

# HEALTHCARE SERVICES



Quarterly Update  
Fourth Quarter 2023

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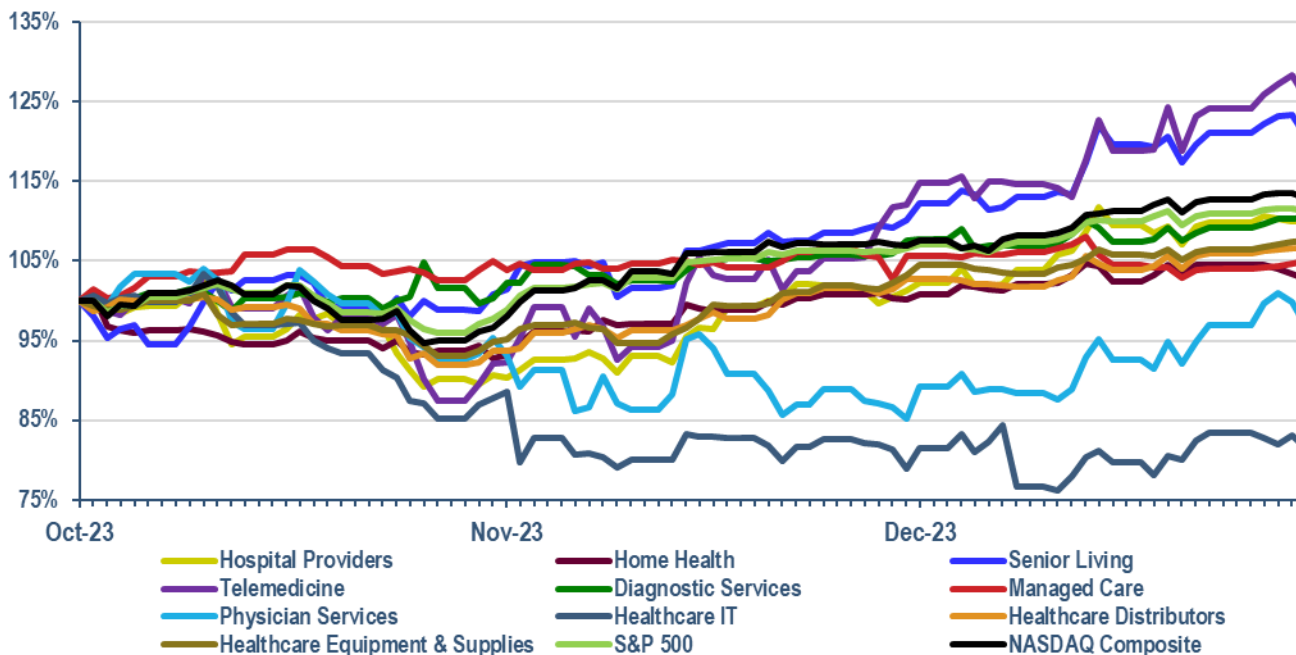
**RESTRUCTURING • INVESTMENT BANKING • DISTRESSED ASSET SUPPORT SERVICES**

# KEY HIGHLIGHTS

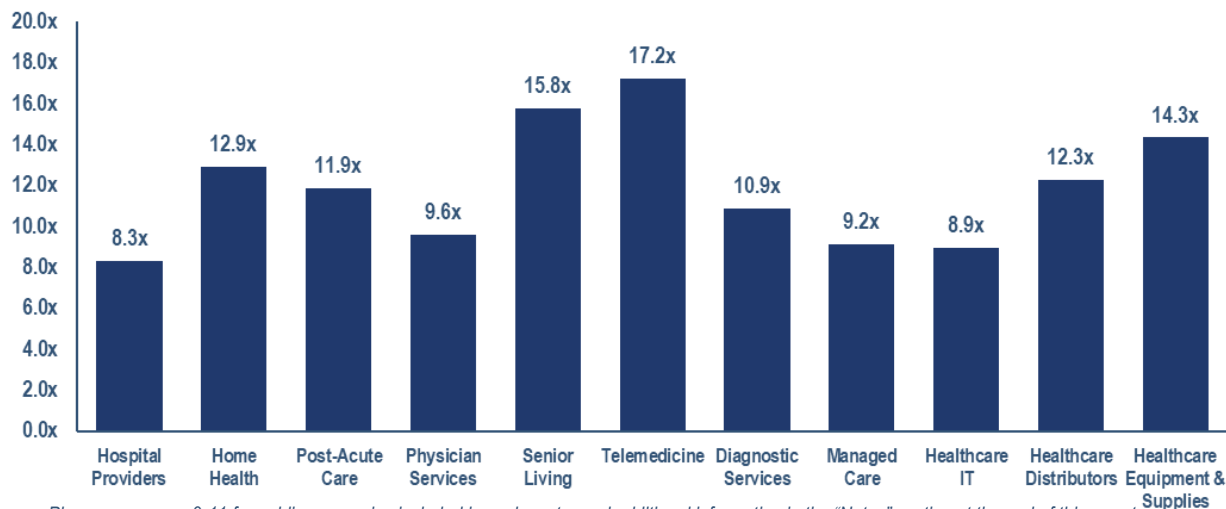
## KEY HIGHLIGHTS

- Healthcare M&A activity declined in Q4 2023, dropping to approximately 500 deals, 4% lower than the prior quarter and 13% lower than Q4 2022 as heightened interest rates and mounting labor costs continue to negatively impact broader investor demand coupled with trends in the sub-sectors detailed herein
- The M&A slowdown was pervasive across many healthcare verticals with Physician Medical Groups (PMG) experiencing some of the steepest declines of the quarter with approximately 100 deals, an almost 20% decrease compared to the previous quarter
- M&A in the Hospital sector was down 18% in Q4 as compared to Q3 with most transactions driven by acquisitions by large health systems
- However, activity in the Home Health & Hospice and Behavioral Health Care sectors remained relatively stable compared to Q3 as more and more patients seek alternatives to facility-based care, turning toward home health services
- Despite the slowdown in M&A transaction deal count, transaction dollar volume in the quarter totaled \$78.3 billion, an increase of 48% compared with the \$40.5 billion in Q3
- Thomas Bravo's \$1.8 billion take-private buyout of NextGen Healthcare, a California-based provider of healthcare solutions for ambulatory and specialty practices, was one of the largest transactions of the quarter

## Stock Performance by Subsector



## EV/LTM EBITDA by Subsector (Q4 2023)



Please see pages 9-11 for public companies included in each sector and additional information in the "Notes" section at the end of this report  
Source: Pitchbook

# SUB-SECTOR HIGHLIGHTS: *Physician Services*

## COMMENTARY

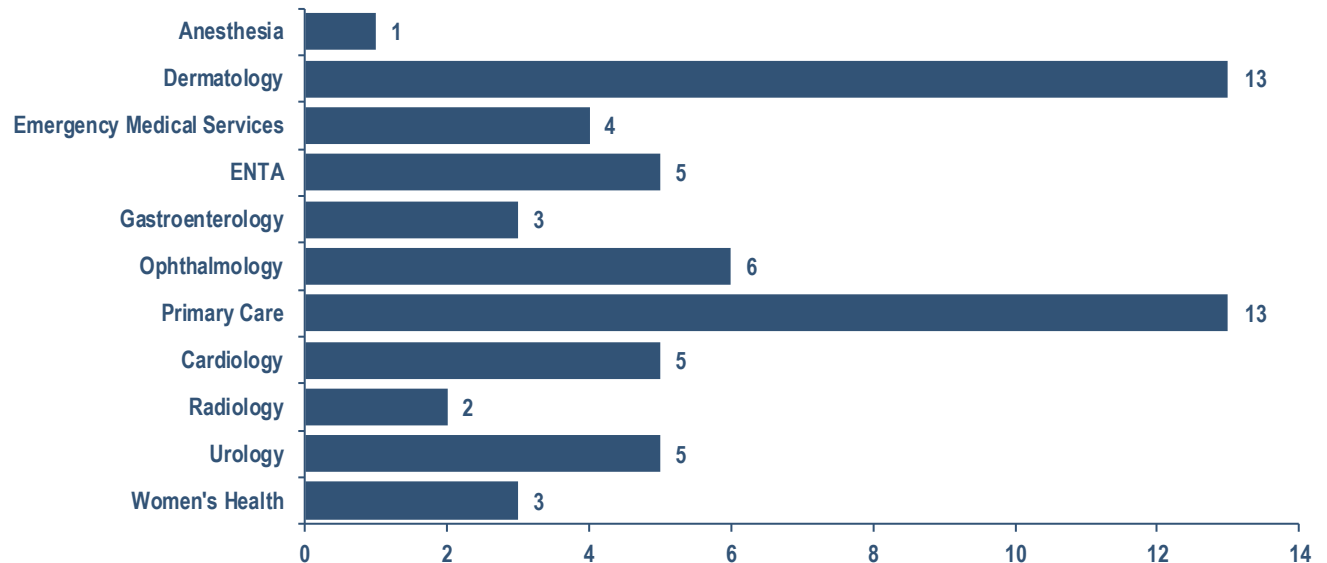
- With just over 100 transactions, PMG M&A activity was 18% lower in Q4 2023 than the prior quarter with growth dynamics varying significantly by sector
- PMGs experienced a level of sector rotation with traditional high M&A activity areas such as ophthalmology and gastroenterology declining in M&A transactions and emerging sectors such as cardiology, ENT, and Urology accelerating
- The dental sector accounted for the most deals in the PMG sector in Q4, representing almost 40% of M&A transactions in the sector
- Notable transactions of Q4 include:
  - MB2 Dental Partners (sponsored by Charlesbank Capital Partners) acquired 15 practices in Q4, growing its dental network to more than 1,500 physicians and 650 practices
  - Cardiovascular Associates of America (sponsored by Webster Equity) acquired Atlanta Heart Specialists, bringing its location count to over 140 across eight states
  - SENTA Partners (sponsored by Shore Capital) acquired Northeast Georgia ENT growing its provider base to 195

## Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/27/2023	Northeast Georgia ENT	SENTA Partners (Shore Capital Partners)	ENTA	NA
12/12/2023	Atlanta Heart Specialists	Cardiovascular Associates of America (Webster Equity Partners)	Cardiology	NA
12/5/2023	Highland	Tygon Peak Capital	Primary Care	NA
11/6/2023	Parkview Dental Partners	Cathay Capital	Dental	NA
11/3/2023	Greenville ENT & Allergy Associates	Privia Health (NAS: PRVA)	ENTA	NA
11/2/2023	Augusta Health Care for Women	Augusta Health	Women's Health	NA
10/24/2023	Greater Good Health	Flare Capital Partners	Primary Care	\$20.0
10/6/2023	PhysicianOne Urgent Care	Yale New Haven Health System	Emergency Medical Services	NA
10/5/2023	Diana Health	Norwest Venture Partners	Women's Health	\$34.0
10/3/2023	Seoul Medical Group	Ascend Capital Partnrs	Primary Care	NA

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## Deal Count by Specialty (Q4 2023)



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

# SUB-SECTOR HIGHLIGHTS: *Hospital Providers*

## COMMENTARY

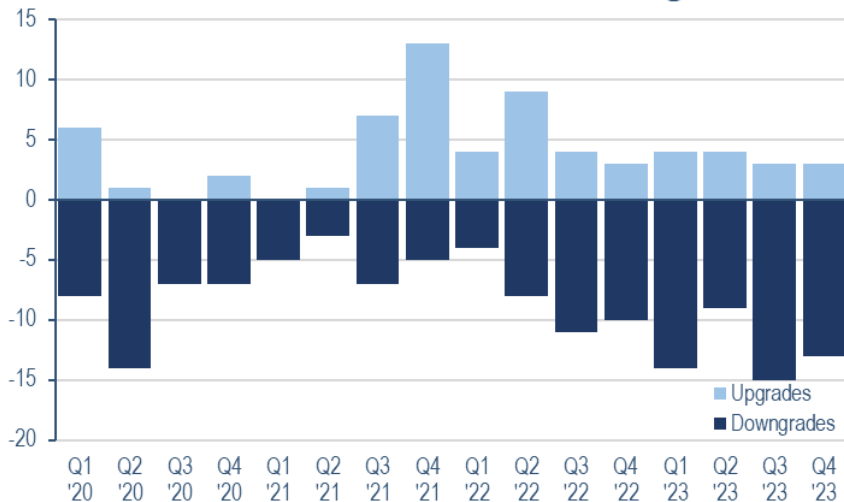
- M&A in the Hospital sector was down 18% in Q4 2023 as compared to the prior quarter
- While transaction volume may have slowed, mergers between large health systems and continued activity in the outpatient care market show the industry is pushing against current headwinds
- Notable transactions of Q4 include:
  - Novant Health's acquisition of three hospitals in South Carolina from Tenet Healthcare Corporation for approximately \$2.4 billion
  - UC San Diego Health's purchase of Prime Healthcare's 302-bed Alvarado Medical Center for \$200 million
  - Tampa General Hospital and Bravera Health in Florida formation of a health system with six hospitals and more than 150 care locations
  - BJC Health System and Saint Luke's Health System of Kansas City's merger with a combined \$10 billion in revenue and 28 hospitals
  - UC Health's acquisition of Pueblo, Colorado-based Parkview Health System, adding 350 licensed beds
  - St. Luke's and Aspirus Health signed a definitive agreement to merge, forming a 19-hospital health system
- During the quarter, health systems and hospitals pushed further into the outpatient care market, purchasing everything from urgent care centers, home health agencies, to physician groups
- Yale New Haven Health System in Connecticut purchased PhysicianOne Urgent Care
- HCA Houston Healthcare, a division of HCA Healthcare, acquired 11 SignatureCare Emergency Centers in Houston

## Notable M&A Transactions

Date	Status	Target	Buyer	Industry	Bed Count	Revenue (\$ Millions)	Deal Value (\$ Millions)
12/20/2023	Announced	Lehigh Valley Health	Jefferson Health	Health System	2,005	\$3,534.0	NA
12/19/2023	Closed	ThedaCare	Froedert Health	Health System	NA	\$1,160.2	NA
12/1/2023	Closed	Parkview Health System	UCHealth	Health System	350	\$495.0	\$205.0
12/1/2023	Closed	Bravera Health	Tampa General Hospital	Health System	372	\$251.4	\$280.0
12/1/2023	Closed	Wise Health System	HCA Healthcare (NYS: HCA)	Health System	NA	\$360.9	NA
11/29/2023	Announced	Trinity Regional Hospital Sachse	HCA Healthcare (NYS: HCA)	Hospital	32	\$63.2	\$41.0
11/29/2023	Closed	Saint Luke's Health System of Kansas City	BJC Health System	Health System	1,005	\$2,354.0	NA
11/18/2023	Closed	St. Margaret's Health Spring Valley & Peru	OSF HealthCare	Hospital	143	\$152.8	NA
11/17/2023	Announced	Three Tenet Healthcare hospitals	Novant Health System	Hospital	264	\$466.6	\$2,400.0
11/9/2023	Closed	Pender Medical Center	Novant Health System	Hospital	25	\$33.8	\$50.0
11/4/2023	Announced	Wahiawa General Hospital	The Queen's Health System	Hospital	66	\$34.3	NA
10/18/2023	Closed	Anderson Regional Health System	Baptist Memorial Health Care	Health System	270	\$254.2	NA
10/11/2023	Closed	Davis Health System, Inc.	Vandalia Health System	Health System	167	\$148.0	NA
10/10/2023	Closed	Alvarado Hospital Medical Center	UC San Diego Health	Hospital	302	\$110.5	\$200.0
10/4/2023	Closed	St. Vincent Regional Medical Center	Christus Health	Hospital	193	\$552.3	NA
10/1/2023	Closed	Community Hospitals and Wellness Centers	Parkview Health	Health System	100	\$113.9	NA

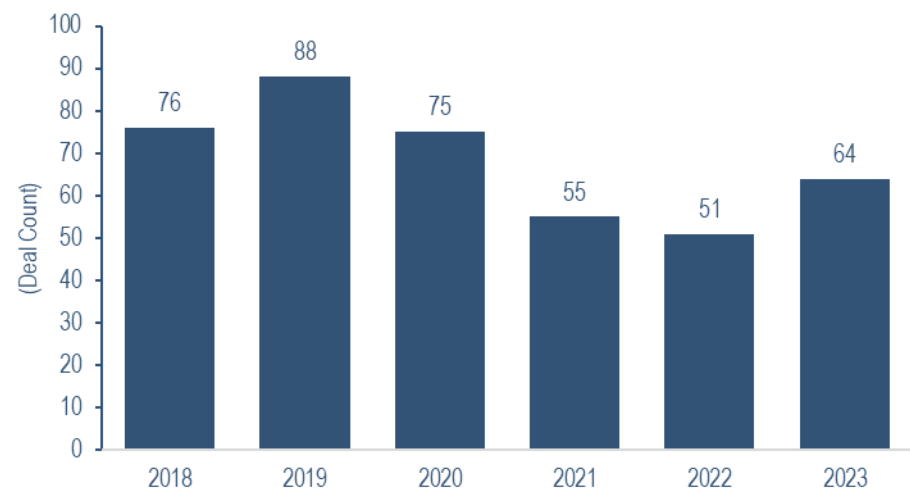
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## U.S. Not-For-Profit Health Care Rating Actions



Source: S&P Global Ratings

## Closed Hospital Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Senior Living*

### COMMENTARY

- Senior housing and care M&A activity rose to 140 publicly announced transactions in Q4 2023, up 22% from the prior quarter
- M&A transactions represented \$4.0 billion of spending in Q4 2023 compared to \$700 million in the prior quarter and \$2.0 billion in Q4 2022, an impressive 95% year-over-year increase
- Of the 140 M&A transactions for the quarter, 44% were assisted living followed by skilled nursing at 35%
- Many of 2023's transactions featured value-add or distressed properties being sold by highly motivated owners, or lender-directed sales, but there were a number of high-quality, performing property sales at the end of 2023, including some large portfolios that could be a sign of changing market dynamics going into 2024
- Some of the largest transactions of the quarter included:
  - Healthpeak Properties' merger with Physicians Realty Trust in an all-stock deal valued at approximately \$21 billion
  - Retirement Unlimited Inc.'s acquisition of Brandywine Living, forming a combined company with 59 communities with more than 6,739 IL, AL, and memory care units
- Senior living occupancy rates exceeded 85% in Q4 2023, representing the 10th consecutive quarter of occupancy growth since the start of the pandemic, largely driven by record-high rates of demand, according to NIC MAP Vision from The National Investment Center for Seniors Housing & Care (NIC)
- At the current pace of average quarterly occupancy gains since mid-2021, the senior housing occupancy rate for the NIC's 31 Primary Markets is on track to reach pre-pandemic levels in the second half of 2024

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/20/2023	Brandywine Living	Retirement Unlimited	Senior Care	NA
12/12/2023	The Shook Home	Transitions Healthcare	Senior Care	NA
10/16/2023	Sonata Senior Living	AgeWell Solvere Living	Senior Care	NA
10/15/2023	Balfour Senior Living	Kisco Senior Living	Independent Living	NA
10/11/2023	Portfolio of 5 Communities in GA	Panthera Senior Living	Senior Care	NA
10/9/2023	Portfolio of 3 Communities in NJ	FellowshipLife	Senior Care	NA
10/6/2023	Providence Place	The Ensign Group (NAS: ENSG)	Skilled Nursing	NA
10/5/2023	Balance Assisted Living	Delmonte Assisted Living	Assisted Living	NA

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## Senior Living Utilization

	Seniors Housing			Nursing Care
	Overall	Majority IL	Majority AL	Majority NC
<b>Market Fundamentals 4Q23</b>				
Occupancy	85.1%	86.8%	83.4%	83.1%
Annual Rent Growth	5.0%	4.4%	5.7%	4.3%
Annual Absorption	4.3%	3.3%	5.3%	2.9%
Annual Inventory Growth	1.4%	1.2%	1.6%	-1.0%
Construction vs. Inventory	4.3%	4.1%	4.6%	0.2%
Rolling 4-Quarter Starts vs. Inventory	1.4%	1.3%	1.5%	0.0%
<b>Capital Markets 3Q23</b>				
Transaction Volume (millions)		\$1,011.5		\$764.5
Rolling 4-Quarter Price Per Unit		\$118,834		\$92,331
Rolling 4-Quarter Cap Rate		6.2%		N/A

Source: NIC Map Vision

# SUB-SECTOR HIGHLIGHTS: *Outpatient Services*

## COMMENTARY

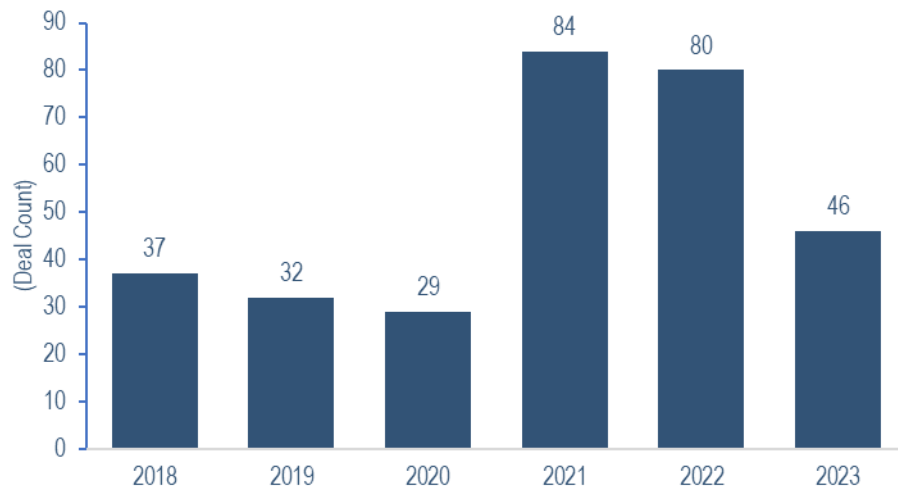
- M&A activity in the Home Health & Hospice sectors remained stable in Q4 as patients seek alternatives to facility-based care
- Notable transactions of Q4 include:
  - Gentiva Health Services' (portfolio company of Clayton, Dubilier & Rice) finally closed its \$710 million acquisition of ProMedica Hospice after announcing the deal in February
  - One of the more acquisitive companies in the sector, The Pennant Group Inc. is (NASDAQ: PNTG), acquisition of Guardian Hospice of Oklahoma and Arizona-based Southwestern Palliative Care & Hospice
  - New Day Healthcare's acquisition of Pathfinder Home Health, its eighth acquisition since the company was established in 2020
  - Blue Wolf Capital-backed Elara Carings' acquisition of American Family Home Health Services
  - Care Advantage's (backed by Searchlight Capital Partners) acquisition of VA-based Nova Home Health Care
- The proposed 80/20 rule (not yet finalized) would force providers to direct 80% of all Medicaid dollars toward caregiver compensation — does not seem to be deterring investment in home-and community-based services

## Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/22/2023	Day Kimball Homemakers	Assisted Living Services	Home Health	NA
12/19/2023	Safe Haven Hospice	Residential Hospice (Graham Healthcare Group)	Hospice	NA
12/19/2023	Elite Home Health Care	HouseWorks (InTandem Capital Partners)	Home Health	NA
12/12/2023	St. Louis Home Health	Lutheran Senior Services	Home Health	NA
12/6/2023	Nova Home Health Care	Care Advantage (Searchlight Capital Partners)	Home Health	NA
12/1/2023	Southwestern Palliative Care & Hospice	The Pennant Group (NAS: PNTG)	Hospice	NA
11/9/2023	Lumicare Hospice	Choice Health at Home (Trive Capital)	Hospice	NA
11/1/2023	Guardian Hospice	The Pennant Group (NAS: PNTG)	Hospice	NA
10/30/2023	Independence 4 Seniors	Avid Health at Home (Havencrest Capital Management)	Home Health	NA
10/17/2023	Pathfinder Home Health	New Day Healthcare	Home Health	NA
10/3/2023	Right Choice In-Home Care	Prime Providers (Pine Street Group)	Home Health	NA
10/2/2023	American Family Home Health	Elara Caring (Blue Wolf Capital)	Home Health	NA

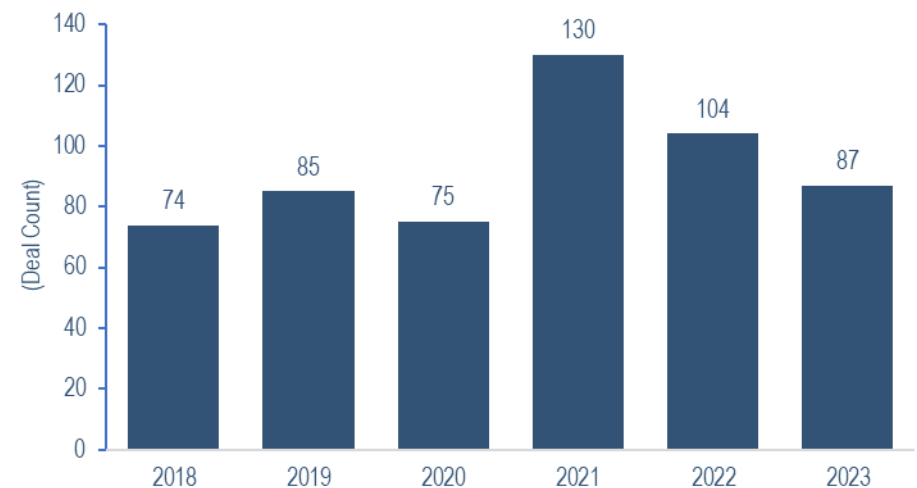
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## Rehabilitation and Therapy Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## Home Health & Hospice Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

# SUB-SECTOR HIGHLIGHTS: Behavioral Health

## COMMENTARY

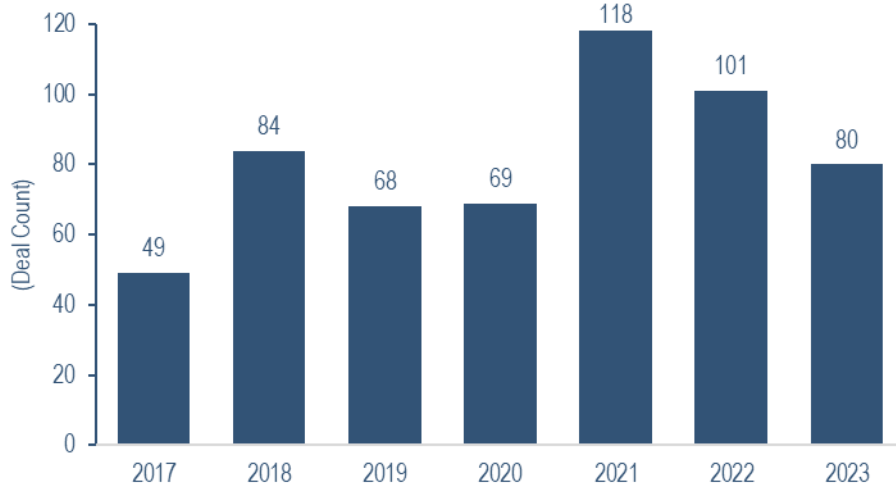
- M&A was relatively quiet in Q4 2023 within the behavioral healthcare sector with approximately 20 transactions, the fewest since Q2 2020 and the onset of the COVID-19 pandemic
- Q4 M&A transaction volume was primarily driven by private equity add-ons, accounting for 65% of total transactions for 2023
- Buyers showed a strong appetite for school-based and mental health related services - labor challenges and stagnant payer rates forced sponsors to prioritize operational improvements alongside organic growth for clinic and home-based autism service providers
  - Golden Gate Capital-backed Invo Healthcare Associates left the home and center-based autism therapy segments to focus on its legacy offering of school-based allied and behavioral health services
- Despite the challenges, a number of private equity backed companies continue to pursue acquisitions of autism home and center-based providers with deals completed by ARC Health, BlueSprig Pediatrics, and New Story in Q4 2023
- Notable transactions of Q4 include:
  - ARC Health (backed by the Thurston Group) acquired Exult Healthcare Solutions, Advanced Psychiatric Group, and Manhattan Psychology Group, among multiple other acquisitions in Q4
  - Fulcrum Equity Partners acquired Defining Wellness Centers
  - BlueSprig Pediatrics (sponsored by KKR) acquired Trumpet Behavioral Health
  - New Story (sponsored by Audax) acquired The Learning Spectrum
  - Abacus Investments acquired Longbranch Retreat & Recovery Center in a platform deal

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/29/2023	Exult Healthcare	ARC Health (Thurston Group)	Addiction Treatment	NA
12/4/2023	Advanced Psychiatric Group	ARC Health (Thurston Group)	Psychiatry	NA
11/28/2023	The Learning Spectrum	New Story (Audax Private Equity)	Autism/ABA Therapy	NA
11/22/2023	Manhattan Psychology Group	ARC Health (Thurston Group)	Psychology	NA
11/16/2023	Defining Wellness Centers	Fulcrum Equity Partners	Addiction Treatment	NA
11/13/2023	Vertava Health of Mississippi	Bradford Health Services (Lee Equity Partners)	Addiction Treatment	NA
11/8/2023	Longbranch Recovery & Wellness	Abacus Investments	Addiction Treatment	NA
11/3/2023	GROW Counseling	ARC Health (Thurston Group)	Counseling	NA
10/18/2023	Trumpet Behavioral Health	BlueSprig Pediatrics (KKR (NYS: KKR))	Autism/ABA Therapy	NA
10/17/2023	Psych Atlanta	Hightop Health (JLL Partners, SV Health Investors)	Psychiatry	NA
10/10/2023	LynLake Centers for WellBeing	ARC Health (Thurston Group)	Psychology	NA

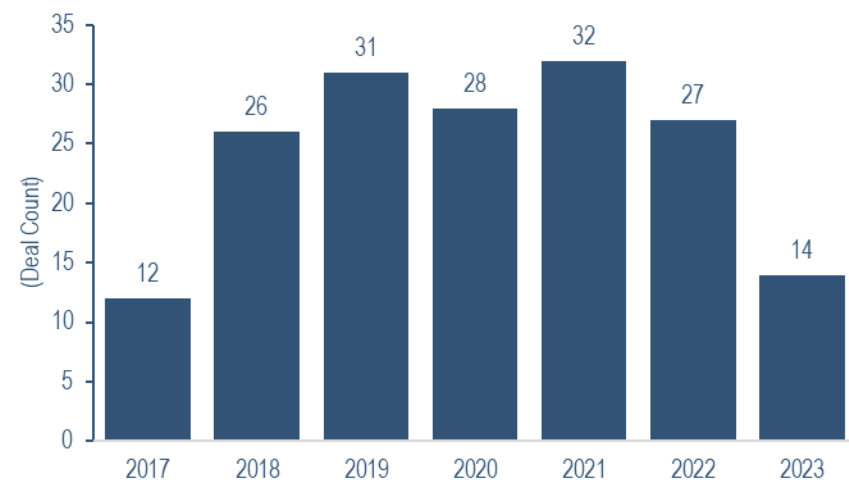
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Behavioral Health Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### PE Investment in Autism



Source: Pitchbook and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Other Sectors*

### Notable M&A Transactions: *Managed Care*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/12/2023	Medi-Solutions Insurance Agency	Senior Market Sales	Managed Care	NA
10/31/2023	AccuRisk Holdings	Ryan Specialty (NYS: RYAN)	Managed Care	NA
10/16/2023	Evry Health	Globe Life (NYS: GL)	Managed Care	NA
10/16/2023	Asset Protection Group	Hub International Limited (Apax Partners)	Managed Care	NA
10/11/2023	Blue Cross Blue Shield of Vermont	Blue Cross Blue Shield of Michigan	Managed Care	NA
10/3/2023	Network Health	Froedtert Health	Managed Care	NA
10/3/2023	Constellation, Inc.	Curi Holdings	Managed Care	NA

### Notable M&A Transactions: *Telemedicine*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
11/30/2023	Integrative Health Centers	Integrative Life Network	Telemedicine	NA
11/16/2023	Fern Health	BehaVR	Telemedicine	NA
11/16/2023	Cloudbreak Health	GTCR	Telemedicine	\$180.0
11/14/2023	Sitka	Arista MD	Telemedicine	NA
10/10/2023	Bright.md	Cigna Corporation (NYS: CI)	Telemedicine	NA
10/4/2023	Virtual Health Holdings	WPF Holdings (OTC: WPFH)	Telemedicine	NA

### Notable M&A Transactions: *Diagnostic Services*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/4/2023	Binx Health (Consumer Testing)	Imaware	Diagnostics	NA
11/15/2023	MD Imaging	Dignity Health	Diagnostics	NA
11/2/2023	Chicago Telerad	Epic Staffing Group (The Pritzker Organization)	Diagnostics	NA
10/19/2023	MBS Advantage, Midwest Dysphagia Diagnostics	Patheous Health (NewSpring Capital)	Diagnostics	NA

### Notable M&A Transactions: *Pharmacy / PBM*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
12/26/2023	RayzeBio (NAS: RYZB)	Bristol Myers Squibb (NYS: BMY)	Radiopharmaceuticals	\$4,100.0
12/18/2023	Particle Sciences	Agno Pharma	Pharmaceuticals	NA
12/18/2023	Visant Medical	Amring Pharmaceuticals (Nordic Group)	Pharmaceuticals	NA
12/12/2023	Evoform Biosciences (OTC: EVFM)	Aditxt (NAS: ADTX)	Biopharmaceuticals	\$100.0
10/4/2023	Nitisinone Capsules	Eton Pharmaceuticals (NAS: ETON)	Pharmaceuticals	NA

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research



# VALUATION METRICS BY SECTOR

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Hospital Providers</b>									
CYH	Community Health Systems	\$3.13	39.1%	\$428.2	\$13,430.2	1.1x	8.0x	8.5x	NM
HCA	HCA Management Services	\$270.68	88.8%	\$72,450.4	\$115,515.4	1.8x	8.5x	8.9x	13.4x
THC	Tenet Healthcare	\$75.57	88.5%	\$7,674.3	\$25,379.3	1.3x	8.0x	7.2x	17.5x
UHS	Universal Health Services	\$152.44	96.1%	\$10,403.4	\$15,752.7	1.1x	9.6x	8.6x	16.0x

**Mean** 1.3x 8.5x 8.3x 15.6x

<b>Home Health</b>									
ADUS	Addus HomeCare	\$92.85	80.7%	\$1,505.5	\$1,642.8	1.6x	16.8x	12.6x	26.3x
AMED	Amedisys	\$95.06	89.7%	\$3,102.1	\$3,567.8	1.6x	25.9x	14.2x	NM
EHAB	Enhabit Home Health	\$10.35	62.2%	\$518.8	\$1,137.5	1.1x	NA	11.9x	NA

**Mean** 1.4x 21.3x 12.9x 26.3x

<b>Post-Acute Care</b>									
EHC	Encompass Health	\$66.72	92.6%	\$6,688.1	\$10,142.6	2.2x	10.1x	9.9x	18.8x
SEM	Select Medical Holdings	\$23.50	70.1%	\$3,013.0	\$8,240.3	1.3x	10.9x	9.4x	13.3x
ENSG	The Ensign Group	\$112.21	97.5%	\$6,334.5	\$7,745.2	2.2x	19.5x	16.4x	25.9x

**Mean** 1.9x 13.5x 11.9x 19.3x

<b>Physician Services</b>									
AMEH	Apollo Medical Holdings	\$38.30	93.8%	\$1,716.5	\$1,697.1	1.3x	14.3x	10.2x	39.1x
CANO	Cano Health	\$5.87	3.1%	\$17.0	\$1,080.0	0.3x	NA	11.9x	NA
MD	Pediatrix Medical Group	\$9.30	53.8%	\$781.4	\$1,363.6	0.7x	6.9x	6.8x	8.8x

**Mean** 0.8x 10.6x 9.6x 23.9x

<b>Senior Living</b>									
BKD	Brookdale Senior Living	\$5.82	95.3%	\$1,095.5	\$5,561.3	1.9x	12.5x	14.5x	NA
ASE: NHC	National Healthcare	\$92.42	94.1%	\$1,416.3	\$1,309.5	1.2x	13.2x	NA	31.8x
SNDA	Sonida Senior Living	\$9.66	60.4%	\$79.0	\$752.1	3.0x	14.7x	NA	NA
VTR	Ventas	\$49.84	93.8%	\$20,054.7	\$33,528.8	NM	18.3x	17.1x	NM

**Mean** 2.0x 14.7x 15.8x 31.8x

# VALUATION METRICS BY SECTOR

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Telemedicine</b>									
AMWL	Amwell	\$1.49	34.9%	\$428.5	\$40.3	0.2x	NA	NA	NA
HIMS	Hims & Hers Health	\$8.90	72.1%	\$1,886.7	\$1,678.9	2.1x	NA	22.0x	NA
LFMD	LifeMD	\$8.29	91.0%	\$325.0	\$331.4	2.4x	NA	18.4x	NA
TDOC	Teladoc Health	\$21.55	62.7%	\$3,567.8	\$4,120.2	1.6x	NA	11.3x	NA

<b>Mean</b>	<b>1.6x</b>	<b>NA</b>	<b>17.2x</b>	<b>NA</b>
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<b>Diagnostic Services</b>									
LH	Laboratory Corporation of America	\$227.29	99.8%	\$19,296.9	\$24,918.3	1.9x	16.1x	11.2x	31.8x
DGX	Quest Diagnostics	\$137.88	87.6%	\$15,502.5	\$20,385.5	2.2x	12.8x	10.6x	20.5x

<b>Mean</b>	<b>2.1x</b>	<b>14.5x</b>	<b>10.9x</b>	<b>26.2x</b>
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<b>Managed Care</b>									
CNC	Centene	\$74.21	88.8%	\$39,643.1	\$38,440.1	0.3x	6.8x	8.2x	16.5x
CI	The Cigna Group	\$299.45	90.2%	\$87,625.0	\$117,101.0	0.6x	10.6x	9.1x	16.9x
CVS	CVS Health	\$78.96	84.5%	\$101,613.4	\$165,694.4	0.5x	9.0x	8.4x	11.9x
ELV	Elevance Health	\$471.56	91.7%	\$110,797.3	\$124,838.3	0.7x	11.7x	10.3x	18.5x
HUM	Humana	\$457.81	84.6%	\$56,361.3	\$53,242.3	0.5x	10.1x	8.6x	18.9x
MOH	Molina Healthcare	\$361.31	93.9%	\$21,064.4	\$13,766.4	0.4x	9.0x	6.7x	22.5x
UNH	UnitedHealth Group	\$526.47	94.9%	\$486,945.4	\$515,703.4	1.4x	14.5x	12.8x	22.9x

<b>Mean</b>	<b>0.6x</b>	<b>10.2x</b>	<b>9.2x</b>	<b>18.3x</b>
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<b>Healthcare IT</b>									
CPSI	Computer Programs & Systems	\$11.20	35.4%	\$162.9	\$308.7	0.9x	10.6x	6.0x	NA
OMCL	Omnicell	\$37.63	48.8%	\$1,711.0	\$1,864.9	1.6x	40.0x	14.1x	NA
MDRX	Veradigm ( Healthcare Technology Systems)	\$10.49	53.1%	\$1,146.1	\$1,146.1	NA	NA	6.7x	NA

<b>Mean</b>	<b>1.2x</b>	<b>25.3x</b>	<b>8.9x</b>	<b>NA</b>
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# VALUATION METRICS BY SECTOR

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Healthcare Distributors</b>									
CAH	Cardinal Health	\$100.80	92.6%	\$24,844.0	\$25,669.0	0.1x	20.1x	9.0x	NM
COR	Cencora	\$205.38	99.8%	\$40,959.5	\$43,299.2	0.2x	12.8x	11.1x	24.1x
HSIC	Henry Schein	\$75.71	84.4%	\$9,837.6	\$13,408.6	1.1x	15.3x	12.6x	22.4x
MCK	McKesson	\$462.98	97.2%	\$61,605.3	\$66,761.3	0.2x	12.9x	12.1x	18.3x
OMI	Owens & Minor	\$19.27	81.4%	\$1,474.2	\$3,597.8	0.4x	12.8x	6.1x	NA
SRCL	Stericycle	\$49.56	88.3%	\$4,585.5	\$6,331.9	2.4x	19.9x	13.7x	NA
TMO	Thermo Fisher Scientific	\$530.79	87.0%	\$205,082.6	\$234,351.6	NM	22.8x	21.4x	34.8x

**Mean** 0.7x 16.7x 12.3x 24.9x

<b>Healthcare Equipment &amp; Supplies</b>									
ABT	Abbott	\$110.07	95.0%	\$191,088.0	\$199,782.0	5.0x	20.7x	18.6x	37.4x
BAX	Baxter International	\$38.66	72.8%	\$19,613.1	\$30,819.1	2.1x	18.8x	9.5x	NM
BDX	Becton, Dickinson and Company	\$243.83	84.9%	\$70,809.5	\$85,264.5	4.4x	19.6x	16.5x	47.8x
BSX	Boston Scientific	\$57.81	99.1%	\$84,690.7	\$93,280.7	6.8x	28.2x	20.6x	NM
XRAY	Dentsply Sirona	\$35.59	82.3%	\$7,540.1	\$9,350.1	2.4x	NM	12.5x	NA
JNJ	Johnson & Johnson	\$156.74	86.6%	\$377,316.9	\$383,726.9	4.4x	17.8x	11.5x	32.3x
MDT	Medtronic	\$82.38	89.5%	\$109,536.9	\$127,069.9	4.0x	14.4x	13.7x	26.7x
SIE	Siemens	\$188.03	99.9%	\$148,531.2	\$190,170.6	2.3x	12.9x	11.9x	17.8x
TFX	Teleflex	\$249.34	90.2%	\$11,717.2	\$12,985.1	4.4x	16.4x	14.4x	29.2x

**Mean** 4.0x 18.6x 14.3x 31.9x

**OVERALL HEALTHCARE SECTOR** Mean 1.6x 14.7x 11.8x 24.0x

Source: Pitchbook

# SOLIC REPRESENTATIVE TRANSACTION

***Undisclosed  
Senior Living Community***

*has been acquired by*

***Undisclosed Acquirors***

Restructuring Advisor

SOLIC Capital Advisors was retained by a leading and prominent not-for-profit senior living community serving a Midwest Jewish community since the early 1900s as its Restructuring Advisor. This portfolio comprised 617 skilled nursing beds, 356 assisted living, 25 memory care units, and 193 independent living units, with an aquatic and therapy center.

SOLIC professionals were retained to review and assess the feasibility of the Company's transformation and performance improvement plan along with reviewing its current financial forecast model. Further, SOLIC professionals prepared a long-range financial model that led to the raising of capital from the community which was instrumental in implementing key elements of the Company's business turnaround plan; executed several forbearance agreements with key lenders and creditors; and communicated implementation plans and strategic alternatives to the Board of Trustees.

SOLIC professionals were integral in key elements that resulted in the sale of the facilities in December 2023 through two competitive solicitation processes.

# NOTES

## SOURCES

PitchBook, Bond Buyer, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated. Public companies included in this report are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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Chairman & CEO  
Senior Managing Partner

**Neil F. Luria**  
Head of Restructuring  
Senior Managing Director

**Gregory F. Hagood**  
Head of Investment Banking  
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Our firm offers a comprehensive suite of services to assist our clients including: SOLIC Capital Advisors (financial advisory), SOLIC Capital, LLC (FINRA Registered Broker/Dealer), SOLIC Capital Management (asset management services and Registered Investment Advisor - RIA), and SOLIC Capital Partners (principal investing).

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