



M&A MARKET MONITOR

HEALTHCARE

April 2021

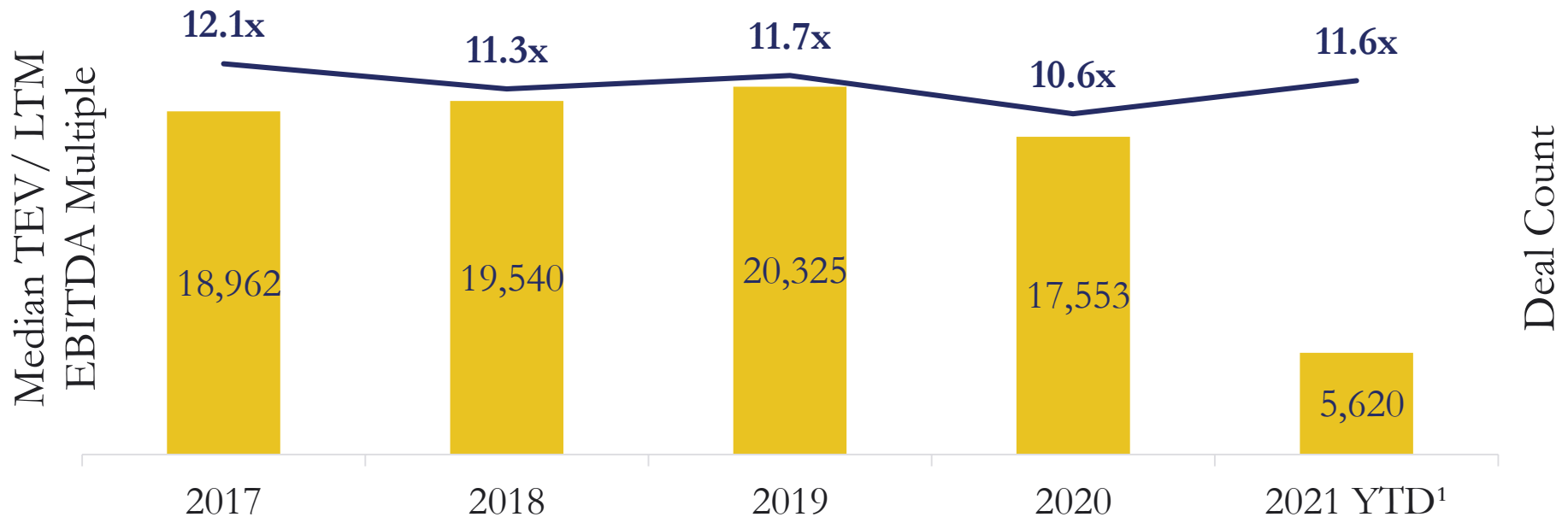
U.S. & Canada M&A Market Overview



Overall Market Transactions

Quick Highlights

- The M&A market surged during the first quarter demonstrated by strong deal count and recovering valuation multiples
 - Annualized 2021 deal count was 118% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was in line with the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

¹YTD as of 03/31/2021

About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

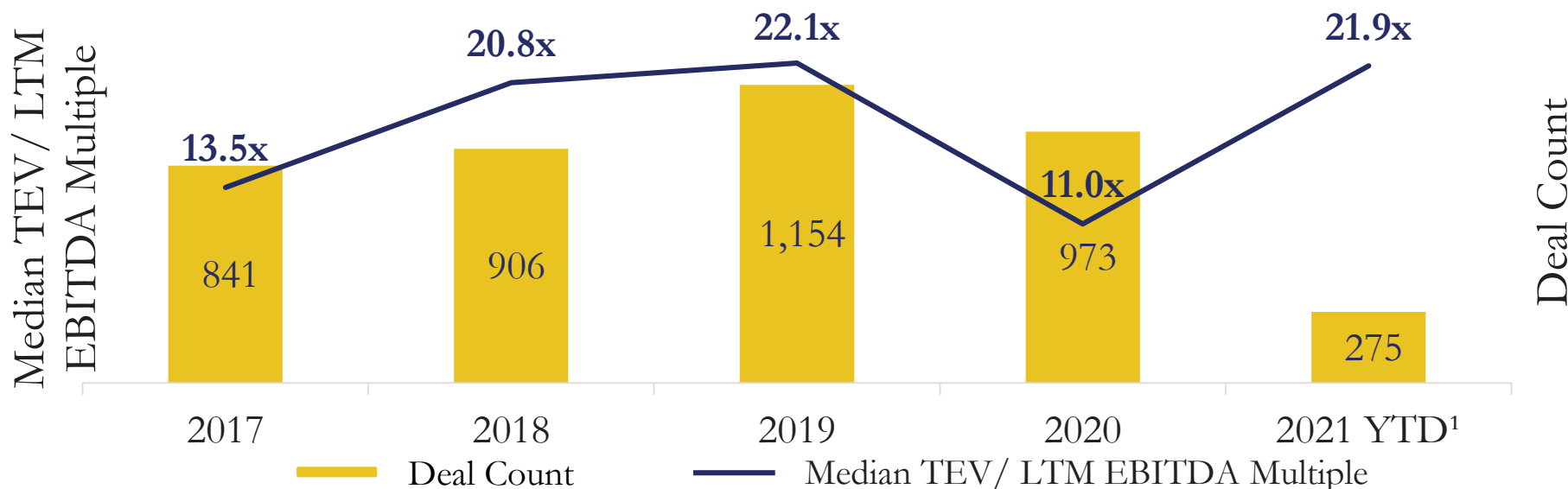
U.S. & Canada M&A Market Overview

Healthcare Transactions



Quick Highlights

- The Healthcare industry Q1 2021 deal count and multiples exceeded historical averages
 - Annualized 2021 deal count was 114% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was 130% of the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

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Public Companies' Trading Metrics | Healthcare

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Clinical Laboratories										
Laboratory Corporation of America Holdings	\$255.03	\$24,891	\$30,347	25.7%	2.1	2.2	2.1	8.1	7.9	9.1
Quest Diagnostics Incorporated	\$128.34	\$17,128	\$20,910	26.2%	2.4	2.2	2.2	8.4	7.4	8.7
Median	\$191.69	\$21,009	\$25,628	25.9%	2.2	2.2	2.2	8.2	7.6	8.9
Commercial HMO										
ASGN Incorporated	\$95.44	\$5,058	\$5,910	10.1%	1.3	1.5	1.4	12.8	13.3	12.7
Anthem, Inc.	\$358.95	\$87,909	\$103,160	7.4%	0.8	0.8	0.8	10.1	10.9	11.1
Cigna Corporation	\$241.74	\$83,976	\$107,421	6.7%	0.7	0.7	0.6	9.2	9.8	9.7
Humana Inc.	\$419.25	\$54,088	\$56,879	6.8%	0.7	0.7	0.7	9.0	10.3	13.4
UnitedHealth Group Incorporated	\$372.07	\$351,725	\$387,766	10.0%	1.4	1.5	1.4	13.4	15.2	14.8
Median	\$358.95	\$83,976	\$103,160	7.4%	0.8	0.8	0.8	10.1	10.9	12.7
Contract Pharma Manufacturing										
West Pharmaceutical Services, Inc.	\$281.78	\$20,810	\$20,525	24.6%	10.2	9.6	8.0	40.7	36.4	29.6
Median	\$281.78	\$20,810	\$20,525	24.6%	10.2	9.6	8.0	40.7	36.4	29.6
Contract Research Organizations										
Catalent, Inc.	\$105.31	\$17,927	\$20,512	22.7%	6.0	5.9	5.0	27.4	26.1	18.9
Charles River Laboratories International, Inc.	\$289.83	\$14,552	\$16,512	23.1%	5.1	5.6	4.9	19.4	20.3	19.8
ICON Public Limited Company	\$196.37	\$10,366	\$9,958	17.0%	3.6	3.6	3.1	20.0	19.7	16.9
IQVIA Holdings Inc.	\$193.14	\$37,038	\$48,653	16.1%	4.2	4.3	3.8	23.4	23.8	17.4
PRA Health Sciences, Inc.	\$153.33	\$9,897	\$10,864	13.1%	3.0	3.4	3.0	19.5	23.2	18.2
Syneos Health, Inc.	\$75.85	\$7,837	\$10,802	13.0%	2.2	2.4	2.1	14.6	16.2	14.1
Median	\$173.24	\$12,459	\$13,688	16.6%	3.9	3.9	3.4	19.7	21.7	17.8

Public Companies' Trading Metrics | Healthcare

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Category / Company	Valuation Statistics				Multiples Data					
USD in millions except per share price										
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
Dental Products										
3M Company	\$192.68	\$111,642	\$126,436	27.9%	3.7	3.9	3.7	13.0	13.4	13.4
DENTSPLY SIRONA Inc.	\$63.81	\$13,977	\$15,964	18.1%	3.7	4.8	3.8	17.9	23.8	16.4
Median	\$128.25	\$62,810	\$71,200	23.0%	3.7	4.4	3.8	15.5	18.6	14.9
Disease Management										
Tivity Health, Inc.	\$22.32	\$1,097	\$1,520	32.5%	1.7	3.5	3.2	8.5	10.5	10.0
Median	\$22.32	\$1,097	\$1,520	32.5%	1.7	3.5	3.2	8.5	10.5	10.0
Government HMO										
Centene Corporation	\$63.91	\$37,170	\$44,876	5.2%	0.4	0.4	0.4	7.3	7.9	8.6
Molina Healthcare, Inc.	\$233.76	\$13,647	\$11,933	5.6%	0.6	0.6	0.5	8.9	11.4	10.3
Median	\$148.84	\$25,408	\$28,404	5.4%	0.5	0.5	0.4	8.1	9.6	9.5
Healthcare Staffing										
AMN Healthcare Services, Inc.	\$73.70	\$3,477	\$4,403	10.9%	1.8	1.8	1.6	13.4	15.1	11.6
Cross Country Healthcare, Inc.	\$12.49	\$469	\$546	3.1%	0.5	0.7	0.6	10.9	14.4	11.6
ASGN Incorporated	\$95.44	\$5,058	\$5,910	10.1%	1.3	1.5	1.4	12.8	13.3	12.7
Median	\$73.70	\$3,477	\$4,403	10.1%	1.3	1.5	1.4	12.8	14.4	11.6
Information Services - Data/Analytics										
Castlight Health, Inc.	\$1.51	\$238	\$203	-3.9%	1.2	1.4	1.5	NM	NM	58.0
Inovalon Holdings, Inc.	\$28.78	\$4,470	\$5,381	28.4%	5.7	8.1	7.1	19.7	26.8	19.8
National Research Corporation	\$46.83	\$1,190	\$1,189	37.3%	8.3	8.9	NM	22.6	23.6	NM
Median	\$28.78	\$1,190	\$1,189	28.4%	5.7	8.1	4.3	21.2	25.2	38.9

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	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Information Services - Hospital/Physician										
Allscripts Healthcare Solutions, Inc.	\$15.02	\$2,103	\$1,855	0.1%	1.9	1.2	1.2	29.0	42.7	7.5
Cerner Corporation	\$71.88	\$22,016	\$22,451	23.3%	4.4	4.1	3.9	19.2	17.0	12.0
Computer Programs and Systems, Inc.	\$30.60	\$436	\$507	13.0%	1.7	1.9	1.9	12.7	14.1	10.7
NextGen Healthcare, Inc.	\$18.10	\$1,213	\$1,194	5.7%	2.2	2.2	2.1	27.8	28.9	10.8
Median	\$24.35	\$1,658	\$1,524	9.3%	2.1	2.0	2.0	23.5	23.0	10.8
Life Sciences Tools										
Agilent Technologies, Inc.	\$127.14	\$38,739	\$40,085	26.3%	7.0	7.2	6.7	26.5	26.4	24.9
Becton, Dickinson and Company	\$243.15	\$70,650	\$85,206	29.9%	5.2	4.7	4.5	18.4	15.7	15.8
Thermo Fisher Scientific Inc.	\$456.38	\$179,719	\$191,985	31.7%	7.0	6.0	5.4	23.7	18.3	16.9
Median	\$243.15	\$70,650	\$85,206	29.9%	7.0	6.0	5.4	23.7	18.3	16.9
Medical / Surgical / Dental Supplies & Distribution										
AmerisourceBergen Corporation	\$118.07	\$24,170	\$24,053	1.4%	0.1	0.1	0.1	7.7	8.6	8.7
Cardinal Health, Inc.	\$60.75	\$17,840	\$20,840	1.8%	0.1	0.1	0.1	7.3	7.6	7.2
Henry Schein, Inc.	\$69.24	\$9,851	\$11,396	7.2%	1.2	1.1	1.0	13.1	13.7	12.3
McKesson Corporation	\$195.04	\$31,044	\$38,673	1.7%	0.2	0.2	0.2	7.5	7.7	8.0
Owens & Minor, Inc.	\$37.59	\$2,763	\$3,877	3.8%	0.4	0.5	0.4	11.5	9.8	8.5
Patterson Companies, Inc.	\$31.95	\$3,041	\$3,682	5.7%	0.6	0.7	0.6	10.3	10.3	11.5
Median	\$65.00	\$13,845	\$16,118	2.8%	0.3	0.3	0.3	9.0	9.2	8.6
Retail Pharmacy										
CVS Health Corporation	\$75.23	\$98,653	\$173,153	6.8%	0.6	0.6	0.6	7.6	8.1	9.6
Walgreens Boots Alliance, Inc.	\$54.90	\$47,455	\$88,990	2.9%	0.5	0.6	0.6	8.3	12.4	12.6
Rite Aid Corporation	\$20.46	\$1,130	\$7,470	1.6%	0.3	0.3	0.3	5.0	5.3	13.9
Median	\$54.90	\$47,455	\$88,990	2.9%	0.5	0.6	0.6	7.6	8.1	12.6

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

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As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Specialty Managed Care										
Assurant, Inc.	\$141.77	\$8,580	\$8,688	9.2%	0.8	0.9	1.0	8.3	9.1	NM
CorVel Corporation	\$102.59	\$1,834	\$1,801	14.1%	3.4	3.3	NM	20.7	19.2	NM
HealthEquity, Inc.	\$68.00	\$5,645	\$6,391	26.7%	8.2	8.7	8.5	26.4	30.4	26.1
Median	\$102.59	\$5,645	\$6,391	14.1%	3.4	3.3	4.7	20.7	19.2	26.1
Specialty Pharma										
Anneal Pharmaceuticals, Inc.	\$6.73	\$999	\$3,706	19.1%	1.8	1.9	1.7	8.6	9.1	7.2
Bausch Health Companies Inc.	\$31.74	\$11,289	\$34,958	39.4%	3.8	4.4	4.0	9.9	10.8	10.1
Eagle Pharmaceuticals, Inc.	\$41.74	\$552	\$487	19.4%	3.0	2.6	2.5	18.1	12.9	8.6
Endo International plc	\$7.41	\$1,708	\$8,890	27.2%	2.9	3.1	3.3	21.5	10.9	7.2
Horizon Therapeutics Public Limited Compan	\$92.04	\$20,629	\$19,600	25.2%	8.5	8.9	7.0	40.8	34.9	18.7
Jazz Pharmaceuticals plc	\$164.37	\$9,258	\$9,378	44.2%	4.2	4.0	3.6	9.3	8.8	7.7
Perrigo Company plc	\$40.47	\$5,405	\$8,521	17.0%	1.8	1.7	2.0	9.3	9.3	12.5
Teva Pharmaceutical Industries Limited	\$11.54	\$12,654	\$38,047	27.7%	2.1	2.3	2.3	7.3	7.8	7.6
Median	\$36.11	\$7,332	\$9,134	26.2%	2.9	2.8	2.9	9.6	10.1	8.2



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4555 Lake Forest Drive, Suite 365
Cincinnati, OH 45242



(513) 583-5413



www.arkmalibu.com