



HEALTHCARE

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Spotlight

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Healthcare Technology

Industry News

Technology Trends in Healthcare Today – Internet of Medical Things

Health Tech Zone [Full Article](#)

Healthcare is being increasingly digitized. Remote technologies have revolutionized and transformed the way healthcare is provided across the globe. Healthcare technology allows for easier access to specialists, the quality of diagnosing and treatment has increased, and the electronic storage of data allows for a seamless interaction between the patient and any doctor or specialist.

Technology advancements have given rise to a new phenomenon, Internet of Medical Things. "Patients can use different wearable devices, such as ECG and EKG monitors...and it is expected that the market for such devices will reach \$136 billion by 2021."

Digital health's record-breaking Q3 saw big raises in COVID-impacted sectors

Mobi Health News [Full Article](#)

"Rock Health reports \$4 billion in funding for U.S. digital health startups this quarter, much of which was driven by a flurry of telehealth investments and late-stage rounds for R&D and fitness tech companies."

By Rock Health's account, this brings 2020's total fundraising to \$9.4B, surpassing the previous largest sum of \$8.2B in 2018. Throughout the year, there have been 24 "mega deal" within the digital health sector, with the average deal size increasing from \$19.7M to \$30.2M.

However, M&A activity by volume is down for the year with only 63 transactions seen through the first nine months of the year. The total transaction volume for 2020 will likely fall short of 2019's volume of 113.

Healthcare Asset Management Market to grow due to Technological Advancements

Globe News Wire [Full Article](#)

"The global healthcare asset management market size is predicted to reach USD 84,483.03 million by 2027, exhibiting a CAGR of 28.9% during the forecast period. The increasing technological advancement has led to high demand for asset management solutions in medical facilities, which, in turn, will accelerate the healthcare asset management market growth.

Moreover, the introduction of wireless connectivity in asset management solutions will contribute positively to this growth during the forecast period. The market size stood at USD 11,002.50 million in 2019. North America dominated the market in 2019 and is predicted to remain dominant during the forecast period owing to the rising digitalization in healthcare."

Healthcare Technology

Healthcare Technology M&A Environment

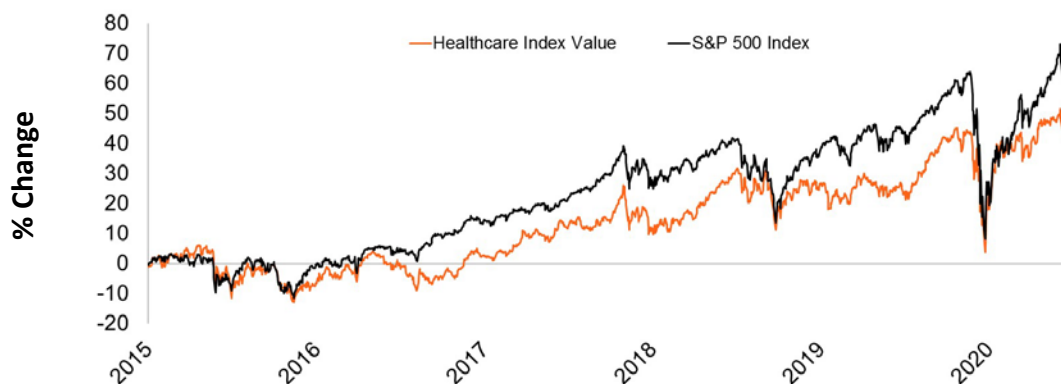


Selected Healthcare Technology M&A

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)	EV / LTM	
				Revenue	EBITDA
9/30/2020	Victrix SocSan S.L.	Doro AB (publ) (OM:DORO)	2.8	6.8x	-
9/17/2020	Healthview Technologies Inc.	Global Care Capital Inc. (CNSX:HLTH)	3.3	-	-
9/1/2020	Vitalware, LLC	Health Catalyst, Inc. (NasdaqGS:HCAT)	152.3	-	-
8/31/2020	Scriptcycle, LLC	GoodRx Holdings, Inc. (NasdaqGS:GDRX)	63.1	-	-
8/20/2020	Intouch with Health Ltd.	Vitalhub Corp. (TSXV:VHI)	6.1	1.5x	-
8/12/2020	Baike Mingyi	Beijing Byte Dance Telecommunications Co., Ltd.	72.1	-	-
7/31/2020	Healthfinch, inc.	Health Catalyst, Inc. (NasdaqGS:HCAT)	41.9	-	-
7/15/2020	HVH Precision Analytics LLC	Eversana Life Science Services, LLC	-	-	-
7/1/2020	InTouch Technologies, Inc.	Teladoc Health, Inc. (NYSE:TDOC)	549.2	-	-
7/1/2020	Parts of IT Healthcare portfolio of Cerner Corp.	Compugroup Medical SE & Co. KGaA (XTRA:COP)	247.6	3.0x	17.3x
6/10/2020	Client Outlook Inc.	Mach7 Technologies Limited (ASX:M7T)	28.7	-	-

Healthcare

The healthcare sector recovered in index value along with the broader public market in in Q3 due to the global COVID-19 pandemic. The healthcare sector mirrored the fluctuations of the S&P 500, however, it has not recovered as strongly as the S&P 500 did over the same time period. With an increased focused on health due to the pandemic, we will likely see an even stronger recovery in future months.



As of 9/30/2020

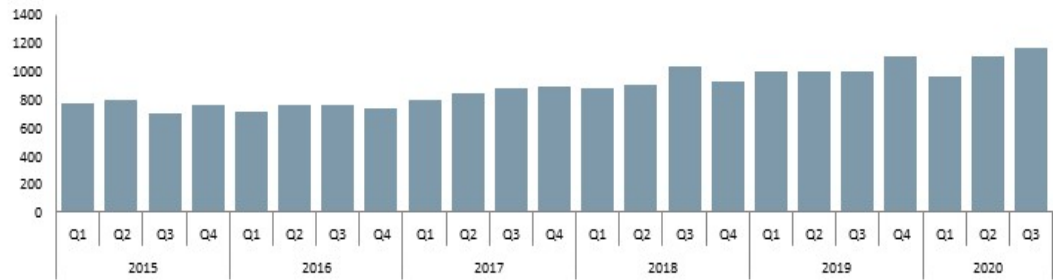
Company Name	Ticker	LTM Financials			Valuation Metrics		LTM Margins	
		Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Abbott Laboratories	NYSE:ABT	\$207,549	\$32,221	\$7,823	6.4x	26.5x	56.9%	24.3%
AbbVie Inc.	NYSE:ABBV	\$236,031	\$40,650	\$18,372	5.8x	12.8x	68.9%	45.2%
Agilent Technologies, Inc.	NYSE:A	\$32,271	\$5,223	\$1,320	6.2x	24.4x	53.3%	25.3%
AmerisourceBergen Corporation	NYSE:ABC	\$21,138	\$189,894	\$2,423	0.1x	8.7x	2.7%	1.3%
Amgen Inc.	NasdaqGS:AMGN	\$171,663	\$24,987	\$12,647	6.9x	13.6x	76.7%	50.6%
Anthem, Inc.	NYSE:ANTM	\$85,122	\$117,449	\$8,678	0.7x	9.8x	27.3%	7.4%
Baxter International Inc.	NYSE:BAX	\$43,737	\$11,531	\$2,757	3.8x	15.9x	41.7%	23.9%
Becton, Dickinson and Company	NYSE:BDX	\$83,708	\$17,117	\$4,569	4.9x	18.3x	45.7%	26.7%
Biogen Inc.	NasdaqGS:BIIB	\$47,479	\$14,263	\$7,150	3.3x	6.6x	87.6%	50.1%
Boston Scientific Corporation	NYSE:BSX	\$62,737	\$10,108	\$2,122	6.2x	29.6x	67.5%	21.0%
Bristol-Myers Squibb Company	NYSE:BMJ	\$161,150	\$39,395	\$9,570	4.1x	16.8x	79.6%	24.3%
Cardinal Health, Inc.	NYSE:CAH	\$18,243	\$154,646	\$2,683	0.1x	6.8x	4.5%	1.7%
Centene Corporation	NYSE:CNC	\$38,998	\$95,748	\$5,331	0.4x	7.3x	17.6%	5.6%
Cerner Corporation	NasdaqGS:CERN	\$23,152	\$5,553	\$1,247	4.2x	18.6x	82.4%	22.5%
Cigna Corporation	NYSE:CI	\$92,225	\$157,009	\$11,310	0.6x	8.2x	15.8%	7.2%
Community Health Systems, Inc.	NYSE:CYH	\$13,277	\$11,955	\$1,046	1.1x	12.7x	37.5%	8.7%
Danaher Corporation	NYSE:DHR	\$173,778	\$18,887	\$4,670	9.2x	37.2x	55.3%	24.7%
DaVita Inc.	NYSE:DVA	\$20,975	\$11,544	\$2,425	1.8x	8.6x	31.3%	21.0%
Eli Lilly and Company	NYSE:LLY	\$148,655	\$23,214	\$7,742	6.4x	19.2x	78.3%	33.3%
Genesis Healthcare, Inc.	NYSE:GEN	\$3,524	\$4,308	-\$9	0.8x	NM	44.0%	-0.2%
Gilead Sciences, Inc.	NasdaqGS:GILD	\$81,799	\$23,147	\$6,346	3.5x	12.9x	79.0%	27.4%
HCA Healthcare, Inc.	NYSE:HCA	\$72,294	\$50,763	\$9,589	1.4x	7.5x	37.2%	18.9%
Henry Schein, Inc.	NasdaqGS:HSIC	\$10,359	\$9,622	\$766	1.1x	13.5x	28.7%	8.0%
Humana Inc.	NYSE:HUM	\$55,684	\$74,388	\$5,963	0.7x	9.3x	20.5%	8.0%
IQVIA Holdings Inc.	NYSE:IQV	\$42,074	\$10,956	\$1,772	3.8x	23.7x	34.0%	16.2%
Johnson & Johnson	NYSE:JNJ	\$403,234	\$80,856	\$27,264	5.0x	14.8x	65.8%	33.7%
Laboratory Corporation of America Holdings	NYSE:LH	\$24,912	\$12,442	\$2,552	2.0x	9.8x	31.1%	20.5%
Magellan Health, Inc.	NasdaqGS:MGLN	\$2,517	\$7,120	\$187	0.4x	13.5x	3.3%	2.6%
McKesson Corporation	NYSE:MCK	\$32,622	\$234,194	\$3,817	0.1x	8.5x	5.2%	1.6%
Merck & Co., Inc.	NYSE:MRK	\$229,664	\$47,347	\$19,006	4.9x	12.1x	71.7%	40.1%
Molina Healthcare, Inc.	NYSE:MOH	\$9,592	\$17,657	\$1,287	0.5x	7.5x	15.3%	7.3%
Owens & Minor, Inc.	NYSE:OMI	\$3,050	\$8,309	\$242	0.4x	12.6x	14.0%	2.9%
Patterson Companies, Inc.	NasdaqGS:PCDO	\$2,998	\$5,407	\$307	0.6x	9.8x	21.5%	5.7%
Pfizer Inc.	NYSE:PFE	\$256,379	\$48,649	\$19,320	5.3x	13.3x	80.1%	39.7%
Quest Diagnostics Incorporated	NYSE:DGX	\$19,652	\$8,361	\$1,926	2.4x	10.2x	37.0%	23.0%
Regeneron Pharmaceuticals, Inc.	NasdaqGS:REGN	\$55,390	\$9,244	\$3,349	6.0x	16.5x	55.3%	36.2%
Stryker Corporation	NYSE:SYK	\$84,979	\$14,220	\$3,857	6.0x	22.0x	64.1%	27.1%
Tenet Healthcare Corporation	NYSE:THC	\$17,408	\$17,531	\$2,356	1.0x	7.4x	35.0%	13.4%
Thermo Fisher Scientific Inc.	NYSE:TMO	\$190,189	\$28,497	\$8,361	6.7x	22.7x	47.3%	29.3%
UnitedHealth Group Incorporated	NYSE:UNH	\$324,749	\$252,575	\$26,139	1.3x	12.4x	26.3%	10.3%
Universal Health Services, Inc.	NYSE:UHS	\$12,498	\$11,368	\$1,887	1.1x	6.6x	39.8%	16.6%
Zimmer Biomet Holdings, Inc.	NYSE:ZBH	\$35,657	\$7,065	\$1,933	5.0x	18.4x	70.5%	27.4%
Zoetis Inc.	NYSE:ZTS	\$83,105	\$6,542	\$2,784	12.7x	29.9x	70.1%	42.6%

Median	3.3x	12.9x	41.7%	21.0%
Mean	3.4x	14.7x	44.8%	20.5%

Healthcare

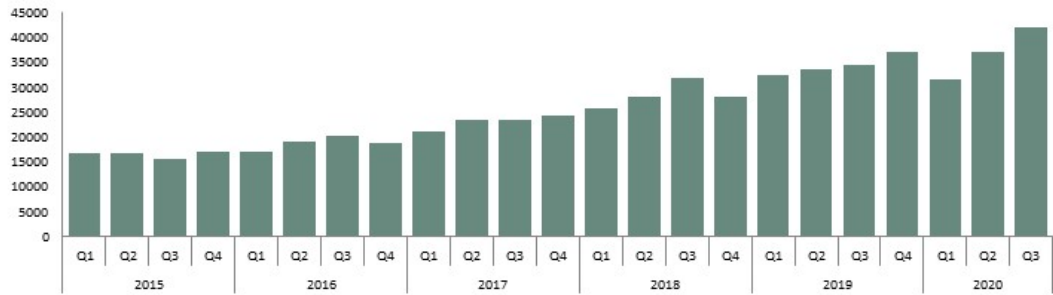
State of the Industry

Dow Jones US Healthcare Index



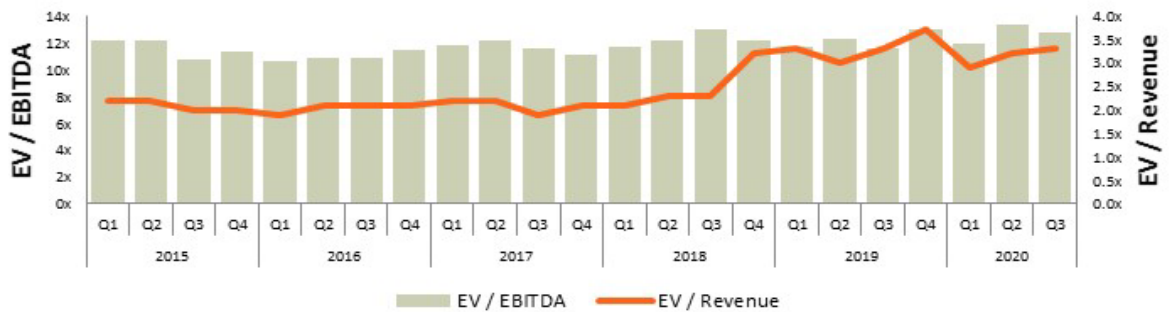
Source: Capital IQ

Dow Jones US Select Medical Equipment Index



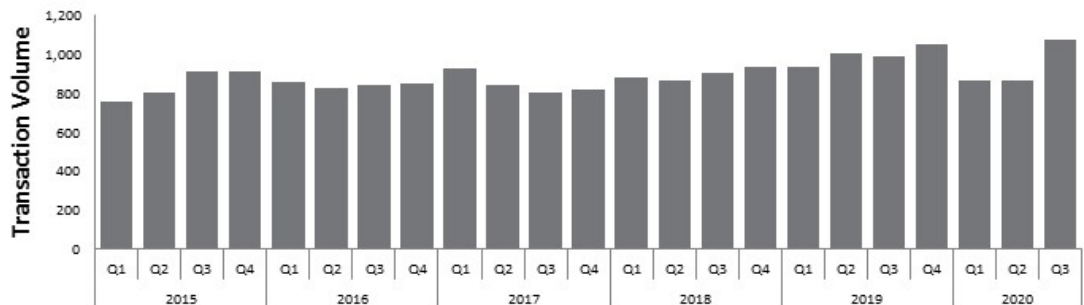
Source: Capital IQ

Industry Valuations



Source: Capital IQ

Healthcare Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

The Mirus team works with the owners of closely-held companies in multiple segments of the \$2.8 trillion US healthcare industry to achieve their desired outcome. While global in focus and experience, we benefit from being in one of the most dynamic healthcare ecosystems that includes some of the most active healthcare focused venture capital and private equity firms, leading research universities, large medical device companies and innovative med-tech and healthcare services firms. The Mirus healthcare team has experience executing a spectrum of engagements with some of the most innovative healthcare companies in the world. We have particular expertise in: medical devices, healthcare equipment, healthcare IT, diagnostics, contract research, healthcare staffing, and related companies.

Partner Spotlight

Alan, Kate, Brendan, and Patrick are accomplished advisors to the healthcare technology sector. Alan has closed multiple M&A transactions in the sector for clients in HCIT, hospital equipment, biopharma manufacturing, medical technology, research products and technical services, and technical compliance and safety services. Brendan has worked on more than 75 M&A engagements, managing deals for healthcare clients, technology, software and business services. Kate has closed deals with global medical equipment companies, middle market and multi-billion dollar private equity firms, family offices, leading technology companies and others in the consumer and industrial sectors. As a former senior level med-tech executive and a successful entrepreneur, Patrick brings the valuable perspective of having sat on both sides of the negotiating table.



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Mirus Healthcare Spotlight

Tunstall

Americas

has been acquired by



a portfolio company of



Tunstall is a market-leading provider of technology-based health and care solutions and services which improve its customers' ability to deliver new, more efficient and effective models for health and care management in the community setting. Connect America provides personal medical response system (PERS) kits for Americans who wish to continue to live an independent life at home.



has sold substantially
all of its assets to



A Group Company of



AdvanSource develops advanced polymer materials which provide critical characteristics in the design and development of medical devices. Its biomaterials are used in devices that are designed for treating a broad range of anatomical sites and disease states. Its business model leverages proprietary materials science technology and manufacturing expertise in order to expand product sales and royalty and license fee income. Mitsubishi Chemical Performance Polymers, Inc. is a specialty chemical company and direct subsidiary of Mitsubishi Chemical America, Inc., the regional headquarters in North America of Mitsubishi Chemical Corporation.



has been
recapitalized by



Belmont is a leading provider of fluid warming infusion systems sold into acute care, military, and EMS settings. Headquartered in Billerica, MA, it is a technology leader in rapid infusion systems used to treat critically injured patients experiencing material blood loss. Since its founding in 1999, Audax Private Equity has been focused on building leading middle market companies. Audax has invested \$4.5 billion in 110 platforms and 635 add-on companies. Through its disciplined Buy & Build approach, Audax seeks to help platform companies execute add-on acquisitions that fuel revenue growth, optimize operations, and significantly increase equity value.



has been acquired by



Connective Tissue Gene Tests, LLC (CTGT) is an internationally recognized provider of molecular diagnostic testing services for inherited genetic disorders that delivers clinically actionable diagnostic information to its worldwide customer base. Based in Allentown, Pennsylvania, CTGT has been at the forefront of the constitutional genetic testing field for more than a decade. Health Network Laboratories (HNL) is a leader in high quality, innovative laboratory medicine services. HNL works with more than 10 hospital systems and has over 60 regional patient service centers.