



Life sciences and health care quarterly update

Q2 2020
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The Race for COVID-19 treatment may transform the R&D process in Biopharma⁽¹⁾



A new industry norm for R&D

Research and development (R&D) for the biopharma industry is undoubtedly a long and expensive process. However, over the past few months, the industry has shifted into high-gear in order to develop treatments and potential vaccines capable of combatting COVID-19. While clinical cycle-times for infectious disease treatments typically average five or six years, some companies are predicting COVID-19 vaccines may be available for use by early 2021 – much more expedited from the industry norm. This accelerated process, if adopted systematically, could potentially lead to productivity improvements across all therapy areas long after this crisis passes.

Collaboration among the health ecosystem⁽¹⁾



“It takes a village” to bring new drugs to market

Collaboration among the R&D ecosystem has occurred at unprecedented levels across the entire industry over the past few months. R&D executives from several biopharma companies have been meeting regularly to determine how to effectively leverage their resources. Even competing companies have been joining forces to utilize their relative strengths to develop a treatment for the disease. Public health agencies are also bringing stakeholders together through the use of master protocols. Master protocols are “adaptive, collaborative studies that allow for simultaneous evaluation of multiple treatments and questions for individuals who have specific diseases or disease subtypes within the same trial structure.” Researchers believe these master protocols have benefits to both patients and the industry, including:

Patient centric

Patients are enrolled in one trial, screened once, and automatically matched to the trial arm most beneficial to them.

Top expertise

Leading research and clinical experts are brought together to establish protocols and share learnings.

Reduced cost and cycle time

Shared infrastructure and resources can lead to a 13-18 percent improvement in cycle time and cost savings of 12-15 percent.

Drug combinations

The protocol design enables easy comparisons of multiple drug combinations.

Rolling and unbiased data analysis

Data is analyzed by an independent statistical working group capable of sharing results with any arm.

Key partnerships⁽²⁾



Gavi, the vaccine alliance (Gavi) and the coalition for epidemic preparedness innovations (CEPI)

In response to COVID-19, Gavi and CEPI, two global health partnerships, are working with several companies to develop a vaccine. For example, on June 4, AstraZeneca announced a \$750 million agreement with Gavi and CEPI to support the manufacturing, procurement, and distribution of 300 million doses of a vaccine, beginning by the end of the year.

Biomedical advanced research and development authority (BARDA)

BARDA, part of the Office of the Assistant Secretary for Preparedness and Response (ASPR) at the Department of Health and Human Services (HHS), is partnering with various life sciences companies to combat COVID-19. For example, Johnson and Johnson’s Janssen Pharmaceutical expanded its coronavirus vaccine research program through a collaboration with BARDA.

Accelerating COVID-19 therapeutic interventions and vaccines (ACTIV)

ACTIV is a public-private initiative organized by the National Institutes of Health and the Foundation for the NIH. ACTIV’s partners, including over 18 leading biopharma companies, US federal agencies, and the European Medicines Agency, are developing an international strategic response to COVID-19.

In this update

- COVID-19 has impacted the process for bringing new vaccines and treatments to market

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.

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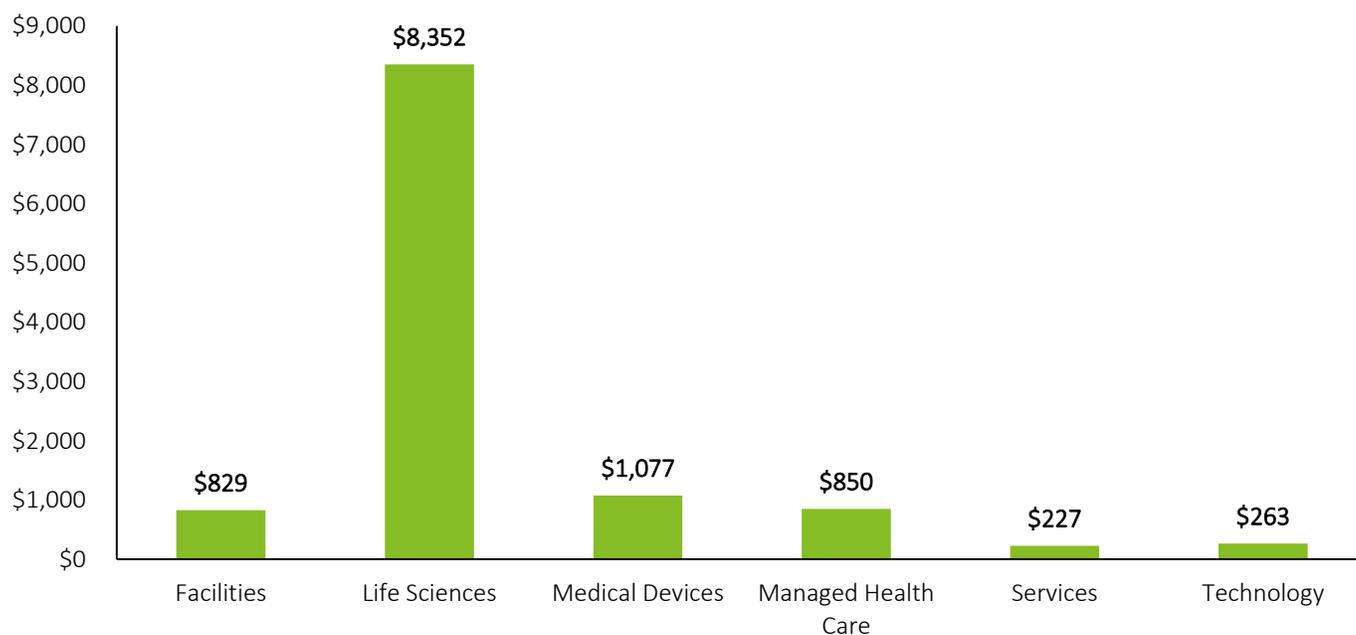
LSHC COVID-19 and CARES Act Updates

- To be included in Deloitte’s next COVID-19 or CARES Act update email or call, email Eric Steinberg or Hugh Shepard at esteinberg@deloitte.com or hushepard@deloitte.com

Q2 2020 US LSHC M&A aggregate transaction value ⁽¹⁾⁽ⁱ⁾



Aggregate transaction value (\$ in millions)



Q2 2020 US LSHC M&A activity deal list ⁽²⁾⁽ⁱ⁾



Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
9-Apr-20	Closed	Medical Devices	Celsee, Inc.	Bio-Rad Laboratories, Inc. (NYSE: BIO)	\$160.0
9-Apr-20	Announced	Facilities	St. Francis Medical Center Inc.	Prime Healthcare Services, Inc.	350.0
15-Apr-20	Closed	Facilities	Portfolio of Three Skilled Nursing Properties in Delaware	Comprehensive Care Capital	67.0
27-Apr-20	Closed	Facilities	AseraCare Hospice	Amedisys Hospice, L.L.C.	235.0
29-Apr-20	Closed	Medical Devices	Breathe, Inc.	Abiomed, Inc. (NasdaqGS: ABMD)	110.0
30-Apr-20	Announced	Managed Health Care	Magellan Complete Care Business of Magellan Health, Inc.	Molina Healthcare, Inc. (NYSE: MOH)	850.0
4-May-20	Closed	Life Sciences	Stemline Therapeutics, Inc.	Berlin-Chemie AG	678.2
4-May-20	Closed	Technology	Connected Analytics Business of Change Healthcare, Inc.	Kaufman, Hall & Associates, Inc.	55.0
5-May-20	Closed	Life Sciences	Portola Pharmaceuticals, Inc.	Alexion Pharmaceuticals, Inc. (NasdaqGS: ALXN)	1,760.9
6-May-20	Closed	Services	American Anesthesiology, Inc.	NAPA Management Services Corporation	50.0
6-May-20	Closed	Life Sciences	Censa Pharmaceuticals Inc.	PTC Therapeutics, Inc. (NasdaqGS: PTCT)	538.4
6-May-20	Announced	Life Sciences	Tetraphase Pharmaceuticals, Inc. (NasdaqGS: TTPH)	La Jolla Pharmaceutical Company (NasdaqCM: LJPC)	54.7
7-May-20	Closed	Services	National MedTrans Network Inc.	LogistiCare Solutions, LLC	80.0
7-May-20	Closed	Facilities	Buena Vida Continuing Care and Rehabilitation Center	TL Management; Fortis Business Holdings, LLC	58.8

Q2 2020 US LSHC M&A activity deal list ⁽¹⁾ (i)



Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
11-May-20	Closed	Medical Devices	TearLab Corporation	Accelmed Fund	39.4
12-May-20	Closed	Facilities	Parkland Commons Senior Living Facility	Kayne Anderson Capital Advisors, L.P.	55.7
12-May-20	Announced	Life Sciences	PureKana, LLC	AF1 Capital Corp. (TSXV:AFC.P)	68.9
19-May-20	Announced	Life Sciences	Salzman Group, Inc.	Kalytera Therapeutics, Inc. (TSXV:KLY)	34.7
19-May-20	Closed	Life Sciences	Substantially all the assets of GenCanna Global USA, Inc.	MGG Investment Group, LP	77.0
25-May-20	Announced	Life Sciences	Altum Pharmaceuticals Inc.	BetterLife Pharma Inc. (OTCPK:BETR.D)	36.1
26-May-20	Closed	Medical Devices	High Standard Health Care Ltd.	Global Care Capital Inc. (CNSX:HLTH)	79.8
26-May-20	Closed	Medical Devices	Solara Medical Supplies, LLC	AdaptHealth, LLC	427.6
26-May-20	Closed	Medical Devices	ActivStyle, Inc.	AdaptHealth Corp. (NasdaqCM:AHCO)	62.0
26-May-20	Announced	Life Sciences	Tetra Therapeutics Inc.	Shionogi & Co., Ltd. (TSE:4507)	500.0
27-May-20	Announced	Medical Devices	Apteryx Imaging Inc. (TSXV:XRAY)	Planet DDS, Inc.	30.3
29-May-20	Announced	Medical Devices	UrSure, Inc	OraSure Technologies, Inc. (NasdaqGS:OSUR)	31.0
1-Jun-20	Closed	Medical Devices	Clarion Medical Technologies Inc.	Richards Packaging Income Fund (TSX:RPI.UN)	47.3
1-Jun-20	Closed	Technology	PDX, Inc./National Health Information Network, Inc	Change Healthcare Inc. (NasdaqGS:CHNG)	208.0
3-Jun-20	Closed	Facilities	Northampton Hospital Company, LLC	Saint Lukes Hospital of Bethlehem, Pennsylvania	62.0
5-Jun-20	Closed	Life Sciences	Engage Therapeutics, Inc.	UCB SA (ENXTBR:UCB)	270.0
9-Jun-20	Closed	Life Sciences	UAS Laboratories, Inc.	Chr. Hansen Holding A/S (CPSE:CHR)	530.0
11-Jun-20	Announced	Life Sciences	Corvidia Therapeutics, Inc.	Novo Nordisk A/S (CPSE:NOVO B)	2,100.0
22-Jun-20	Announced	Life Sciences	Pennsylvania Medical Solutions, LLC	Jushi Inc	37.1
22-Jun-20	Closed	Medical Devices	Substantially All Assets of Artegraft, Inc.	LeMaitre Vascular, Inc. (NasdaqGM:LMAT)	90.0
22-Jun-20	Announced	Life Sciences	ArcherDx, Inc.	Invitae Corporation (NYSE:NVTA)	1,391.5
23-Jun-20	Announced	Life Sciences	Pionyr Immunotherapeutics Inc.	Gilead Sciences, Inc. (NasdaqGS:GILD)	275.0
29-Jun-20	Announced	Services	RareGen, LLC	Liquidia Technologies, Inc. (NasdaqCM:LQDA)	96.7

LSHC sector breakdown: financial detail ⁽¹⁾



			LTM			EV/LTM			
			Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA		
			Enterprise value (\$MM)	Three-year revenue CAGR					
Facilities	Assisted Living / Long-Term Care (4)								
		Brookdale Senior Living Inc. (NYSE:BKD)	\$5,898.5	(7.4) %	\$3,333.2	\$478.8	14.4 %	1.8 x	12.3 x
		The Ensign Group, Inc. (NasdaqGS:ENSG)	3,658.8	7.9	2,154.8	207.0	9.6	1.7	17.7
		National HealthCare Corporation (AMEX:NHC)	1,045.2	2.4	1,004.2	95.0	9.5	1.0	11.0
		Capital Senior Living Corporation (NYSE:CSU)	956.4	(1.3)	434.8	41.5	9.5	2.2	23.0
		Median		0.5 %			9.6 %	1.7 x	15.0 x
		Hospitals (4)							
		HCA Healthcare, Inc. (NYSE:HCA)	\$71,751.5	7.3 %	\$51,680.0	\$9,477.0	18.3 %	1.4 x	7.6 x
		Tenet Healthcare Corporation (NYSE:THC)	16,976.5	(1.6)	18,454.0	2,812.0	15.2	0.9	6.0
		Community Health Systems, Inc. (NYSE:CYH)	14,376.5	(10.5)	12,859.0	1,306.0	10.2	1.1	11.0
		Universal Health Services, Inc. (NYSE:UHS)	12,449.2	4.7	11,403.5	1,704.5	14.9	1.1	7.3
		Median		1.5 %			15.1 %	1.1 x	7.4 x
		Psychiatric and Behavioral Health (1)							
		Acadia Healthcare Company, Inc. (NasdaqGS:ACHC)	\$6,080.2	2.9 %	\$3,129.7	\$566.5	18.1 %	1.9 x	10.7 x
		Median		2.9 %			18.1 %	1.9 x	10.7 x
	Rehabilitation Facilities (3)								
	Encompass Health Corporation (NYSE:EHC)	\$10,030.2	7.9 %	\$4,663.0	\$913.0	19.6 %	2.2 x	11.0 x	
	Select Medical Holdings Corporation (NYSE:SEM)	6,595.1	9.4	5,543.9	701.0	12.6	1.2	9.4	
	U.S. Physical Therapy, Inc. (NYSE:USPH)	1,152.1	9.2	473.4	70.1	14.8	2.4	16.4	
	Median		9.2 %			14.8 %	2.2 x	11.0 x	
	Surgery Centers (1)								
	Surgery Partners, Inc. (NasdaqGS:SGRY)	\$3,615.8	17.7 %	\$1,855.6	\$321.1	17.3 %	1.9 x	11.3 x	
	Median		17.7 %			17.3 %	1.9 x	11.3 x	
Services	Clinical Laboratories (3)								
		Laboratory Corporation of America Holdings (NYSE:LH)	\$25,293.3	6.6 %	\$11,587.4	\$1,881.0	16.2 %	2.2 x	13.4 x
		Quest Diagnostics Incorporated (NYSE:DGX)	20,788.0	0.8	7,657.0	1,478.0	19.3	2.7	14.1
		Chemed Corporation (NYSE:CHE)	7,760.7	7.8	1,992.3	339.2	17.0	3.9	22.9
		Median		6.6 %			17.0 %	2.7 x	14.1 x
		Diagnostic Imaging (1)							
		RadNet, Inc. (NasdaqGM:RDNT)	\$1,964.4	9.1 %	\$1,164.2	\$140.1	12.0 %	1.7 x	14.0 x
		Median		9.1 %			12.0 %	1.7 x	14.0 x
		Dialysis Services (3)							
		Fresenius SE & Co. KGaA (XTRA:FRE)	\$51,096.0	5.4 %	\$36,049.0	\$6,067.0	16.8 %	1.4 x	8.4 x
		DaVita Inc. (NYSE:DVA)	20,618.1	5.6	11,486.6	2,445.5	21.3	1.8	8.4
		American Renal Associates Holdings, Inc. (NYSE:ARA)	940.7	3.0	823.9	116.3	14.1	1.1	8.1
		Median		5.4 %			16.8 %	1.4 x	8.4 x
		Home Care / Hospice (3)							
		Amedisys, Inc. (NasdaqGS:AMED)	\$7,111.9	11.3	1,980.0	200.4	10.1	3.6	NM
	LHC Group, Inc. (NasdaqGS:LHCG)	6,217.7	31.2	2,090.5	175.9	8.4	3.0	NM	
	Addus HomeCare Corporation (NasdaqGS:ADUS)	1,205.1	16.7	598.1	42.1	7.0	2.0	28.6	
	Median		16.7 %			8.4 %	3.0 x	28.6 x	

LSHC sector breakdown: financial detail (cont.)⁽¹⁾



				LTM		EV/LTM			
	Enterprise value (\$MM)	Three-year revenue CAGR	Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA		
Technology	Healthcare Technology (10)								
	Veeva Systems Inc. (NYSE:VEEV)	\$35,646.7	27.0 %	\$1,196.4	\$327.8	27.4 %	29.8 x	NM x	
	Cerner Corporation (NasdaqGS:CERN)	22,941.4	5.6	5,714.5	1,168.9	20.5	4.0	19.6	
	HealthEquity, Inc. (NasdaqGS:HQY)	5,326.5	49.6	635.0	187.4	29.5	8.4	28.4	
	Inovalon Holdings, Inc. (NasdaqGS:INOV)	3,927.8	14.5	651.1	181.6	27.9	6.0	21.6	
	HMS Holdings Corp. (NasdaqGS:HMSY)	3,018.5	10.3	649.9	141.0	21.7	4.6	21.4	
	Omnicell, Inc. (NasdaqGS:OMCL)	2,768.9	11.3	924.2	115.2	12.5	3.0	24.0	
	Allscripts Healthcare Solutions, Inc. (NasdaqGS:MDRX)	2,142.3	2.8	1,756.3	84.2	4.8	1.2	25.4	
	National Research Corporation (NasdaqGS:NRC)	1,508.3	5.3	130.4	49.0	37.6	11.6	30.8	
	NextGen Healthcare, Inc. (NasdaqGS:NXGN)	786.8	2.0	540.2	31.6	5.8	1.5	24.9	
	Computer Programs and Systems, Inc. (NasdaqGS:CPSI)	443.5	1.7	275.3	34.0	12.4	1.6	13.0	
	Median		8.0 %			21.1 %	4.3 x	24.0 x	
	Technology	Telehealth (1)							
Teladoc Health, Inc. (NYSE:TDOC)		\$16,244.2	63.3 %	\$605.5	(\$24.6)	NA %	26.8 x	NA x	
Median			63.3 %			NA %	26.8 x	NA x	
Life Sciences	Biotechnology (6)								
	AbbVie Inc. (NYSE:ABBV)	\$202,041.2	9.1 %	\$34,057.0	\$16,038.0	47.1 %	5.9 x	12.6 x	
	Amgen Inc. (NasdaqGS:AMGN)	173,956.7	1.5	23,966.0	12,041.0	50.2	7.3	14.4	
	Gilead Sciences, Inc. (NasdaqGS:GILD)	99,208.2	(7.9)	22,716.0	6,646.0	29.3	4.4	14.9	
	Regeneron Pharmaceuticals, Inc. (NasdaqGS:REGN)	60,915.1	18.7	8,319.0	2,680.5	32.2	7.3	22.7	
	Biogen Inc. (NasdaqGS:BIIB)	48,122.4	7.7	14,422.4	7,998.9	55.5	3.3	6.0	
	Alexion Pharmaceuticals, Inc. (NasdaqGS:ALXN)	24,658.5	17.6	5,295.5	2,729.9	51.6	4.7	9.0	
	Median		8.4 %			48.7 %	5.3 x	13.5 x	
	Life Sciences	Contract Research and Manufacturing (7)							
		IQVIA Holdings Inc. (NYSE:IQV)	\$40,276.5	19.0 %	\$11,158.0	\$1,887.0	16.9 %	3.6 x	21.3 x
		West Pharmaceutical Services, Inc. (NYSE:WST)	17,685.9	7.1	1,887.9	412.1	21.8	9.4	NM
		Charles River Laboratories International, Inc. (NYSE:CRL)	11,594.2	15.4	2,723.7	599.9	22.0	4.3	19.3
		ICON Public Limited Company (NasdaqGS:ICLR)	9,753.9	18.8	2,846.1	500.1	17.6	3.4	19.5
Syneos Health, Inc. (NasdaqGS:SYNH)		9,253.7	65.9	4,720.2	585.9	12.4	2.0	15.8	
PRA Health Sciences, Inc. (NasdaqGS:PRAH)		7,715.5	22.6	3,127.9	471.3	15.1	2.5	16.4	
Medpace Holdings, Inc. (NasdaqGS:MEDP)		3,605.4	33.3	891.1	156.7	17.6	4.0	23.0	
Median			19.0 %			17.6 %	3.6 x	19.4 x	
Life Sciences		Pharmaceuticals (4)							
	Pfizer Inc. (NYSE:PFE)	\$239,675.1	(1.2) %	\$50,660.0	#####	40.5 %	4.7 x	11.7 x	
	Merck & Co., Inc. (NYSE:MRK)	220,968.6	6.4	48,081.0	19,058.0	39.6	4.6	11.6	
	Eli Lilly and Company (NYSE:LLY)	165,402.1	2.3	23,087.1	7,634.9	33.1	7.2	21.7	
	Bristol-Myers Squibb Company (NYSE:BMJ)	163,430.8	15.8	31,006.0	11,580.0	37.3	5.3	14.1	
Median		4.3 %			38.5 %	5.0 x	12.9 x		
Life Sciences	Tools and Services (8)								
	Abbott Laboratories (NYSE:ABT)	\$185,120.7	10.0 %	\$31,444.0	\$7,546.0	24.0 %	5.9 x	24.5 x	
	Thermo Fisher Scientific Inc. (NYSE:TMO)	172,004.7	11.0	25,647.0	6,561.0	25.6	6.7	26.2	
	Becton, Dickinson and Company (NYSE:BDX)	97,662.5	12.2	17,414.0	5,174.0	29.7	5.6	18.9	
	Illumina, Inc. (NasdaqGS:ILMN)	53,815.4	13.6	3,556.0	1,198.0	33.7	15.1	NM	
	Agilent Technologies, Inc. (NYSE:A)	30,026.1	6.6	5,236.0	1,294.0	24.7	5.7	23.2	
	Bio-Rad Laboratories, Inc. (NYSE:BIO)	14,494.8	3.6	2,329.3	402.5	17.3	6.2	NM	
	PerkinElmer, Inc. (NYSE:PKI)	14,139.3	10.6	2,887.3	610.7	21.2	4.9	23.2	
	Waters Corporation (NYSE:WAT)	15,463.7	2.5	2,357.7	792.1	33.6	6.6	19.5	
	Median		10.3 %			25.1 %	6.1 x	23.2 x	
Managed Care	Commercial Plans (5)								
	UnitedHealth Group Incorporated (NYSE:UNH)	#####	8.8 %	\$247,811.0	\$26,492.0	10.7 %	1.3 x	11.9 x	
	Cigna Corporation (NYSE:CI)	99,061.6	56.5	154,168.0	11,366.0	7.4	0.6	8.7	
	Anthem, Inc. (NYSE:ANTM)	84,342.3	7.8	109,167.0	7,429.0	6.8	0.8	11.4	
	Humana Inc. (NYSE:HUM)	54,409.1	7.6	67,716.0	3,707.0	5.5	0.8	14.7	
	Magellan Health, Inc. (NasdaqGS:MGLN)	2,394.2	12.8	7,214.2	213.3	3.0	0.3	11.2	
	Median		8.8 %			6.8 %	0.8 x	11.4 x	
	Managed Care	Government Plans (2)							
		Centene Corporation (NYSE:CNC)	\$47,202.9	22.5 %	\$78,100.0	\$3,168.0	4.1 %	0.6 x	14.9 x
		Molina Healthcare, Inc. (NYSE:MOH)	10,389.5	(1.7)	16,692.0	1,095.0	6.6	0.6	9.5
Median		10.4 %			5.3 %	0.6 x	12.2 x		
Managed Care	Payor Services (1)								
	CorVel Corporation (NasdaqGS:CRVL)	\$1,422.1	4.5 %	\$592.2	\$83.2	14.1 %	2.4 x	17.1 x	
Median		4.5 %			14.1 %	2.4 x	17.1 x		

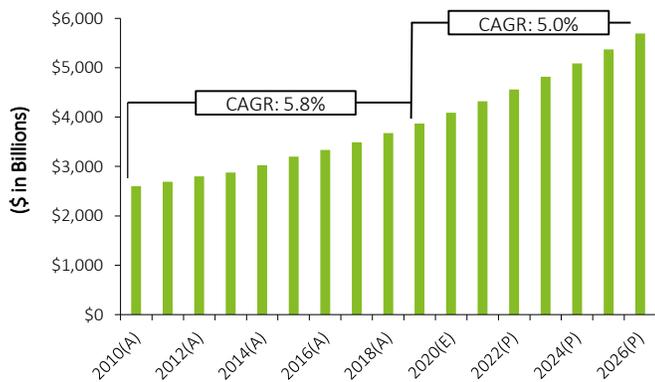
LSHC sector breakdown: financial detail (cont.)⁽¹⁾



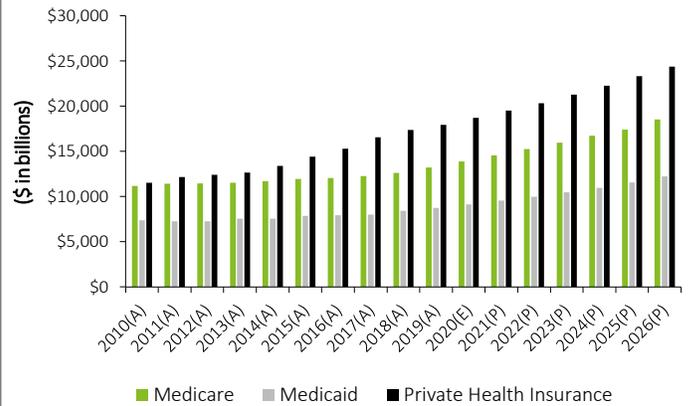
				LTM		EV/LTM		
	Enterprise value (\$MM)	Three-year revenue CAGR	Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA	
Pharmacy	Retail Pharmacy (3)							
	CVS Health Corporation (NYSE:CVS)	\$164,553.8	13.4 %	\$260,961.0	\$16,805.0	6.4 %	0.6 x	9.8 x
	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	77,280.1	5.9	138,745.0	5,016.0	3.6	0.6	15.4
	Rite Aid Corporation (NYSE:RAD)	7,118.3	3.8	22,583.2	628.0	2.8	0.3	11.3
	Median		5.9 %			3.6 %	0.6 x	11.3 x
Physicians / Staffing	Healthcare Staffing (3)							
	AMN Healthcare Services, Inc. (NYSE:AMN)	\$3,307.5	5.9 %	\$2,292.1	\$242.7	10.6 %	1.4 x	13.6 x
	ASGN Incorporated (NYSE:ASGN)	4,657.3	17.1	3,990.7	413.6	10.4	1.2	11.3
	Cross Country Healthcare, Inc. (NasdaqGS:CCRN)	317.2	(0.3)	837.1	21.3	2.5	0.4	14.9
	Median		5.9 %			10.4 %	1.2 x	13.6 x
Physicians / Staffing	Physician Practice Management (1)							
	MEDNAX, Inc. (NYSE:MD)	\$3,363.3	2.4	\$3,508.3	\$448.0	12.8 %	1.0 x	7.5 x
	Median		2.4 %			12.8 %	1.0 x	7.5 x
Medical Devices and Products	Medical Devices and Products (16)							
	Johnson & Johnson (NYSE:JNJ)	\$402,772.2	3.5 %	\$80,503.0	\$27,271.0	33.9 %	5.0 x	14.8 x
	Medtronic plc (NYSE:MDT)	143,220.4	(0.9)	28,913.0	7,806.0	27.0	5.0	18.3
	Danaher Corporation (NYSE:DHR)	155,956.3	1.7	18,034.0	4,458.6	24.7	8.6	35.0
	Stryker Corporation (NYSE:SYK)	76,895.9	8.3	14,956.0	4,159.0	27.8	5.1	18.5
	Boston Scientific Corporation (NYSE:BSX)	62,057.6	7.9	10,785.0	2,673.0	24.8	5.8	23.2
	Baxter International Inc. (NYSE:BAX)	46,797.2	3.9	11,526.0	2,831.0	24.6	4.1	16.5
	Edwards Lifesciences Corporation (NYSE:EW)	44,167.0	12.5	4,483.7	1,392.6	31.1	9.9	31.7
	Zimmer Biomet Holdings, Inc. (NYSE:ZBH)	34,225.5	0.2	7,790.5	2,311.1	29.7	4.4	14.8
	ResMed Inc. (NYSE:RMD)	29,483.0	12.5	2,891.6	916.4	31.7	10.2	32.2
	Teleflex Incorporated (NYSE:TFX)	19,232.2	10.6	2,612.4	724.4	27.7	7.4	26.5
	Hologic, Inc. (NasdaqGS:HOLX)	18,371.5	4.7	3,324.8	1,036.7	31.2	5.5	17.7
	STERIS plc (NYSE:STE)	14,310.7	5.1	3,030.9	745.6	24.6	4.7	19.2
	Varian Medical Systems, Inc. (NYSE:VAR)	11,436.9	7.8	3,328.1	579.5	17.4	3.4	19.7
	DENTSPLY SIRONA Inc. (NasdaqGS:XRAY)	11,066.8	0.7	3,957.3	851.4	21.5	2.8	13.0
	Hill-Rom Holdings, Inc. (NYSE:HRC)	9,317.6	2.9	2,917.8	558.5	19.1	3.2	16.7
Integer Holdings Corporation (NYSE:ITGR)	3,187.7	(1.3)	1,271.8	248.6	19.5	2.5	12.8	
Median		4.3 %			25.9 %	5.0 x	18.4 x	
Medical Supplies Distribution	Medical Supplies Distribution (6)							
	McKesson Corporation (NYSE:MCK)	\$30,268.7	5.2 %	\$231,051.0	\$3,763.0	1.6 %	0.1 x	8.0 x
	AmerisourceBergen Corporation (NYSE:ABC)	21,876.8	7.5	186,159.4	2,273.2	1.2	0.1	9.6
	Cardinal Health, Inc. (NYSE:CAH)	20,728.9	6.2	153,586.0	2,751.0	1.8	0.1	7.5
	Henry Schein, Inc. (NasdaqGS:HSIC)	10,210.9	(5.1)	10,054.4	928.2	9.2	1.0	11.0
	Patterson Companies, Inc. (NasdaqGS:PDCO)	2,939.4	(0.6)	5,490.0	268.3	4.9	0.5	11.0
	Owens & Minor, Inc. (NYSE:OMI)	2,098.6	(2.2)	8,982.8	181.5	2.0	0.2	11.6
Median		2.3 %			1.9 %	0.2 x	10.3 x	



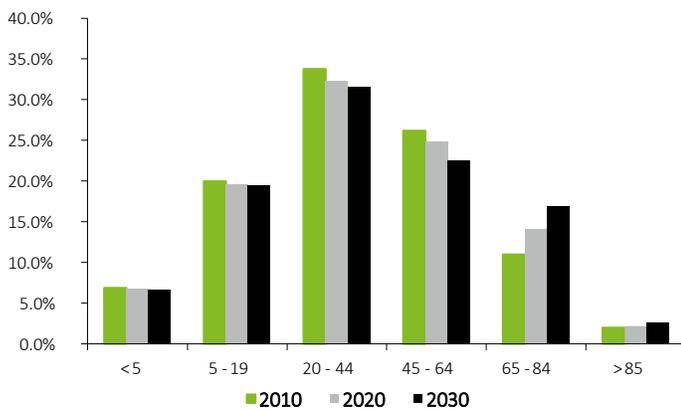
US health care spend⁽¹⁾



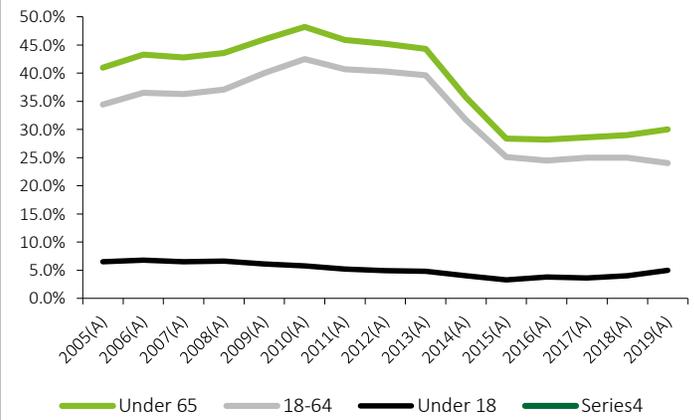
US health care spend by payor per capita^{(2) (i)}



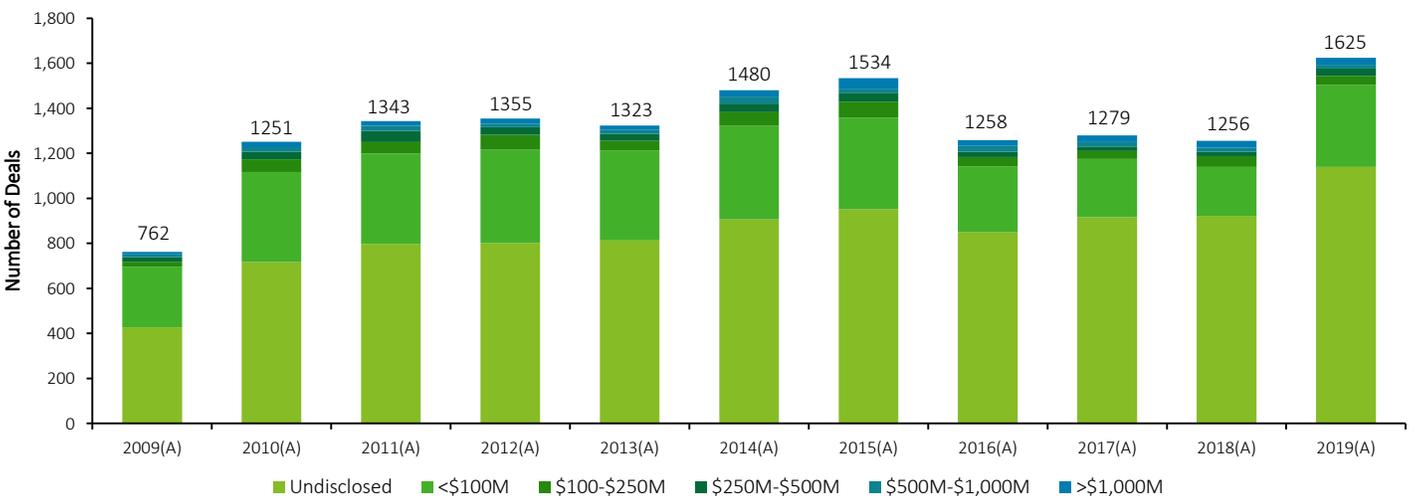
US population by age group⁽³⁾



Number of US uninsured by age group⁽⁴⁾



Annual LSHC M&A transactions by transaction size⁽⁵⁾



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



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