



Industry Update  
**Healthcare**  
Q3 2024

## 1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile				LTM Operating Data		Forward Estimates	
		Price at 09/30/24	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2024 Est. Revenue	2024 Est. EBITDA
<b>Healthcare Equipment and Supplies</b>									
Stryker Corporation	SYK	\$361.26	96.4%	\$152,308	\$43,833	\$21,974	\$5,693	\$22,517	\$6,103
Medtronic plc	MDT	\$90.03	98.4%	\$133,201	\$89,749	\$32,577	\$9,013	\$33,189	\$9,438
Boston Scientific Corporation	BSX	\$83.80	98.7%	\$137,050	\$38,078	\$15,911	\$4,063	\$16,584	\$4,923
ResMed Inc.	RMD	\$244.12	95.7%	\$36,880	\$7,222	\$4,807	\$1,632	\$4,920	\$1,752
Align Technology, Inc.	ALGN	\$254.32	75.8%	\$15,672	\$6,366	\$3,961	\$820	\$4,006	\$1,000
Teleflex Incorporated	TFX	\$247.32	95.9%	\$10,851	\$7,486	\$3,026	\$645	\$3,079	\$906
ICU Medical, Inc.	ICUI	\$182.22	96.7%	\$5,716	\$4,287	\$2,304	\$266	\$2,320	\$357
Haemonetics Corporation	HAE	\$80.38	82.0%	\$5,272	\$2,525	\$1,361	\$310	\$1,380	\$402
Integra LifeSciences Holdings Corporation	IART	\$18.17	40.0%	\$3,682	\$4,066	\$1,565	\$323	\$1,613	\$320
<b>Healthcare Providers and Services</b>									
HCA Healthcare, Inc.	HCA	\$406.43	99.3%	\$135,055	\$59,459	\$69,621	\$13,747	\$70,669	\$13,908
The Cigna Group	CI	\$346.44	93.4%	\$117,084	\$157,639	\$229,747	\$8,555	\$243,999	\$13,116
Humana Inc.	HUM	\$316.74	59.7%	\$42,971	\$50,007	\$115,010	\$3,779	\$116,811	\$3,954
Centene Corporation	CNC	\$75.28	92.5%	\$34,694	\$82,351	\$146,204	\$5,919	\$161,276	\$4,240
Tenet Healthcare Corporation	THC	\$166.20	97.1%	\$29,044	\$29,372	\$20,972	\$4,028	\$20,805	\$3,950
DaVita Inc.	DVA	\$163.93	98.7%	\$25,270	\$17,504	\$12,667	\$2,658	\$12,754	\$2,678
Community Health Systems, Inc.	CYH	\$6.07	96.5%	\$13,229	\$13,905	\$12,551	\$1,205	\$12,507	\$1,522
Select Medical Holdings Corporation	SEM	\$34.87	86.1%	\$9,756	\$8,003	\$6,969	\$819	\$7,054	\$877

Source: Capital IQ

## Financial Performance (cont.)

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile				LTM Operating Data		Forward Estimates	
		Price at 09/30/24	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2024 Est. Revenue	2024 Est. EBITDA
<b>Pharmaceuticals</b>									
Eli Lilly and Company	LLY	\$885.94	91.1%	\$744,400	\$75,607	\$40,863	\$16,567	\$45,691	\$16,148
AbbVie Inc.	ABBV	\$197.48	98.8%	\$418,406	\$143,422	\$55,533	\$25,630	\$55,999	\$25,782
Merck & Co., Inc.	MRK	\$113.56	84.3%	\$282,423	\$0	\$63,174	\$31,674	\$64,109	\$27,125
Pfizer Inc.	PFE	\$28.94	84.8%	\$218,649	\$219,476	\$59,375	\$18,366	\$62,625	\$24,632
Bristol-Myers Squibb Company	BMY	\$51.74	89.1%	\$154,039	\$93,670	\$47,435	\$19,162	\$47,376	\$5,342
Perrigo Company plc	PRGO	\$26.23	75.8%	\$7,200	\$11,203	\$4,392	\$572	\$4,436	\$698

Source: Capital IQ

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## Valuation Metrics

## Return Profile, Trading Multiples

Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Healthcare Equipment and Supplies</b>									
Stryker Corporation	SYK	7.1%	18.9%	10.5%	25.9%	14.3%	0.9x	6.9x	26.8x
Medtronic plc	MDT	4.4%	7.9%	3.2%	27.7%	3.3%	0.9x	4.1x	14.8x
Boston Scientific Corporation	BSX	4.9%	8.9%	15.7%	25.5%	16.0%	0.8x	8.6x	33.7x
ResMed Inc.	RMD	13.3%	23.6%	9.9%	34.0%	24.4%	0.7x	7.7x	22.6x
Align Technology, Inc.	ALGN	6.7%	11.4%	4.0%	20.7%	12.8%	1.6x	4.0x	19.1x
Teleflex Incorporated	TFX	3.2%	5.4%	2.3%	21.3%	-18.2%	1.2x	3.6x	16.8x
ICU Medical, Inc.	ICUI	0.6%	-3.4%	0.5%	11.5%	-7.1%	0.7x	2.5x	21.5x
Haemonetics Corporation	HAE	5.8%	14.0%	9.8%	22.8%	17.9%	0.3x	3.9x	17.0x
Integra LifeSciences Holdings Corporation	IART	3.0%	-0.4%	1.4%	20.6%	-16.6%	1.1x	2.4x	11.4x
	Mean	5.4%	9.6%	6.4%	23.3%	5.2%	0.9x	4.0x	18.1x
	Median	4.9%	8.9%	4.0%	22.8%	12.8%	0.9x	3.2x	17.2x
<b>Healthcare Providers and Services</b>									
HCA Healthcare, Inc.	HCA	11.5%	1195.5%	10.2%	19.7%	12.0%	1.7x	1.9x	9.8x
The Cigna Group	CI	2.8%	7.6%	21.0%	3.7%	-17.0%	0.5x	0.5x	13.7x
Humana Inc.	HUM	4.0%	7.8%	12.4%	3.3%	-26.1%	0.5x	0.4x	11.4x
Centene Corporation	CNC	3.5%	11.6%	4.9%	4.0%	-7.9%	0.5x	0.2x	5.9x
Tenet Healthcare Corporation	THC	7.0%	59.6%	4.0%	19.2%	11.6%	2.1x	1.4x	7.2x
DaVita Inc.	DVA	6.9%	44.9%	6.3%	21.0%	21.4%	0.9x	2.0x	9.5x
Community Health Systems, Inc.	CYH	3.5%	N/A	0.8%	9.6%	-7.3%	1.6x	1.1x	11.0x
Select Medical Holdings Corporation	SEM	4.8%	18.4%	5.8%	11.8%	11.6%	1.4x	1.4x	11.9x
	Mean	5.5%	192.2%	8.2%	11.5%	-0.2%	1.2x	1.1x	10.0x
	Median	4.4%	18.4%	6.1%	10.7%	2.1%	1.2x	1.2x	10.4x

Source: Capital IQ

## Valuation Metrics (cont.)

### Return Profile, Trading Metrics

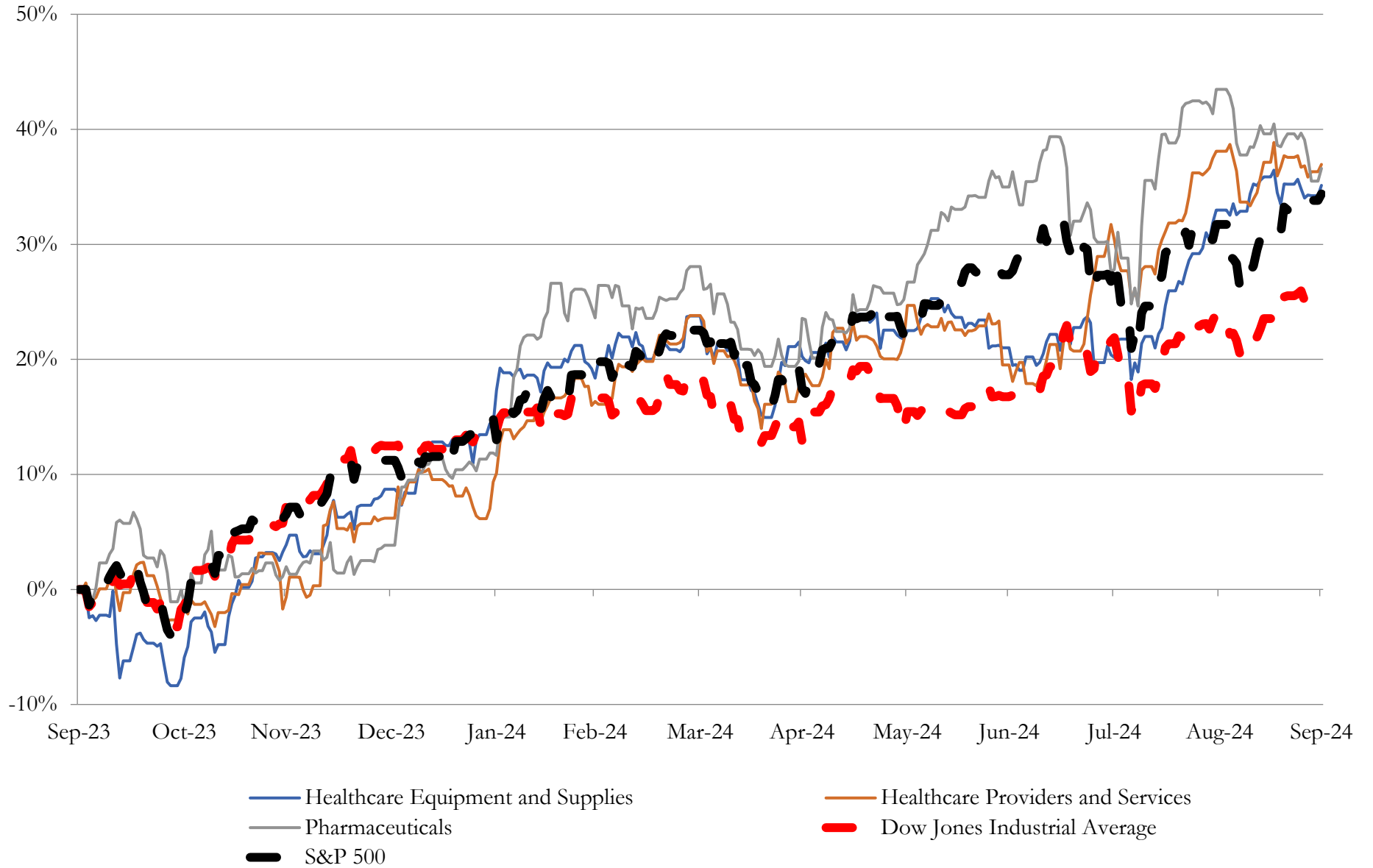
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
<b>Pharmaceuticals</b>									
Eli Lilly and Company	LLY	13.9%	65.3%	27.4%	40.5%	46.4%	0.4x	18.2x	44.9x
AbbVie Inc.	ABBV	7.7%	56.4%	0.7%	46.2%	-8.7%	0.6x	7.5x	16.3x
Merck & Co., Inc.	MRK	0.0%	0.0%	6.5%	50.1%	29.0%	0.4x	4.5x	8.9x
Pfizer Inc.	PFE	3.3%	4.5%	-14.3%	30.9%	-6.2%	0.6x	3.7x	11.9x
Bristol-Myers Squibb Company	BMY	6.1%	-31.3%	5.6%	40.4%	5.1%	0.4x	3.2x	8.0x
Perrigo Company plc	PRGO	1.4%	-3.2%	-5.6%	13.0%	-12.6%	0.5x	1.6x	12.6x
	<b>Mean</b>	<b>5.4%</b>	<b>15.3%</b>	<b>3.4%</b>	<b>36.9%</b>	<b>8.8%</b>	<b>0.5x</b>	<b>6.5x</b>	<b>11.6x</b>
	<b>Median</b>	<b>4.7%</b>	<b>2.3%</b>	<b>3.1%</b>	<b>40.5%</b>	<b>-0.6%</b>	<b>0.5x</b>	<b>4.1x</b>	<b>11.9x</b>

Source: Capital IQ

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## LTM Equity Performance

### Major Indexes



Source: Capital IQ

## 4

## Recent M&amp;A Activity

*Last Twelve (12) Months as of September 30, 2024*

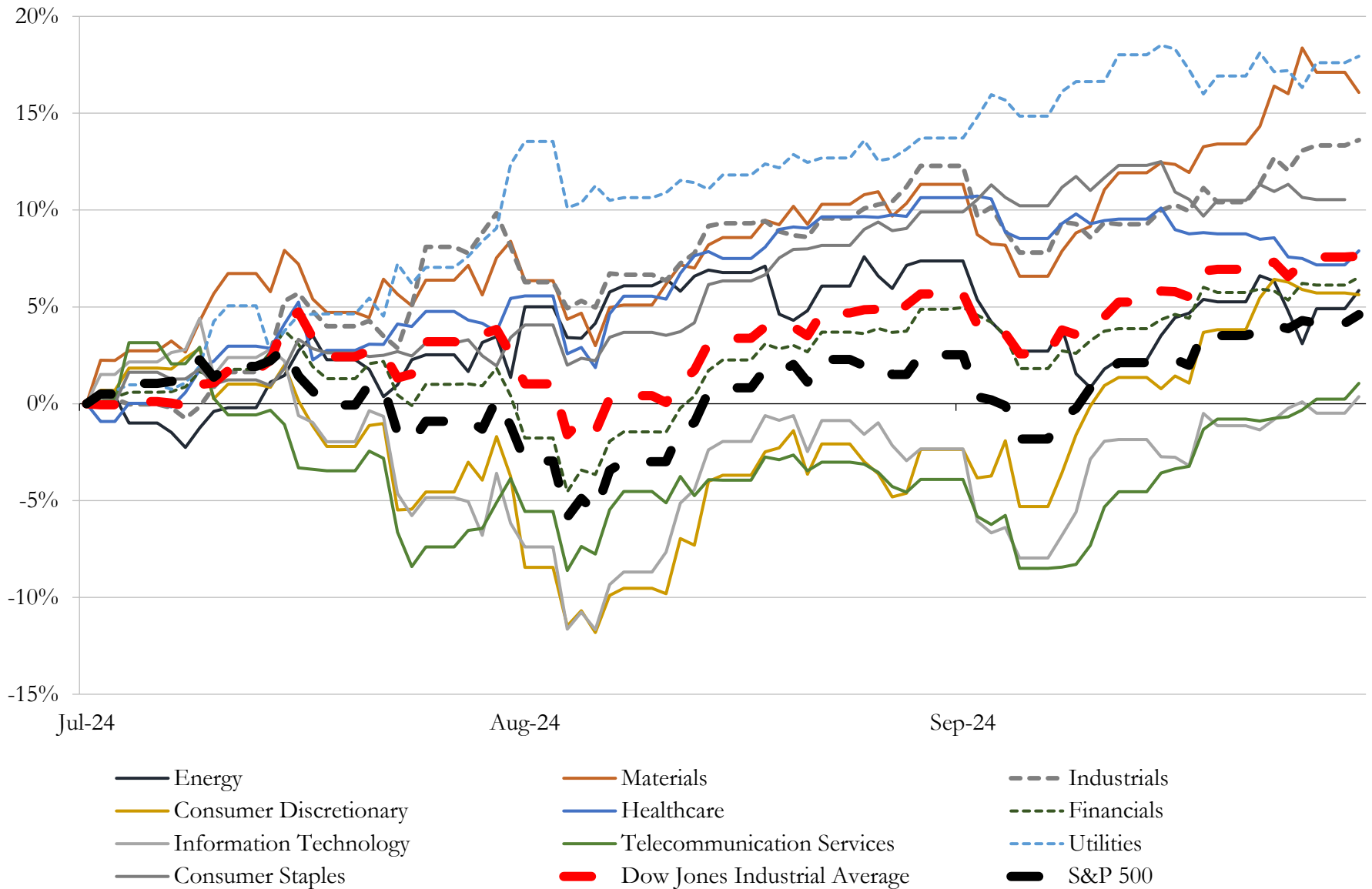
*(USD in millions)*

Close Date	Target	Acquirer	Implied TEV
May-24	Shockwave Medical, Inc.	Johnson & Johnson	\$12,919
Aug-24	Cerevel Therapeutics Holdings, Inc.	AbbVie Inc.	\$8,404
May-24	Alpine Immune Sciences, Inc.	Vertex Pharmaceuticals Incorporated	\$4,650
Sep-24	Critical Care Product Group of Edwards Lifesciences Corporation	Becton, Dickinson and Company	\$4,200
Aug-24	Morphic Holding, Inc.	Eli Lilly and Company	\$2,564
Jun-24	ILC Dover LP	Ingersoll Rand Inc.	\$2,400
Jul-24	Substantially All of the Over-the-Counter Business of Viatrix Inc.	Cooper Consumer Health SAS	\$2,064
Aug-24	CRAFT 1861 Global Holdings Inc.	Nano Cures International, Inc.	\$2,052
Jun-24	Deciphera Pharmaceuticals, Inc.	Ono Pharmaceutical Co., Ltd.	\$1,948
Jul-24	Human Immunology Biosciences, Inc.	Biogen Inc.	\$1,800
May-24	ProfoundBio, Inc.	Genmab A/S	\$1,800
May-24	Mariana Oncology, Inc.	Novartis AG	\$1,800
May-24	Inhibrx, Inc.	Aventis Inc.	\$1,668
Jul-24	Nerio Therapeutics, Inc.	Boehringer Ingelheim International GmbH	\$1,300
Jul-24	Assets of Aqua Business of Elanco Animal Health Incorporated	Intervet International B.V.	\$1,300
Sep-24	Silk Road Medical, Inc.	Boston Scientific Corporation	\$1,171
Sep-24	Jnana Therapeutics Inc.	Otsuka America, Inc.	\$1,125
Jun-24	Proteologix, Inc.	Johnson & Johnson	\$850
Aug-24	Atrion Corporation	Nordson Medical Corporation	\$805
May-24	Hu-Friedy Mfg. Co., LLC	Peak Rock Capital LLC	\$800
May-24	Escient Pharmaceuticals, Inc.	Incyte Corporation	\$778
Apr-24	Epygenix Therapeutics, Inc.	Zynerba Pharmaceuticals, Inc.	\$680
Aug-24	Mirus Bio LLC	Sigma-Aldrich Corporation	\$600
Sep-24	VOWST®	Société des Produits Nestlé S.A.	\$510
Sep-24	Paragonix Technologies, Inc.	Getinge AB (publ)	\$477
May-24	BenefitWallet's Health Savings Account (HSA) portfolio of Conduent	HealthEquity, Inc.	\$425
Sep-24	Alimera Sciences, Inc.	ANI Pharmaceuticals, Inc.	\$385
Sep-24	G1 Therapeutics, Inc.	Pharmacosmos Therapeutics Inc.	\$383
Sep-24	Xtend Healthcare LLC	Coding Solutions Acquisition, Inc.	\$365
Jun-24	Fortrea Patient Access Inc./Endpoint Clinical, Inc. and Other Assets of	Arsenal Capital Management LP	\$345

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

Last Three (3) Months as of September 30, 2024



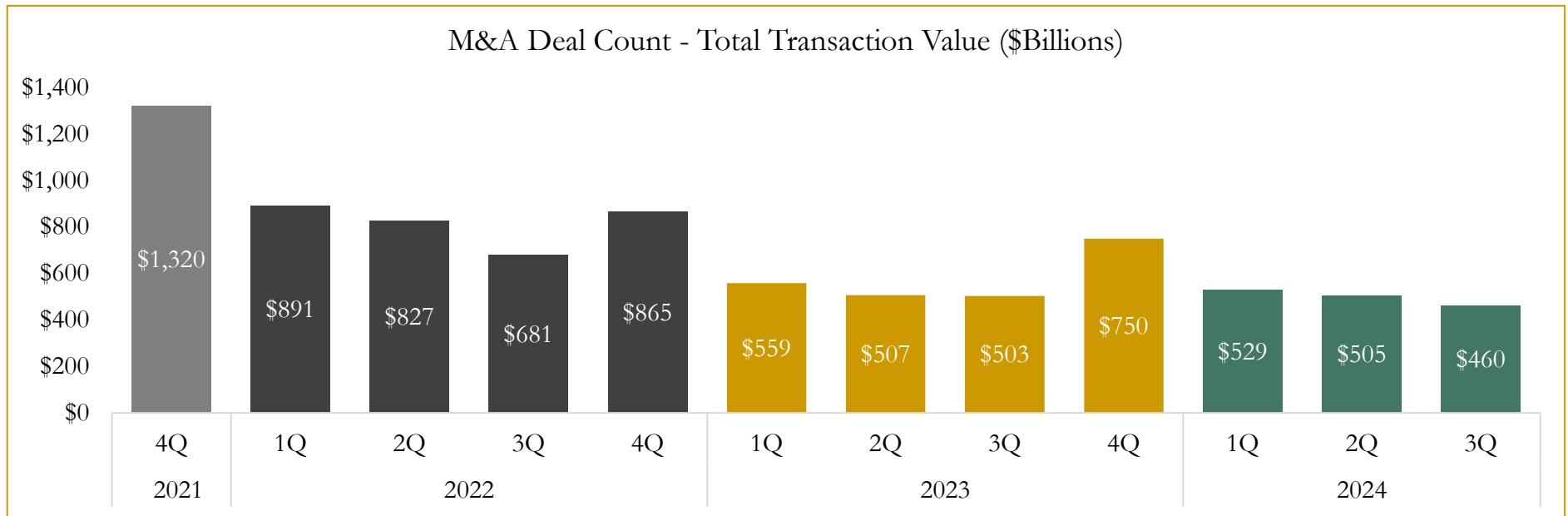
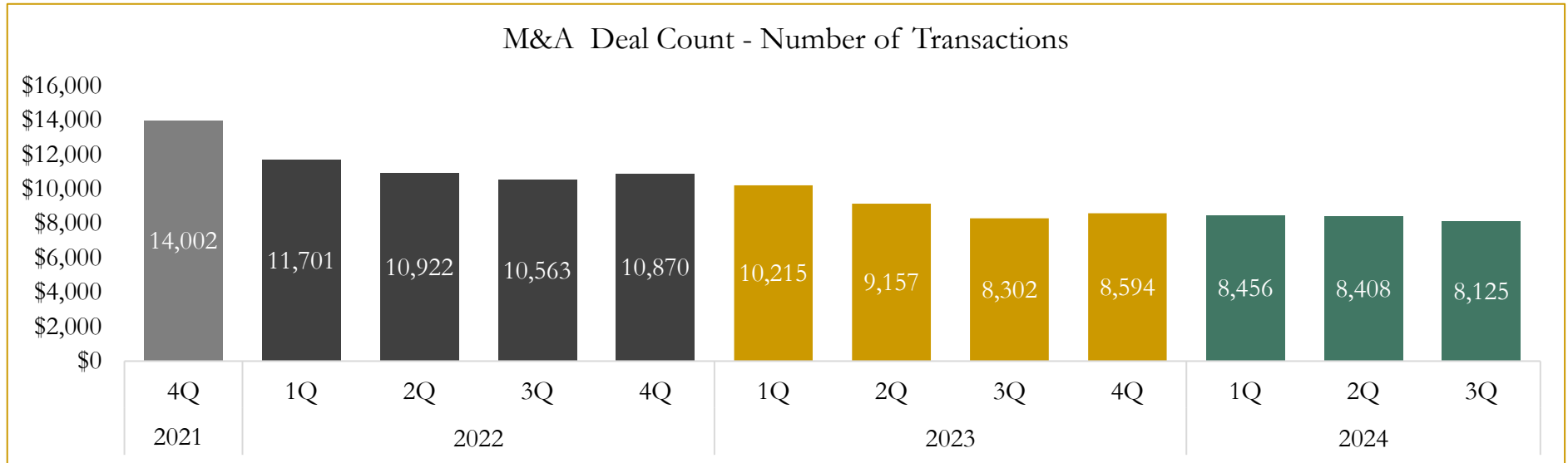
Source: Capital IQ



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## M&A Deal Flow Statistics

Last Three (3) Years as of September 30, 2024



Source: Capital IQ

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### Valuation & Financial Advisory

- **Portfolio Valuation (ASC 820)**
- **Complex & Illiquid Securities (Level 3)**
- **Cryptoasset /Blockchain Valuations**
  - Locked Token Valuations
- **Enterprise Valuations**
- **Fairness & Solvency Opinions**
  - SPAC Fairness
- **Estate & Gift Valuations**
- **Purchase Price Allocation (ASC 805)**
- **Goodwill Impairment Testing (ASC 350)**
- **Stock-based Compensation (ASC 718, IRC 409A)**

### Investment Banking

- **Mergers & Acquisitions**
  - Sell-Side Advisory
  - Sale of Minority Ownership Positions
  - Leveraged Buyouts
  - Majority Recapitalizations
  - Corporate Divestitures
- **Corporate Financial Services**
  - Financial Modeling
  - Investor Presentation
  - Valuation Analysis
  - Strategic Advisory

**For questions or inquiries regarding our services, please contact:**

**[info@houlihancapital.com](mailto:info@houlihancapital.com)**