



Q4-2021

Healthcare Industry Trends

M&A Activity
Sector Trends
Selected M&A Transactions

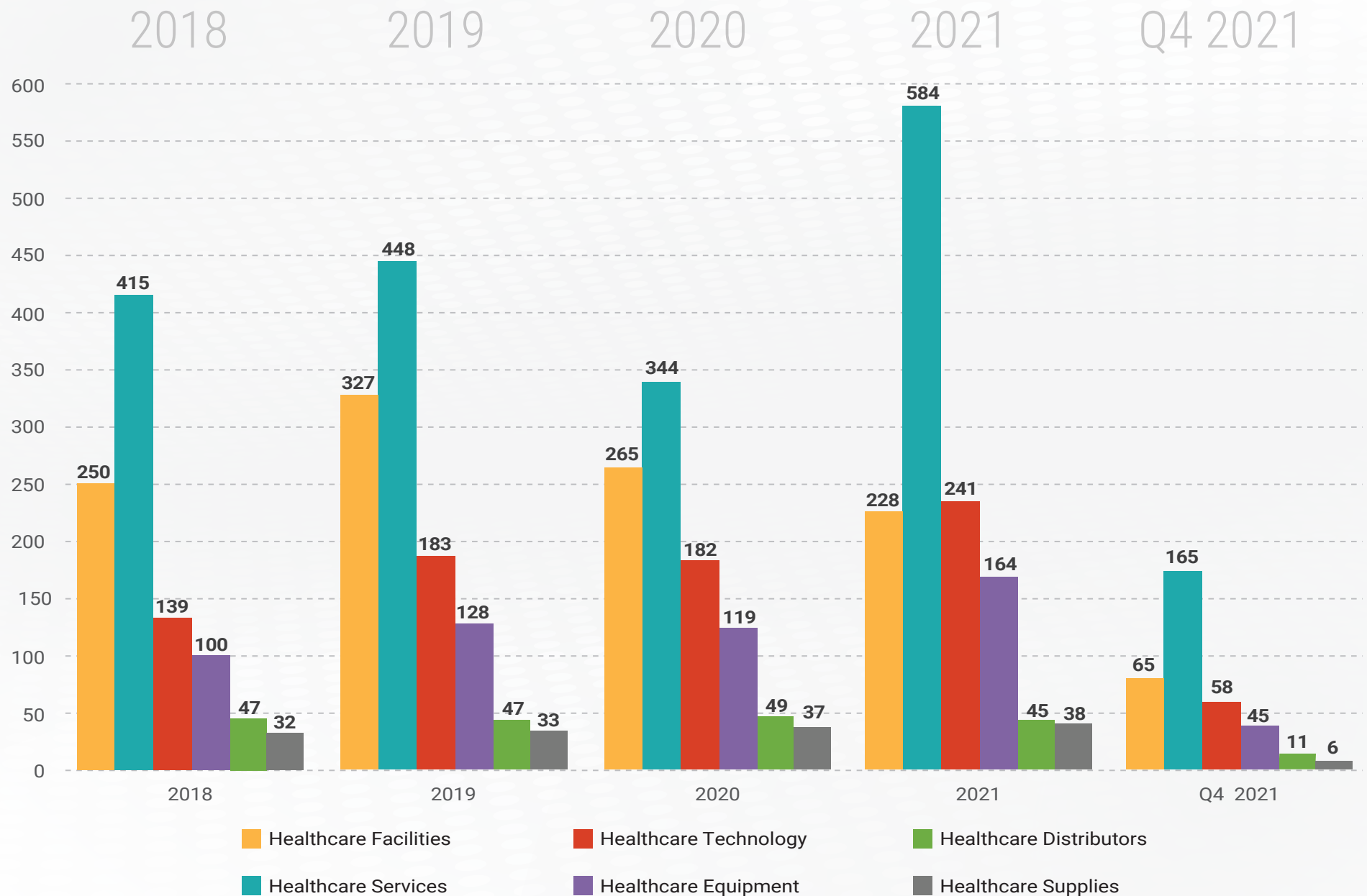


HERITAGE
CAPITAL GROUP

M&A ACTIVITY

NUMBER OF HEALTHCARE M&A DEALS, BOTH
PUBLIC & PRIVATE ACQUISITION TARGETS

HERITAGE
CAPITAL GROUP

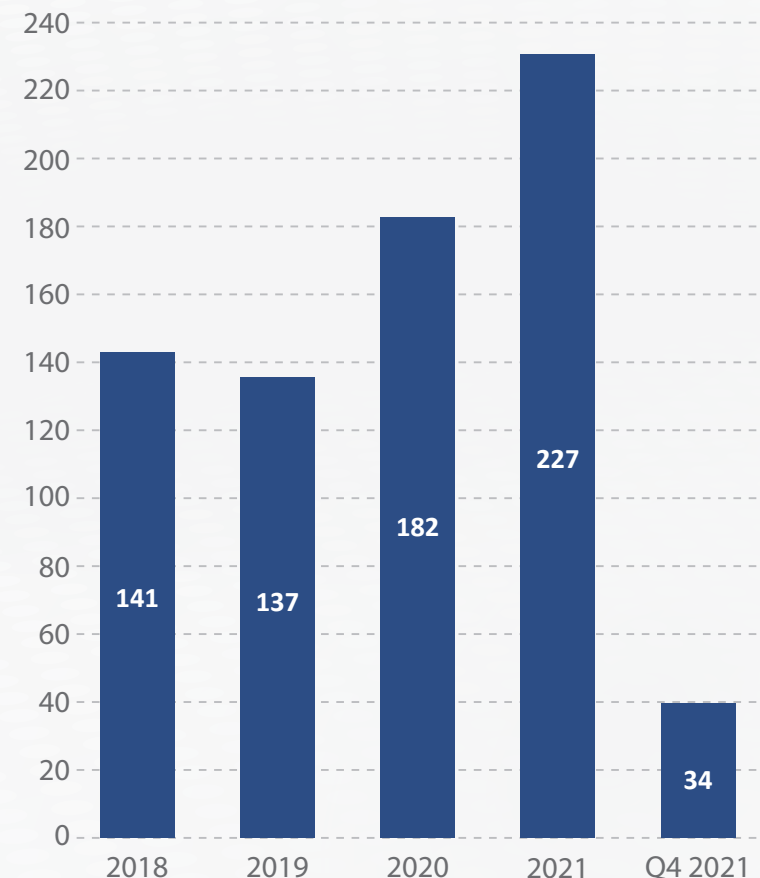


Source: Capital IQ as of 12/31/2021

PHYSICIANS, REHABILITATION/ HOME CARE LABORATORIES

Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Home Care / Rehabilitation			
Addus HomeCare Corp.	\$1,586.5	1.9x	18.8x
Amedisys, Inc.	\$5,744.0	2.6x	19.4x
Encompass Health Corp.	\$10,305.9	2.1x	9.6x
LHC Group, Inc.	\$4,890.3	2.3x	20.8x
Laboratories & Outpatient Testing			
DaVita Inc.	\$24,164.9	2.1x	9.9x
Laboratory Corporation of America Holdings	\$34,371.0	2.1x	7.4x
Quest Diagnostics, Inc.	\$25,006.0	2.3x	8.0x
Physician Specialty Services			
Mednax, Inc.	\$2,928.5	1.6x	13.1x
Surgery Partners, Inc.	\$8,742.1	4.0x	22.9x

Number of M&A Deals,
(both public & private acquisition targets)
2018 through 2021



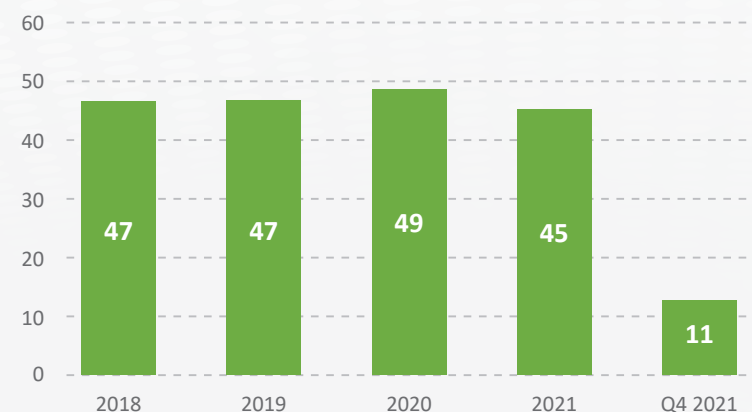
Source: Capital IQ as of 12/31/2021

Note: These companies are also included in
the Healthcare Services Industry.

HEALTHCARE DISTRIBUTORS

Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
AmerisourceBergen Corp.	\$33,278.2	0.2x	10.5x
Cardinal Health, Inc.	\$17,703.3	0.1x	6.5x
Covetrus, Inc.	\$3,796.5	0.8x	24.0x
Henry Schein, Inc.	\$13,014.6	1.1x	12.8x
McKesson Corporation	\$44,333.2	0.2x	10.8x
Patterson Companies, Inc.	\$3,423.8	0.5x	14.2x
PetIQ, Inc.	\$1,071.1	1.2x	14.2x
Average		0.6x	13.3x
Median		0.5x	12.8x

Number of M&A Deals,
(both public & private acquisition targets)
2018 through 2021



Median Enterprise Value to EBITDA Multiples
for Selected Public Companies

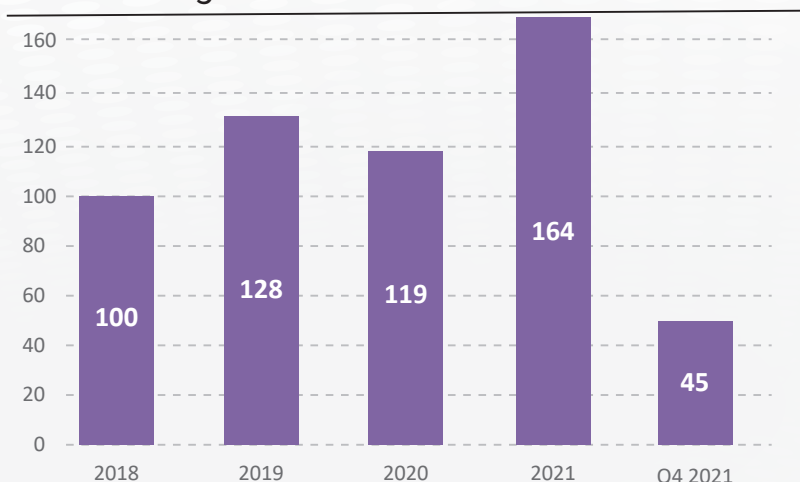


HEALTHCARE EQUIPMENT

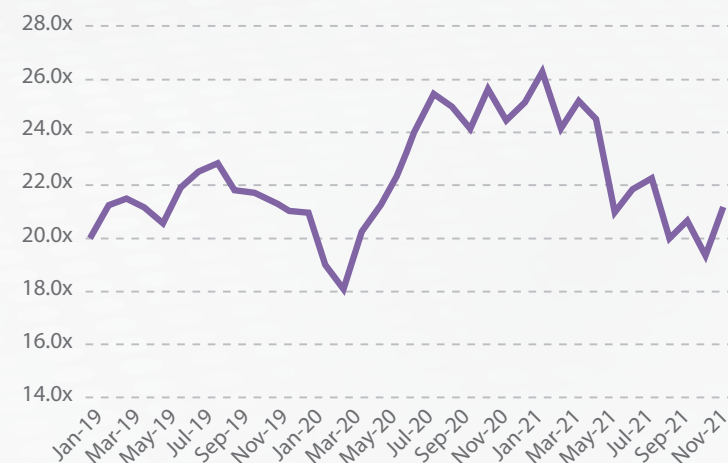
Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Abbott Laboratories	\$250,285.6	5.9x	20.2x
Baxter International Inc.	\$46,206.5	3.7x	16.3x
Becton, Dickinson and Company	\$87,469.7	4.3x	15.5x
Boston Scientific Corp.	\$68,048.7	5.9x	22.2x
Intuitive Surgical, Inc.	\$124,271.8	22.6x	59.5x
Stryker Corporation	\$111,299.5	6.7x	24.0x

Average **8.2x** **26.3x**
Median **5.9x** **21.2x**

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(both public & private acquisition targets)
2018 through 2021



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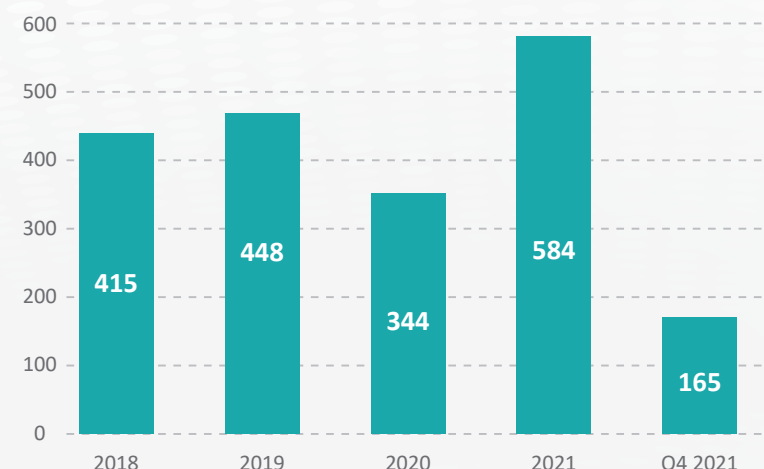


Source: Capital IQ as of 12/31/2021

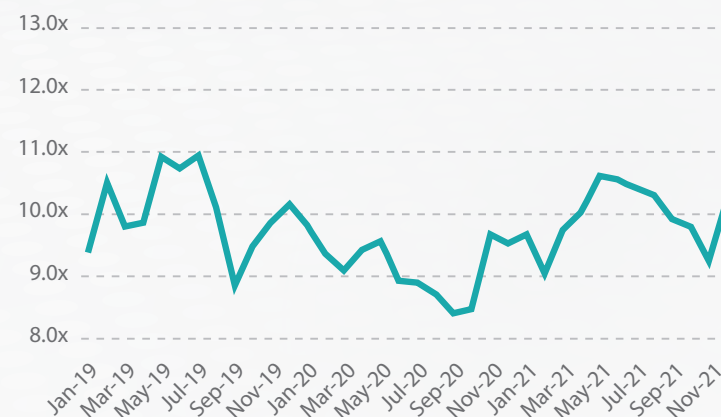
HEALTHCARE SERVICES

Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Amedisys, Inc.	\$5,744.0	2.6x	19.4x
Chemed Corporation	\$8,219.8	3.9x	20.7x
Cigna Corporation	\$107,607.8	0.6x	10.6x
CVS Health Corporation	\$202,401.4	0.7x	11.4x
DaVita Inc.	\$24,164.9	2.1x	9.9x
Fresenius Medical Care AG & Co. KGaA	\$33,689.6	1.7x	10.8x
Laboratory Corporation of America Holdings	\$34,371.0	2.1x	7.4x
R1 RCM Inc.	\$7,789.8	5.5x	33.1x
Average		2.4x	15.4x
Median		2.1x	11.1x

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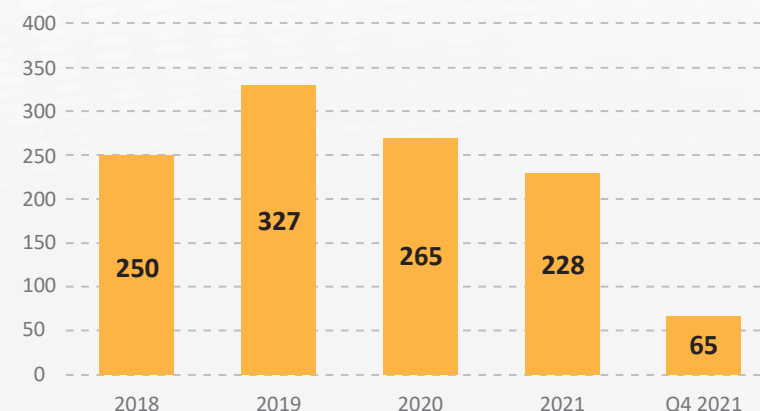
Source: Capital IQ as of 12/31/2021

SELECTED PUBLICLY TRADED COMPANIES

HEALTHCARE FACILITIES

Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Acadia Healthcare Company, Inc.	\$6,892.5	3.0x	13.9x
Brookdale Senior Living Inc.	\$5,608.7	2.1x	29.5x
HCA Healthcare, Inc.	\$115,349.0	2.0x	9.3x
Select Medical Holdings Corporation	\$8,581.7	1.4x	10.3x
Surgery Partners, Inc.	\$8,742.1	4.0x	22.9x
Tenet Healthcare Corporation	\$23,554.1	1.2x	6.9x
The Ensign Group, Inc.	\$5,565.1	2.2x	18.3x
Average		2.3x	15.8x
Median		2.1x	13.9x

Number of M&A Deals,
(both public & private acquisition targets)
2018 through 2021



Median Enterprise Value to EBITDA Multiples
for Selected Public Companies



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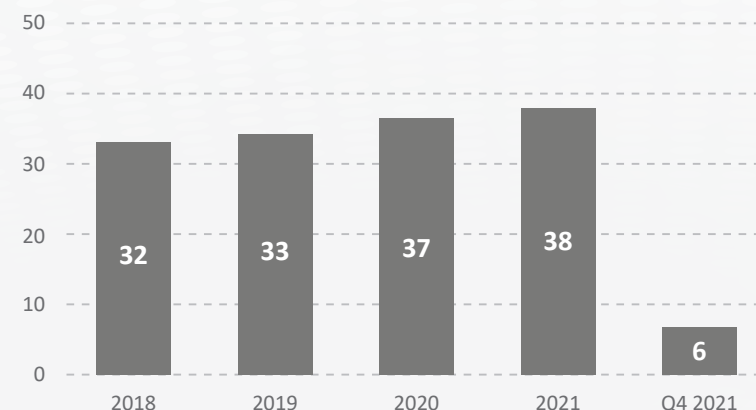
SELECTED PUBLICLY TRADED COMPANIES

HEALTHCARE SUPPLIES

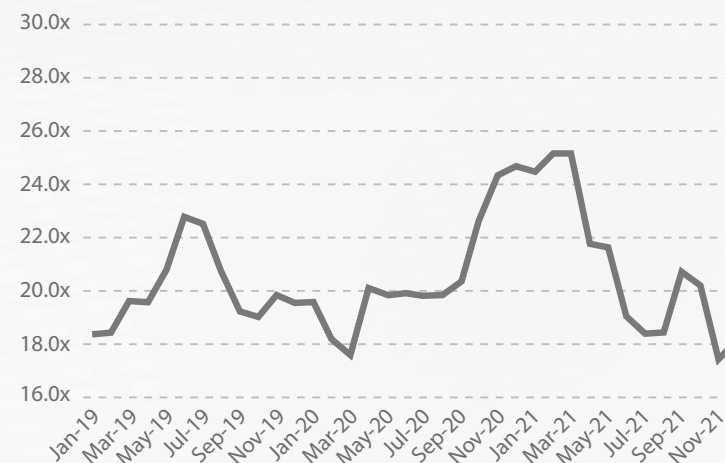
Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Alcon Inc.	\$46,404.5	5.7x	24.1x
Avanos Medical, Inc.	\$1,766.7	2.4x	30.4x
Dentsply Sironal Inc.	\$14,135.1	3.3x	14.1x
Haemonetics Corporation	\$3,306.2	3.5x	16.7x
ICU Medical, Inc.	\$4,549.0	3.5x	19.7x
Neogen Corporation	\$4,506.0	9.0x	46.8x
The Cooper Companies, Inc.	\$22,349.7	7.6x	24.5x
West Pharmaceutical Services, Inc.	\$34,371.1	12.8x	42.5x

Average **6.0x** **27.3x**
Median **4.6x** **24.3x**

Number of M&A Deals,
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Median Enterprise Value to EBITDA Multiples
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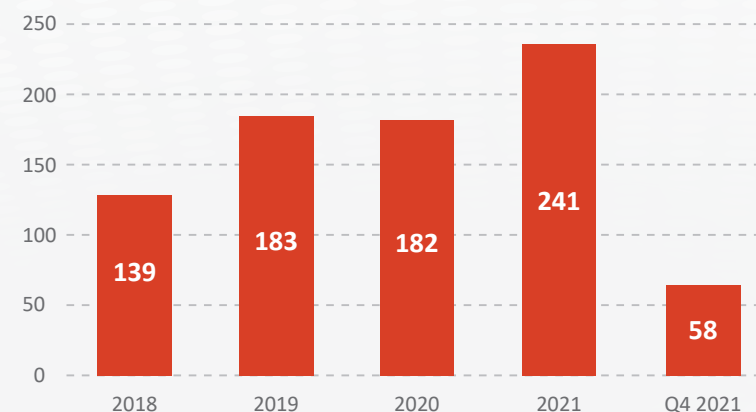
Source: Capital IQ as of 12/31/2021

HEALTHCARE TECHNOLOGY

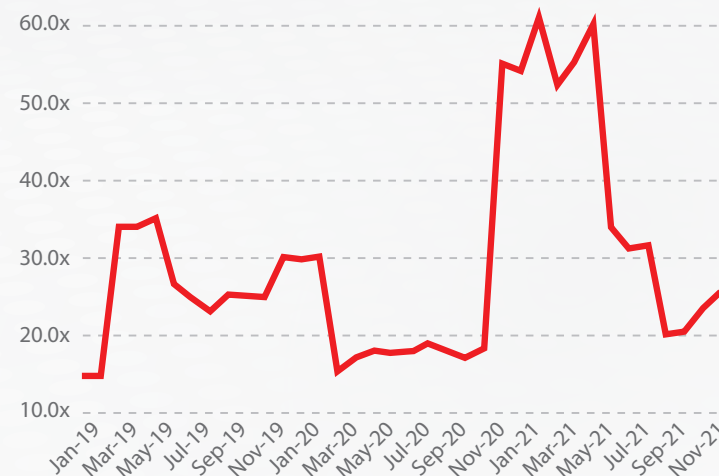
Company	Enterprise Value (US \$ mil)	EV / Revenue	EV / EBITDA
Cerner Corporation	\$28,216.7	4.9x	19.3x
Allscripts Healthcare Solutions, Inc.	\$2,506.8	1.7x	25.6x
Omnicell, Inc.	\$7,983.7	7.5x	51.9x

Average **4.7x** **32.3x**
Median **4.9x** **25.6x**

Number of M&A Deals,
(both public & private acquisition targets)
2018 through 2021



Median Enterprise Value to EBITDA Multiples
for Selected Public Companies



Source: Capital IQ as of 12/31/2021

PUBLIC & PRIVATE ACQUISITION TRANSACTIONS

Date	Target	Acquirer / Investor	Category	EV (US\$M)
Oct-21	ScalmiBio, Inc.	ALX Oncology Holdings Inc.	Biotechnology	\$41.50
Oct-21	Caelum Biosciences, Inc.	Alexion Pharmaceuticals, Inc.	Biotechnology	\$500.00
Oct-21	TeneoBio, Inc.	Amgen Inc.	Biotechnology	2500.00
Nov-21	Research Triangle Manufacturing Facility of bluebird bio, Inc.	National Resilience, Inc.	Biotechnology	\$110.00
Nov-21	Silence Therapeutics plc	Frazier Management, L.L.C.	Biotechnology	\$563.69
Nov-21	Combango, Inc.	Kala Pharmaceuticals, Inc.	Biotechnology	\$126.12
Nov-21	Exosome Manufacturing Facility and Related Assets at Lexington of Codiak BioSciences, Inc.	Lonza Rockland, Inc.	Biotechnology	\$65.00
Nov-21	Eton Bioscience, Inc.	Codex DNA, Inc.	Biotechnology	\$13.00
Nov-21	zPREDICTA, Inc.	Predictive Oncology Inc.	Biotechnology	\$10.00
Nov-21	Adamas Pharmaceuticals, Inc.	Supernus Pharmaceuticals, Inc.	Biotechnology	\$503.23
Dec-21	AbX Biologics, Inc.	Twist Bioscience Corporation	Biotechnology	\$190.00
Dec-21	Cernostics, Inc.	Castle Biosciences, Inc.	Biotechnology	\$80.00
Dec-21	Lengo Therapeutics, Inc.	Blueprint Medicines Corporation	Biotechnology	\$465.00
Oct-21	SilverStreak Solutions Inc.	Unrivald Brands, Inc.	Healthcare Distributors	\$8.67
Oct-21	Green Diamonds LLC	Critical Solutions, Inc.	Healthcare Distributors	-
Nov-21	Comfort N Mobility Inc	National Seating & Mobility, Inc.	Healthcare Distributors	-
Nov-21	BioCare, Inc.	The Vistria Group, LLC	Healthcare Distributors	-
Nov-21	Simovision BV	The Hilsinger Company Parent, LLC	Healthcare Distributors	-

Source: Capital IQ and HCG Research

PUBLIC & PRIVATE ACQUISITION TRANSACTIONS

Date	Target	Acquirer / Investor	Category	EV (US\$M)
Nov-21	Portfolio of CBD and other Merchants	The OLB Group, Inc.	Healthcare Distributors	\$18.00
Dec-21	TTG Imaging Solutions, LLC	Sentinel Capital Partners, L.L.C.	Healthcare Distributors	-
Oct-21	Pulse Veterinary Technologies, LLC	Zomedica Inc.	Healthcare Equipment	\$71.90
Oct-21	Sizewise Rentals, LLC	Agiliti, Inc.	Healthcare Equipment	\$230.00
Oct-21	Substantially all assets of Lighthouse Imaging Corp.	Precision Optics Corporation, Inc.	Healthcare Equipment	\$9.18
Oct-21	CapNostics, LLC	PAVmed Inc.	Healthcare Equipment	\$2.00
Oct-21	Lake Erie Hearing	Alpaca Audiology, LLC	Healthcare Equipment	-
Oct-21	Misonix, Inc.	Bioventus Inc.	Healthcare Equipment	\$542.67
Nov-21	Lacrimedics, Inc.	Innovia Medical LLC	Healthcare Equipment	-
Nov-21	MUSE Microscopy, Inc.	Predictive Health Diagnostics Company	Healthcare Equipment	-
Nov-21	Current Health Limited	Best Buy Co., Inc.	Healthcare Equipment	\$400.00
Nov-21	Hearing Assist II LLC	Hearing Assist Direct, Inc.	Healthcare Equipment	\$10.00
Nov-21	Organicix, LLC	Greenlane Holdings, Inc.	Healthcare Equipment	\$20.00
Dec-21	Computerized Imaging Reference Systems, Inc.	Mirion Technologies, Inc.	Healthcare Equipment	\$54.00
Dec-21	Oscor, Inc.	Integer Holdings Corporation	Healthcare Equipment	\$220.00
Dec-21	BK Medical Holding Company, Inc.	GE Healthcare Inc.	Healthcare Equipment	\$1450.00
Dec-21	DAS Medical Holdings, LLC	UFP Technologies, Inc.	Healthcare Equipment	\$95.00
Dec-21	Kestrel Labs, Inc.	Zynex, Inc.	Healthcare Equipment	\$31.00

Source: Capital IQ and HCG Research

PUBLIC & PRIVATE ACQUISITION TRANSACTIONS

Date	Target	Acquirer / Investor	Category	EV (US\$M)
Oct-21	Monongahela Valley Hospital, Inc.	Penn Highlands Healthcare, Inc	Healthcare Facilities	-
Oct-21	A Medical Office Building In Boca Raton	IRA Cos	Healthcare Facilities	\$16.01
Oct-21	Agape Care Group	Ridgemont Equity Partners	Healthcare Facilities	-
Oct-21	Atlantic Homelife Senior Care, LLC	HouseWorks, LLC	Healthcare Facilities	-
Oct-21	Cancer Treatment and Diagnostics Center	Medical Properties Trust, Inc.	Healthcare Facilities	\$21.03
Oct-21	Springstone, Inc.	Medical Properties Trust, Inc.	Healthcare Facilities	\$950.00
Oct-21	Venice Family Clinic	South Bay Family Health Care Center Inc	Healthcare Facilities	-
Nov-21	Three Established Acute Care Hospitals in Texas and Pennsylvania	American Medical REIT, Inc.	Healthcare Facilities	\$62.00
Nov-21	Plum Healthcare Group, LLC	The Providence Group, INC.	Healthcare Facilities	-
Nov-21	Diversicare Healthcare Services, Inc.	DAC Acquisition LLC	Healthcare Facilities	\$396.12
Dec-21	Medical Office Portfolio in Eight States	Physicians Realty L.P.	Healthcare Facilities	\$764.25
Oct-10	Infinity Infusion Nursing, LLC	Option Care Health, Inc.	Healthcare Services	\$50.00
Oct-10	Summit Home Health, LLC	Addus HomeCare Corporation	Healthcare Services	\$8.10
Oct-10	Louisiana Orthopaedic & SPORTS Rehab Institute, Inc.	IMAC Holdings, Inc.	Healthcare Services	\$1.80
Oct-10	Achieve TMS East, LLC/Achieve TMS Central, LLC	TMS Neurohealth Centers Inc.	Healthcare Services	\$10.50
Oct-10	Vital Decisions, LLC	Evolent Health LLC	Healthcare Services	\$128.38
Oct-10	Contech Medical, Inc.	UFP Technologies, Inc.	Healthcare Services	\$14.50
Oct-10	Affordable Medical Waste LLC	Sharps Compliance Corp.	Healthcare Services	\$2.20

Source: Capital IQ and HCG Research

PUBLIC & PRIVATE ACQUISITION TRANSACTIONS

Date	Target	Acquirer / Investor	Category	EV (US\$M)
Nov-21	Infinite Leap, Inc.	CenTrak, Inc.	Healthcare Services	\$47.00
Nov-21	Optim Dental LLC	Access Dental Management LLC	Healthcare Services	\$10.00
Dec-21	Dunn & Berger, Inc.	Aveanna Healthcare, LLC	Healthcare Services	\$225.00
Dec-21	Insignia Health, LLC	Phreesia, Inc. (NYSE:PHR)	Healthcare Services	\$35.00
Dec-21	Comfort Care Home Health, LLC.	Aveanna Healthcare Senior Services LLC	Healthcare Services	\$345.00
Dec-21	Mattison Pathology, LLP	Northwest Pathology, P.S.	Healthcare Services	\$10.9.00
Oct-21	Health Physics Services, Inc.	Mirion Technologies, Inc.	Healthcare Supplies	-
Oct-21	Zyppah, Inc.	Kronos Advanced Technologies Inc.	Healthcare Supplies	-
Nov-21	Lemon Medical GmbH	MGC Diagnostics Corporation	Healthcare Supplies	-
Nov-21	Bolder Surgical, LLC	Hologic, Inc.	Healthcare Supplies	\$160.00
Dec-21	Scanwell Health, Inc.	Becton, Dickinson and Company	Healthcare Supplies	-
Oct-21	Voluntis S.A.	AptarGroup, Inc.	Healthcare Technology	\$94.89
Oct-21	BioDiscovery, Inc.	Bionano Genomics, Inc.	Healthcare Technology	\$100.00
Oct-21	RubiconMD, Inc.	Oak Street Health, Inc.	Healthcare Technology	\$190.00
Dec-21	Remarkable Health, LLC	Netsmart Technologies, Inc.	Healthcare Technology	-
Dec-21	Wellframe Inc.	HealthEdge Software, Inc.	Healthcare Technology	-
Dec-21	Rx Savings Assistant	PSKW, LLC	Healthcare Technology	-
Dec-21	Veracity Logic, LLC	Veeva Systems Inc.	Healthcare Technology	-

Source: Capital IQ and HCG Research

HERITAGE CAPITAL GROUP

With decades of combined experience, the **Heritage healthcare team** has successfully assisted and added value to various medical practices and providers of medical products and services through strategic consulting, debt financing, valuations, acquisitions, exit planning, and sales.

Heritage Capital Group is a highly respected and trusted investment banking and advisory firm with local and global reach. For more than 45 years, we have provided transactional and advisory expertise across key industries to our clients.

We work to ensure that your years of hard work and vision come to fruition. Our team of experts can help guide you through a wide range of scenarios including:

- Selling a company
- Buying a company
- Mergers
- Divestiture of corporate assets or divisions
- Raising debt or equity
- Exit planning
- Value enhancement
- Process improvement
- Restructuring or reorganizing



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