

Life Sciences & Health Care
Quarterly Update

Q3 2024



Deloitte Corporate Finance’s Life Sciences & Health Care Practice

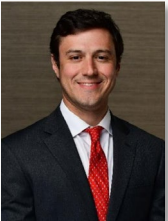
Deloitte Corporate Finance LLC (DCF) is a leading, global middle-market M&A adviser. Our professionals have extensive knowledge in the life sciences and health care spaces and use their experience to help clients enhance value.



Life Sciences & Health Care Leadership



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Firm Overview

#2 2023 Global M&A
Advisor by deals
completed.⁽¹⁾

542 Completed deals
in 2023.

- Deep relationships in place to gain **critical strategic intelligence** and effectively market businesses.
- Worldwide, DCF has access to **2,400 Corporate Finance professionals** throughout the Deloitte Touche Tohmatsu Limited network of member firms in 60 countries that complement the North American team.
- **Top global middle-market financial advisor** in 2022 according to Mergermarket.⁽¹⁾



Sector Focus

- Health care services
- Health care technology
- Life sciences and pharma services
- Medical devices and supplies
- Payors and payor services

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Deloitte thought leadership

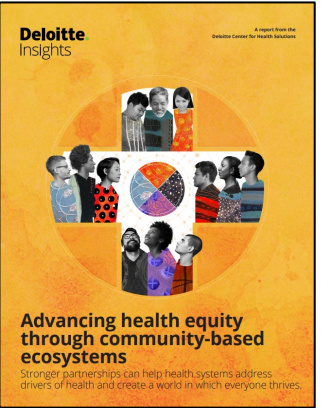
- Deloitte stays abreast of industry trends and makes significant investments in producing cutting-edge thought leadership.
- Deloitte is deeply committed to providing insights that help keep clients on the forefront of critical trends.
- Focused research on industry drivers and trends enables Deloitte to demonstrate eminence in the life sciences and health care market by redefining the lens through which industry leaders operate.

Extensive knowledge network

- DCF leverages its expansive, cross-business knowledge network, extensive consulting reports, and in-depth industry research to help drive results and provide differentiated insights for our clients.



Recent insights



Health Care Services

Sector Trends ⁽¹⁾

Many Health care stakeholders are leveraging real-time, harmonized data to innovate health care and disease-prevention strategies, overcoming data silos to enhance patient outcomes and population health. Integrated care systems are creating holistic environments by uniting health organizations, government bodies, the voluntary, community, and social enterprise sector, and other partners to collaboratively address health care needs. Digital technologies like telemedicine, remote monitoring, wearables, and virtual wards are transforming health care delivery, empowering patients to take control of their health and drive better outcomes.

Select Recent M&A Activity⁽²⁾

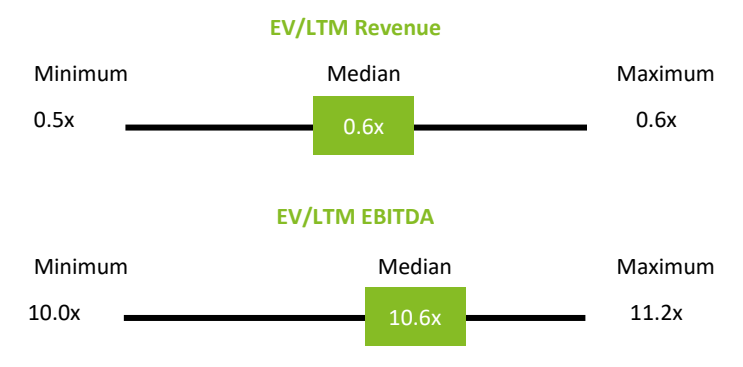
Close Date	Target	Acquiror	Implied EV (\$M)
August 2024	Brookwood Baptist Health, Inc.	Orlando Health, Inc.	\$910.00
August 2024	Xtend Healthcare, LLC	Coding Solutions Acquisition, Inc.	\$365.00
August 2024	Stewardship Health business of Steward Health Care system	Rural Healthcare Group	\$245.00
July 2024	Emergent protective Products USA, Inc.	BTG International, Inc.	\$80.00
July 2024	Lumeon Ltd	Health Catalyst, Inc. (NasdaqGS:HCAT)	\$65.00



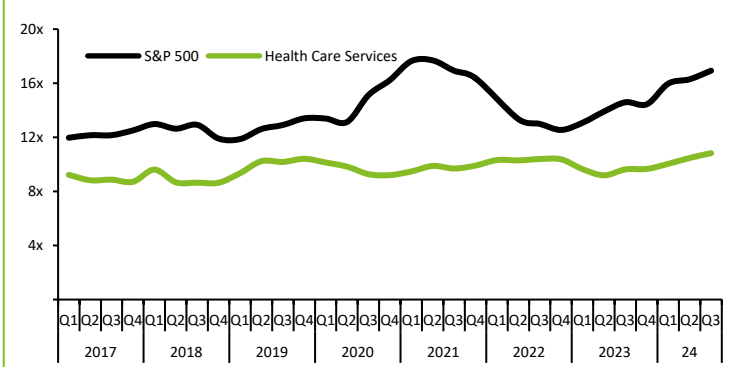
Select Public Comparables⁽³⁾

Company Name	Enterprise Value (\$M)
DaVita, Inc.	\$25,980.48
Quest Diagnostics, Inc.	\$21,496.77
Acadia Healthcare, Inc.	\$7,140.38
Option Care Health, Inc.	\$5,673.17
Amedisys, Inc.	\$3,531.03
Cano Health	\$1,195.63

Sector Trading Metrics⁽⁴⁾



Historical EV/EBITDA Multiples⁽⁴⁾



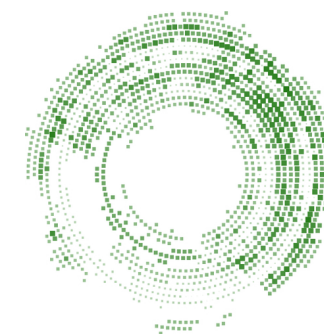
Health Care Technology

Sector Trends ⁽¹⁾

Nanomedicine is a growing trend in health care technology, which achieves precision in diagnostics, treatment, and disease prevention. Leveraging nanoparticles and nanoscale materials, this field creates highly sensitive diagnostic tools that can help detect diseases at their earliest stages. Additionally, extended reality (XR), encompassing augmented, virtual, and mixed reality, is transforming health care by enhancing surgical assistance and telehealth applications, significantly improving the quality of medical devices.

Select Recent M&A Activity⁽²⁾

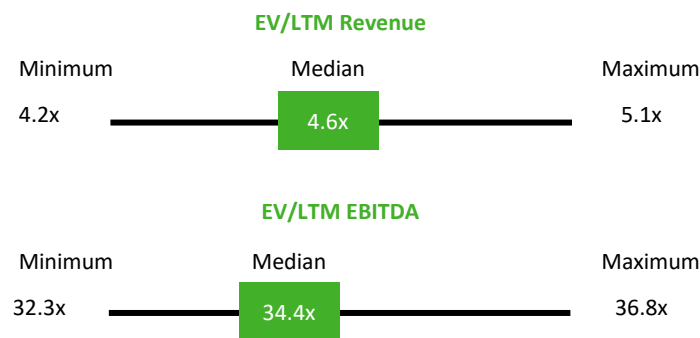
Close Date	Target	Acquiror	Implied EV (\$M)
August 2024	Paragonix Technologies, Inc.	Getinge AB (publ) (OM:GETI B)	\$477.00
July 2024	Fluent BioSciences, Inc.	Illumina, Inc. (NasdaqGS:ILMN)	\$85.00
July 2024	BridgeView Life Sciences, LLC	Zensar Technologies Limited (BSE:504067)	\$25.00
August 2024	Nobl, Inc.	National Research Corporation (NasdaqGS:NRC)	\$7.00
August 2024	CompuGroup Medical Information Systems, Inc.	Bupa Finance plc	\$5.11



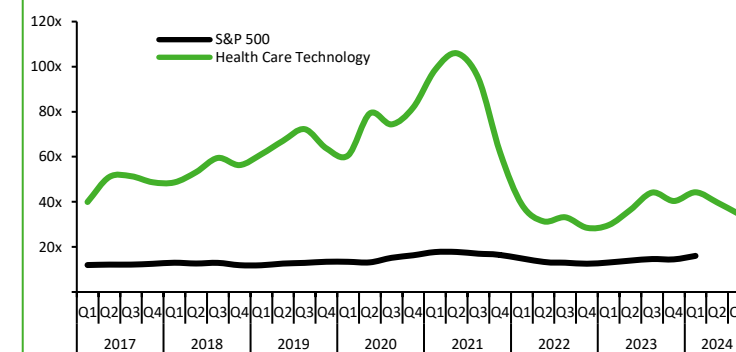
Select Public Comparables⁽³⁾

Company Name	Enterprise Value (\$M)
Veeva Systems, Inc.	\$28,274.76
MultiPlan Corporation	\$4,667.62
Teladoc Health, Inc.	\$2,990.89
Omniceil, Inc.	\$1,917.77
Health Catalyst, Inc.	\$413.89
American Well Corporation	-\$103.95

Sector Trading Metrics⁽⁴⁾



Historical EV/EBITDA Multiples⁽⁴⁾



Life Sciences and Pharma Services

Sector Trends ⁽¹⁾

Life sciences and pharma services are heavily investing in AI tools, data pipelines, and analytics to speed up drug discovery and development. Key AI applications include silico screening, indication selection, treatment effect heterogeneity, and literature extraction. Additionally, the digitization of clinical trials through digital control towers, EHR2EDC, protocol builders, remote monitoring, and wearables is helping enhance decentralized trials and patient engagement.

Select Recent M&A Activity⁽²⁾

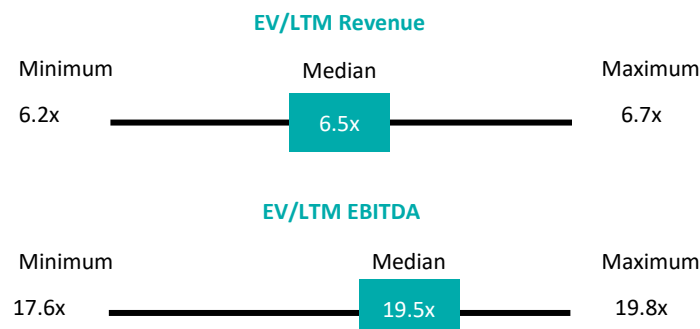
Close Date	Target	Acquiror	Implied EV (\$M)
July 2024	Morphic Holding, Inc.	Eli Lilly and Company (NYSE:LLY)	\$3,192.00
August 2024	G1 Therapeutics, Inc.	Pharmacosmos Therapeutics, Inc.	\$443.31
July 2024	Valinor Pharma, LLC	Grünenthal GmbH	\$250.00
July 2024	Columbia Care Eastern Virginia, LLC	Verano Holdings Corp. (NEOE:VRNO)	\$90.00
July 2024	Women's Health Specialty Business of Lupin Limited	Evoform Biosciences, Inc. (OTCPK:EVFM)	\$84.00



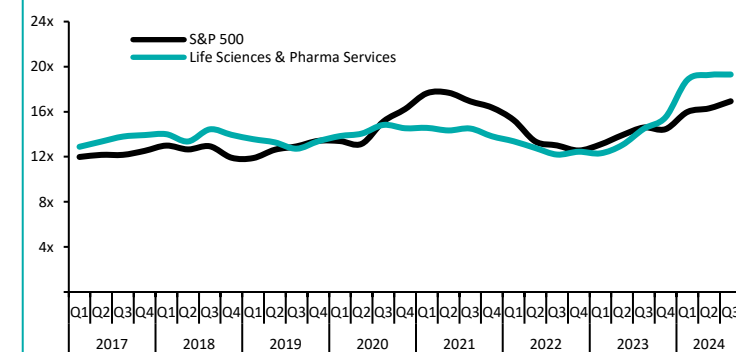
Select Public Comparables⁽³⁾

Company Name	Enterprise Value (\$M)
AbbVie, Inc.	\$398,442.01
Merck & Co, Inc.	\$301,577.51
Thermo Fisher Scientific, Inc.	\$254,144.26
Pfizer, Inc.	\$227,205.16
Amgen, Inc.	\$224,042.75
IQVIA Holdings, Inc.	\$53,103.06

Sector Trading Metrics⁽⁴⁾



Historical EV/EBITDA Multiples⁽⁴⁾



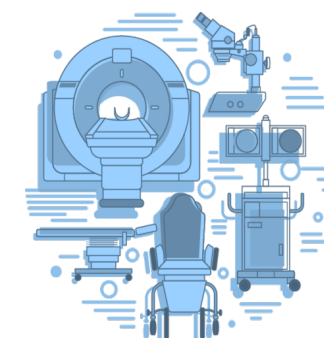
Medical Devices and Supplies

Sector Trends ⁽¹⁾

The global emphasis on fitness and the focus of health care agencies on monitoring and diagnosis is driving demand for fitness trackers. The rise of digital therapeutics and at-home diagnostics is transforming the medical device industry by making health care more accessible, convenient, and personalized. Digital therapeutics offer evidence-based, software-driven treatments for chronic diseases and mental health conditions, complementing or replacing traditional therapies.

Select Recent M&A Activity ⁽²⁾

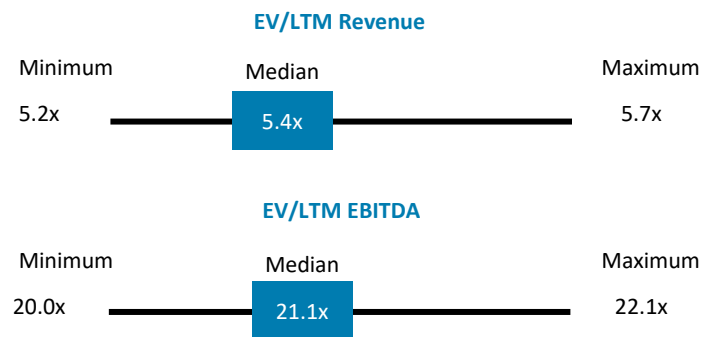
Close Date	Target	Acquirer	Implied EV (\$M)
September 2024	Silk Road Medical, Inc.	Boston Scientific (NYSE:BSX)	\$1,345.19
July 2024	Rotech Healthcare Holdings, Inc.	Owens & Minor (NYSE:OMI)	\$1,357.00
July 2024	Micromeritics Instrument Corporation	Malvern Panalytical Limited	\$683.00
July 2024	Eight Arizona Facilities	Dignity Health	\$160.00
September 2024	Global Resources International, Inc.	Winner Medical Co., Ltd. (SZSE:300888)	\$120.00



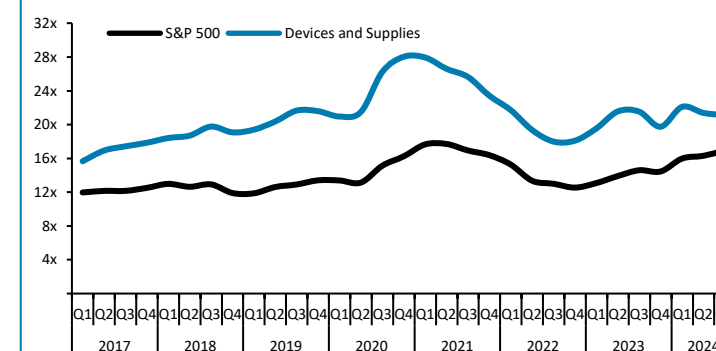
Select Public Comparables ⁽³⁾

Company Name	Enterprise Value (\$M)
Johnson & Johnson	\$400,428.74
Abbott Laboratories	\$207,221.39
Stryker Corporation	\$143,942.43
Medtronic plc	\$133,283.38
Becton, Dickinson and Company	\$82,565.19
Baxter International, Inc.	\$30,250.79

Sector Trading Metrics ⁽⁴⁾



Historical EV/EBITDA Multiples ⁽⁴⁾



Payors and Payor Services

Sector Trends ⁽¹⁾

Increasing health insurance enrollments due to the Patient Protection and Affordable Care Act (PPACA), rising federal health care mandates, the prevalence of chronic diseases, and growing health care fraud is driving market growth. Advanced data analytics and the transition to ICD-11 standards present lucrative opportunities for further development.

Select Recent M&A Activity ⁽²⁾

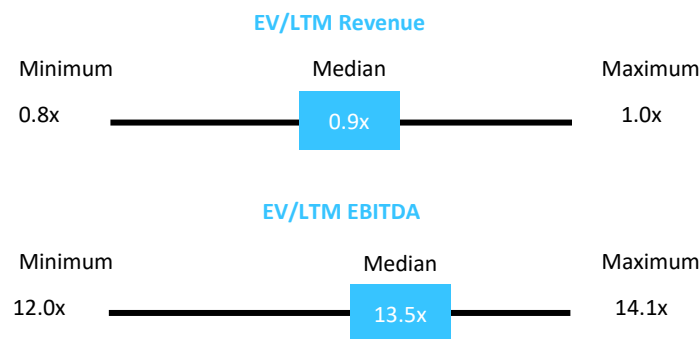
Close Date	Target	Acquiror	Implied EV (\$M)
August 2024	Xtend Healthcare, LLC	Coding Solutions Acquisition, Inc	\$365.00
August 2024	CompuGroup Medical Information System, Inc.	Bupa Finance Plc	\$5.11
September 2024	Healthcare Data Management	Kovo HealthTech	\$3.30
September 2024	Payment Integrity Business of Apixio, Inc.	The Rawlings Company, LLC	N/A
August 2024	Medical Cost Advocate, Inc.	Emry Health	N/A



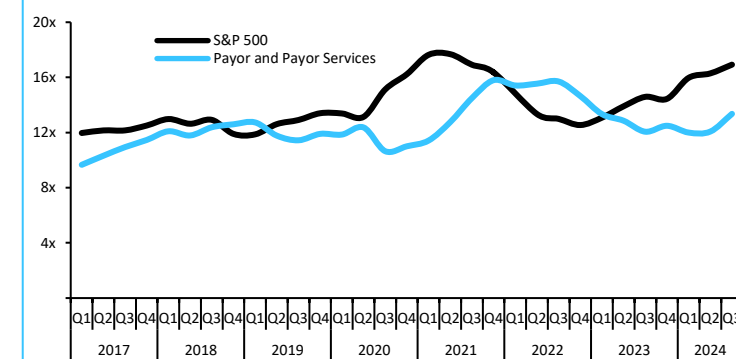
Select Public Comparables ⁽³⁾

Company Name	Enterprise Value (\$M)
UnitedHealth Group, Inc.	\$590,691.53
Elevance Health, Inc.	\$134,796.18
The Cigna Group	\$127,960.22
Humana, Inc.	\$36,732.68
Centene Corporation	\$35,046.98
Molina Healthcare, Inc.	\$12,723.89

Sector Trading Metrics ⁽⁴⁾



Historical EV/EBITDA Multiples ⁽⁴⁾



Appendix

Citations

Page 1:

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Page 4:

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 - a. [PitchBook](#). Accessed July 24, 2024. Data as of July 24, 2024.
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 - b. [MobiDev: https://mobidev.biz/blog/technology-trends-healthcare-digital-transformation](https://mobidev.biz/blog/technology-trends-healthcare-digital-transformation)
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 - a. [PitchBook](#). Accessed July 24, 2024. Data as of July 24, 2024.
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 - a. [S&P Capital IQ](#). Accessed July 16, 2024. Data as of July 16, 2024.

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 - a. [PitchBook](#). Accessed July 24, 2024. Data as of July 24, 2024.
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 - a. [S&P Capital IQ](#). Accessed July 16, 2024. Data as of July 16, 2024

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 - b. [Alpha Sense: https://www.alpha-sense.com/blog/trends/medical-device-trends-outlook/](https://www.alpha-sense.com/blog/trends/medical-device-trends-outlook/)
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 - a. [PitchBook](#). Accessed July 24, 2024. Data as of July 24, 2024.
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4. Expanded public comparables set in Q4, 2023.
 - a. [S&P Capital IQ](#). Accessed July 16, 2024. Data as of July 16, 2024.



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