



## Life sciences and health care Quarterly update

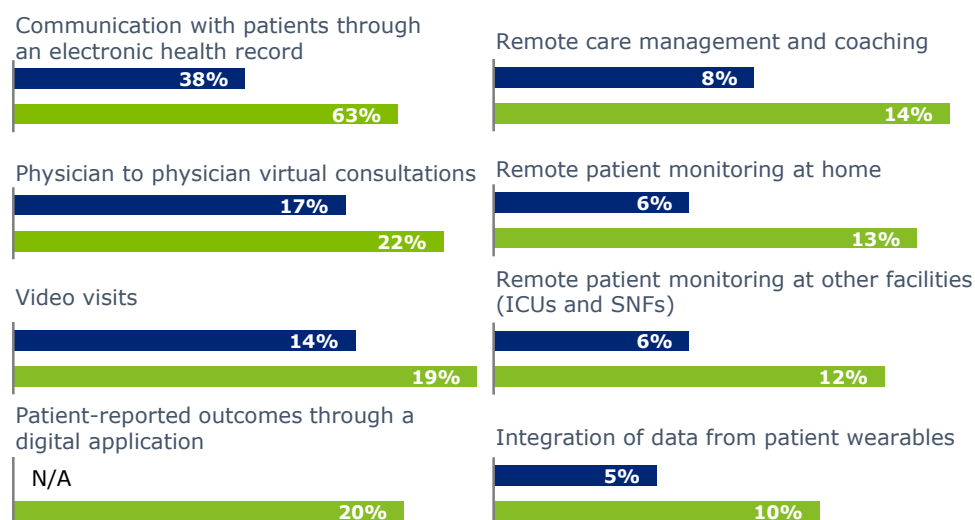
Q4 2020

## Is virtual health here to stay for good?<sup>(1)</sup>

### Findings from the Deloitte 2020 survey of US physicians

COVID-19 altered traditional health care operations and pushed physicians to adopt virtual health. It is time for health care systems to redefine conventions, consolidate the learnings, and scale up what worked to achieve a seamless patient and physician experience. The graphic below illustrates the responses by physicians surveyed between January 5 and February 14, 2020, highlighting the increased adoption of virtual care *prior* to the global pandemic, which has been a boon to the industry and likely a catalyst to prolonged adoption by providers and patients alike.

■ 2018 ■ 2020



### A new normal in the standard of care?

Before COVID-19, most physicians were not intending to use many virtual health solutions, and those who were using virtual health were for the most part only gradually increasing their usage when compared to 2018. Few physicians in our survey reported clinical advantage as a top benefit to virtual health. When the US began responding to the pandemic, many of those orthodoxies appeared to change. The period of March through May 2020 saw an unprecedented shift to virtual health—fueled by regulatory flexibility and necessity. Even though our survey was fielded before the public health crisis, some of the challenges that physicians raised about using these technologies prior to the pandemic will continue to be instructive as health care systems develop their new virtual health strategies.

## Key partnerships<sup>(2,3,4)</sup>

### Teladoc Health (NYSE: TDOC) merges with Livongo Health

On November 4<sup>th</sup>, Teladoc closed its acquisition of Livongo Health for \$18.5 billion, representing an implied 58.3x multiple on \$317.4 million revenue. Under the terms of the merger, Livongo shareholders received 0.59 shares of Teladoc Health plus cash of \$11.33 for each Livongo share held. The transformational merger has created a global leader in consumer-centered virtual care, and according to Livongo, the combined company will become the only consumer and health care provider partner to span a person's entire health journey.

### Royal Philips (NASDAQ: PHIA) and BioTelemetry (NASDAQ: BEAT)

On December 18<sup>th</sup>, BioTelemetry reached a definitive agreement to be acquired by Royal Philips for \$2.8 billion, representing an implied 6.4x multiple on \$438.8 million revenue and 33.6x multiple on \$83.4 million EBITDA (earnings before interest, taxes, depreciation and amortization). The transaction is expected to be completed in the first quarter of 2021, and the combination of Philips' leading patient monitoring position in the hospital with BioTelemetry's leading cardiac diagnostics and monitoring position outside the hospital could result in a global leader in patient care management solutions for the hospital and the home for cardiac and other patients.

## In this update

- COVID-19 has accelerated providers' adoption of virtual care

Also:

- Selected recent life sciences and health care (LSHC) M&A Transactions
- LSHC sector breakdown and analysis
- Selected macroeconomic and sector data

## Who we are

Deloitte Corporate Finance LLC (DCF) is a leading global middle market M&A advisor. DCF's professionals have extensive knowledge of and experience in the Life Sciences and Health Care space.

## LSHC contacts

### Simon Gisby

Managing Director  
sgisby@deloitte.com  
+1 (212) 436-2495

### Doug Bolt

Managing Director  
dbolt@deloitte.com  
+1 (704) 731-7219

### Eric Steinberg

Vice President  
esteinberg@deloitte.com  
+1 (980) 312-3709

### Hugh Shepard

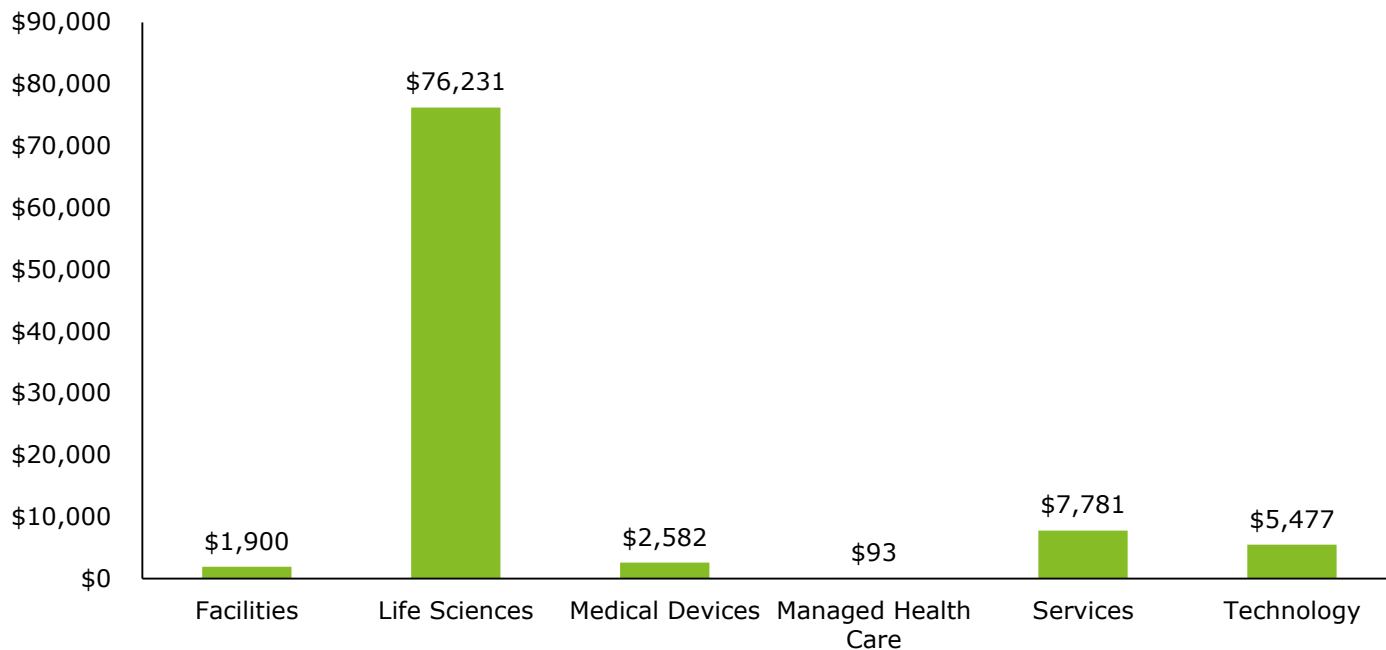
Vice President  
hushepard@deloitte.com  
+1 (980) 312-3711

### Newman Delany

Vice President  
ndelany@deloitte.com  
+1 (212) 436-6326

## Q4 2020 US LSHC M&A aggregate transaction value <sup>(1)(i)</sup>

Aggregate transaction value (\$ in millions)



## Q4 2020 US LSHC M&A activity deal list <sup>(2)(i)</sup>

Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
1-Oct-20	Closed	Life Sciences	AMAG Pharmaceuticals, Inc.	Covis Group S.à r.l.	\$799.9
2-Oct-20	Announced	Services	American Renal Associates Holdings, Inc. (NYSE:ARA)	Innovative Renal Care, LLC	1,391.7
5-Oct-20	Closed	Life Sciences	MyoKardia, Inc.	Bristol-Myers Squibb Company (NYSE:BMJ)	13,134.9
5-Oct-20	Closed	Life Sciences	ReadCoor, Inc.	10x Genomics, Inc. (NasdaqGS:TXG)	350.0
5-Oct-20	Announced	Life Sciences	Eidos Therapeutics, Inc. (NasdaqGS:EIDX)	BridgeBio Pharma, Inc. (NasdaqGS:BBIO)	1,135.2
6-Oct-20	Closed	Medical Devices	Key Surgical, Inc.	STERIS Corporation (BOVESPA:S1TE34)	850.0
6-Oct-20	Closed	Medical Distributors	Driven Deliveries, Inc. (OTCPK:DRVD)	Stem Holdings, Inc. (OTCPK:STMH)	33.3
12-Oct-20	Closed	Technology	ShiftWizard, Inc.	HealthStream, Inc. (NasdaqGS:HSTM)	32.0
15-Oct-20	Closed	Technology	CarePort Health, LLC	WellSky Corporation	1,350.0
15-Oct-20	Closed	Life Sciences	Iota Biosciences, Inc.	Astellas Pharma Inc. (TSE:4503)	304.0
19-Oct-20	Closed	Life Sciences	Disarm Therapeutics, Inc.	Eli Lilly and Company (NYSE:LLY)	1,360.0
20-Oct-20	Closed	Life Sciences	BioSpecifics Technologies Corp.	Endo International plc (NasdaqGS:ENDP)	658.3
22-Oct-20	Closed	Life Sciences	Terrace Global Inc.	The Flowr Corporation (TSXV:FLWR)	52.3
26-Oct-20	Closed	Managed Health Care	BridgeHealth Medical, Inc.	Transcarent, Inc.	50.0

**Note:**

i) Only US deals with reported transaction size greater than \$30MM listed.

## Q4 2020 US LSHC M&A activity deal list <sup>(1)</sup> (i)

Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
27-Oct-20	Closed	Life Sciences	Asklepios BioPharmaceutical, Inc.	Bayer Aktiengesellschaft (XTRA:BAYN)	4,000.0
27-Oct-20	Announced	Life Sciences	Thrive Earlier Detection Corp.	Exact Sciences Corporation (NasdaqCM:EXAS)	2,033.6
28-Oct-20	Closed	Services	West Health Advocate Solutions, Inc.	Teleperformance SE (ENXTPA:TEP)	690.0
28-Oct-20	Closed	Medical Devices	Z-Medica, LLC	Teleflex Incorporated (NYSE:TFX)	525.0
29-Oct-20	Closed	Life Sciences	Synteract, Inc.	Syneos Health, Inc. (NasdaqGS:SYNH)	400.0
30-Oct-20	Closed	Life Sciences	Vedere Bio, Inc.	Novartis AG (SWX:NOVN)	280.0
2-Nov-20	Closed	Life Sciences	Oscine Corp.	Sana Biotechnology, Inc.	234.3
3-Nov-20	Closed	Services	Adheris, LLC	MedAdvisor Welam USA Inc.	34.5
4-Nov-20	Closed	Medical Devices	Nine Continents Medical, Inc.	Coloplast A/S (CPSE:COLO B)	145.0
5-Nov-20	Closed	Medical Distributors	Pinnacle Medical Solutions, Inc.	AdaptHealth Corp. (NasdaqCM:AHCO)	131.6
6-Nov-20	Closed	Life Sciences	VelosBio, Inc.	Merck & Co., Inc. (NYSE:MRK)	2,750.0
6-Nov-20	Closed	Life Sciences	Emisphere Technologies, Inc.	Novo Nordisk A/S (CPSE:NOVO B)	1,338.2
9-Nov-20	Closed	Life Sciences	Trianni, Inc.	AbCellera Biologics Inc. (NasdaqGS:ABCL)	98.0
9-Nov-20	Closed	Life Sciences	Absorption Systems, LLC/Absorption Systems California, LLC	Pharmaron (US) Lab Testing, Inc.	137.5
9-Nov-20	Closed	Technology	Goetech LLC	Grifols Shared Services North America, Inc.	60.2
10-Nov-20	Closed	Life Sciences	Emendo Bio, Inc.	AnGes, Inc. (TSE:4563)	105.6
10-Nov-20	Closed	Technology	HSTechnology Solutions, Inc.	MultiPlan Corporation (NYSE:MPLN)	140.0
11-Nov-20	Closed	Life Sciences	Cytocardia, Inc.	Sana Biotechnology, Inc.	148.0
12-Nov-20	Closed	Facilities	Queen City Hospice, LLC	Addus HomeCare Corporation (NasdaqGS:ADUS)	192.0
17-Nov-20	Closed	Facilities	Portfolio of three senior housing communities located in Washington	Radiant Senior Living, Inc.	42.6
18-Nov-20	Announced	Facilities	Four Post-Acute Care Facilities in Texas	CareTrust REIT, Inc. (NasdaqGS:CTRE)	47.6
18-Nov-20	Announced	Facilities	Miami Beach Medical Group LLC	Sun Capital Partners, Inc.	500.0
27-Nov-20	Closed	Life Sciences	Aptevo Therapeutics Inc. (NasdaqCM:APVO)	Tang Capital Management, LLC	156.6
30-Nov-20	Closed	Medical Devices	BioLife Solutions, Inc. (NasdaqCM:BLFS)	Casdin Capital, LLC	36.0
30-Nov-20	Closed	Managed Health Care	Alliance Pour La Sante Etudiante Au Quebec Inc	People Corporation (TSXV:PEO)	43.4
1-Dec-20	Announced	Technology	CHC Max Holdings, LLC	HealthStream, Inc. (NasdaqGS:HSTM)	67.5
1-Dec-20	Closed	Medical Distributors	AeroCare Holdings, Inc.	AdaptHealth Corp. (NasdaqCM:AHCO)	2,025.7
1-Dec-20	Closed	Medical Devices	A&E Medical Corporation	Zimmer Biomet Holdings, Inc. (NYSE:ZBH)	250.0
1-Dec-20	Announced	Life Sciences	Matrixx Initiatives, Inc.	Church & Dwight Co., Inc. (NYSE:CHD)	530.0
3-Dec-20	Closed	Services	Chartwell Pennsylvania, LP	CarepathRx, LLC	400.0
4-Dec-20	Closed	Technology	Verata Health, Inc.	Olive AI, Inc.	120.0
9-Dec-20	Closed	Medical Devices	Veran Medical Technologies, Inc.	Olympus Corporation of the Americas	340.0
10-Dec-20	Announced	Medical Devices	WaterSep BioSeparations LLC	Sartorius Stedim Biotech S.A. (ENXTPA:DIM)	36.0
10-Dec-20	Announced	Facilities	Portfolio of 45 Ambulatory Surgery Centers in United States	United Surgical Partners International Inc.	1,118.0

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## Q4 2020 US LSHC M&A activity deal list <sup>(1)</sup> (i)

Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
12-Dec-20	Announced	Life Sciences	Neos Therapeutics, Inc. (NasdaqGM:NEOS)	Aytu BioScience, Inc. (NasdaqCM:AYTU)	81.7
15-Dec-20	Announced	Life Sciences	Alexion Pharmaceuticals, Inc. (NasdaqGS:ALXN)	AstraZeneca PLC (LSE:AZN)	43,364.7
16-Dec-20	Announced	Life Sciences	Prevail Therapeutics Inc. (NasdaqGM:PRVL)	Eli Lilly and Company (NYSE:LLY)	1,068.6
16-Dec-20	Closed	Services	Kantar Health LLC	Cerner Corporation (NasdaqGS:CERN)	375.0
17-Dec-20	Announced	Medical Devices	ACell, Inc.	Integra LifeSciences Holdings Corporation (NasdaqGS:I)	400.0
17-Dec-20	Announced	Life Sciences	Cadent Therapeutics, Inc.	Novartis AG (SWX:NOVN)	770.0
18-Dec-20	Closed	Life Sciences	Physicians Exclusive, LLC	Novozymes A/S (CPSE:NZYM B)	250.0
18-Dec-20	Announced	Services	BioTelemetry, Inc. (NasdaqGS:BEAT)	Philips Holding USA Inc.	2,889.6
18-Dec-20	Announced	Technology	Urgent Care Platform of Tenet Healthcare Corporation	FastMed Urgent Care, P.C.	80.0
21-Dec-20	Announced	Services	Oncology Business of Agios Pharmaceuticals, Inc.	Servier Pharmaceuticals LLC	2,000.0
21-Dec-20	Announced	Technology	HMS Holdings Corp. (NasdaqGS:HMSY)	Gainwell	3,626.8
21-Dec-20	Announced	Life Sciences	Liberty Health Sciences Inc. (CNSX:LHS)	Ayr Strategies Inc. (CNSX:AYR.A)	307.5
22-Dec-20	Announced	Life Sciences	Berkeley Advanced Biomaterials, Inc.	GNI USA, Inc.	37.2
22-Dec-20	Announced	Life Sciences	Liberty Health Sciences Inc. (CNSX:LHS)	Ayr Strategies Inc. (CNSX:AYR.A)	307.5
28-Dec-20	Announced	Life Sciences	Berkeley Advanced Biomaterials, Inc.	GNI USA, Inc.	37.2

**Note:**

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## LSHC sector breakdown: financial detail <sup>(1)</sup>

	Enterprise value (\$MM)	Three-year revenue CAGR	LTM			EV / LTM		
			Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA	
Assisted Living / Long-Term Care (4)								
Brookdale Senior Living Inc. (NYSE:BKD)	\$6,146.0	(7.3)	%	\$3,253.6	\$413.2	12.7 %	1.9 x	14.9 x
The Ensign Group, Inc. (NasdaqGS:ENSG)	5,434.9	8.7		2,246.6	235.2	10.5	2.4	23.1
National HealthCare Corporation (AMEX:NHC)	1,014.3	1.6		994.1	84.8	8.5	1.0	12.0
Capital Senior Living Corporation (NYSE:CSU)	955.5	(2.8)		421.3	40.2	9.5	2.3	23.8
Median		(0.6)	%			10.0 %	2.1 x	19.0 x
Hospitals (4)								
HCA Healthcare, Inc. (NYSE:HCA)	\$84,419.4	5.9	%	\$50,146.0	\$9,035.0	18.0 %	1.7 x	9.3 x
Tenet Healthcare Corporation (NYSE:THC)	17,409.2	(3.2)		17,542.0	2,375.0	13.5	1.0	7.3
Universal Health Services, Inc. (NYSE:UHS)	14,463.5	(11.6)		12,075.0	1,001.0	8.3	1.1	13.3
Community Health Systems, Inc. (NYSE:CYH)	13,326.7	3.7		11,278.1	1,722.1	15.3	1.3	8.4
Median		0.3	%			14.4 %	1.2 x	8.9 x
Psychiatric and Behavioral Health (1)								
Acadia Healthcare Company, Inc. (NasdaqGS:ACHC)	\$8,099.8	2.9	%	\$3,090.6	\$532.4	17.2 %	2.6 x	15.2 x
Median		2.9	%			17.2 %	2.6 x	15.2 x
Rehabilitation Facilities (3)								
Encompass Health Corporation (NYSE:EHC)	\$12,000.5	6.9	%	\$4,602.1	\$849.8	18.5 %	2.6 x	14.1 x
Select Medical Holdings Corporation (NYSE:SEM)	7,783.2	8.3		5,415.3	638.0	11.8	1.4	12.2
U.S. Physical Therapy, Inc. (NYSE:USPH)	1,764.1	4.6		431.4	60.7	14.1	4.1	29.1
Median		6.9	%			14.1 %	2.6 x	14.1 x
Surgery Centers (1)								
Surgery Partners, Inc. (NasdaqGS:SGRY)	\$4,329.4	16.3	%	\$1,784.9	\$269.3	15.1 %	2.4 x	16.1 x
Median		16.3	%			15.1 %	2.4 x	16.1 x
Clinical Laboratories (3)								
Laboratory Corporation of America Holdings (NYSE:LH)	\$28,758.0	5.8	%	\$11,474.5	\$1,813.4	15.8 %	2.5 x	15.9 x
Quest Diagnostics Incorporated (NYSE:DGX)	21,181.1	0.5		7,531.0	1,447.0	19.2	2.8	14.6
Chemed Corporation (NYSE:CHE)	8,694.1	7.7		2,020.9	326.3	16.1	4.3	26.6
Median		5.8	%			16.1 %	2.8 x	15.9 x
Diagnostic Imaging (1)								
RadNet, Inc. (NasdaqGM:RDNT)	\$2,104.9	6.3	%	\$1,091.1	\$119.4	10.9 %	1.9 x	17.6 x
Median		6.3	%			10.9 %	1.9 x	17.6 x
Dialysis Services (3)								
Fresenius SE & Co. KGaA (XTRA:FRE)	\$46,048.8	4.0	%	\$36,208.0	\$6,131.0	16.9 %	1.3 x	7.5 x
DaVita Inc. (NYSE:DVA)	24,390.9	9.7		11,523.9	2,450.1	21.3	2.1	10.0
American Renal Associates Holdings, Inc. (NYSE:ARA)	990.1	2.6		815.8	115.6	14.2	1.2	8.6
Median		4.0	%			16.9 %	1.3 x	8.6 x
Home Care / Hospice (3)								
Amedisys, Inc. (NasdaqGS:AMED)	\$10,201.5	10.6	%	1,972.1	208.9	10.6 %	5.2	NM
LHC Group, Inc. (NasdaqGS:LHCG)	6,801.1	28.9		2,060.0	163.6	7.9	3.3	NM
Addus HomeCare Corporation (NasdaqGS:ADUS)	1,824.3	22.1		735.8	59.5	8.1	2.5	30.6
Median		22.1	%			8.1 %	3.3 x	30.6 x

LSHC sector breakdown: financial detail (cont.)<sup>(1)</sup>

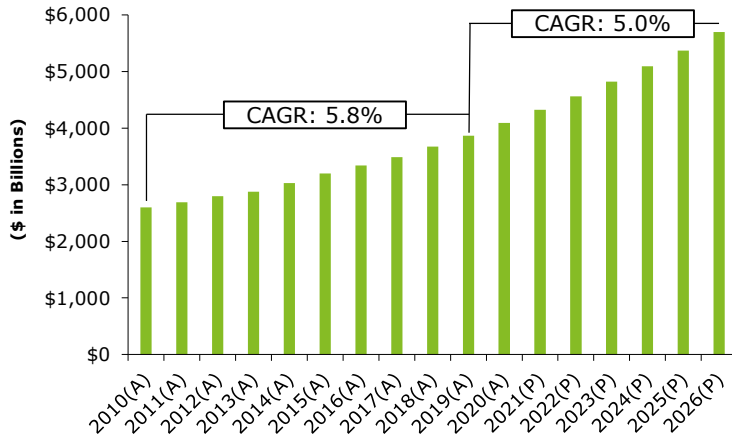
	Enterprise value (\$MM)	Three-year revenue CAGR		LTM			EV / LTM	
				Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA
Healthcare Technology (10)								
Veeva Systems Inc. (NYSE:VEEV)	\$41,843.3	27.0 %		\$1,196.4	\$327.8	27.4 %	35.0 x	NM x
Cerner Corporation (NasdaqGS:CERN)	25,298.7	4.3		5,613.8	1,169.9	20.8	4.5	21.6
HealthEquity, Inc. (NasdaqGS:HQY)	6,933.3	49.6		635.0	187.4	29.5	10.9	37.0
Omniceil, Inc. (NasdaqGS:OMCL)	5,140.9	16.0		656.3	179.8	27.4	7.6	27.7
Inovalon Holdings, Inc. (NasdaqGS:INOV)	4,979.9	8.0		624.3	107.7	17.2	5.2	30.3
Allscripts Healthcare Solutions, Inc. (NasdaqGS:MDRX)	3,651.1	10.1		906.4	100.9	11.1	5.7	50.9
HMS Holdings Corp. (NasdaqGS:HMSY)	3,267.0	1.2		1,718.1	70.0	4.1	2.1	52.1
NextGen Healthcare, Inc. (NasdaqGS:NXGN)	1,454.7	4.5		130.1	45.7	35.1	9.4	26.6
National Research Corporation (NasdaqGS:NRC)	1,218.2	1.3		539.3	32.6	6.0	2.7	44.7
Computer Programs and Systems, Inc. (NasdaqGS:CPSI)	503.8	1.0		268.6	34.5	12.8	1.9	14.6
Median		6.2 %				19.0 %	5.5 x	30.3 x
Telehealth (1)								
Teladoc Health, Inc. (NYSE:TDOC)	\$18,044.8	65.8 %		\$716.3	(\$8.6)	NA %	25.2 x	NA x
Median		65.8 %				NA %	25.2 x	NA x
Biotechnology (6)								
AbbVie Inc. (NYSE:ABBV)	\$279,737.1	10.7 %		\$36,227.0	\$16,729.0	46.2 %	7.7 x	16.7 x
Amgen Inc. (NasdaqGS:AMGN)	171,288.4	1.8		24,301.0	12,115.0	49.9	7.0	14.1
Gilead Sciences, Inc. (NasdaqGS:GILD)	87,557.7	(8.0)		22,174.0	5,564.0	25.1	3.9	15.7
Regeneron Pharmaceuticals, Inc. (NasdaqGS:REGN)	51,531.8	18.4		8,693.2	3,028.0	34.8	5.9	17.0
Biogen Inc. (NasdaqGS:BIIB)	46,862.6	7.3		14,487.3	8,045.7	55.5	3.2	5.8
Alexion Pharmaceuticals, Inc. (NasdaqGS:ALXN)	34,809.0	17.5		5,536.8	2,911.1	52.6	6.3	12.0
Median		9.0 %				48.0 %	6.1 x	14.9 x
Contract Research and Manufacturing (6)								
IQVIA Holdings Inc. (NYSE:IQV)	\$48,136.6	11.9 %		\$10,939.0	\$1,768.0	16.2 %	4.4 x	27.2 x
West Pharmaceutical Services, Inc. (NYSE:WST)	22,416.3	8.0		1,945.4	441.0	22.7	11.5	NM
Charles River Laboratories International, Inc. (NYSE:CRL)	16,028.7	15.0		2,748.7	610.8	22.2	5.8	26.2
ICON Public Limited Company (NasdaqGS:ICLR)	11,417.1	17.3		2,771.2	469.7	17.0	4.1	24.3
PRA Health Sciences, Inc. (NasdaqGS:PRAH)	9,983.4	19.0		3,094.5	430.5	13.9	3.2	23.2
Medpace Holdings, Inc. (NasdaqGS:MEDP)	5,074.3	32.6		882.0	151.2	17.1	5.8	33.6
Median		16.1 %				17.0 %	5.1 x	26.2 x
Pharmaceuticals (4)								
Pfizer Inc. (NYSE:PFE)	\$255,048.8	(2.0) %		\$49,197.0	\$20,055.0	40.8 %	5.2 x	12.7 x
Merck & Co., Inc. (NYSE:MRK)	228,150.8	5.7		47,194.0	19,046.0	40.4	4.8	12.0
Eli Lilly and Company (NYSE:LLY)	196,465.2	1.4		22,949.8	7,613.3	33.2	8.6	25.8
Bristol-Myers Squibb Company (NYSE:BMJ)	174,757.8	19.9		34,862.0	14,107.0	40.5	5.0	12.4
Median		3.5 %				40.4 %	5.1 x	12.6 x
Tools and Services (8)								
Thermo Fisher Scientific Inc. (NYSE:TMO)	\$219,921.1	11.0 %		\$26,248.0	\$6,961.0	26.5 %	8.4 x	31.6 x
Abbott Laboratories (NYSE:ABT)	215,317.5	10.0		31,444.0	7,566.0	24.1	6.8	28.5
Becton, Dickinson and Company (NYSE:BDX)	93,857.0	11.6		16,917.0	4,570.0	27.0	5.5	20.5
Illumina, Inc. (NasdaqGS:ILMN)	57,660.4	10.5		3,351.0	1,177.0	35.1	17.2	NM
Agilent Technologies, Inc. (NYSE:A)	40,888.9	6.6		5,236.0	1,294.0	24.7	7.8	31.6
PerkinElmer, Inc. (NYSE:PKI)	18,815.3	10.6		2,887.3	610.7	21.2	6.5	30.8
Waters Corporation (NYSE:WAT)	18,193.8	1.0		2,278.5	775.1	34.0	8.0	23.5
Bio-Rad Laboratories, Inc. (NYSE:BIO)	17,450.0	3.2		2,293.6	409.0	17.8	7.6	NM
Median		10.2 %				25.6 %	7.7 x	29.6 x
Commercial Plans (5)								
UnitedHealth Group Incorporated (NYSE:UNH)	\$355,966.3	8.8 %		\$247,811.0	\$26,492.0	10.7 %	1.4 x	13.4 x
Cigna Corporation (NYSE:CI)	113,818.9	56.0		154,629.0	11,529.0	7.5	0.7	9.9
Anthem, Inc. (NYSE:ANTM)	98,247.2	8.7		112,965.0	9,134.0	8.1	0.9	10.8
Humana Inc. (NYSE:HUM)	55,268.3	9.4		70,554.0	5,037.0	7.1	0.8	11.0
Magellan Health, Inc. (NasdaqGS:MGLN)	2,956.8	10.4		7,108.6	197.1	2.8	0.4	15.0
Median		9.4 %				7.5 %	0.8 x	11.0 x
Government Plans (2)								
Centene Corporation (NYSE:CNC)	\$41,163.5	25.6 %		\$86,523.0	\$4,762.0	5.5 %	0.5 x	8.6 x
Molina Healthcare, Inc. (NYSE:MOH)	11,883.4	(2.3)		16,999.0	1,253.0	7.4	0.7	9.5
Median		11.7 %				6.4 %	0.6 x	9.1 x
Payor Services (1)								
CorVel Corporation (NasdaqGS:CRVL)	\$1,893.9	2.7 %		\$571.7	\$76.9	13.5 %	3.3 x	24.6 x
Median		2.7 %				13.5 %	3.3 x	24.6 x

LSHC sector breakdown: financial detail (cont.)<sup>(1)</sup>

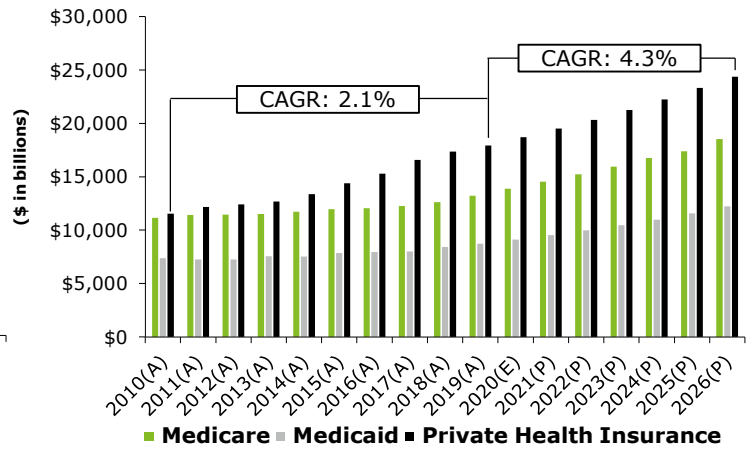
	Enterprise value (\$MM)	Three-year revenue CAGR		LTM			EV / LTM			
				Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA		
Pharmacy	Retail Pharmacy (3)									
	CVS Health Corporation (NYSE:CVS)	\$172,879.2	13.3	%	\$262,980.0	\$18,256.0	6.9	%	0.7 x	9.5 x
	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	82,841.6	5.9		138,744.0	5,211.0	3.8		0.6	15.9
	Rite Aid Corporation (NYSE:RAD)	7,275.4	3.8		22,583.2	628.0	2.8		0.3	11.6
	Median		5.9	%			3.8	%	0.6 x	11.6 x
Physicians / Staffing	Healthcare Staffing (3)									
	ASGN Incorporated (NYSE:ASGN)	\$5,629.3	16.1	%	\$3,955.2	\$410.4	10.4	%	1.4 x	13.7 x
	AMN Healthcare Services, Inc. (NYSE:AMN)	4,576.5	6.7		2,365.3	261.5	11.1		1.9	17.5
	Cross Country Healthcare, Inc. (NasdaqGS:CCRN)	419.7	(0.1)		851.1	23.9	2.8		0.5	17.6
	Median		6.7	%			10.4	%	1.4 x	17.5 x
	Physician Practice Management (1)									
	MEDNAX, Inc. (NYSE:MD)	\$3,622.9	1.6	%	\$3,504.0	\$458.2	13.1	%	1.0 x	7.9 x
	Median		1.6	%			13.1	%	1.0 x	7.9 x
Medical Devices and Products	Medical Devices and Products (16)									
	Johnson & Johnson (NYSE:JNJ)	\$440,487.1	3.5	%	\$80,503.0	\$27,210.0	33.8	%	5.5 x	16.2 x
	Danaher Corporation (NYSE:DHR)	190,172.6	1.7		18,034.0	4,458.6	24.7		10.5	42.7
	Medtronic plc (NYSE:MDT)	174,875.0	(0.9)		28,913.0	7,736.0	26.8		6.0	22.6
	Stryker Corporation (NYSE:SYK)	98,948.2	5.6		14,070.0	3,699.0	26.3		7.0	26.7
	Boston Scientific Corporation (NYSE:BSX)	60,265.1	5.2		10,157.0	2,233.0	22.0		5.9	27.0
	Edwards Lifesciences Corporation (NYSE:EW)	54,106.9	10.2		4,321.8	1,342.7	31.1		12.5	40.3
	Baxter International Inc. (NYSE:BAX)	43,212.4	3.5		11,410.0	2,753.0	24.1		3.8	15.7
	Zimmer Biomet Holdings, Inc. (NYSE:ZBH)	41,336.8	(3.3)		7,028.0	1,893.7	26.9		5.9	21.8
	ResMed Inc. (NYSE:RMD)	32,268.2	12.7		2,957.0	922.9	31.2		10.9	35.0
	Hologic, Inc. (NasdaqGS:HOLX)	22,631.1	3.4		3,295.4	1,066.8	32.4		6.9	21.2
	Teleflex Incorporated (NYSE:TFX)	20,242.9	8.4		2,526.9	680.7	26.9		8.0	29.7
	STERIS plc (NYSE:STE)	16,993.7	5.2		3,003.0	750.1	25.0		5.7	22.7
	Varian Medical Systems, Inc. (NYSE:VAR)	15,964.0	7.8		3,328.1	579.5	17.4		4.8	27.5
	DENTSPLY SIRONA Inc. (NasdaqGS:XRAY)	14,006.4	(3.6)		3,438.5	634.4	18.4		4.1	22.1
	Hill-Rom Holdings, Inc. (NYSE:HRC)	8,677.2	2.9		2,958.5	627.6	21.2		2.9	13.8
	Integer Holdings Corporation (NYSE:ITGR)	3,462.7	(1.3)		1,271.8	248.6	19.5		2.7	13.9
Median		3.5	%			25.6	%	5.9 x	22.6 x	
Medical Supplies Distribution	Medical Supplies Distribution (6)									
	McKesson Corporation (NYSE:MCK)	\$36,610.4	4.9	%	\$231,002.0	\$3,714.0	1.6	%	0.2 x	9.9 x
	AmerisourceBergen Corporation (NYSE:ABC)	22,303.9	7.1		186,287.0	2,253.7	1.2		0.1	9.9
	Cardinal Health, Inc. (NYSE:CAH)	20,381.2	5.6		152,922.0	2,692.0	1.8		0.1	7.6
	Henry Schein, Inc. (NasdaqGS:HSIC)	11,023.3	(8.1)		9,291.0	760.5	8.2		1.2	14.5
	Patterson Companies, Inc. (NasdaqGS:PDCO)	3,601.0	(0.6)		5,490.0	268.3	4.9		0.7	13.4
	Owens & Minor, Inc. (NYSE:OMI)	3,174.6	(3.6)		8,413.8	193.5	2.3		0.4	16.4
	Median		2.2	%			2.0	%	0.3 x	11.7 x

## LSHC sector data

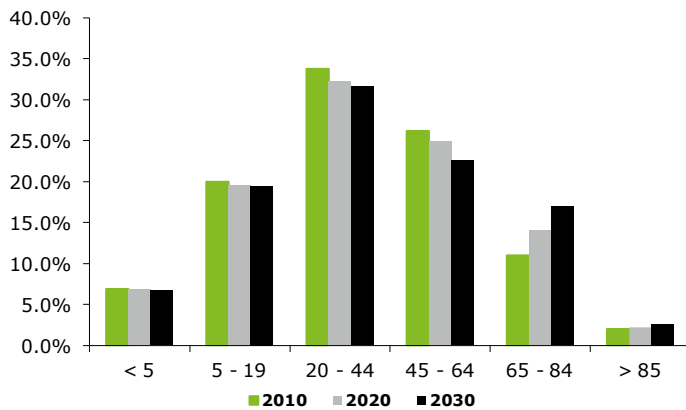
### US health care spend<sup>(1)</sup>



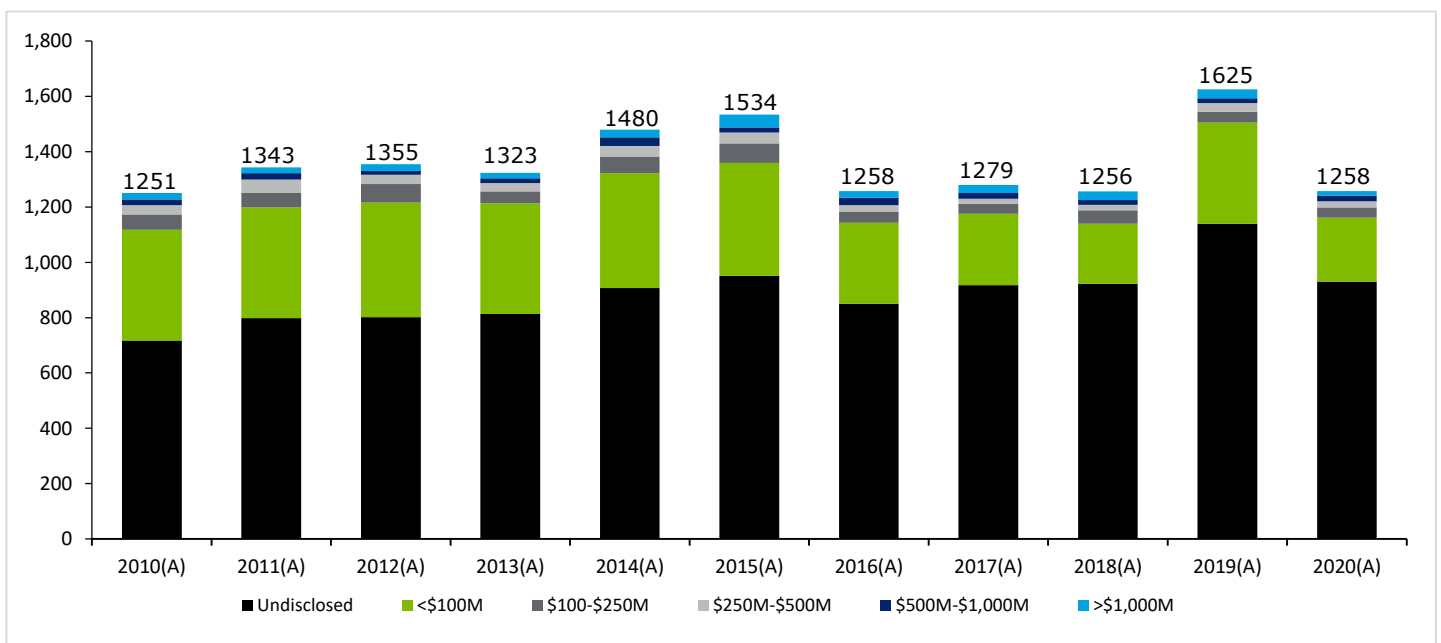
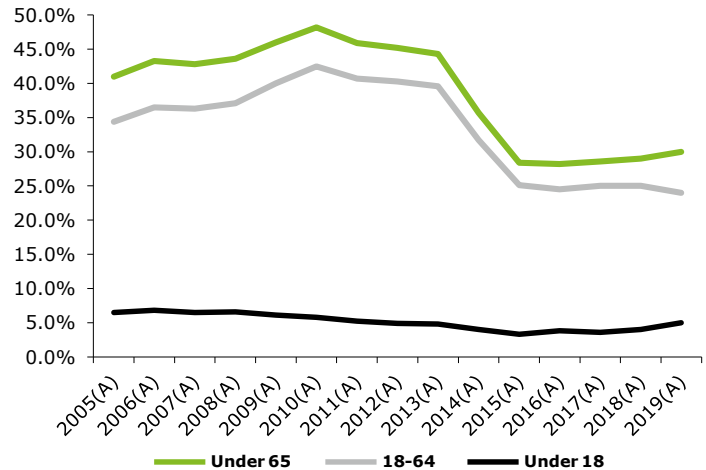
### US health care spend by payor per capita<sup>(2) (i)</sup>



### US population by age group<sup>(3)</sup>



### Number of US uninsured by age group<sup>(4)</sup>



Note:

i) CAGR listed represents total Medicare, Medicaid and Private Health Insurance.

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For additional information or to find out more about how DCF can assist the deal initiation and execution process, please contact one of our DCF managing directors:

**Phil Colaco, CEO**
[philcolaco@deloitte.com](mailto:philcolaco@deloitte.com)

+1 704 333 0533

**John Deering**
[jdeering@deloitte.com](mailto:jdeering@deloitte.com)

+1 704 333 0574

**Jamie Lewin**
[jlewin@deloitte.com](mailto:jlewin@deloitte.com)

+1 214 840 7057

**Justin Silber**
[jsilber@deloitte.com](mailto:jsilber@deloitte.com)

+1 404 942 6960

**Keith Adams**
[keadams@deloitte.com](mailto:keadams@deloitte.com)

+1 404 631 3455

**Lorin DeMordaunt**
[ldemordaunt@deloitte.com](mailto:ldemordaunt@deloitte.com)

+1 704 333 0591

**James Miller**
[jamesmiller5@deloitte.com](mailto:jamesmiller5@deloitte.com)

+1 704 731 8230

**Tom Spivey**
[tspivey@deloitte.com](mailto:tspivey@deloitte.com)

+1 214 840 7014

**Eric Andreozzi**
[eandreozi@deloitte.com](mailto:eandreozi@deloitte.com)

+1 704 333 0518

**Will Frame**
[wframe@deloitte.com](mailto:wframe@deloitte.com)

+1 312 486 4458

**Byron Nelson**
[bynelson@deloitte.com](mailto:bynelson@deloitte.com)

+1 469 417 2462

**Doug Bolt**
[dbolt@deloitte.com](mailto:dbolt@deloitte.com)

+1 704 731 7219

**Tony Blanchard**
[anblanchard@deloitte.com](mailto:anblanchard@deloitte.com)

+1 313 396 3738

**Lou Paone**
[lpaone@deloitte.com](mailto:lpaone@deloitte.com)

+1 704 731 7202

**Hector Calzada**
[hcalzada@deloitte.com](mailto:hcalzada@deloitte.com)

+1 404 631 3015

**Bill Kerkam**
[wkerkam@deloitte.com](mailto:wkerkam@deloitte.com)

+1 980 312 3613

**Simon Gisby**
[sgisby@deloitte.com](mailto:sgisby@deloitte.com)

+1 212 436 2495

**Garett Poston**
[gposton@deloitte.com](mailto:gposton@deloitte.com)

+1 213 593 4544

**Matt Preece**
[mpreece@deloitte.com](mailto:mpreece@deloitte.com)

+1 704 731 7186

Deloitte Corporate Finance Business Development Group:

**Brad Heston**

Senior Vice President

[bheston@deloitte.com](mailto:bheston@deloitte.com)

+1 404 631 3839

**John Lindsey**

Senior Vice President

[jlindsey@deloitte.com](mailto:jlindsey@deloitte.com)

+1 469 417 2147

**Bill Pucci**

Senior Vice President

[wpucci@deloitte.com](mailto:wpucci@deloitte.com)

+1 973 602 4542

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