

HEALTHCARE



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Spotlight

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Laboratory and Testing Services

Industry News

From Labs to Homes: where COVID-19 testing is headed in 2021

Medtech Dive [Full Article](#)

With the rollout of COVID-19 vaccines across the country, the number of Americans getting tested has dropped significantly since January, according to data from the Johns Hopkins Coronavirus Resource Center.

While labs and other testing sites in January completed an average of almost 1.9 million tests per day, the average daily testing dropped to 1.5 million in February and 1.3 million in early March.

FDA started 2021 laying out its COVID-19 testing priorities with a focus on home-based testing. Tim Stenzel, director of the FDA's Office of In Vitro Diagnostics and Radiological Health, told test developers in January that the agency was particularly focused on at-home tests and home collection kits, as well as point-of-care diagnostics and tests that can be performed in "super-high volume" in central labs.

Environment Testing Services Market 2021 global outlook

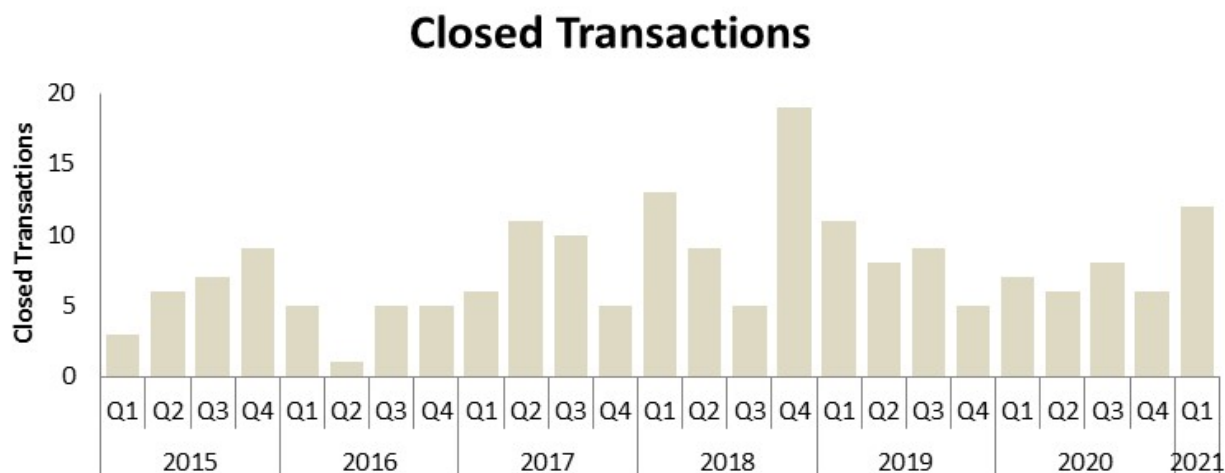
Clark Country Blog [Full Article](#)

Global Environment Testing Services Market is valued approximately USD 7.70 billion in 2019 and is anticipated to grow with a healthy growth rate of more than 7.90 % over the forecast period 2020-2027. Environment Testing Services determines hazards within environment that is harmful to people. Large spills of hazardous substances can seep into soil and then possibly into groundwater which will affect drinking water supply. Maintaining the right quantities of all components in the environment is a must for a sustainable future. Also, the key players are focusing on strategies such as product launch, innovation and merger & acquisition to sustain themselves amidst fierce competition.

Rise in initiatives that cause sustainable development, increased awareness of environmental degradation and favorable government policies is expected to drive the growth of the environmental testing services market. As per the U.S Environmental Protection Agency, US (EPA) imposes standards that are intended to safeguard public health by limiting the levels of contaminants such as microorganism found in drinking water. These standards are primarily applicable to public water systems, it is often applied by remediation regulators in the aquifer.

Medical Device

Laboratory and Testing Services M&A Environment

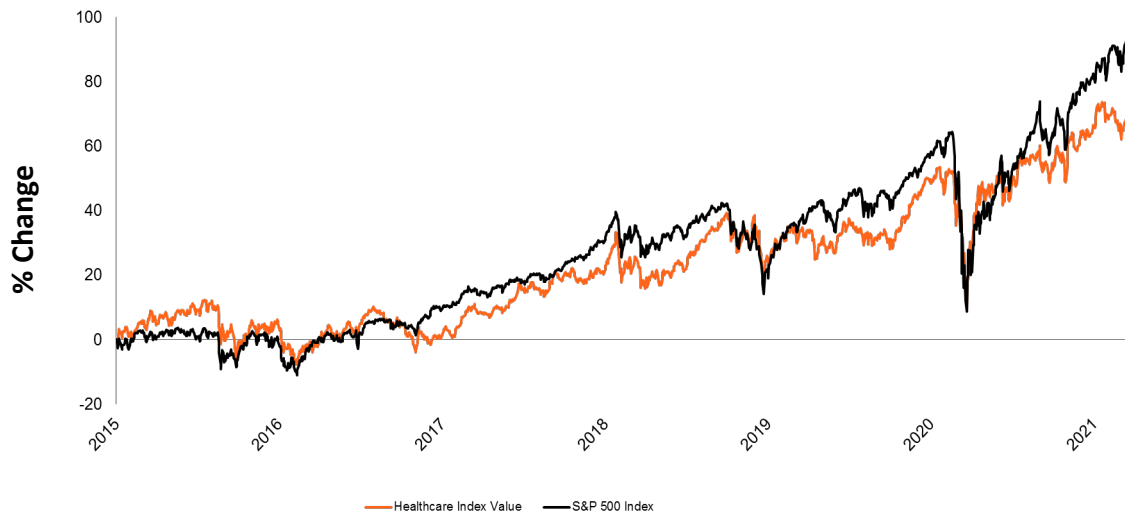


Selected Laboratory and Testing Services M&A

			Enterprise	EV / LTM	
Date Closed	Target	Buyers/Investors	Value (\$M)	Revenue	EBITDA
03/31/2021	Laboratoire ZTP	INOVIE Laboratory	-	-	-
03/31/2021	Cancer Genetics, Inc.	Vyant Bio, Inc. (NasdaqCM:VYNT)	-	-	-
03/15/2021	Decipher Biosciences, Inc.	Veracyte, Inc. (NasdaqGM:VCYT)	-	-	-
03/08/2021	BioScience Laboratories, Inc.	Nelson Laboratories, Inc.	15.0	-	-
03/05/2021	Centrul Medical Matei Basarab SRL	Med Life S.A. (BVB:M)	-	-	-
03/04/2021	Sho Groep B.V.	Unilabs Nederland B.V.	-	-	-
02/24/2021	Coast Environmental, Inc.	Alliance Environmental Group, Inc.	-	-	-
02/22/2021	BioTheragnostics, Inc.	Hologic, Inc. (NasdaqGS:HOLX)	230.0	7.0x	-
02/14/2021	ZAO European Medical Center	MedInvestGroup	-	-	-
02/05/2021	Orbitech Co., Ltd. (KOSDAQ:A046120)	Kyle Partners, LLC; N Point Investment Co., Ltd.	141.4	2.7x	56.1x
02/03/2021	Avomeen LLC	Element Materials Technology Group Limited	-	-	-
02/02/2021	Millbrook Proving Ground Limited	Union Technique de l'Automobile, du Motorcycle et du Cycle Union de	156.8	-	10.6x

Healthcare

The healthcare sector increased in index value along with the broader public market in March 2021 during the global COVID-19 pandemic recovery. After a year of unprecedented upheaval, healthcare M&A remains strong with record levels of dry powder driving premium valuations.



As of 12/31/2020

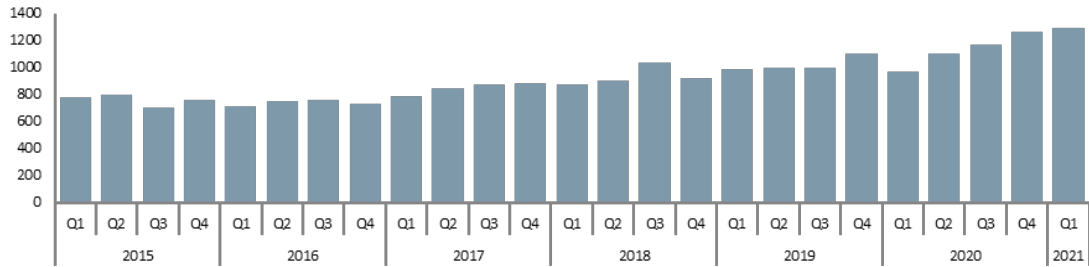
Company Name	Ticker	LTM Financials			Valuation Metrics		LTM Margins	
		Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Abbott Laboratories	NYSE:ABT	\$225,261	\$37,338	\$10,183	6.0x	22.1x	56.8%	27.3%
AbbVie Inc.	NYSE:ABBV	\$269,621	\$45,804	\$22,170	5.9x	12.2x	69.3%	48.4%
Agilent Technologies, Inc.	NYSE:A	\$40,085	\$5,530	\$1,456	7.2x	27.5x	53.4%	26.3%
AmerisourceBergen Corporation	NYSE:ABC	\$24,053	\$194,546	\$2,650	0.1x	9.1x	2.8%	1.4%
Amgen Inc.	NasdaqGS:AMGN	\$166,502	\$25,424	\$12,768	6.5x	13.0x	75.8%	50.2%
Anthem, Inc.	NYSE:ANTM	\$103,160	\$124,632	\$9,098	0.8x	11.3x	27.6%	7.3%
Baxter International Inc.	NYSE:BAX	\$45,768	\$11,673	\$2,701	3.9x	16.9x	40.5%	23.1%
Becton, Dickinson and Company	NYSE:BDX	\$85,206	\$18,207	\$5,438	4.7x	15.7x	47.8%	29.9%
Biogen Inc.	NasdaqGS:BIIB	\$47,131	\$13,445	\$5,113	3.5x	9.2x	86.6%	38.0%
Boston Scientific Corporation	NYSE:BSX	\$62,783	\$9,913	\$2,252	6.3x	27.9x	68.5%	22.7%
Bristol-Myers Squibb Company	NYSE:BMJ	\$175,888	\$42,518	\$18,184	4.1x	9.7x	80.1%	42.8%
Cardinal Health, Inc.	NYSE:CAH	\$20,840	\$156,452	\$2,747	0.1x	7.6x	4.5%	1.8%
Centene Corporation	NYSE:CNC	\$44,876	\$104,176	\$5,369	0.4x	8.4x	17.2%	5.2%
Cerner Corporation	NasdaqGS:CERN	\$22,451	\$5,506	\$1,281	4.1x	17.5x	83.1%	23.3%
Cigna Corporation	NYSE:CI	\$107,421	\$160,550	\$10,702	0.7x	10.0x	15.2%	6.7%
Community Health Systems, Inc.	NYSE:CYH	\$13,468	\$11,789	\$1,011	1.1x	13.3x	37.5%	8.6%
Danaher Corporation	NYSE:DHR	\$179,919	\$22,284	\$6,479	8.1x	27.8x	58.0%	29.1%
DaVita Inc.	NYSE:DVA	\$24,152	\$11,551	\$2,349	2.1x	10.3x	30.8%	20.3%
Eli Lilly and Company	NYSE:LLY	\$183,870	\$24,540	\$8,875	7.5x	20.7x	77.7%	36.2%
Gilead Sciences, Inc.	NasdaqGS:GILD	\$104,395	\$24,689	\$12,697	4.2x	8.2x	85.1%	51.4%
HCA Healthcare, Inc.	NYSE:HCA	\$96,972	\$51,533	\$9,923	1.9x	9.8x	37.3%	19.3%
Henry Schein, Inc.	NasdaqGS:HSIC	\$11,396	\$10,119	\$732	1.1x	15.6x	27.8%	7.2%
Humana Inc.	NYSE:HUM	\$56,879	\$77,155	\$5,251	0.7x	10.8x	20.1%	6.8%
IQVIA Holdings Inc.	NYSE:IQV	\$48,653	\$11,359	\$1,830	4.3x	26.6x	34.0%	16.1%
Johnson & Johnson	NYSE:JNJ	\$442,145	\$84,214	\$28,108	5.3x	15.7x	66.4%	33.4%
Laboratory Corporation of America Holdings	NYSE:LH	\$30,347	\$13,979	\$3,592	2.2x	8.4x	35.8%	25.7%
Magellan Health, Inc.	NasdaqGS:MGLN	\$1,985	\$4,578	\$85	0.4x	23.5x	2.6%	1.8%
McKesson Corporation	NYSE:MCK	\$38,673	\$237,621	\$4,056	0.2x	9.5x	5.1%	1.7%
Merck & Co., Inc.	NYSE:MRK	\$220,539	\$47,994	\$19,070	4.6x	11.6x	72.0%	39.7%
Molina Healthcare, Inc.	NYSE:MOH	\$11,933	\$18,375	\$1,022	0.6x	11.7x	13.9%	5.6%
Owens & Minor, Inc.	NYSE:OMI	\$3,877	\$8,480	\$324	0.5x	12.0x	15.1%	3.8%
Patterson Companies, Inc.	NasdaqGS:PDCO	\$3,682	\$5,637	\$320	0.7x	11.5x	21.2%	5.7%
Pfizer Inc.	NYSE:PFE	\$231,364	\$41,908	\$14,887	5.5x	15.5x	79.5%	35.5%
Quest Diagnostics Incorporated	NYSE:DGX	\$20,910	\$9,437	\$2,468	2.2x	8.5x	39.4%	26.2%
Regeneron Pharmaceuticals, Inc.	NasdaqGS:REGN	\$45,260	\$8,310	\$3,531	5.4x	12.8x	53.6%	42.5%
Stryker Corporation	NYSE:SYK	\$103,066	\$14,351	\$3,755	7.2x	27.4x	63.8%	26.2%
Tenet Healthcare Corporation	NYSE:THC	\$22,855	\$17,901	\$2,574	1.3x	8.9x	36.0%	14.4%
Thermo Fisher Scientific Inc.	NYSE:TMO	\$191,985	\$32,218	\$10,198	6.0x	18.8x	49.7%	31.7%
UnitedHealth Group Incorporated	NYSE:UNH	\$387,766	\$262,916	\$26,260	1.5x	14.8x	26.2%	10.0%
Universal Health Services, Inc.	NYSE:UHS	\$14,409	\$11,559	\$1,870	1.2x	7.7x	40.3%	16.2%
Zimmer Biomet Holdings, Inc.	NYSE:ZBH	\$41,053	\$7,025	\$1,964	5.8x	20.9x	69.7%	28.0%
Zoetis Inc.	NYSE:ZTS	\$78,667	\$6,675	\$2,696	11.8x	29.2x	69.5%	40.4%

Median	3.7x	12.5x	40.4%	23.2%
Mean	3.5x	15.0x	45.2%	22.3%

Healthcare

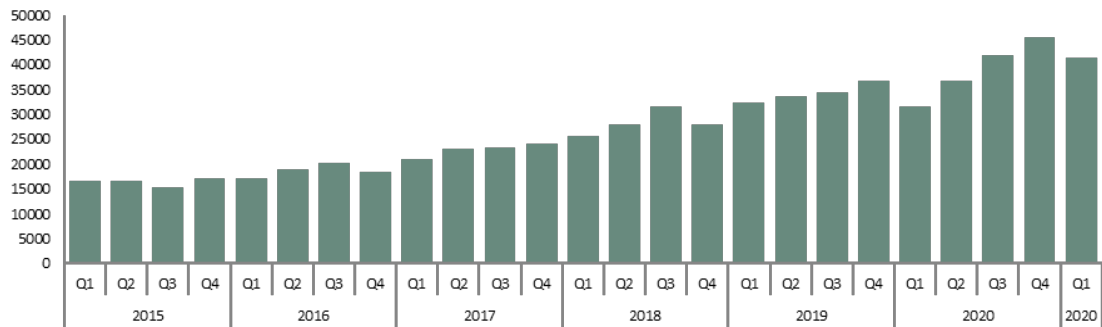
State of the Industry

Dow Jones US Healthcare Index



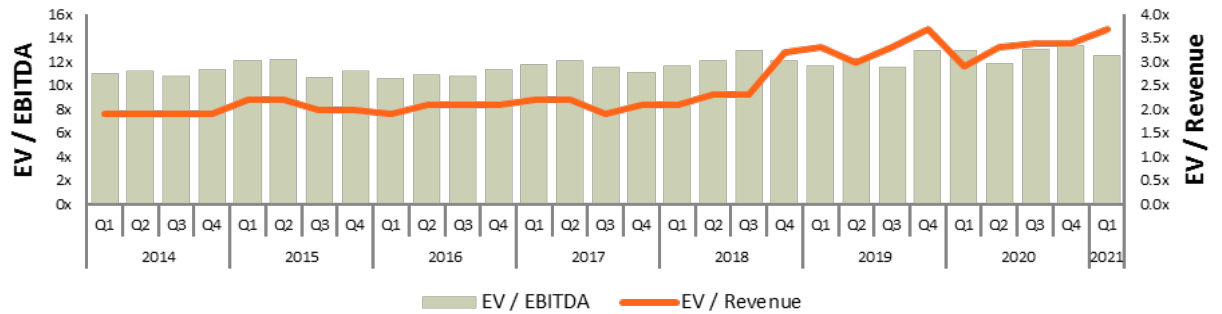
Source: Capital IQ

Dow Jones US Select Medical Equipment Index



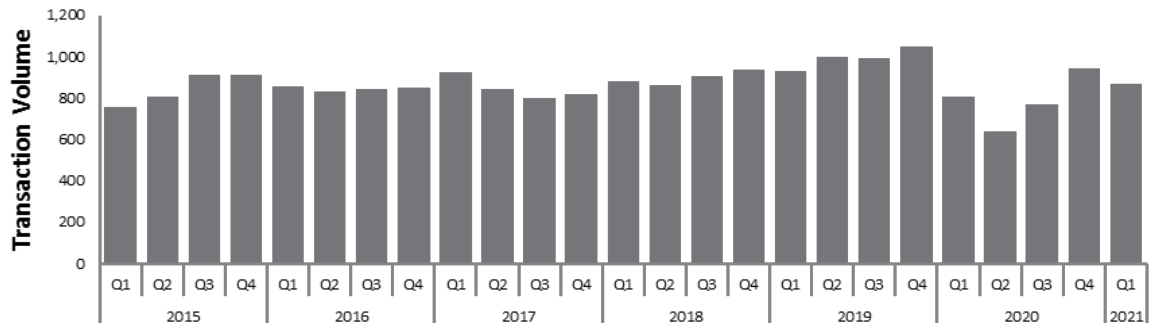
Source: Capital IQ

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.

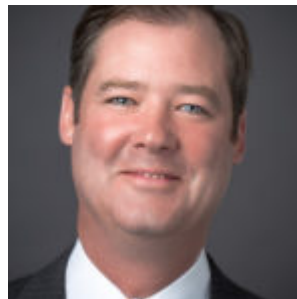
- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished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



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"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

- Bill Hanson, Founder and President of LTI

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.