



HEALTHCARE

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Spotlight

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Medical Device

Industry News

2021 Ends with Exceptional Medtech Dealmaking and Shows No Sign to Stop

MedTechDive [Full Article](#)

Medical technology ended the year with a burst of dealmaking driven by companies' growth ambitions. EY counted 288 deals across the sector from June 2020 to June 2021, the highest annual deal count since 2007.

There is reason to expect another stretch of high M&A activity in 2022. Medtech players in particular are motivated to accelerate revenue generation by investing in high-growth areas. PwC is predicting another year of "exceptional" M&A activity, with smaller acquisitions in the first half and more sizable purchases possible in the second half.

Acceleration and Evolution of Point-of-Care Diagnostic Devices

Plexus [Full Article](#)

The pandemic put massive pressure on manufacturers of point-of-care testing devices to not only increase production, but to accelerate the entire product development process. That's the kind of pressure cooker where innovations often become new standards. Speed to market is always important. But when it became even more critical to quickly respond to the rapid spread of COVID-19, manufacturers of diagnostic equipment had to find new ways to accelerate design, development and testing.

Those leaps forward in life science instrument development aren't likely to slow down significantly. Essentially, now that we know it can be done, it's unlikely we'll think the same way we used to about the speed of development or the speed of returning results going forward.

Q4 2021 Medical Device Clinical Trials Drop Globally

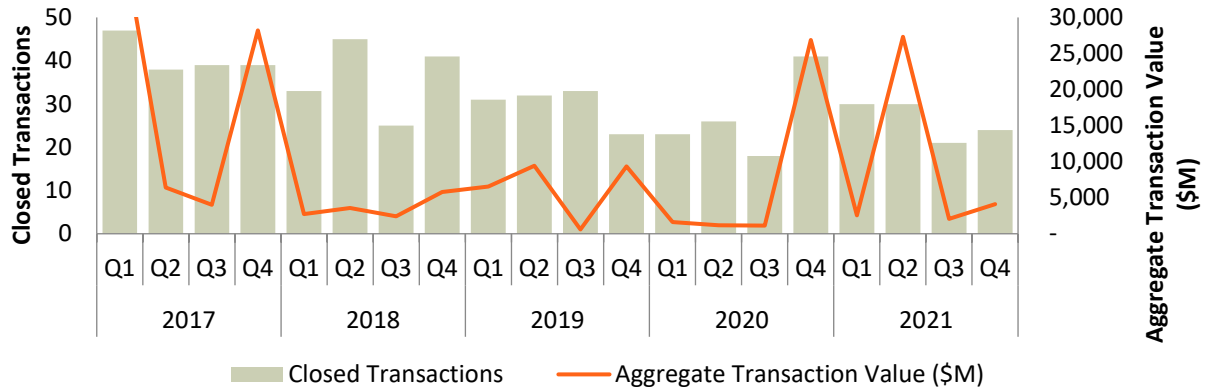
Medical Device Network [Full Article](#)

The number of new planned and ongoing clinical trials for medical devices in Q4 2021 saw a decrease 17% globally when compared with the last four-quarters average, according to GlobalData's medical devices clinical trials database. The global medical devices market was worth \$480bn in 2020 and is expected to reach \$532bn by 2023, according to GlobalData's analysis.

North America tops new clinical trials activity. Comparing the activity in new clinical trials for medical devices in different regions of the globe, North America held the top position with a 47% share during Q4 2021, followed by Europe with 32%, and Asia-Pacific with 13%.

Medical Device

Medical Device M&A Environment

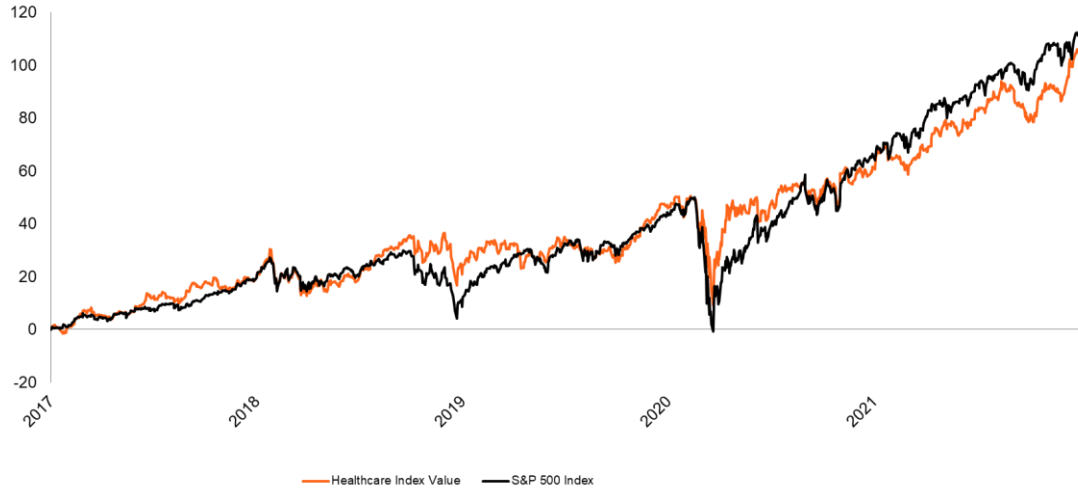


Selected Q4 2021 M&A

Date Closed	Target	Buyers/Investors	Sector	Enterprise		EV / LTM	
				Value (\$M)	Revenue	EBITDA	
10/01/2021	Pulse Veterinary Technologies, LLC	Zomedica Inc.	Electromedical equipment	71.9	-	-	-
10/12/2021	Contech Medical, Inc.	UFP Technologies, Inc. (NasdaqCM:UFPT)	Surgical and medical instruments	15.0	-	-	-
10/13/2021	Hemovent GmbH	MicroPort Surgical B.V.	Surgical and medical instruments	142.9	-	-	-
10/26/2021	BioVision, Inc.	Abcam US Group Holdings Inc.	Surgical and medical instruments	342.9	10.1	-	-
10/29/2021	Misonix, Inc.	Bioventus Inc. (NasdaqGS:BVS)	Surgical and medical instruments	542.7	7.3	-	-
11/03/2021	Shanghai ISO Medical Products Co., Ltd.	Xuchang Zhende Surgical Dressing Co.,Ltd	Surgical and medical instruments	61.9	-	-	-
12/01/2021	Oscor, Inc.	Integer Holdings Corporation (NYSE:ITGR)	Surgical and medical instruments	220.4	3.9	-	-
12/01/2021	Volumetric, Inc.	3D Systems Corporation (NYSE:DDD)	Surgical and medical instruments	400.0	-	-	-
12/02/2021	Katena Products, Inc.	Corza Health, Inc.	Surgical and medical instruments	-	-	-	-
12/03/2021	Resonetics, LLC	The Carlyle Group Inc. (NasdaqGS:CG)	Electromedical equipment	-	-	-	-
12/06/2021	Improve Medical Instruments Co., Ltd. (SZSE:300030)	Zhuhai Gree Group Co., Ltd.	Surgical and medical instruments	42.3	4.9	30.5	-
12/09/2021	Biocare Medical, LLC	GHO Capital Partners LLP	Surgical and medical instruments	-	-	-	-
12/15/2021	MBK Tape Solutions	LTI Holdings Inc.	Surgical and medical instruments	-	-	-	-
12/16/2021	Soliton, Inc.	Allergan plc	Electromedical equipment	554.4	-	-	-
12/16/2021	Itamar Medical Ltd.	ZOLL Medical Corporation	Surgical and medical instruments	517.9	9.2	-	-
12/20/2021	Norwood Medical Corporation	Heraeus Holding GMBH	Surgical and medical instruments	-	-	-	-
12/22/2021	HealthCor Catalio Acquisition Corp.	Hyperfine, Inc. (NasdaqGM:HYPH)	Electromedical equipment	-	-	-	-
12/31/2021	Meridian Medical Technologies, Inc.	Altaris Capital Partners, LLC	Surgical and medical instruments	51.0	0.2	-	-
12/31/2021	KaVo Dental GmbH	planmeca Verwaltungs GmbH	Surgical and medical instruments	455.0	1.4	-	-

Healthcare

Closely tracking the S&P 500, the healthcare sector built up momentum in Q4 2021 and ended the year slightly below the market index. Analysts find the industry well-positioned in 2022 as a defensive sector in a volatile market environment and favorable trends continue to boost healthcare spending.



As of 12/31/2021

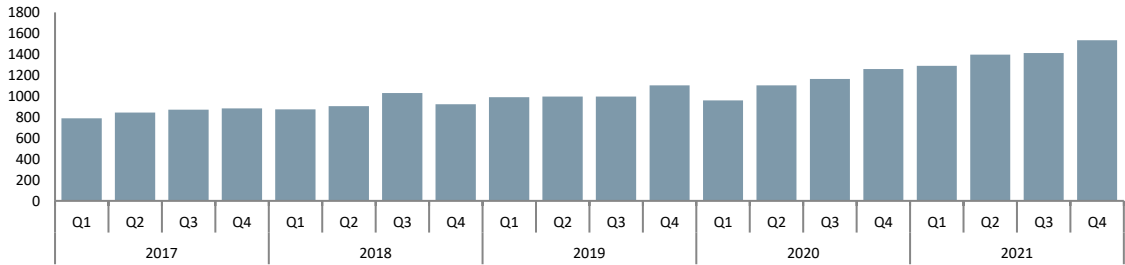
Company Name	Ticker	LTM Financials			Valuation Metrics		LTM Margins	
		Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Abbott Laboratories	NYSE:ABT	\$250,286	\$43,075	\$12,756	5.8x	19.6x	58.1%	29.6%
AbbVie Inc.	NYSE:ABBV	\$307,886	\$56,197	\$28,050	5.5x	11.0x	69.2%	49.9%
Agilent Technologies, Inc.	NYSE:A	\$49,550	\$6,319	\$1,725	7.8x	28.7x	53.9%	27.3%
AmerisourceBergen Corporation	NYSE:ABC	\$33,278	\$221,101	\$3,351	0.2x	9.9x	3.3%	1.5%
Amgen Inc.	NasdaqGS:AMGN	\$151,376	\$25,979	\$12,582	5.8x	12.0x	75.2%	48.4%
Anthem, Inc.	NYSE:ANTM	\$130,821	\$138,643	\$9,774	0.9x	13.4x	26.0%	7.0%
Baxter International Inc.	NYSE:BAX	\$46,207	\$12,784	\$2,981	3.6x	15.5x	41.1%	23.3%
Becton, Dickinson and Company	NYSE:BDX	\$87,470	\$19,928	\$5,267	4.4x	16.6x	46.7%	26.4%
Biogen Inc.	NasdaqGS:BIIB	\$39,390	\$10,982	\$3,923	3.6x	10.0x	80.8%	35.7%
Boston Scientific Corporation	NYSE:BSX	\$68,049	\$11,888	\$3,102	5.7x	21.9x	69.3%	26.1%
Bristol-Myers Squibb Company	NYSE:BMJ	\$168,441	\$46,385	\$20,579	3.6x	8.2x	79.9%	44.4%
Cardinal Health, Inc.	NYSE:CAH	\$17,703	\$171,286	\$2,564	0.1x	6.9x	3.9%	1.5%
Centene Corporation	NYSE:CNC	\$57,565	\$118,176	\$5,157	0.5x	11.2x	16.6%	4.4%
Cerner Corporation	NasdaqGS:CERN	\$28,217	\$5,765	\$1,545	4.9x	18.3x	82.6%	26.8%
Cigna Corporation	NYSE:CI	\$107,608	\$174,274	\$10,153	0.6x	10.6x	13.3%	5.8%
Community Health Systems, Inc.	NYSE:CYH	\$13,665	\$12,368	\$1,710	1.1x	8.0x	41.1%	13.8%
Danaher Corporation	NYSE:DHR	\$260,455	\$29,453	\$10,336	8.8x	25.2x	61.3%	35.1%
DaVita Inc.	NYSE:DVA	\$24,165	\$11,619	\$2,451	2.1x	9.9x	31.4%	21.1%
Eli Lilly and Company	NYSE:LLY	\$262,418	\$28,318	\$9,725	9.3x	27.0x	75.4%	34.3%
Genesis Healthcare, Inc.	OTCPK:GENN	\$3,276	\$3,906	-\$162	0.8x	NM	42.2%	-4.1%
Gilead Sciences, Inc.	NasdaqGS:GILD	\$111,060	\$27,305	\$13,220	4.1x	8.4x	79.8%	48.4%
HCA Healthcare, Inc.	NYSE:HCA	\$115,349	\$58,752	\$12,531	2.0x	9.2x	38.3%	21.3%
Henry Schein, Inc.	NasdaqGS:HSIC	\$13,015	\$12,401	\$1,058	1.0x	12.3x	29.6%	8.5%
Humana Inc.	NYSE:HUM	\$67,841	\$84,193	\$4,547	0.8x	14.9x	17.8%	5.4%
IQVIA Holdings Inc.	NYSE:IQV	\$64,859	\$13,874	\$2,499	4.7x	26.0x	33.5%	18.0%
Johnson & Johnson	NYSE:JNJ	\$450,711	\$91,446	\$31,525	4.9x	14.3x	67.6%	34.5%
Laboratory Corporation of America Holdings	NYSE:LH	\$34,371	\$16,121	\$4,049	2.1x	8.5x	34.9%	25.1%
McKesson Corporation	NYSE:MCK	\$44,333	\$257,006	\$3,517	0.2x	12.6x	5.0%	1.4%
Merck & Co., Inc.	NYSE:MRK	\$210,056	\$48,704	\$18,980	4.3x	11.1x	72.8%	39.0%
Molina Healthcare, Inc.	NYSE:MOH	\$16,569	\$26,984	\$1,168	0.6x	14.2x	12.2%	4.3%
Owens & Minor, Inc.	NYSE:OMI	\$4,358	\$9,785	\$485	0.4x	9.0x	15.5%	5.0%
Patterson Companies, Inc.	NasdaqGS:PDCO	\$3,424	\$6,377	\$241	0.5x	14.2x	19.3%	3.8%
Pfizer Inc.	NYSE:PFE	\$341,892	\$81,288	\$31,949	4.2x	10.7x	62.3%	39.3%
Quest Diagnostics Incorporated	NYSE:DGX	\$25,006	\$10,788	\$2,854	2.3x	8.8x	39.3%	26.5%
Regeneron Pharmaceuticals, Inc.	NasdaqGS:REGN	\$57,309	\$16,072	\$9,233	3.6x	6.2x	66.7%	57.4%
Stryker Corporation	NYSE:SYK	\$111,300	\$17,108	\$4,645	6.5x	24.0x	65.8%	27.2%
Tenet Healthcare Corporation	NYSE:THC	\$23,554	\$19,485	\$3,417	1.2x	6.9x	37.3%	17.5%
Thermo Fisher Scientific Inc.	NYSE:TMO	\$272,609	\$39,211	\$12,820	7.0x	21.3x	50.1%	32.7%
UnitedHealth Group Incorporated	NYSE:UNH	\$503,175	\$287,597	\$26,150	1.7x	19.2x	24.2%	9.1%
Universal Health Services, Inc.	NYSE:UHS	\$14,396	\$12,642	\$1,928	1.1x	7.5x	40.0%	15.2%
Zimmer Biomet Holdings, Inc.	NYSE:ZBH	\$33,133	\$7,836	\$2,388	4.2x	13.9x	70.7%	30.5%
Zoetis Inc.	NYSE:ZTS	\$118,917	\$7,776	\$3,207	15.3x	37.1x	70.5%	41.2%

Median	3.6x	12.3x	41.7%	25.6%
Mean	3.5x	14.5x	45.8%	23.1%

Healthcare

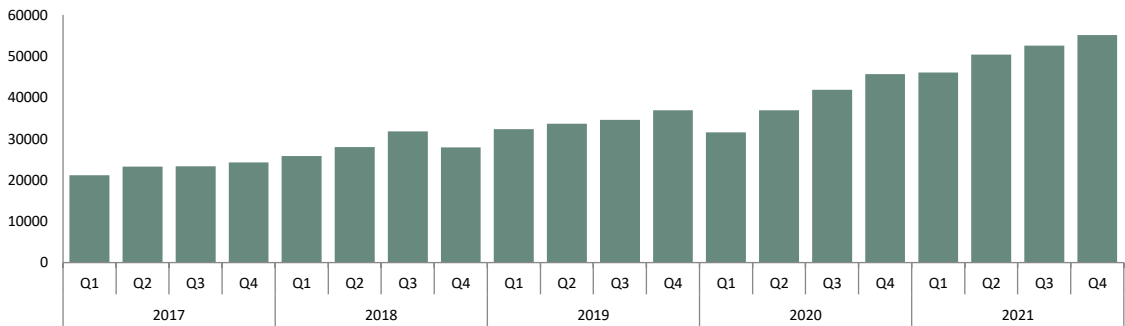
State of the Industry

Dow Jones US Healthcare Index



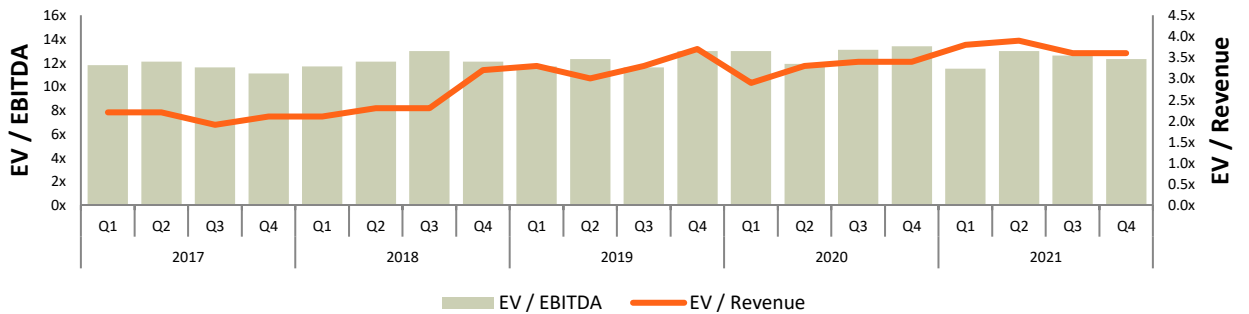
Source: Capital IQ

Dow Jones US Select Medical Equipment Index



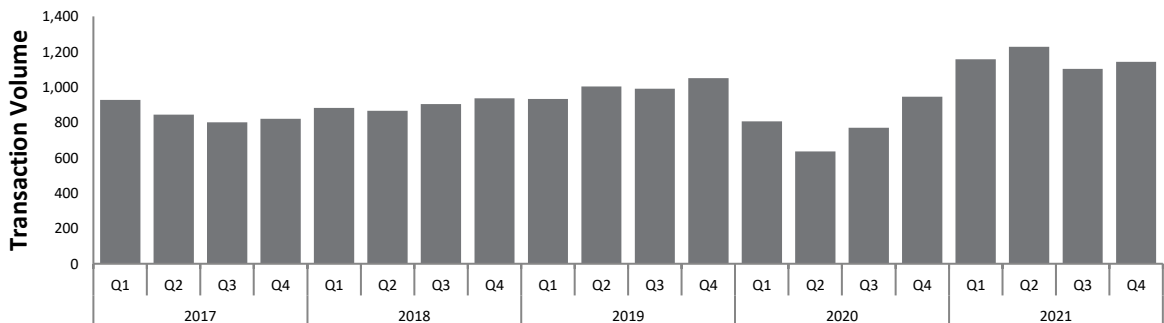
Source: Capital IQ

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

Patrick and Kate are accomplished advisors to the medical device sector. Patrick West is an accomplished executive, entrepreneur, advisor and director with extensive executive management and M&A experience in the healthcare technology sectors. Kate has closed deals with global medical equipment companies, middle market and multi-billion dollar private equity firms, family offices, and leading technology companies. Patrick and Kate's experience gives Mirus a unique insight and an informed ability to navigate the deal process.



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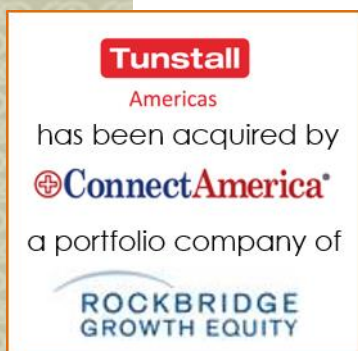
"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

- Bill Hanson, Founder and President of LTI

Mirus Healthcare Spotlight



Founded in 2008, TheraCell is focused on the development of advanced technologies for bone and soft tissue repair and is the inventor of the next-generation, TheraFuze DBF® demineralized bone fiber technology. Isto Biologics is a leading biologic and cellular therapy company in the orthopedic space. Hopkinton, MA-based Isto Biologics is focused on Helping Patients Heal Faster™ through innovative solutions for bone regeneration and cell-based therapies.



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.



Founded in 2004 and based in Allentown, Pennsylvania, CTGT has been at the forefront of the constitutional genetic testing field for more than a decade. The Company uses its proprietary analytic methods, mutation database and technology to provide more than 3,300 unique tests covering over 1,000 genes. Operating for over 20 years, HNL is a leader in laboratory medicine that works with more than 10 hospital systems and has over 60 regional patient service centers. Each year, HNL generates more than 60 million clinical and anatomic pathology results for approximately 3 million patients and 12,000 healthcare providers.



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.