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# SCOTT-MACON

INVESTMENT BANKING

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## HEALTHCARE INDUSTRY

Quarterly Update | Q3 2023



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

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## Introduction

We are pleased to provide you with Scott-Macon's Q3 2023 Healthcare Industry Update. Please contact Nathan Cortright at 203-246-6527 or [ncortright@scott-macon.com](mailto:ncortright@scott-macon.com) should you wish to discuss how Scott-Macon can help you to achieve your business objectives.

The healthcare M&A market remains one of the most robust for sellers in the last decade, with an impressive 220 deals announced in Q3. Valuations continue to be driven by strong buyer interest from both strategic acquirers and financial buyers.

- Healthcare services M&A activity showed an average valuation for the last 18 months of 2.75x revenues and 12.0x EBITDA.
- The provider segment M&A activity showed an average valuation for the last 18 months of 1.47x revenues and 10.5x EBITDA.
- The products segment M&A activity showed an average valuation for the last 18 months of 1.54x revenues and 5.8x EBITDA.
- These valuation statistics best represent large-cap companies, since smaller transactions generally involve privately-held companies where transaction values are less often disclosed.
- Scott-Macon's financial professionals maintain that the healthcare sector will continue to be viewed as an attractive sector for investment due to the essential nature of its services and the long history of growth in the sector above the overall economy in a wide range of macro-environments.
- As one of the nation's longest-established investments banks, the opinions of Scott-Macon are rooted in our extensive current and historical industry data and research, input from our clients, and a wealth of professional experience.

## SEGMENT SNAPSHOT

\$ in millions	M&A Stats Sep-23		Trailing 18mo M&A Median		Public Comps	
	# Deals	TEV	TEV / Revenue	TEV / EBITDA	TEV / Revenue	TEV / EBITDA
Healthcare IT and Tech-enabled Services	53	\$ 5,190.9	1.76x	10.7x	2.35x	23.0x
Consumer Driven Healthcare	1	-	4.50x	12.7x	2.16x	26.8x
Facilities Management	2	-	2.39x	NA	1.80x	11.6x
Workforce Solutions	5	-	NA	11.3x	0.98x	6.9x
Insurance - Commercial	2	425.00	NA	NA	0.64x	11.2x
Insurance - Government	-	-	NA	NA	0.59x	8.2x
Distribution	1	-	7.04x	NA	0.42x	10.8x
Labs	5	1.3	2.40x	14.2x	1.72x	10.3x
<b>Services Segment</b>	<b>69</b>	<b>\$ 5,617.1</b>	<b>2.75x</b>	<b>12.0x</b>	<b>1.54x</b>	<b>11.5x</b>
Acute	16	\$ 290.0	NA	NA	1.38x	8.7x
Senior Living / Long-term Care	10	97.6	6.08x	NA	1.50x	17.8x
Behavioral	16	30.0	1.31x	NA	2.85x	10.6x
Home Health	10	-	1.67x	15.1x	1.56x	18.6x
Specialty	64	77,011.4	1.33x	4.4x	1.86x	11.4x
<b>Providers Segment</b>	<b>116</b>	<b>\$ 77,429.0</b>	<b>1.57x</b>	<b>10.5x</b>	<b>1.68x</b>	<b>13.0x</b>
Supplies & Distribution	2	\$ -	1.03x	4.1x	1.27x	11.7x
Durable Medical Equipment	2	19.0	0.90x	4.4x	5.47x	17.9x
Medical Devices & Products	6	25.4	3.36x	7.7x	4.23x	15.3x
Specialty Devices & Products	23	1,683.8	1.83x	11.1x	6.44x	25.1x
Consumer	2	2.9	2.23x	NA	3.28x	11.4x
<b>Products Segment</b>	<b>35</b>	<b>\$ 1,731.0</b>	<b>1.54x</b>	<b>5.8x</b>	<b>4.23x</b>	<b>15.3x</b>

(1) Based on Scott-Macon's Healthcare M&A database that goes back to 2001.

## Notable Deals

### DEAL SPOTLIGHT

September 6, 2023 (Announced)



**10**  
Countries

**2,800**  
Employees

**1974**  
Founded

- Thoma Bravo, a leading software investment firm has announced its acquisition of NextGen Healthcare, Inc., provider of innovative, cloud-based healthcare technology solutions.
- NextGen Healthcare shareholders will receive \$23.95 per share in cash. The per share purchase price represents a 46.4% premium to the Company's unaffected closing stock price on August 22 and a 39.2% premium to the 30-day volume-weighted average price for the period ending September 1.
- "NextGen Healthcare's mission-critical EMR software and surround solutions are the backbone of ambulatory practices across the United States," -A.J. Rohde, Senior Partner at Thoma Bravo

### LARGEST DEALS

\$ in billions

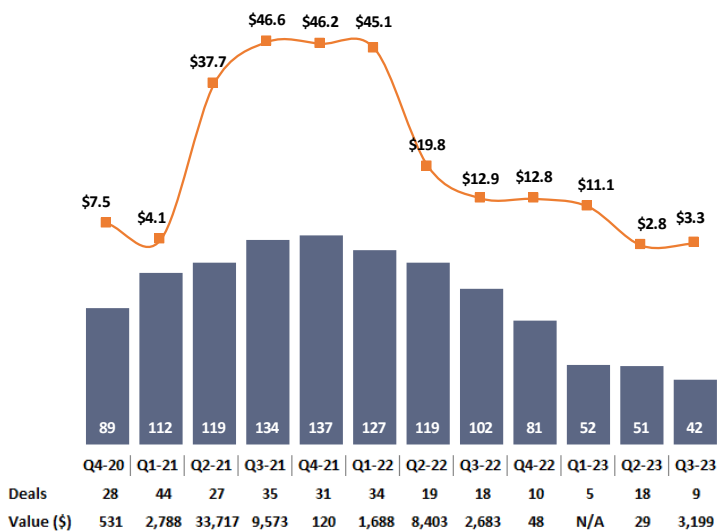
Acquirer	Target	Fast Facts	Acquirer	Target	Fast Facts
<p>1</p>		<p>TEV: \$1.8 Revenue: \$0.7 Founded: 1974 Seg: HCIT</p>	<p>6</p>		<p>TEV: \$0.6 Revenue: NA Founded: 2014 Seg: SD&amp;P</p>
<p>2</p>		<p>TEV: \$1.4 Revenue: NA Founded: 1997 Seg: HCIT</p>	<p>7</p>		<p>TEV: \$0.4 Revenue: NA Founded: 2007 Seg: SD&amp;P</p>
<p>3</p>		<p>TEV: \$0.9 Revenue: NA Founded: 2000 Seg: HCIT</p>	<p>8</p>	<p>Bravera Health Brooksville, Spring Hill and Crystal River Florida</p>	<p>TEV: \$0.3 Revenue: NA Founded: 1926 Seg: Acute</p>
<p>4</p>		<p>TEV: \$0.9 Revenue: NA Founded: 2004 Seg: Pharma Outsourcing</p>	<p>9</p>		<p>TEV: \$0.2 Revenue: \$0.3 Founded: 1966 Seg: HCIT</p>
<p>5</p>		<p>TEV: \$0.6 Revenue: \$0.3 Founded: 2009 Seg: HCIT</p>	<p>10</p>		<p>TEV: \$0.2 Revenue: NA Founded: 1980 Seg: HCIT</p>

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

- For the 29th straight quarter in a row, healthcare M&A volume exceeded more than 200 deals
- This quarter’s total announced healthcare deals (220) remains in the upper range of data points since 2001
- Add-on activity by private equity-backed companies continues at historic levels

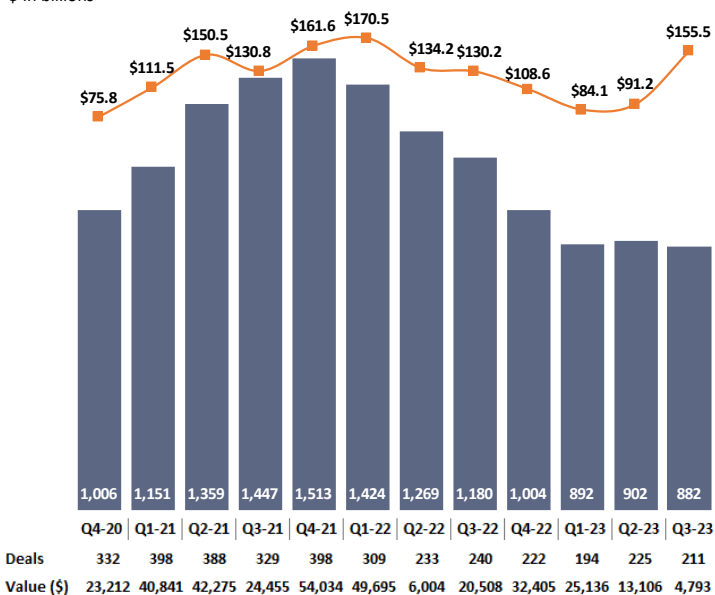
### PEG PLATFORM DEAL TRENDS (TTM) <sup>(1)</sup>

\$ in billions



### CORPORATE DEAL TRENDS (TTM)

\$ in billions



### “SERIAL” PEG ACQUIRERS

### “SERIAL” CORPORATE ACQUIRERS

**Name** | TTM Sep. 2023  
Platform | Add-on



1 | 8



0 | 9



0 | 4



0 | 3



0 | 3

**Name** | TTM Sep. 2023  
Add-on



4



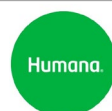
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4



4



4

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

## Deal Volume and Value by Industry Segment

- M&A activity remains robust across all segments within the U.S. healthcare industry
- Consistent with prior quarters, a majority of middle-market deals does not disclose transaction values and metrics

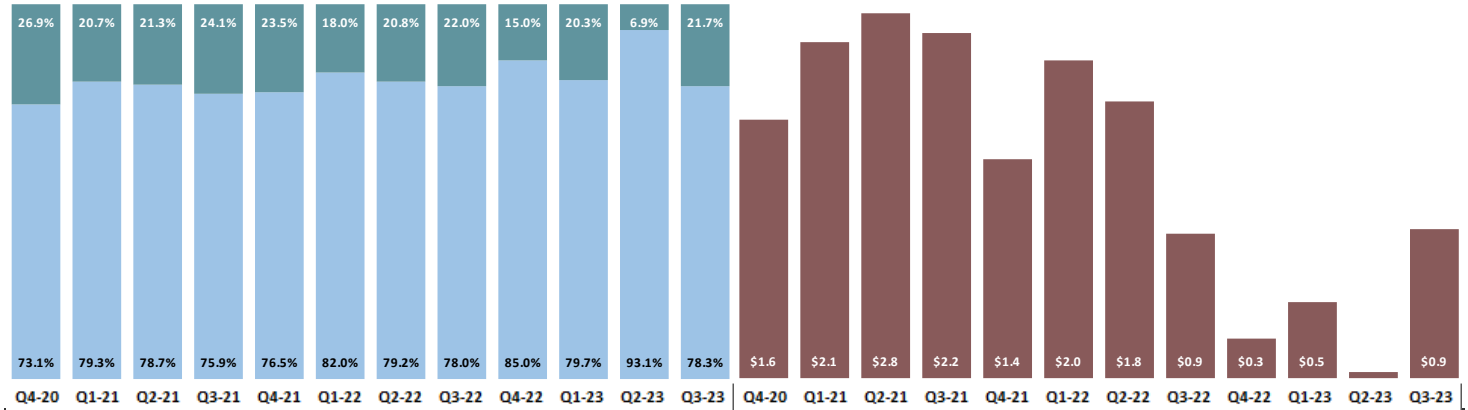
### DEAL VOLUME

Value Not Disclosed Value Disclosed

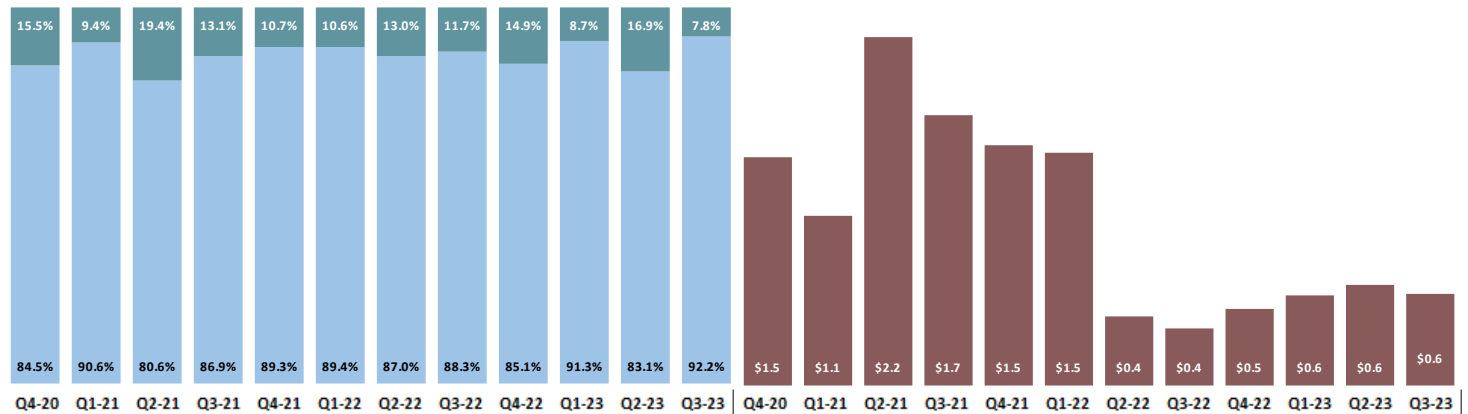
### DISCLOSED DEAL VALUE (SUB \$500M)

\$ in billions

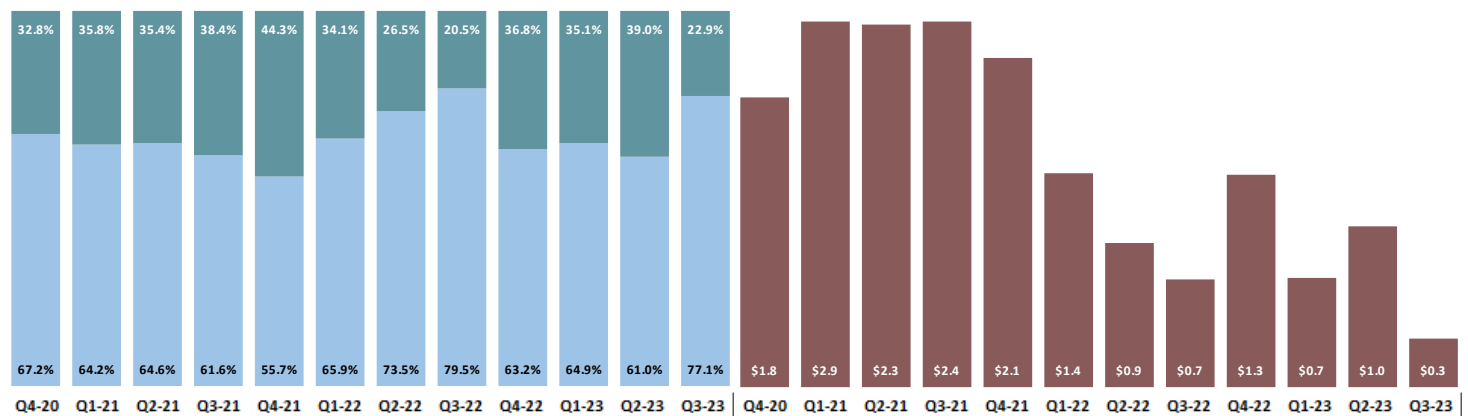
#### SERVICES



#### PROVIDERS



#### PRODUCTS



## 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 \$10-300 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

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

Note: These included 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.

## Trailing 18 Month M&amp;A Transactions

## SERVICES

Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /	
				Revenue	EBITDA
09/06/2023	NextGen Healthcare, Inc.	Thoma Bravo, L.P.	\$ 1,763.8	NM	NA
08/09/2023	Computer Task Group, Incorporated	Cegeka Groep NV	182.0	NM	NA
08/07/2023	Tabula Rasa HealthCare, Inc.	Exact Care Pharmacy, LLC	595.1	NA	NM
04/24/2023	RSKM, LLC	Kovo HealthTech Corporation	2.7	0.82x	NA
03/23/2023	Advanced Diagnostic Laboratory, LLC	Uknown Buyer	1.3	0.50x	NA
03/06/2023	Weekend Health, Inc.	WW International, Inc.	104.2	4.17x	NA
12/21/2022	IsoPlexis Corporation	Berkeley Lights, Inc.	54.8	2.90x	NM
09/08/2022	Sigmaways, Inc	HeartCore Enterprises, Inc.	10.6	1.22x	NA
09/05/2022	Signify Health, Inc.	CVS Pharmacy, Inc.	7,817.0	9.27x	NM
07/21/2022	1Life Healthcare, Inc.	Amazon.com, Inc.	4,008.1	4.50x	NM
07/21/2022	Iora Health, Inc.	1Life Healthcare, Inc.	4,008.1	4.50x	NM
07/12/2022	Sharps Compliance Corp.	Aurora Capital Partners	165.1	2.4x	NM
07/07/2022	Meridian Bioscience, Inc.	SD BioSensor, Inc	1,480.6	4.31x	14.18x
06/06/2022	Parata Systems, LLC	Becton, Dickinson and Company	1,548.0	7.04x	NA
05/23/2022	CynergisTek, Inc.	Clearwater Compliance, LLC	16.2	0.97x	NM
04/18/2022	Epic Staffing Group	The Pritzker Organization, LLC	675.0	NA	11.3x
04/05/2022	Tivity Health, Inc.	Stone Point Capital, LLC	1,939.0	3.87x	12.7x
<b>Median</b>			<b>\$ 595.1</b>	<b>3.87x</b>	<b>12.69x</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.



## Trailing 18 Month M&amp;A Transactions

## PROVIDERS

Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /	
				Revenue	EBITDA
08/17/2023	Bruker Cellular Analysis, Inc.	Bruker Corporation	\$ 105.4	1.47x	NM
07/26/2023	QDx Pathology Services, Inc.	LabGenomics USA, LLC	76,842.0	1.16x	NA
06/22/2023	Conformis, Inc.	Restor3D, Inc.	7.4	0.12x	NM
06/08/2023	Respiratory Health Business of Avanos Medical, Inc.	SunMed, LLC	110.0	0.81x	NA
06/08/2023	Dialysis Product Portfolio and BioSentry Product of AngioDynamics, Inc.	Merit Medical Systems, Inc.	100.0	3.03x	NA
06/07/2023	Single Vision Solution, Inc.	Fielmann Aktiengesellschaft	105.0	1.12x	NA
06/05/2023	Amedisys, Inc.	Optum, Inc.	3,854.5	1.73x	15.39x
05/03/2023	Amedisys, Inc.	Option Care Health, Inc.	3,732.6	1.67x	14.90x
03/24/2023	CareOne, LLC	New Frontier Energy, Inc.	2.2	3.63x	NA
02/08/2023	Oak Street Health, Inc.	CVS Health Corporation	10,466.9	4.84x	NM
02/08/2023	Cardiovascular Systems, Inc.	Abbott Laboratories	772.0	3.22x	NM
01/03/2023	Great Elm Healthcare, LLC	QHM Holdings Inc.	80.0	1.33x	6.15x
12/22/2022	ICU Eyewear, Inc.	1847 Holdings, LLC	4.5	0.24x	2.65x
11/30/2022	80% stake in Thirteen-clinic physical therapy practice	U.S. Physical Therapy, Inc.	31.3	2.60x	NA
11/29/2022	Physical medicine assets of Biodex Medical Systems, Inc	Salona Global Medical Device Corporation	8.0	0.44x	NA
11/01/2022	Fourteen-clinic physical therapy practice	U.S. Physical Therapy, Inc.	41.5	4.61x	NA
10/11/2022	SeaSpine Holdings Corporation	Orthofix Medical Inc.	281.6	1.23x	NM
10/03/2022	Two-Clinic Physical Therapy Practice	U.S. Physical Therapy, Inc.	5.3	2.10x	NA
10/03/2022	Apple Home Healthcare, Ltd.	Addus HomeCare Corporation	14.7	1.47x	NA
09/01/2022	Six-Clinic Physical Therapy Practice in West Virginia and Pennsylvania	U.S. Physical Therapy, Inc.	5.0	2.00x	NA
07/08/2022	Aamani Healthcare Group	IL2M International Corp	51.8	8.52x	NA
05/16/2022	Aesthetic Enhancements, LLC	HLYK Florida, LLC	0.5	1.03x	NA
05/02/2022	NeighborMD, Inc.	Skylight Health Group Inc.	8.0	0.23x	NA
04/01/2022	Madden and Gilbert Physical Therapy, LP	U.S. Physical Therapy, Inc.	16.5	2.20x	NA
<b>Median</b>			<b>\$ 36.4</b>	<b>1.57x</b>	<b>10.53x</b>

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

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NA: Not available.

NM: Not meaningful.

## Trailing 18 Month M&amp;A Transactions

PRODUCTS						
Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /		
				Revenue	EBITDA	
08/08/2023	AlterG, Inc.	Rewalk Robotics, Inc.	\$ 19.0	0.95x	NA	
07/31/2023	Resolute Innovation, Inc.	Research Solutions, Inc.	2.9	2.23x	NA	
06/15/2023	Innovative Endoscopy Components, L.L.C.	ADDvise Group AB (publ)	11.8	1.25x	6.91x	
05/16/2023	Arrowhead Medical, LLC	Salona Global Medical Device Corporation	0.9	0.24x	NA	
04/18/2023	Home Medical Products, Inc.	Viemed, Inc.	28.0	1.00x	4.12x	
03/14/2023	Ultra Clean Systems, Inc.	Datascope Corporation	16.0	1.86x	NA	
02/17/2023	Diabetic Supply Inc.	ADDvise Group AB (publ)	14.6	1.80x	4.42x	
02/14/2023	X-Ray Cassette Repair Company, Inc.	ADDvise Group AB (publ)	14.8	1.62x	7.68x	
02/09/2023	NuVasive, Inc.	Globus Medical, Inc.	3,592.1	2.99x	15.32x	
01/31/2023	Chembio Diagnostics, Inc.	Biosynex SA	24.1	0.49x	NM	
01/31/2023	Chembio Diagnostics, Inc.	Biosynex SA	24.1	0.49x	NM	
01/26/2023	Brio Nutrition, LLC	1606 Corp.	1.2	1.54x	NA	
12/21/2022	Substantially All of the Operating Assets of American Bio Medica Corporation	Healgen Scientific, LLC	4.6	2.08x	NA	
11/30/2022	Orthofix Medical Inc.	Unknown Buyer	475.8	1.03x	NM	
11/29/2022	Apollo Endosurgery, Inc.	Boston Scientific Corporation	632.3	8.82x	NM	
10/17/2022	Ohio Medical Corporation	ESAB Corporation	127.0	2.82x	NA	
10/03/2022	IZI Medical Products, Inc.	Halma plc	168.0	5.11x	NA	
07/27/2022	Integra Life Sciences Divestiture of Wound Care Business	Gentell, Inc.	28.8	1.07x	NA	
07/11/2022	Hometown Medical, LLC	Quipt Home Medical Corp.	5.9	0.84x	NA	
06/07/2022	NorCal Respiratory, Inc.	Quipt Home Medical Corp.	3.1	0.96x	4.74x	
05/04/2022	In2Bones Global, Inc.	CONMED Corporation	255.2	6.93x	NA	
04/19/2022	Good Night Medical, LLC	Quipt Home Medical Corp.	6.2	0.82x	4.11x	
04/18/2022	Natus Medical Incorporated	ArchiMed SAS	1,122.4	2.35x	17.03x	
<b>Median</b>			<b>\$ 19.0</b>	<b>1.54x</b>	<b>5.82x</b>	

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## Public Company Performance

## SERVICES

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM	
	of 9/30/23	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA
<b>Healthcare IT and Tech-enabled Services</b>								
Veradigm Inc.	\$ 13.14	(13.7%)	\$ 1,436	\$ 1,162	\$ 1,529	7.5%	0.76x	10.1x
Apollo Medical Holdings, Inc.	30.85	(20.9%)	1,458	1,394	1,297	10.0%	1.08x	10.8x
Doximity, Inc.	21.22	(29.8%)	4,132	3,841	437	32.0%	8.79x	27.5x
Definitive Healthcare Corp.	7.99	(48.6%)	905	1,045	238	7.3%	4.39x	59.7x
Evolent Health, Inc.	27.23	(24.2%)	3,042	3,595	1,632	5.3%	2.20x	41.3x
Model N, Inc.	24.41	(28.7%)	938	931	244	(0.1%)	3.82x	NM
MultiPlan Corporation	1.68	(41.3%)	1,091	5,643	966	64.6%	5.84x	9.0x
NextGen Healthcare, Inc.	23.73	34.1%	1,592	1,796	678	8.3%	2.65x	31.9x
Omnicell, Inc.	45.04	(48.2%)	2,036	2,251	1,235	2.9%	1.82x	62.0x
R1 RCM Inc.	15.07	(18.7%)	6,314	8,053	2,135	21.1%	3.77x	17.9x
Sharecare, Inc.	0.94	(50.5%)	336	194	465	(15.2%)	0.42x	NM
<b>Mean</b>		<b>(16.9%)</b>	<b>\$ 1,612</b>	<b>\$ 2,051</b>	<b>\$ 765</b>	<b>4.2%</b>	<b>3.05x</b>	<b>27.5x</b>
<b>Median</b>		<b>(26.5%)</b>	<b>\$ 1,090</b>	<b>\$ 1,125</b>	<b>\$ 451</b>	<b>7.4%</b>	<b>2.35x</b>	<b>23.0x</b>
<b>Consumer Driven Healthcare</b>								
23andMe Holding Co.	\$ 0.98	(65.8%)	\$ 462	\$ 231	\$ 296	(104.4%)	0.78x	NM
HealthEquity, Inc.	73.05	8.8%	6,255	6,901	938	25.8%	7.36x	28.5x
GoodRx Holdings, Inc.	5.63	20.6%	2,240	2,192	745	11.7%	2.94x	25.1x
Teladoc Health, Inc.	18.59	(26.7%)	3,066	3,693	2,531	(0.2%)	1.46x	NM
<b>Mean</b>		<b>(13.0%)</b>	<b>\$ 2,271</b>	<b>\$ 2,443</b>	<b>\$ 878</b>	<b>(19.6%)</b>	<b>2.81x</b>	<b>26.8x</b>
<b>Median</b>		<b>(7.4%)</b>	<b>\$ 1,520</b>	<b>\$ 1,507</b>	<b>\$ 563</b>	<b>(12.7%)</b>	<b>2.16x</b>	<b>26.8x</b>
<b>Facilities Management</b>								
Agiliti, Inc.	\$ 6.49	(54.6%)	\$ 877	\$ 2,057	\$ 1,144	22.7%	1.80x	7.9x
Healthcare Services Group, Inc.	10.43	(13.7%)	774	803	1,675	3.3%	0.48x	14.4x
Stericycle, Inc.	44.71	6.2%	4,137	5,867	2,715	18.6%	2.16x	11.6x
<b>Mean</b>		<b>(20.7%)</b>	<b>\$ 1,929</b>	<b>\$ 2,909</b>	<b>\$ 1,844</b>	<b>14.9%</b>	<b>1.48x</b>	<b>11.3x</b>
<b>Median</b>		<b>(13.7%)</b>	<b>\$ 877</b>	<b>\$ 2,057</b>	<b>\$ 1,675</b>	<b>18.6%</b>	<b>1.80x</b>	<b>11.6x</b>
<b>Workforce Solutions</b>								
AMN Healthcare Services, Inc.	\$ 85.18	(19.6%)	\$ 3,236	\$ 4,302	\$ 4,382	14.2%	0.98x	6.9x
Cross Country Healthcare, Inc.	24.79	(12.6%)	888	924	2,428	8.6%	0.38x	4.4x
HealthStream, Inc.	21.58	1.5%	662	639	277	13.1%	2.31x	17.6x
<b>Mean</b>		<b>(10.2%)</b>	<b>\$ 1,595</b>	<b>\$ 1,955</b>	<b>\$ 2,362</b>	<b>12.0%</b>	<b>1.22x</b>	<b>9.7x</b>
<b>Median</b>		<b>(12.6%)</b>	<b>\$ 888</b>	<b>\$ 924</b>	<b>\$ 2,428</b>	<b>13.1%</b>	<b>0.98x</b>	<b>6.9x</b>

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## Public Company Performance

## SERVICES (2)

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM		
	of 9/30/22	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA	
<b>Insurance - Commercial</b>									
Cigna Group	\$ 286.07	3.1%	\$ 84,671	\$ 107,819	\$ 186,021	5.3%	0.58x	10.9x	
Elevance Health, Inc.	435.42	(4.1%)	102,606	117,398	168,626	6.0%	0.70x	11.5x	
Humana Inc.	486.52	0.3%	60,283	56,270	98,727	5.2%	0.57x	10.9x	
UnitedHealth Group Incorporated	504.19	(0.2%)	467,034	486,306	359,982	9.6%	1.35x	14.1x	
<b>Mean</b>		<b>(0.2%)</b>	<b>\$ 178,648</b>	<b>\$ 191,948</b>	<b>\$ 203,339</b>	<b>6.5%</b>	<b>0.80x</b>	<b>11.9x</b>	
<b>Median</b>		<b>0.1%</b>	<b>\$ 93,638</b>	<b>\$ 112,608</b>	<b>\$ 177,324</b>	<b>5.7%</b>	<b>0.64x</b>	<b>11.2x</b>	
<b>Insurance - Government</b>									
agilon health, inc.	\$ 17.76	(24.2%)	\$ 7,201	\$ 7,061	\$ 3,670	(2.9%)	1.92x	NM	
Alignment Healthcare, Inc.	6.94	(41.4%)	1,308	1,083	1,624	(7.5%)	0.67x	NM	
Cano Health, Inc.	0.25	(97.1%)	72	1,276	2,979	(7.5%)	0.43x	NM	
Centene Corporation	68.88	(11.5%)	37,297	37,108	141,758	4.4%	0.26x	5.9x	
Clover Health Investments, Corp.	1.08	(36.5%)	524	219	2,841	(9.7%)	NM	NM	
Molina Healthcare, Inc.	327.89	(0.6%)	19,116	16,587	31,835	5.3%	0.52x	9.9x	
Oscar Health, Inc.	5.57	11.6%	1,234	(719)	4,983	(8.5%)	NM	NM	
Privia Health Group, Inc.	23.00	(32.5%)	2,699	2,391	1,507	1.1%	1.59x	NM	
<b>Mean</b>		<b>(29.0%)</b>	<b>\$ 8,681</b>	<b>\$ 8,126</b>	<b>\$ 23,900</b>	<b>(3.2%)</b>	<b>0.90x</b>	<b>7.9x</b>	
<b>Median</b>		<b>(28.3%)</b>	<b>\$ 2,003</b>	<b>\$ 1,833</b>	<b>\$ 3,324</b>	<b>(5.2%)</b>	<b>0.59x</b>	<b>7.9x</b>	
<b>Distribution</b>									
CVS Health Corporation	\$ 69.82	(26.8%)	\$ 89,677	\$ 158,006	\$ 338,072	5.4%	0.47x	8.6x	
Walgreens Boots Alliance, Inc.	22.24	(29.2%)	19,199	52,982	139,081	2.9%	0.38x	12.9x	
<b>Mean</b>		<b>(28.0%)</b>	<b>\$ 54,438</b>	<b>\$ 105,494</b>	<b>\$ 238,577</b>	<b>4.2%</b>	<b>0.42x</b>	<b>10.8x</b>	
<b>Median</b>		<b>(28.0%)</b>	<b>\$ 54,438</b>	<b>\$ 105,494</b>	<b>\$ 238,577</b>	<b>4.2%</b>	<b>0.42x</b>	<b>10.8x</b>	
<b>Labs</b>									
Laboratory Corporation of America	\$ 201.05	(1.8%)	\$ 17,833	\$ 22,191	\$ 14,881	15.0%	1.49x	10.0x	
Quest Diagnostics Incorporated	121.86	(0.7%)	13,677	18,446	9,297	18.3%	1.98x	10.9x	
<b>Mean</b>		<b>(1.3%)</b>	<b>\$ 15,755</b>	<b>\$ 20,319</b>	<b>\$ 12,089</b>	<b>16.6%</b>	<b>1.74x</b>	<b>10.4x</b>	
<b>Median</b>		<b>(1.3%)</b>	<b>\$ 15,755</b>	<b>\$ 20,319</b>	<b>\$ 12,089</b>	<b>16.6%</b>	<b>1.74x</b>	<b>10.4x</b>	
<b>Median</b>		<b>(16.2%)</b>	<b>\$ 1,525</b>	<b>\$ 2,125</b>	<b>\$ 1,576</b>	<b>5.3%</b>	<b>1.54x</b>	<b>11.5x</b>	

## Public Company Performance

## PROVIDERS

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM	
	of 9/30/23	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA
<b>Acute</b>								
Community Health Systems, Inc.	\$ 2.90	34.9%	\$ 379	\$ 12,733	\$ 12,390	10.0%	1.03x	10.2x
HCA Healthcare, Inc.	245.98	33.8%	66,904	106,780	61,920	19.9%	1.72x	8.7x
Nutex Health Inc.	0.20	(86.5%)	134	388	197	(16.3%)	1.97x	NM
Tenet Healthcare Corporation	65.89	27.7%	6,690	20,804	20,110	18.4%	1.03x	5.6x
<b>Mean</b>		<b>2.5%</b>	<b>\$ 18,527</b>	<b>\$ 35,176</b>	<b>\$ 23,654</b>	<b>8.0%</b>	<b>1.44x</b>	<b>8.2x</b>
<b>Median</b>		<b>30.8%</b>	<b>\$ 3,535</b>	<b>\$ 16,769</b>	<b>\$ 16,250</b>	<b>14.2%</b>	<b>1.38x</b>	<b>8.7x</b>
<b>Senior Living / Long-term Care</b>								
Brookdale Senior Living Inc.	\$ 4.14	(3.0%)	\$ 779	\$ 5,331	\$ 2,890	10.4%	1.84x	17.8x
Ensign Group, Inc.	92.93	16.9%	5,180	6,648	3,388	10.9%	1.96x	18.0x
InnovAge Holding Corp.	5.99	1.9%	814	795	688	(4.9%)	1.16x	NM
National HealthCare Corporation	63.98	1.0%	980	1,011	1,087	6.8%	0.93x	13.6x
<b>Mean</b>		<b>4.2%</b>	<b>\$ 1,938</b>	<b>\$ 3,446</b>	<b>\$ 2,013</b>	<b>5.8%</b>	<b>1.47x</b>	<b>16.5x</b>
<b>Median</b>		<b>1.4%</b>	<b>\$ 897</b>	<b>\$ 3,171</b>	<b>\$ 1,988</b>	<b>8.6%</b>	<b>1.50x</b>	<b>17.8x</b>
<b>Behavioral</b>								
Acadia Healthcare Company, Inc.	\$ 70.31	(10.1%)	\$ 6,481	\$ 7,903	\$ 2,778	21.5%	2.85x	13.2x
LifeStance Health Group, Inc.	6.87	3.8%	2,597	3,018	959	(9.4%)	3.15x	NM
Universal Health Services, Inc.	125.73	42.6%	8,725	13,823	13,799	12.6%	1.00x	8.0x
<b>Mean</b>		<b>12.1%</b>	<b>\$ 5,934</b>	<b>\$ 8,248</b>	<b>\$ 5,845</b>	<b>8.2%</b>	<b>2.33x</b>	<b>10.6x</b>
<b>Median</b>		<b>3.8%</b>	<b>\$ 6,481</b>	<b>\$ 7,903</b>	<b>\$ 2,778</b>	<b>12.6%</b>	<b>2.85x</b>	<b>10.6x</b>
<b>Home Health</b>								
Addus HomeCare Corporation	\$ 85.19	(10.6%)	\$ 1,363	\$ 1,412	\$ 999	9.6%	1.41x	14.8x
Amedisys, Inc.	93.40	(3.5%)	3,048	3,439	2,229	8.6%	1.54x	18.0x
Chemed Corporation	519.70	19.0%	7,802	7,783	2,187	16.5%	3.56x	21.5x
Option Care Health, Inc.	32.35	2.8%	5,819	6,541	4,133	8.2%	1.58x	19.2x
<b>Mean</b>		<b>1.9%</b>	<b>\$ 4,508</b>	<b>\$ 4,794</b>	<b>\$ 2,387</b>	<b>10.7%</b>	<b>2.02x</b>	<b>18.4x</b>
<b>Median</b>		<b>(0.4%)</b>	<b>\$ 4,433</b>	<b>\$ 4,990</b>	<b>\$ 2,208</b>	<b>9.1%</b>	<b>1.56x</b>	<b>18.6x</b>
<b>Specialty</b>								
DaVita Inc.	\$ 94.53	14.2%	\$ 8,628	\$ 19,779	\$ 11,739	17.1%	1.68x	9.8x
Pediatrics Medical Group, Inc.	12.71	(23.0%)	1,052	1,792	1,995	11.0%	0.90x	8.2x
RadNet, Inc.	28.19	38.5%	1,911	3,107	1,528	12.3%	2.03x	16.6x
Select Medical Holdings Corporation	25.27	14.3%	3,213	8,159	6,489	10.5%	1.26x	12.0x
Surgery Partners, Inc.	29.25	25.0%	3,671	6,394	2,662	18.7%	2.40x	12.8x
U.S. Physical Therapy, Inc.	91.73	20.7%	1,375	1,475	575	14.4%	2.57x	17.8x
<b>Mean</b>		<b>8.7%</b>	<b>\$ 3,378</b>	<b>\$ 6,481</b>	<b>\$ 4,028</b>	<b>13.8%</b>	<b>1.69x</b>	<b>12.2x</b>
<b>Median</b>		<b>17.5%</b>	<b>\$ 2,562</b>	<b>\$ 4,750</b>	<b>\$ 2,662</b>	<b>13.4%</b>	<b>1.86x</b>	<b>11.4x</b>
<b>Median</b>		<b>14.2%</b>	<b>\$ 3,048</b>	<b>\$ 6,394</b>	<b>\$ 2,663</b>	<b>10.9%</b>	<b>1.68x</b>	<b>13.0x</b>

NM: Not meaningful.

## Public Company Performance

## PRODUCTS

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM	
	of 9/30/23	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA
<b>Supplies &amp; Distribution</b>								
Becton, Dickinson and Company	258.53	16.0%	75,002	90,861	19,046	25.6%	4.77x	18.6x
Cardinal Health, Inc.	86.82	30.2%	21,388	22,614	205,012	1.2%	0.11x	9.2x
FIGS, Inc.	5.90	(28.5%)	994	868	532	5.0%	1.63x	32.4x
Henry Schein, Inc.	74.25	12.9%	9,696	11,441	12,598	8.4%	0.91x	10.9x
ICU Medical, Inc.	119.01	(21.0%)	2,872	4,400	2,294	12.5%	1.92x	15.4x
McKesson Corporation	434.85	27.9%	58,662	63,502	284,040	1.8%	0.22x	12.6x
Owens & Minor, Inc.	16.16	(32.9%)	1,237	3,586	10,135	3.4%	0.35x	10.5x
Patterson Companies, Inc.	29.64	23.4%	2,841	3,413	6,525	5.7%	0.52x	9.1x
Premier, Inc.	21.50	(36.7%)	2,562	2,924	1,336	38.9%	2.19x	5.6x
West Pharmaceutical Services, Inc.	375.21	52.5%	27,713	27,228	2,866	28.9%	9.50x	32.8x
<b>Mean</b>		<b>4.4%</b>	<b>\$ 20,297</b>	<b>\$ 23,084</b>	<b>\$ 54,438</b>	<b>13.1%</b>	<b>2.21x</b>	<b>15.7x</b>
<b>Median</b>		<b>14.5%</b>	<b>\$ 6,284</b>	<b>\$ 7,920</b>	<b>\$ 8,330</b>	<b>7.0%</b>	<b>1.27x</b>	<b>11.7x</b>
<b>Durable Medical Equipment</b>								
ResMed Inc.	147.87	(32.3%)	21,748	23,100	4,223	30.6%	5.47x	17.9x
<b>Mean</b>		<b>(32.3%)</b>	<b>\$ 21,748</b>	<b>\$ 23,100</b>	<b>\$ 4,223</b>	<b>30.6%</b>	<b>5.47x</b>	<b>17.9x</b>
<b>Median</b>		<b>(32.3%)</b>	<b>\$ 21,748</b>	<b>\$ 23,100</b>	<b>\$ 4,223</b>	<b>30.6%</b>	<b>5.47x</b>	<b>17.9x</b>
<b>Medical Devices &amp; Products</b>								
Abbott Laboratories	\$ 96.85	0.1%	\$ 168,069	\$ 185,057	\$ 39,959	24.2%	4.63x	19.2x
Baxter International Inc.	37.74	(29.9%)	19,112	34,311	15,181	20.3%	2.26x	11.2x
Boston Scientific Corporation	52.80	36.3%	77,311	86,339	13,400	25.3%	6.44x	25.5x
Hologic, Inc.	69.40	7.6%	16,999	17,074	4,038	31.8%	4.23x	13.3x
Johnson & Johnson	155.75	(4.7%)	375,041	399,460	97,773	35.1%	4.09x	11.6x
Medtronic plc	78.36	(3.0%)	104,261	127,904	31,558	26.4%	4.05x	15.3x
Mettler-Toledo International Inc.	1,108.07	2.2%	24,228	26,297	3,954	31.8%	6.65x	20.9x
Stryker Corporation	273.27	34.9%	103,782	115,816	19,455	24.6%	5.95x	24.2x
Teleflex Incorporated	196.41	(2.5%)	9,230	10,649	2,899	27.1%	3.67x	13.6x
<b>Mean</b>		<b>4.6%</b>	<b>\$ 99,781</b>	<b>\$ 111,434</b>	<b>\$ 25,358</b>	<b>27.4%</b>	<b>4.66x</b>	<b>17.2x</b>
<b>Median</b>		<b>0.1%</b>	<b>\$ 77,311</b>	<b>\$ 86,339</b>	<b>\$ 15,181</b>	<b>26.4%</b>	<b>4.23x</b>	<b>15.3x</b>

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## Public Company Performance

## PRODUCTS (2)

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM	
	of 9/30/22	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA
<b>Specialty Devices &amp; Products</b>								
AngioDynamics, Inc.	7.31	(64.3%)	291	238	336	2.7%	0.71x	26.4x
AtriCure, Inc.	43.80	12.0%	2,074	2,082	366	(4.6%)	5.69x	NM
DexCom, Inc.	93.30	15.8%	36,188	38,365	3,198	18.5%	12.00x	64.7x
Edwards Lifesciences Corporation	69.28	(16.2%)	42,116	41,758	5,657	31.0%	7.38x	23.8x
Glaukos Corporation	75.25	41.3%	3,659	3,950	297	(27.5%)	13.31x	NM
Globus Medical, Inc.	49.65	(16.7%)	6,941	6,634	1,097	29.0%	6.05x	20.8x
Inogen, Inc.	5.22	(78.5%)	121	(25)	349	(11.7%)	NM	NM
Intuitive Surgical, Inc.	292.29	55.9%	102,697	99,095	6,851	30.8%	14.46x	47.0x
LeMaitre Vascular, Inc.	54.48	7.5%	1,213	1,210	177	22.7%	6.83x	30.1x
Masimo Corporation	87.68	(37.9%)	4,631	5,466	2,187	13.2%	2.50x	18.9x
Utah Medical Products, Inc.	86.00	0.8%	312	228	52	52.4%	4.39x	8.4x
<b>Mean</b>		<b>(7.3%)</b>	<b>\$ 18,204</b>	<b>\$ 18,091</b>	<b>\$ 1,870</b>	<b>14.2%</b>	<b>7.33x</b>	<b>30.0x</b>
<b>Median</b>		<b>0.8%</b>	<b>\$ 3,659</b>	<b>\$ 3,950</b>	<b>\$ 366</b>	<b>18.5%</b>	<b>6.44x</b>	<b>25.1x</b>
<b>Consumer</b>								
Prestige Consumer Healthcare Inc.	\$ 57.19	14.8%	\$ 2,833	\$ 4,114	\$ 1,130	33.4%	3.64x	10.9x
<b>Mean</b>		<b>9.4%</b>	<b>\$ 12,368</b>	<b>\$ 15,303</b>	<b>\$ 5,104</b>	<b>28.9%</b>	<b>3.28x</b>	<b>11.4x</b>
<b>Median</b>		<b>9.4%</b>	<b>\$ 12,368</b>	<b>\$ 15,303</b>	<b>\$ 5,104</b>	<b>28.9%</b>	<b>3.28x</b>	<b>11.4x</b>
<b>Median</b>		<b>2.2%</b>	<b>\$ 16,999</b>	<b>\$ 17,074</b>	<b>\$ 4,038</b>	<b>24.4%</b>	<b>4.16x</b>	<b>16.6x</b>