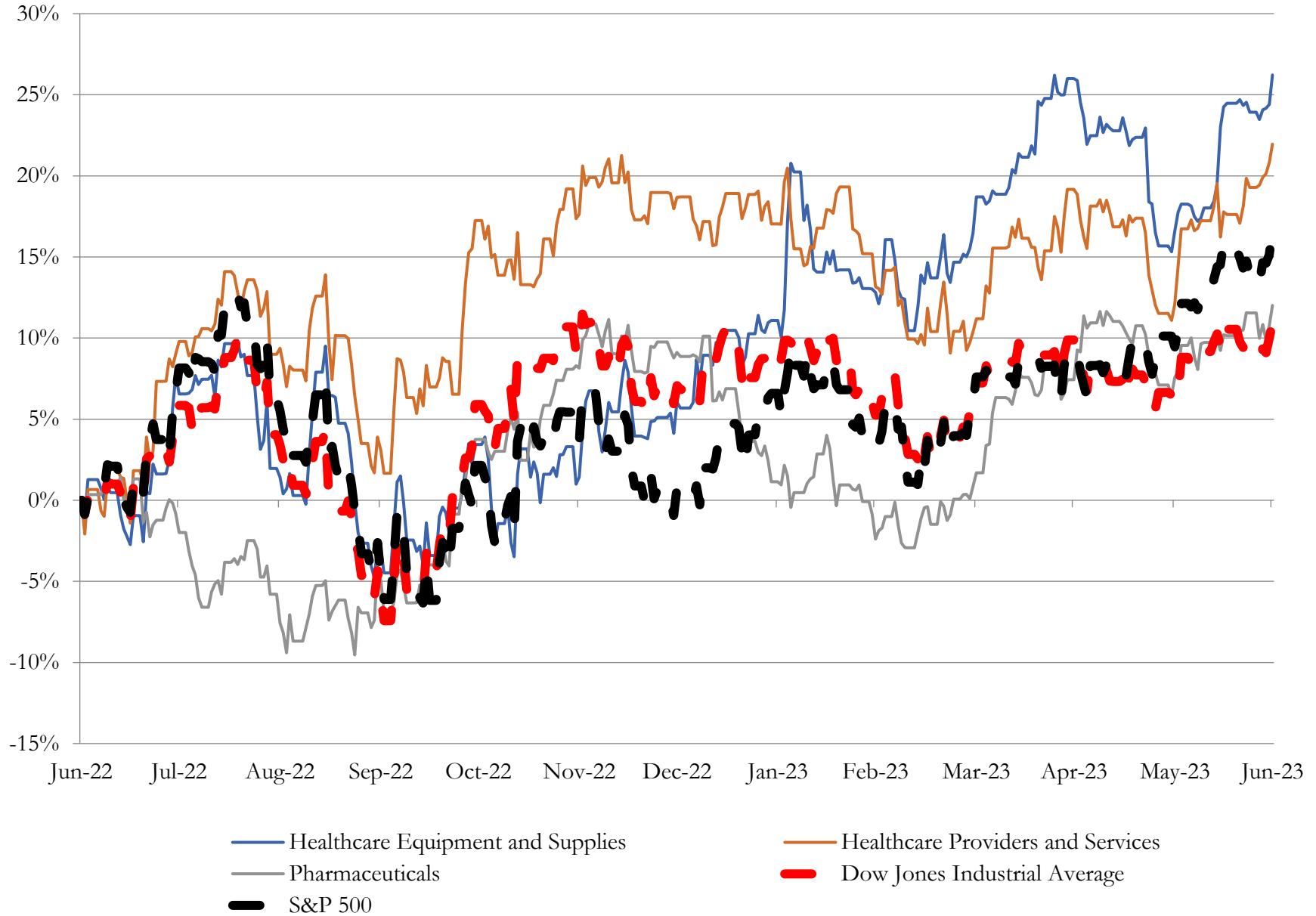
Company Name	Ticker	Return Profile						Trading Multiples	
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Pharmaceuticals</b>									
Eli Lilly and Company	ABBV	9.6%	54.8%	-5.6%	33.1%	-15.4%	0.3x	16.1x	48.7x
AbbVie Inc.	PFE	0.0%	0.0%	-2.3%	50.6%	-7.5%	0.5x	5.7x	11.3x
Merck & Co., Inc.	LLY	0.0%	0.0%	2.0%	21.5%	-46.6%	0.3x	4.9x	23.0x
Pfizer Inc.	MRK	11.6%	31.6%	0.6%	43.7%	9.1%	0.5x	2.3x	5.3x
Bristol-Myers Squibb Company	BMY	5.6%	24.7%	-4.2%	41.4%	-12.3%	0.4x	3.5x	8.5x
Perrigo Company plc	PRGO	1.2%	-2.6%	8.5%	12.2%	24.2%	0.8x	1.9x	15.6x
Amneal Pharmaceuticals, Inc.	AMRX	3.8%	-88.2%	8.3%	20.5%	9.5%	1.4x	1.3x	6.6x
	<b>Mean</b>	4.5%	2.9%	1.0%	31.9%	-5.6%	62.8%	5.1x	17.0x
	<b>Median</b>	3.8%	0.0%	0.6%	33.1%	-7.5%	54.7%	3.5x	11.3x

Source: Capital IQ

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## LTM Equity Performance

### Major Indexes



Source: Capital IQ

## 4

## Recent M&amp;A Activity

Last Twelve (12) Months as of June 30, 2023

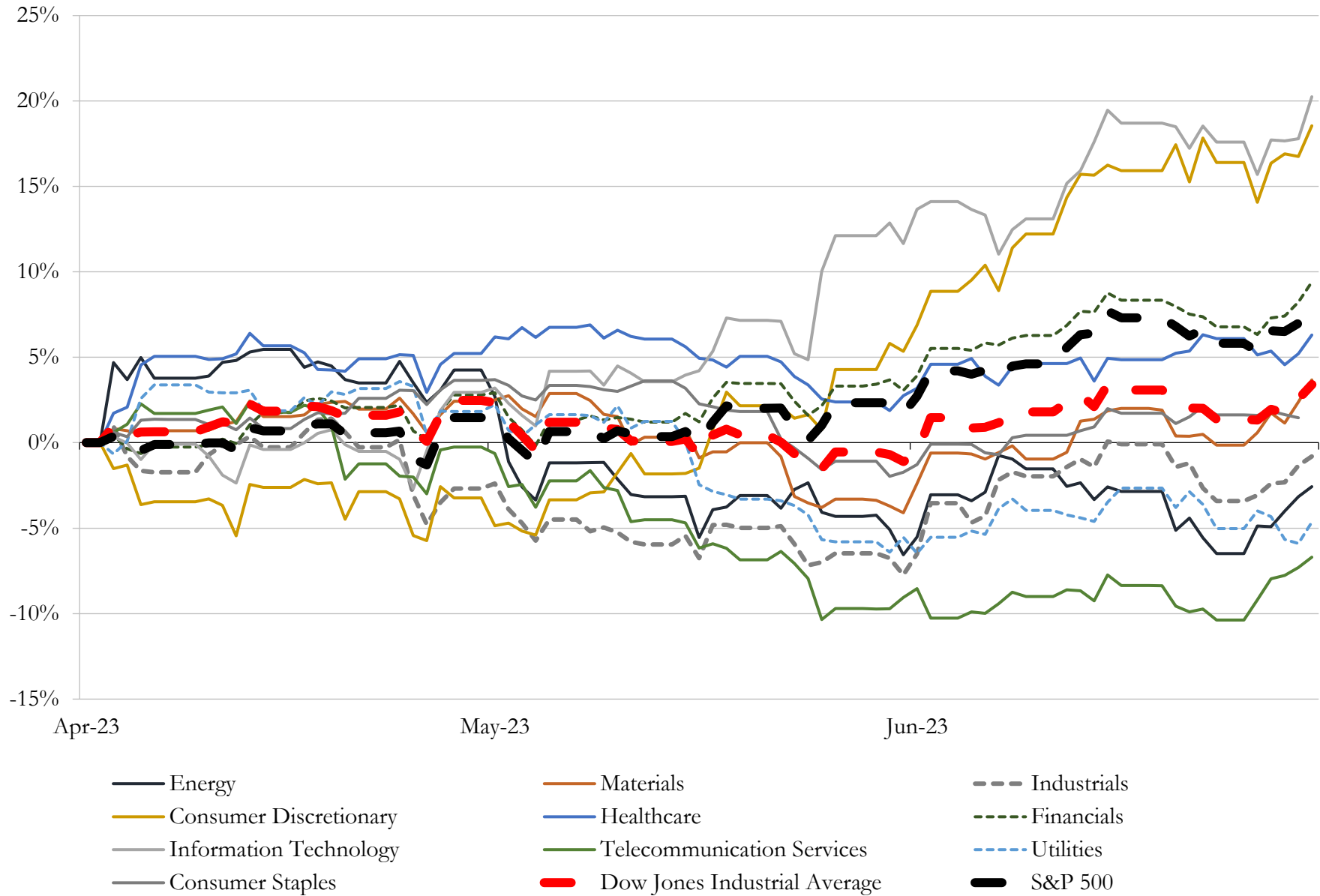
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Dec-22	Abiomed, Inc.	Johnson & Johnson	\$18,157
Oct-22	Change Healthcare Inc.	Optum, Inc.	\$13,548
May-23	Oak Street Health, Inc.	CVS Health Corporation	\$10,467
Jun-23	Prometheus Biosciences, Inc.	Merck & Co., Inc.	\$10,163
Jan-23	City Practice Group of New York, LLC	Village Practice Management Company, LLC	\$8,900
Mar-23	Signify Health, Inc.	CVS Pharmacy, Inc.	\$7,817
Feb-23	LHC Group, Inc.	OptumHealth, Inc.	\$6,154
Oct-22	Global Blood Therapeutics, Inc.	Pfizer Inc.	\$5,364
Aug-22	Hospice and Personal Care Divisions of Kindred at Home	Clayton, Dubilier & Rice, LLC	\$4,667
Oct-22	Covetrus, Inc.	Clayton, Dubilier & Rice, LLC; TPG Capital, L.P.; TPG Global, LLC; TPG	\$4,183
Feb-23	1Life Healthcare, Inc.	Amazon.com, Inc.	\$4,008
Oct-22	ChemoCentryx, Inc.	Amgen Inc.	\$3,644
Aug-22	Affinivax, Inc.	GSK plc	\$3,300
Nov-22	Biosimilars Portfolio and Related Commercial and Operational Capabilities of	Biocon Biologics Limited	\$3,285
Aug-22	Turning Point Therapeutics, Inc.	Bristol-Myers Squibb Company	\$3,058
Apr-23	Provention Bio, Inc.	Sanofi	\$2,784
Mar-23	Applied, Food and Enterprise Services Businesses of PerkinElmer, Inc.	New Mountain Capital, L.L.C.	\$2,450
Jun-23	OneOncology, LLC	AmerisourceBergen Corporation; TPG Inc.	\$2,100
Mar-23	Immucor, Inc.	Werfen, S.A.	\$2,000
Jun-23	CTI BioPharma Corp.	Swedish Orphan Biovitrum AB (publ)	\$1,694
Jul-22	Sierra Oncology, Inc.	GlaxoSmithKline plc (nka:GSK plc)	\$1,657
Jul-22	Parata Systems, LLC	Becton, Dickinson and Company	\$1,548
Jan-23	Meridian Bioscience, Inc.	SD Biosensor, Inc; SJJL Partners	\$1,481
Nov-22	Villarix Therapeutics, Inc.	Incyte Corporation	\$1,430
Jun-23	Heska Corporation	Antech Diagnostics, Inc.	\$1,419
Oct-22	Hanger, Inc.	Patient Square Capital, LP	\$1,373
Jul-22	PANTHERx Rare, LLC	Nautic Partners, LLC; General Atlantic Service Company, L.P.; The Vistria	\$1,373
Dec-22	Magellan Rx Management, LLC	Prime Therapeutics, LLC	\$1,350
Feb-23	Cerveau Technologies, Inc.	Lantheus Holdings, Inc.	\$1,310
Jul-22	Nutraceutical Wellness LLC	Unilever PLC	\$1,305

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2023



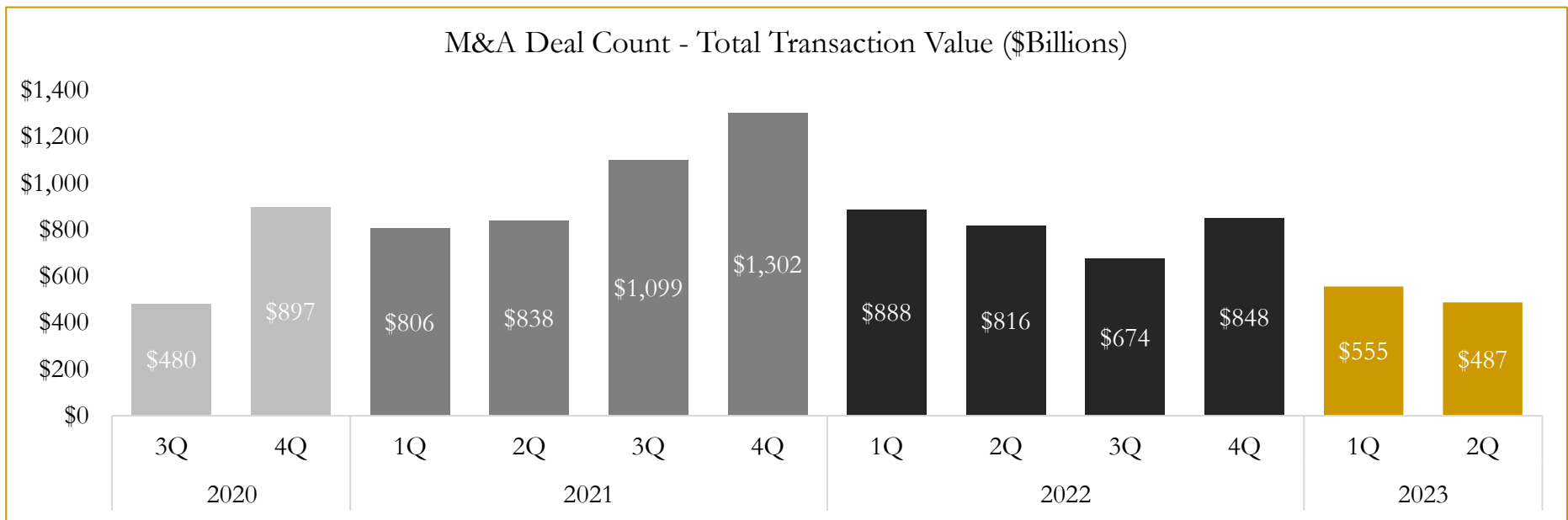
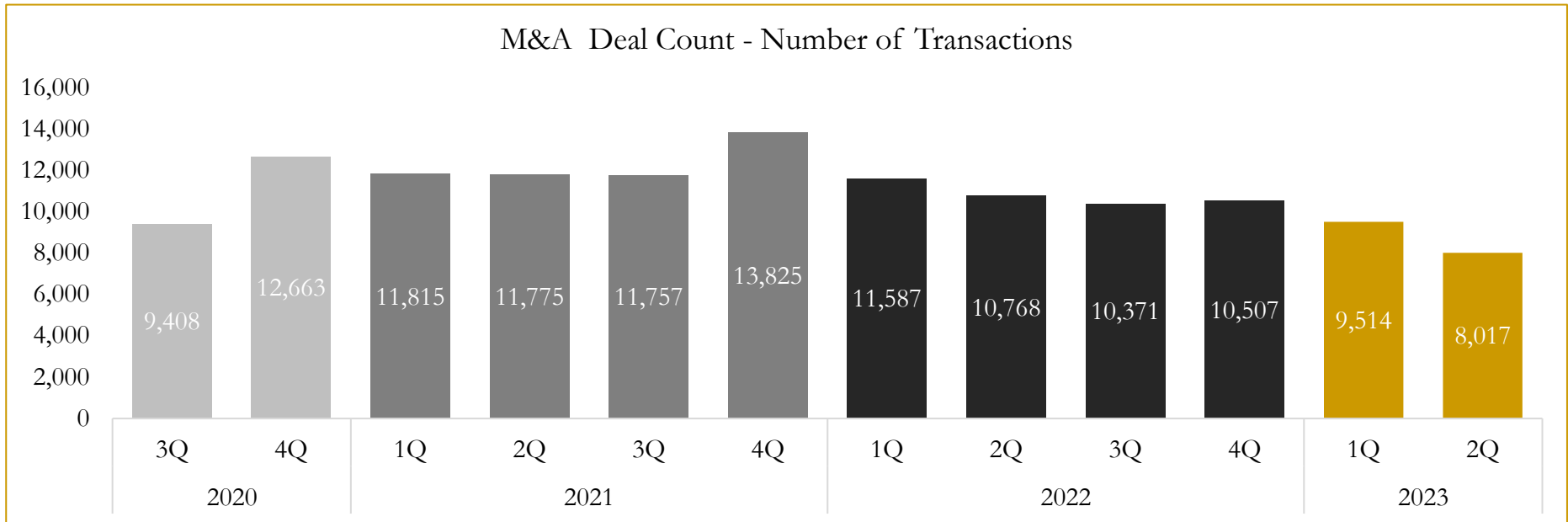
Source: Capital IQ



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## M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2023



Source: Capital IQ

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- **Complex & Illiquid Securities (Level 3)**
- **Cryptoasset /Blockchain Valuations**
  - Locked Token Valuations
- **Enterprise Valuations**
- **Fairness & Solvency Opinions**
  - SPAC Fairness
- **Estate & Gift Valuations**
- **Purchase Price Allocation (ASC 805)**
- **Goodwill Impairment Testing (ASC 350)**
- **Stock-based Compensation (ASC 718, IRC 409A)**

### Investment Banking

- **Mergers & Acquisitions**
  - Sell-Side Advisory
  - Sale of Minority Ownership Positions
  - Leveraged Buyouts
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**For questions or inquiries regarding our services, please contact:**

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