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# SCOTT-MACON

INVESTMENT BANKING

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## HEALTHCARE INDUSTRY

2021 Update | August 2021



M&A ADVISORY | VALUATION SERVICES | ADVISORY SERVICES | DEBT/EQUITY FINANCINGS

## Introduction

We are pleased to provide you with Scott-Macon's August 2021 Healthcare Industry Update. Please contact Nate Cortright at 203-246-6527 or [ncortright@scott-macon.com](mailto:ncortright@scott-macon.com) should you wish to discuss how Scott-Macon can assist you in achieving your business objectives.

- **Healthcare M&A continues at breakneck speeds, with total corporate deal value up over 20% since Q1. Scott-Macon expects this to be a record year in both the number of transactions and in the size of transactions completed**
- **Healthcare is dominating one of the hottest IPO markets in history increasing the number of well capitalized, cash flush buyers with sky high growth expectations**
  - The first half of 2021 had over 100 healthcare IPOs raising over \$28 billion which is a 50%+ increase from last year.
  - Many of these companies are trading at extraordinary valuations and may use M&A to fill these big shoes. Some examples include; A. Doximity (\$13.5B Market Cap; 54x Revenue), a social network for doctors; B. Butterfly Network (\$2B Market Cap; 242x Revenue), a disruptive ultrasound technology; C. FIGS Inc. (\$6.6B Market Cap; 16x Revenue), an apparel company for doctors and nurses.
- **Provider consolidation speeds up, driven by a changing healthcare ecosystem that continues to shift toward outpatient, price-transparent, value-based care**
  - Unified Women's Healthcare acquires CCRM Fertility: expands their continuum of care into fertility, creating a one stop shop for women's health
  - Akumin acquires Alliance Healthcare Services: expands oncology capabilities in order to drive increased access and efficiency of care for patients.
- **Healthcare IT M&A activity outperforms 2020 both in volume of deals and in deal size**
  - Staffing constraints and the challenges posed by Covid-19 have forced providers to seek out tech-enabled solutions to improve productivity and meet demand

## SEGMENT SNAPSHOT

\$ in millions	M&A Stats May-Aug 2021		Trailing 18mo M&A Median		Public Comps @ 8/31/21	
	# Deals	TEV	TEV / Revenue	TEV / EBITDA	TEV / Revenue	TEV / EBITDA
Healthcare IT and Tech-enabled Services	113	\$ 17,483.7	4.35x	14.9x	4.47x	27.8x
Consumer Driven Healthcare	18	192.4	NA	NA	7.45x	20.3x
Facilities Management	4	1,400.0	1.41x	NA	2.15x	16.2x
Workforce Solutions	14	570.0	1.13x	NA	2.10x	16.1x
Insurance - Commercial	7	-	3.86x	20.8x	0.78x	13.2x
Insurance - Government	3	1,156.7	0.26x	4.8x	0.51x	14.1x
Distribution	1	0.4	0.31x	NA	0.58x	13.6x
Labs	9	202.3	1.67x	NA	2.06x	6.9x
<b>Services Segment</b>	<b>169</b>	<b>21,005.5</b>	<b>2.87x</b>	<b>15.0x</b>	<b>2.13x</b>	<b>16.1x</b>
Acute	21	2,765.5	0.97x	9.0x	1.10x	8.3x
Senior Living / Long-term Care	25	528.7	1.33x	4.0x	2.33x	25.4x
Behavioral	38	201.5	1.68x	NA	2.35x	11.6x
Home Health	40	842.1	1.24x	12.7x	2.81x	20.7x
Specialty	144	2,955.8	1.83x	8.1x	2.21x	15.9x
<b>Providers Segment</b>	<b>268</b>	<b>7,293.6</b>	<b>1.50x</b>	<b>8.8x</b>	<b>2.27x</b>	<b>17.0x</b>
Supplies & Distribution	6	9.9	2.31x	12.6x	0.49x	9.9x
Durable Medical Equipment	15	32,278.0	1.28x	2.4x	2.25x	28.9x
Medical Devices & Products	10	1,075.0	4.35x	NA	6.35x	22.1x
Specialty Devices & Products	73	4,034.4	2.90x	12.7x	8.46x	26.2x
Consumer	3	-	NA	NA	4.36x	12.7x
<b>Products Segment</b>	<b>107</b>	<b>\$ 37,397.2</b>	<b>2.67x</b>	<b>9.1x</b>	<b>5.35x</b>	<b>15.5x</b>

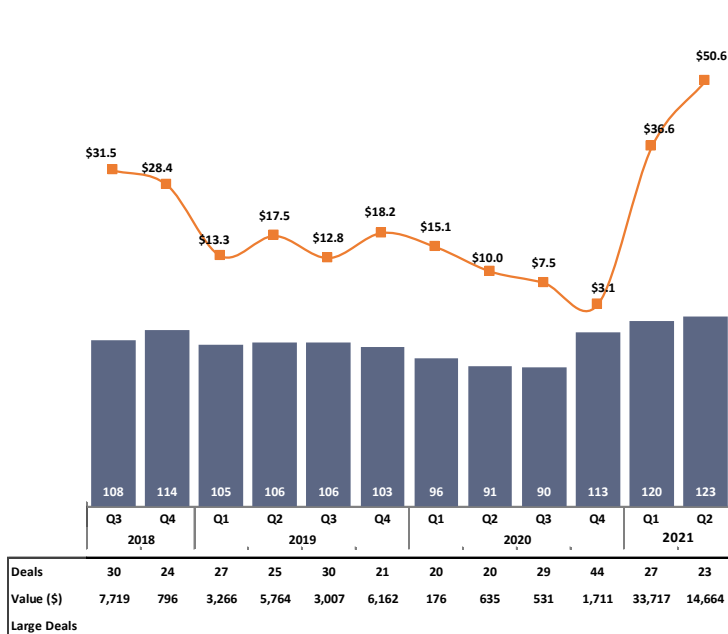
Note: Data and chart from Capital IQ, compiled using best efforts

## Private Equity Group (“PEG”) vs Corporate Acquirers

- Q2 deal volume continues to accelerate, up over 100% in deal value YOY, and increasing beyond Q1 levels
- Total number of deals the highest on record as M&A continues at breakneck speeds
- Add-on activity by private equity backed companies has taken up the lion’s share of PEG transactions, as they look to grow platforms through M&A activity

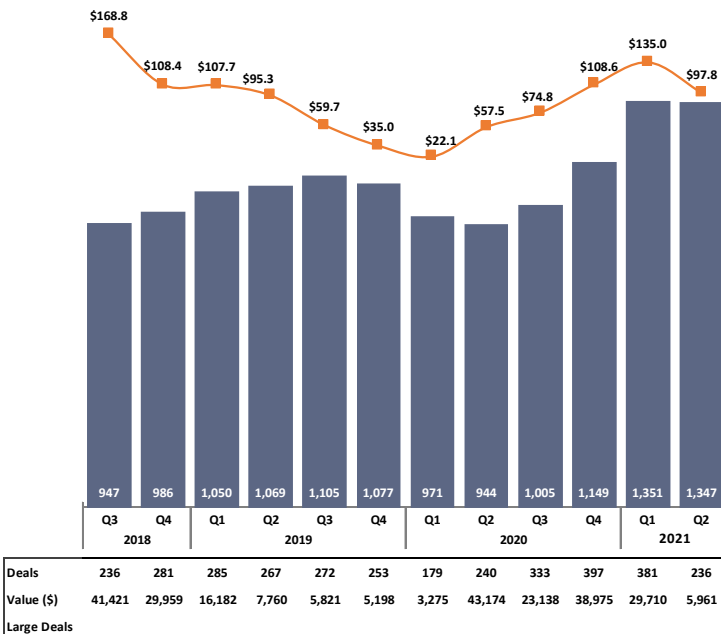
### PEG DEAL TRENDS (TTM) (1)

\$ in billions



### CORPORATE DEAL TRENDS (TTM)

\$ in billions



### “SERIAL” PEG ACQUIRERS

TTM Aug. 2021

Platform Add-on



1 16



2 13



1 13



1 12



0 11

### “SERIAL” CORPORATE ACQUIRERS

Deals

TTM Aug. 2021



10



10

It's all about helping people.



8



8

UNITEDHEALTH GROUP®

8

(1) Excludes add-on investments made by private equity portfolio companies. TTM: Trailing twelve months.

### DEAL SPOTLIGHT

July 7<sup>th</sup>, 2021 (closed)



**100+**  
PROJECTS  
ANNUALLY

**30+**  
TOTAL  
EMPLOYEES

**200+**  
FIRMS  
SERVED

**800+**  
YEARS TEAM  
EXPERIENCE

- Pharmatech provides product and process development, facilities and capital projects, quality compliance and regulatory affairs services to life sciences firms
- Pharmatech provides USP with an expansion into the life sciences consulting space, giving them the capabilities to improve quality standards on the ground
  - “This announcement positions us to continue to strengthen the supply chain and extend our many years of collaborating with global regulators and manufacturers to ensure the quality of medicines as we have done with our donor-funded work and ingredient verification services for API and excipients.” – United States Pharmacopeia CEO, Ronald T. Piervincenzi, Ph.D.
- Scott-Macon acted as Pharmatech’s exclusive financial advisor during this transaction.

### LARGEST DEALS

\$ in billions

Acquirer	Target	Fast Facts	Acquirer	Target	Fast Facts
1 <b>HELLMAN &amp; FRIEDMAN</b>		TEV: \$32.0 Revenue: \$17.5 Founded: 1910 Segment: DME	6 <b>Medtronic</b>		TEV: \$1.0 Revenue: \$0.1 Founded: 2003 Segment: SD&P
2 <b>INSIGHT PARTNERS</b>		TEV: \$7.3 Revenue: \$0.7 Founded: 1998 Segment: Health IT	7 <b>TECAN</b>		TEV: \$1.0 Revenue: NA Founded: 1990 Segment: Med Devices
3 		TEV: \$7.0 Revenue: NA Founded: 1975 Segment: Health IT	8 	<b>HCA+ Healthcare</b> Divests 4 Georgia Hospitals	TEV: \$1.0 Revenue: NA Founded: NA Segment: Acute
4 		TEV: \$1.5 Revenue: \$0.5 Founded: 1983 Segment: Specialty	9 <b>GUIDEWELL</b>		TEV: \$0.9 Revenue: \$4.0 Founded: 1959 Segment: Insurance - Gov
5 	 Divests 5 Florida Hospitals	TEV: \$1.1 Revenue: \$0.9 Founded: NA Segment: Acute	10 		TEV: \$0.8 Revenue: NA Founded: 1987 Segment: Specialty

## Overview of Scott-Macon

Scott-Macon is one of the oldest independent investment banks in the United States, focused exclusively on middle-market transactions in the \$10-200 million range. Founded in 1973 by Alfred L. Scott, the firm's senior professionals have extensive experience in mergers and acquisitions advisory, debt and equity financing, corporate valuations, fairness opinions and general corporate financial consulting.

In business for over 40 years, Scott-Macon has been retained to undertake a diverse range of domestic and international corporate finance engagements for both public and privately-held corporations. The firm's professionals have significant operating and advisory experience across key industry sectors.

### HEALTHCARE INDUSTRY EXPERIENCE

Services Segment	Providers Segment	Products Segment
Revenue Cycle Management	Non-acute Care	Disposables
Facility Management	Home Health & Hospice	Commercial
Tech-enabled	Laboratories	Consumer
Data Analytics	Acute Care	Clinical Devices
Insurance	Long-Term Care	Distribution
Medical Review	Behavioral Health	Non-Clinical Devices
Consulting	Specialty Care	Diagnostic
Regulatory Compliance	Alternative / Integrative Health	Durable Medical Equipment

### INDUSTRY GROUPS



### Sources

1. Pitchbook
2. S&P CapitalIQ
3. Scott-Macon proprietary transaction information
4. SEC Filings

**Disclaimer:**

*In the preparation of the information contained in this document, Scott-Macon Group, Inc. has endeavored to present information that is as accurate and current as possible from sources believed to be reliable. However, inadvertent errors can occur. Therefore, the information is provided "as is", without any representation or warranty of any kind, expressed or implied. Any reproduction, retransmission, republication, or other use of all or part of this document is expressly prohibited, unless written permission has been granted by Scott-Macon Group, Inc. All other rights are reserved.*

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## Select Healthcare Transactions

 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has entered into a debt facility with</i> 	 <i>has been acquired by</i> 	 <i>has acquired</i> 	 <i>has been acquired by</i> 
 <i>has been recapitalized by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has acquired</i> 	 <i>has been acquired by</i> 
 <i>has been acquired by</i>  <i>a portfolio company of</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by a joint venture between</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 
 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 	 <i>has been acquired by</i> 
 <i>has sold its securement division to</i> 	 <i>has acquired</i> 	 <i>has acquired</i> 	 <i>has acquired</i> 	 <i>has sold its managed care business to</i> 	 <i>has been acquired by</i> 

Note: These include companies where Principals of Scott-Macon were active advisors while employed at Scott-Macon and previous firms.

All logos listed above are registered trademarks of the respective companies.

# APPENDIX I

## Trailing 18 Month M&A Transactions

### SERVICES

Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /	
				Revenue	EBITDA
08/24/2021	Triple-S Management Corporation	GuideWell Mutual Holding Corporation	\$ 856.7	N/A	N/A
08/19/2021	Inovalon Holdings, Inc.	Insight Venture Management, LLC	7,315.3	NM	NM
08/16/2021	Avelead Consulting, LLC	Streamline Health Solutions, Inc.	35.0	3.43x	NA
08/11/2021	CareLinx Incorporated	Sharecare, Inc.	65.0	NM	NA
08/03/2021	VRI Intermediate Holdings, LLC	ModivCare Inc.	315.0	5.63x	15.0x
07/31/2021	National Bill Audit Services & MedIncrease Health Plans, LLC	HRGI Holdings, Inc.	ND	ND	ND
07/07/2021	Pharmatech Associates, Inc.	The United States Pharmacopeial Convention, Inc.	ND	ND	ND
06/07/2021	Sentry Data Systems, Inc.	Craneware plc	400.0	4.35x	17.4x
05/14/2021	IT Cats, LLC	Sagarsoft (India) Limited	62.3	0.10x	NA
05/12/2021	TruCode, LLC	Computer Programs and Systems, Inc.	73.5	5.88x	12.5x
04/29/2021	Next Level Hospitality Services, LLC	Aramark	226.2	1.41x	NA
03/09/2021	Qualtrax, Inc.	Ideagen plc	14.9	2.87x	NA
03/03/2021	Employee Services, Inc.	Medical Mutual of Ohio	ND	ND	ND
02/16/2021	rfoxcel Corporation	Antares Vision, Inc.	150.0	8.82x	NA
01/19/2021	Capsule Technologies, Inc.	Koninklijke Philips N.V.	635.0	6.35x	NA
01/06/2021	Majority of Alliance Healthcare Businesses of Walgreens Boots Alliance, Inc.	AmerisourceBergen Corporation	5,908.4	0.31x	NA
01/06/2021	Change Healthcare Inc.	Optum, Inc.	13,547.9	4.41x	14.8x
01/04/2021	Magellan Health, Inc.	Centene Corporation	2,122.3	0.46x	21.9x
01/04/2021	Northshore International Insurance Services, Inc.	Davies Group Limited	ND	ND	ND
12/22/2020	PatientMatters, LLC	Firstsource Solutions Limited	13.0	0.73x	NA
12/21/2020	HMS Holdings Corp.	Gainwell	3,517.7	5.47x	NM
12/16/2020	Substantially All Of the Assets of BioTek Services, Inc	Transcat, Inc.	3.5	1.67x	NA
11/23/2020	e-MDs, Inc.	CompuGROUP Holding USA, Inc.	240.0	2.70x	18.2x
11/05/2020	Insgroup, Inc.	Baldwin Krystyn Sherman Partners, LLC	279.1	7.25x	19.7x
10/01/2020	Irving Burton Associates, Inc.	DLH Holdings Corp.	32.7	1.33x	10.6x
09/28/2020	Benchmark Systems, Inc.	CloudMD Holdings Corporation (Delaware) Inc.	5.0	1.02x	9.8x
08/12/2020	Pharmaceutical Strategies Group's (PSG) 340B Link	Omniceil, Inc.	225.0	6.43x	NA
<b>Median</b>			<b>\$ 73.5</b>	<b>2.78x</b>	<b>14.1x</b>

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.  
 ND: SM proprietary deal stat has been included in the median.  
 NA: Not available.  
 NM: Not meaningful.

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## Trailing 18 Month M&A Transactions

PROVIDERS						
Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /		
				Revenue	EBITDA	
08/20/2021	Diversicare Healthcare Services, Inc.	DAC Acquisition, LLC	\$ 396.1	0.86x	4.0x	
08/11/2021	D & D Rehab Center, Inc.	Puget Technologies, Inc.	6.1	1.68x	NA	
07/01/2021	Eight clinic physical therapy practice	U.S. Physical Therapy, Inc.	15.3	2.10x	NA	
06/30/2021	Contessa Health, Inc.	Amedisys, Inc.	250.0	NA	NA	
06/25/2021	Alliance Healthcare Services, Inc.	Akumin Corp.	1,492.3	3.09x	13.4x	
06/16/2021	Tenet Divest 5 Florida Hospitals	Steward Health Care System, LLC	1,100.0	1.18x	9.0x	
04/20/2021	Five Points Healthcare, LLC	Aveanna Healthcare Holdings Inc.	64.4	1.80x	NA	
04/01/2021	Five clinic physical therapy practice	U.S. Physical Therapy, Inc.	17.1	2.45x	NA	
02/04/2021	Ketamine Infusion Centers, LLC	Delic Holdings Inc.	5.0	9.52x	NA	
02/04/2021	RIVER CITY MEDICAL ASSOCIATES, INC.	Skylight Health Group Inc.	4.3	0.71x	3.2x	
12/16/2020	ACell, Inc.	Integra LifeSciences Holdings Corporation	405.4	4.04x	NM	
12/11/2020	D&D Services, Inc.	Aveanna Healthcare Holdings Inc.	40.6	0.90x	NA	
12/10/2020	Portfolio of 45 Ambulatory Surgery Centers in United States	United Surgical Partners International Inc.	1,851.3	4.31x	8.8x	
12/10/2020	Assets of Six Medical Clinics in Florida	Skylight Health Group Inc.	4.8	0.96x	4.0x	
12/04/2020	SunLife Home Care, LLC	Addus HomeCare Corporation	1.7	0.65x	NA	
12/03/2020	Assets of Healthcare Resources Management, LLC	Skylight Health Group Inc.	1.0	0.48x	NA	
11/11/2020	Queen City Hospice, LLC	Addus HealthCare, Inc.	179.3	3.20x	NA	
11/05/2020	Assets of APEX Family Medical	CB2 Insights Inc. (nka:Skylight Health Group Inc.)	2.4	0.94x	NA	
11/02/2020	County HomeMakers, Inc.	Addus HomeCare Corporation	14.7	0.99x	NA	
10/28/2020	Primary Care Medical Clinic in Tacoma	CB2 Insights Inc. (nka:Skylight Health Group Inc.)	0.5	0.76x	NA	
10/27/2020	West Health Advocate Solutions, Inc.	Teleperformance SE	690.0	4.93x	13.8x	
10/07/2020	Maverick County Medical Family Center	CB2 Insights Inc. (nka:Skylight Health Group Inc.)	1.1	0.67x	NA	
10/02/2020	American Renal Associates Holdings, Inc.	Innovative Renal Care, LLC	1,264.8	1.55x	8.1x	
<b>Median</b>			<b>\$ 36.3</b>	<b>1.55x</b>	<b>8.8x</b>	

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.

NA: Not available.

NM: Not meaningful.



# APPENDIX I

## Trailing 18 Month M&A Transactions

PRODUCTS						
Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /		
				Revenue	EBITDA	
08/06/2021	Intersect ENT, Inc.	Medtronic plc	\$ 1,013.0	9.87x	NM	
08/03/2021	Submersible Systems, LLC	Brownie's Marine Group, Inc.	1.8	1.25x	NA	
07/29/2021	Misonix, Inc.	Bioventus Inc.	542.7	7.33x	NM	
07/28/2021	3D Systems	Surgical Science Sweden AB (publ)	305.0	7.48x	NA	
06/05/2021	Medline Industries, Inc.	Hellman & Friedman, LLC	32,000.0	1.83x	NA	
05/18/2021	Certain product lines of global respiratory product portfolio of Teleflex Incorporated	Medline Industries, Inc.	274.0	1.97x	NA	
05/10/2021	Graham Medical Technologies, L.L.C.	ADDvise Group AB (publ)	5.8	1.73x	NA	
05/03/2021	OBP Medical Corporation	CooperSurgical, Inc.	60.0	6.00x	NA	
04/27/2021	PeriGen, Inc.	Halma plc	58.0	2.90x	NA	
04/14/2021	BioDot, Inc.	ATS Automation Tooling Systems Inc.	84.0	2.33x	5.6x	
04/12/2021	REV. 1 Engineering, Inc.	Asahi Intecc Co., Ltd.	27.4	4.75x	NA	
04/11/2021	Luminex Corporation	DiaSorin S.p.A.	1,866.0	4.26x	19.8x	
03/30/2021	Bioness Inc.	Bioventus Inc.	106.9	2.67x	NA	
03/23/2021	Symp2Pass Inc	Predictmedix Inc.	5.0	2.20x	NA	
03/12/2021	Cordis Corporation	Hellman & Friedman, LLC	1,000.0	1.33x	NA	
01/21/2021	Preventice Solutions, Inc.	Boston Scientific Corporation	1,139.1	7.21x	NA	
01/12/2021	Cantel Medical Corp.	STERIS plc	4,654.5	4.41x	24.0x	
01/05/2021	Mayhugh's Medical Equipment	Protech Home Medical Corp. (nka:Qipt Home Medical Corp.)	2.3	0.41x	2.4x	
01/05/2021	BioTheranostics, Inc.	Hologic, Inc.	222.9	6.75x	NA	
12/18/2020	BioTelemetry, Inc.	Philips Holding USA Inc.	2,799.4	6.75x	NM	
11/09/2020	Absorption Systems, LLC/Absorption Systems California, LLC	Pharmaron (US) Lab Testing, Inc.	137.5	3.95x	NA	
<b>Median</b>			<b>\$ 122.2</b>	<b>2.56x</b>	<b>9.1x</b>	

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.  
 NA: Not available.  
 NM: Not meaningful.

## Public Company Performance

SERVICES									
\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM		
	of 8/31/21	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA	
<b>Healthcare IT and Tech-enabled Services</b>									
Allscripts Healthcare Solutions, Inc.	\$ 15.36	72.0%	\$ 1,920	\$ 2,203	\$ 1,494	4.7%	1.47x		31.5x
American Well Corporation	10.71	N/A	2,601	1,630	241	(74.7%)	6.77x		NM
Cerner Corporation	76.35	4.1%	22,568	24,186	5,608	25.2%	4.31x		17.1x
Computer Programs and Systems, Inc.	35.57	30.0%	510	615	272	15.4%	2.26x		14.7x
Evolent Health, Inc.	24.56	71.4%	2,106	2,197	1,021	0.3%	2.15x		NM
Inovalon Holdings, Inc.	40.85	65.1%	6,164	7,058	719	29.5%	9.82x		33.2x
Model N, Inc.	33.91	(13.8%)	1,213	1,202	183	(1.1%)	6.56x		NM
NextGen Healthcare, Inc.	15.26	15.1%	1,026	992	572	5.6%	1.73x		30.9x
National Research Corporation	54.00	(3.6%)	1,373	1,355	140	38.8%	9.67x		24.9x
Omniceil, Inc.	155.27	132.9%	6,750	6,668	987	13.3%	6.75x		NM
R1 RCM Inc.	19.72	36.0%	5,499	5,950	1,332	16.1%	4.47x		27.8x
Tabula Rasa HealthCare, Inc.	31.31	(38.1%)	732	1,088	307	(10.9%)	3.55x		NM
Vocera Communications, Inc.	48.49	73.2%	1,683	1,909	215	4.5%	8.87x		NM
<b>Mean</b>		<b>37.0%</b>	<b>\$ 4,165</b>	<b>\$ 4,389</b>	<b>\$ 1,007</b>	<b>5.1%</b>	<b>5.26x</b>		<b>25.7x</b>
<b>Median</b>		<b>33.0%</b>	<b>\$ 1,920</b>	<b>\$ 1,909</b>	<b>\$ 572</b>	<b>5.6%</b>	<b>4.47x</b>		<b>27.8x</b>
<b>Consumer Driven Healthcare</b>									
Accolade, Inc.	\$ 47.38	41.0%	\$ 3,131	\$ 3,026	\$ 230	(35.1%)	13.13x		NM
Castlight Health, Inc.	1.81	31.2%	290	240	143	(1.7%)	1.68x		NM
HealthEquity, Inc.	64.17	11.6%	5,351	5,654	741	25.1%	7.63x		30.4x
GoodRx Holdings, Inc.	38.02	N/A	15,042	14,852	631	(53.8%)	NM		NM
One Medical	24.51	(16.0%)	3,378	3,386	465	(13.3%)	7.28x		NM
Tivity Health, Inc.	23.25	42.1%	1,154	1,558	424	36.1%	3.67x		10.2x
<b>Mean</b>		<b>12.8%</b>	<b>\$ 7,335</b>	<b>\$ 7,458</b>	<b>\$ 609</b>	<b>(9.5%)</b>	<b>7.97x</b>		<b>20.3x</b>
<b>Median</b>		<b>21.4%</b>	<b>\$ 3,378</b>	<b>\$ 3,386</b>	<b>\$ 465</b>	<b>(13.3%)</b>	<b>7.45x</b>		<b>20.3x</b>
<b>Facilities Management</b>									
Healthcare Services Group, Inc.	\$ 26.16	25.8%	\$ 1,953	\$ 1,846	\$ 1,665	6.8%	1.11x		16.3x
Stericycle, Inc.	69.60	8.6%	6,393	8,413	2,633	19.8%	3.20x		16.1x
<b>Mean</b>		<b>17.2%</b>	<b>\$ 4,173</b>	<b>\$ 5,130</b>	<b>\$ 2,149</b>	<b>13.3%</b>	<b>2.15x</b>		<b>16.2x</b>
<b>Median</b>		<b>17.2%</b>	<b>\$ 4,173</b>	<b>\$ 5,130</b>	<b>\$ 2,149</b>	<b>13.3%</b>	<b>2.15x</b>		<b>16.2x</b>
<b>Workforce Solutions</b>									
AMN Healthcare Services, Inc.	\$ 113.52	110.8%	\$ 5,365	\$ 6,154	\$ 2,926	13.0%	2.10x		16.1x
Cross Country Healthcare, Inc.	21.75	240.4%	827	941	1,071	5.7%	0.88x		15.3x
HealthStream, Inc.	30.39	46.7%	959	936	251	14.9%	3.73x		25.1x
<b>Mean</b>		<b>132.6%</b>	<b>\$ 2,384</b>	<b>\$ 2,677</b>	<b>\$ 1,416</b>	<b>11.2%</b>	<b>2.24x</b>		<b>18.8x</b>
<b>Median</b>		<b>110.8%</b>	<b>\$ 959</b>	<b>\$ 941</b>	<b>\$ 1,071</b>	<b>13.0%</b>	<b>2.10x</b>		<b>16.1x</b>
<b>Insurance - Commercial</b>									
Anthem, Inc.	\$ 375.13	33.3%	\$ 91,463	\$ 110,423	\$ 129,219	6.4%	0.85x		13.3x
Cigna Corporation	211.65	19.3%	71,984	101,899	167,028	6.0%	0.61x		10.2x
UnitedHealth Group Incorporated	416.27	33.2%	392,508	420,892	272,099	8.5%	1.55x		18.3x
<b>Mean</b>		<b>20.9%</b>	<b>\$ 152,013</b>	<b>\$ 172,335</b>	<b>\$ 162,199</b>	<b>6.5%</b>	<b>0.93x</b>		<b>13.7x</b>
<b>Median</b>		<b>26.3%</b>	<b>\$ 81,723</b>	<b>\$ 106,161</b>	<b>\$ 148,124</b>	<b>6.2%</b>	<b>0.78x</b>		<b>13.2x</b>
<b>Insurance - Government</b>									
Centene Corporation	\$ 62.98	2.7%	\$ 36,720	\$ 44,015	\$ 111,284	4.4%	0.40x		9.0x
Molina Healthcare, Inc.	268.77	45.3%	15,696	13,440	22,602	4.2%	0.59x		14.1x
Magellan Health, Inc.	94.62	25.4%	2,485	2,429	4,737	1.5%	0.51x		33.4x
<b>Mean</b>		<b>24.5%</b>	<b>\$ 18,300</b>	<b>\$ 19,961</b>	<b>\$ 46,208</b>	<b>3.4%</b>	<b>0.50x</b>		<b>18.8x</b>
<b>Median</b>		<b>25.4%</b>	<b>\$ 15,696</b>	<b>\$ 13,440</b>	<b>\$ 22,602</b>	<b>4.2%</b>	<b>0.51x</b>		<b>14.1x</b>
<b>Distribution</b>									
CVS Health Corporation	\$ 86.39	39.1%	\$ 113,998	\$ 186,533	\$ 277,871	6.5%	0.67x		10.3x
Rite Aid Corporation	17.74	36.3%	955	7,193	24,308	1.7%	0.30x		17.1x
Walgreens Boots Alliance, Inc.	50.75	33.5%	43,898	77,140	132,509	4.3%	0.58x		13.6x
<b>Mean</b>		<b>36.3%</b>	<b>\$ 52,950</b>	<b>\$ 90,289</b>	<b>\$ 144,896</b>	<b>4.2%</b>	<b>0.52x</b>		<b>13.7x</b>
<b>Median</b>		<b>36.3%</b>	<b>\$ 43,898</b>	<b>\$ 77,140</b>	<b>\$ 132,509</b>	<b>4.3%</b>	<b>0.58x</b>		<b>13.6x</b>
<b>Labs</b>									
Laboratory Corporation of America Holdings	\$ 303.38	72.6%	\$ 29,337	\$ 33,731	\$ 16,388	29.9%	2.06x		6.9x
Quest Diagnostics Incorporated	152.83	37.4%	18,673	22,760	11,058	29.5%	2.06x		7.0x
<b>Mean</b>		<b>55.0%</b>	<b>\$ 24,005</b>	<b>\$ 28,246</b>	<b>\$ 13,723</b>	<b>29.7%</b>	<b>2.06x</b>		<b>6.9x</b>
<b>Median</b>		<b>55.0%</b>	<b>\$ 24,005</b>	<b>\$ 28,246</b>	<b>\$ 13,723</b>	<b>29.7%</b>	<b>2.06x</b>		<b>6.9x</b>
<b>Median</b>		<b>33.3%</b>	<b>\$ 5,351</b>	<b>\$ 5,950</b>	<b>\$ 1,332</b>	<b>5.7%</b>	<b>2.13x</b>		<b>16.1x</b>

NM: Not meaningful.

## Public Company Performance

## PROVIDERS

\$ in millions, except per share data	Stock Price as of 8/31/21	52-Week % Change	Market Cap	Enterprise Value (EV)	LTM Revenue	EBITDA Margins	EV/LTM	
							Revenue	EBITDA
<b>Acute</b>								
Community Health Systems, Inc.	\$ 12.31	138.1%	\$ 1,564	\$ 12,916	\$ 12,265	12.7%	1.05x	8.3x
HCA Healthcare, Inc.	252.98	86.4%	80,989	114,236	56,016	21.6%	2.04x	9.4x
Tenet Healthcare Corporation	75.35	167.4%	8,067	21,091	19,207	16.6%	1.10x	6.6x
<b>Mean</b>		<b>130.6%</b>	<b>\$ 30,207</b>	<b>\$ 49,414</b>	<b>\$ 29,163</b>	<b>17.0%</b>	<b>1.40x</b>	<b>8.1x</b>
<b>Median</b>		<b>138.1%</b>	<b>\$ 8,067</b>	<b>\$ 21,091</b>	<b>\$ 19,207</b>	<b>16.6%</b>	<b>1.10x</b>	<b>8.3x</b>
<b>Senior Living / Long-term Care</b>								
Brookdale Senior Living Inc.	\$ 7.30	165.5%	\$ 1,353	\$ 6,408	\$ 2,746	7.5%	2.33x	31.0x
Capital Senior Living Corporation	36.88	251.2%	76	861	247	9.3%	3.48x	37.4x
Ensign Group, Inc.	81.67	39.5%	4,458	5,460	2,494	11.7%	2.19x	18.6x
InnovAge Holding Corp.	15.03	N/A	2,037	1,918	638	3.1%	3.01x	NM
National HealthCare Corporation	73.85	15.9%	1,139	1,186	961	6.3%	1.23x	19.7x
<b>Mean</b>		<b>118.0%</b>	<b>\$ 1,812</b>	<b>\$ 3,167</b>	<b>\$ 1,417</b>	<b>7.6%</b>	<b>2.45x</b>	<b>26.7x</b>
<b>Median</b>		<b>102.5%</b>	<b>\$ 1,353</b>	<b>\$ 1,918</b>	<b>\$ 961</b>	<b>7.5%</b>	<b>2.33x</b>	<b>25.4x</b>
<b>Behavioral</b>								
Acadia Healthcare Company, Inc.	\$ 66.12	113.9%	\$ 5,942	\$ 7,394	\$ 2,223	22.1%	3.33x	15.0x
Universal Health Services, Inc.	155.76	41.2%	12,948	16,662	12,210	16.6%	1.36x	8.2x
<b>Mean</b>		<b>77.5%</b>	<b>\$ 9,445</b>	<b>\$ 12,028</b>	<b>\$ 7,216</b>	<b>19.4%</b>	<b>2.35x</b>	<b>11.6x</b>
<b>Median</b>		<b>77.5%</b>	<b>\$ 9,445</b>	<b>\$ 12,028</b>	<b>\$ 7,216</b>	<b>19.4%</b>	<b>2.35x</b>	<b>11.6x</b>
<b>Home Health</b>								
Addus HomeCare Corporation	\$ 89.92	(4.0%)	\$ 1,417	\$ 1,517	\$ 813	11.1%	1.87x	16.7x
Amedisys, Inc.	183.45	(24.2%)	5,986	6,178	2,196	13.6%	2.81x	20.7x
Chemed Corporation	476.70	(7.8%)	7,499	7,543	2,121	18.4%	3.56x	19.3x
LHC Group, Inc.	186.76	(10.4%)	5,915	5,911	2,134	11.7%	2.77x	23.8x
Signify Health, Inc.	25.99	N/A	4,367	4,074	741	17.0%	5.50x	32.3x
<b>Mean</b>		<b>(11.6%)</b>	<b>\$ 5,204</b>	<b>\$ 5,287</b>	<b>\$ 1,816</b>	<b>13.7%</b>	<b>2.75x</b>	<b>20.1x</b>
<b>Median</b>		<b>(9.1%)</b>	<b>\$ 5,950</b>	<b>\$ 6,044</b>	<b>\$ 2,127</b>	<b>12.6%</b>	<b>2.79x</b>	<b>20.0x</b>
<b>Specialty</b>								
DaVita Inc.	130.77	50.7%	13,705	24,753	11,566	20.6%	2.14x	10.4x
MEDNAX, Inc.	32.11	72.8%	2,732	3,452	1,797	11.9%	1.92x	16.1x
RadNet, Inc.	31.41	117.8%	1,669	2,927	1,256	14.8%	2.33x	15.7x
Select Medical Holdings Corporation	34.57	72.2%	4,652	8,367	5,995	14.0%	1.40x	10.0x
Surgery Partners, Inc.	49.20	157.7%	3,987	6,800	2,100	17.8%	3.24x	18.2x
U.S. Physical Therapy, Inc.	117.40	32.1%	1,515	1,629	461	18.7%	3.54x	18.9x
<b>Mean</b>		<b>79.6%</b>	<b>\$ 4,853</b>	<b>\$ 7,761</b>	<b>\$ 3,716</b>	<b>16.2%</b>	<b>2.33x</b>	<b>14.6x</b>
<b>Median</b>		<b>72.5%</b>	<b>\$ 3,374</b>	<b>\$ 5,126</b>	<b>\$ 1,949</b>	<b>16.3%</b>	<b>2.21x</b>	<b>15.9x</b>
<b>Median</b>		<b>72.2%</b>	<b>\$ 4,367</b>	<b>\$ 6,178</b>	<b>\$ 2,134</b>	<b>14.0%</b>	<b>2.27x</b>	<b>17.0x</b>

## Public Company Performance

PRODUCTS										
\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM			
	of 8/31/21	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA		
<b>Supplies &amp; Distribution</b>										
AmerisourceBergen Corporation	\$ 122.21	26.0%	\$ 25,394	\$ 31,233	\$ 204,321	1.5%	0.15x	9.9x		
Cardinal Health, Inc.	52.49	3.4%	15,245	18,553	162,467	1.7%	0.11x	6.7x		
Henry Schein, Inc.	75.59	13.8%	10,559	11,499	11,898	8.4%	0.97x	11.6x		
McKesson Corporation	204.14	33.0%	31,575	38,791	245,223	1.7%	0.16x	9.2x		
Owens & Minor, Inc.	37.28	124.8%	2,813	3,925	9,366	5.7%	0.42x	7.4x		
Patterson Companies, Inc.	30.64	5.6%	2,968	3,553	6,281	4.8%	0.57x	11.9x		
Premier, Inc.	37.18	13.5%	4,565	4,967	1,721	23.0%	2.89x	12.5x		
West Pharmaceutical Services, Inc.	451.62	59.0%	33,410	33,154	2,523	29.0%	13.14x	NM		
<b>Mean</b>		<b>34.9%</b>	<b>\$ 15,816</b>	<b>\$ 18,209</b>	<b>\$ 80,475</b>	<b>9.5%</b>	<b>2.30x</b>	<b>9.9x</b>		
<b>Median</b>		<b>19.9%</b>	<b>\$ 12,902</b>	<b>\$ 15,026</b>	<b>\$ 10,632</b>	<b>5.2%</b>	<b>0.49x</b>	<b>9.9x</b>		
<b>Durable Medical Equipment</b>										
Hill-Rom Holdings, Inc.	\$ 145.58	55.2%	\$ 9,582	\$ 11,056	\$ 2,926	19.6%	3.78x	19.2x		
Invacare Corporation	8.46	24.8%	296	616	858	1.9%	0.72x	38.5x		
<b>Mean</b>		<b>40.0%</b>	<b>\$ 4,939</b>	<b>\$ 5,836</b>	<b>\$ 1,892</b>	<b>10.8%</b>	<b>2.25x</b>	<b>28.9x</b>		
<b>Median</b>		<b>40.0%</b>	<b>\$ 4,939</b>	<b>\$ 5,836</b>	<b>\$ 1,892</b>	<b>10.8%</b>	<b>2.25x</b>	<b>28.9x</b>		
<b>Medical Devices &amp; Products</b>										
Abbott Laboratories	\$ 126.37	15.4%	\$ 224,031	\$ 233,874	\$ 40,233	29.0%	5.81x	20.1x		
Baxter International Inc.	76.22	(12.5%)	38,103	41,603	12,197	22.8%	3.41x	15.0x		
Boston Scientific Corporation	45.15	10.1%	64,287	71,080	11,196	25.9%	6.35x	24.5x		
Hologic, Inc.	79.15	32.5%	20,064	22,398	5,663	54.3%	3.96x	7.3x		
Johnson & Johnson	173.13	12.9%	455,762	474,913	89,190	34.4%	5.32x	15.5x		
Medtronic plc	133.48	24.2%	179,487	202,447	31,597	29.0%	6.41x	22.1x		
Mettler-Toledo International Inc.	1,552.83	60.0%	35,897	37,411	3,474	28.9%	10.77x	37.3x		
Stryker Corporation	277.10	39.8%	104,493	115,407	16,246	28.5%	7.10x	25.0x		
Teleflex Incorporated	395.46	0.6%	18,508	20,577	2,687	27.6%	7.66x	27.8x		
<b>Mean</b>		<b>20.3%</b>	<b>\$ 126,737</b>	<b>\$ 135,523</b>	<b>\$ 23,609</b>	<b>31.1%</b>	<b>6.31x</b>	<b>21.6x</b>		
<b>Median</b>		<b>15.4%</b>	<b>\$ 64,287</b>	<b>\$ 71,080</b>	<b>\$ 12,197</b>	<b>28.9%</b>	<b>6.35x</b>	<b>22.1x</b>		
<b>Specialty Devices &amp; Products</b>										
Abiomed, Inc.	\$ 363.96	18.3%	\$ 16,517	\$ 16,347	\$ 935	31.0%	NM	NM		
AngioDynamics, Inc.	28.30	202.2%	1,088	1,087	298	3.5%	3.65x	NM		
AtriCure, Inc.	73.62	64.6%	3,378	3,385	243	(11.1%)	13.92x	NM		
Cardiovascular Systems, Inc.	35.79	9.6%	1,439	1,391	259	(2.9%)	5.37x	NM		
DexCom, Inc.	529.42	24.4%	51,221	51,956	2,170	19.2%	NM	NM		
Edwards Lifesciences Corporation	117.18	36.5%	73,042	72,413	4,925	33.9%	14.70x	43.3x		
Glaukos Corporation	59.63	24.7%	2,775	3,030	284	(3.5%)	10.66x	NM		
Globus Medical, Inc.	81.60	44.4%	8,233	7,970	928	31.9%	8.59x	26.9x		
Inogen, Inc.	59.19	95.8%	1,338	1,128	337	4.4%	3.35x	NM		
Intuitive Surgical, Inc.	351.19	44.2%	125,364	123,748	5,163	36.9%	NM	NM		
LeMaitre Vascular, Inc.	56.62	75.4%	1,235	1,253	151	32.6%	8.32x	25.5x		
Masimo Corporation	271.54	21.2%	14,950	14,409	1,177	24.5%	12.24x	NM		
Utah Medical Products, Inc.	88.60	7.9%	323	264	46	51.6%	5.73x	11.1x		
<b>Mean</b>		<b>51.5%</b>	<b>\$ 23,146</b>	<b>\$ 22,952</b>	<b>\$ 1,301</b>	<b>19.4%</b>	<b>8.65x</b>	<b>26.7x</b>		
<b>Median</b>		<b>36.5%</b>	<b>\$ 3,378</b>	<b>\$ 3,385</b>	<b>\$ 337</b>	<b>24.5%</b>	<b>8.46x</b>	<b>26.2x</b>		
<b>Consumer</b>										
Prestige Consumer Healthcare Inc.	57.39	57.5%	2,873	4,289	983	34.5%	4.36x	12.7x		
<b>Mean</b>		<b>57.5%</b>	<b>\$ 2,873</b>	<b>\$ 4,289</b>	<b>\$ 983</b>	<b>34.5%</b>	<b>4.36x</b>	<b>12.7x</b>		
<b>Median</b>		<b>57.5%</b>	<b>\$ 2,873</b>	<b>\$ 4,289</b>	<b>\$ 983</b>	<b>34.5%</b>	<b>4.36x</b>	<b>12.7x</b>		
<b>Median</b>		<b>24.8%</b>	<b>\$ 15,245</b>	<b>\$ 16,347</b>	<b>\$ 2,926</b>	<b>24.5%</b>	<b>5.35x</b>	<b>15.5x</b>		

NM: Not meaningful.