

VALUE FOCUS

MEDTECH & DEVICE INDUSTRY



Third Quarter 2026

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EXECUTIVE SUMMARY

This quarterly update includes a broad outlook that divides the healthcare industry into four sectors:

1. Biotechnology & Life Sciences
2. Medical Devices
3. Healthcare Technology
4. Large, Diversified Healthcare Companies

We include a review of market performance, valuation multiple trends, operating metrics, and other market data. This issue also includes a review of M&A and IPO activity.

FEATURE ARTICLE

Four Healthcare Tech Stocks Stand Out in 2Q26

After a year of significant market declines, the healthcare technology sector posted a modest rebound in the second quarter of 2026. We examine the developments driving performance at Evolent Health, Claritev, Health Catalyst, and Teladoc Health and why proprietary data, integrated solutions, and measurable outcomes may matter more than AI capabilities alone.

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FEATURE ARTICLE

Four Healthcare Tech Stocks Stand Out in 2Q26

J. Davis Rolfe, Jr., CPA, ABV and Reese Sellers

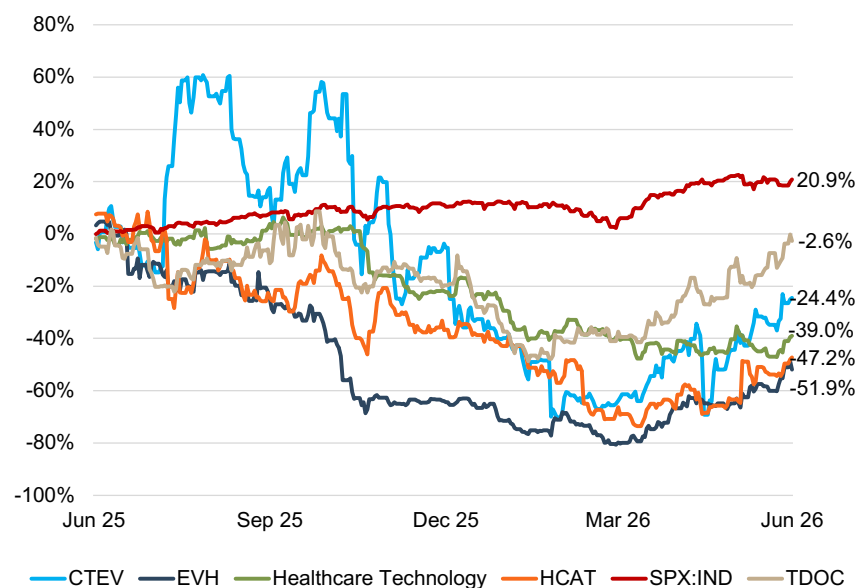
Recent Healthcare Technology Stock Market Trends

For several months leading up to 2Q26, the healthcare technology sector appeared to face significant market headwinds. Using June 30, 2025 as the baseline, the healthcare technology sector peaked in October 2025, showing a return of 6.4%. Since that mark, the sector has faced rapid declines in market returns. By the end of the year, the healthcare technology sector had declined 22.3%. By March 31, 2026, the sector was down by 39.6%. The sector's low point since October 2025 occurred during 2Q26 (-47.7% in April compared to the baseline). Compared to other sectors tracked by Mercer Capital (biotech & life sciences, medical device, and large, diversified companies), the healthcare technology sector has had the most adverse market returns over the last twelve months by a significant margin.

During the second quarter of 2026, the healthcare technology sector posted a positive quarter-over-quarter return (1.1%), reversing a trend of negative quarterly returns over the last twelve months. Four companies within this sector caught our attention in reviewing market returns over 2Q26: Evolent Health, Claritev, Health Catalyst, and Teladoc Health. The following charts show quarterly returns for these companies, the healthcare technology sector, and the S&P 500.

In this article, we try to make some sense of the market volatility related to the healthcare technology sector.

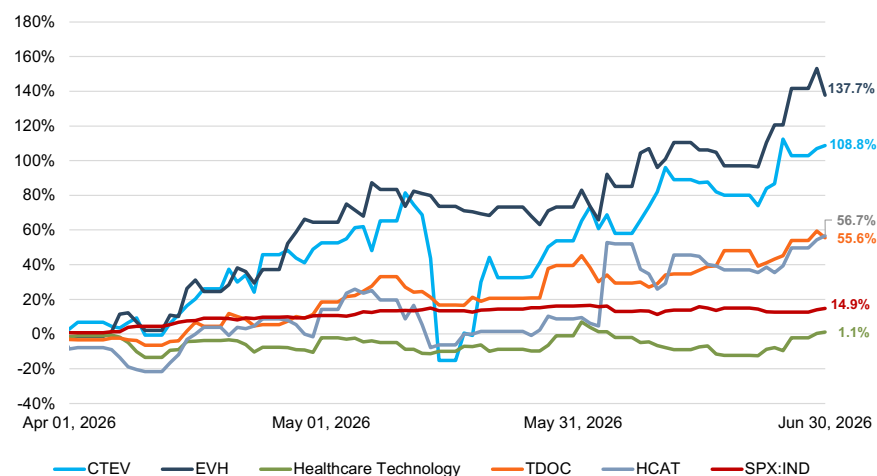
LTM Stock Price Performance



Individual sub-sector performance represented by market capitalization weighted indices for each group.

Source: S&P Capital IQ; Mercer Capital Analysis

2Q26 Stock Price Performance



Individual sub-sector performance represented by market capitalization weighted indices for each group.

Source: S&P Capital IQ; Mercer Capital Analysis

Broad Trends

Healthcare organizations appear to be applying greater scrutiny to technology spending, particularly as they evaluate a growing number of artificial intelligence and automation products. Recent industry surveys and management commentary point to several recurring priorities: clearer evidence of financial and clinical returns, compatibility with existing systems and workflows, and solutions that address multiple needs without adding the administrative burden. Although adoption patterns vary by organization and use case, purchasing decisions appear to depend less on the novelty of the underlying technology than on whether a vendor can demonstrate measurable benefits, practical implementation, and sustained operational value.

At the same time, internally developed technology represents a recognized competitive risk for healthcare technology vendors. For example, Health Catalyst identifies healthcare organizations using “homegrown solutions” as competitors while other vendors similarly acknowledge that customers may develop competing capabilities internally. These disclosures indicate that to compete effectively, vendors may increasingly need to demonstrate advantages beyond the availability of basic software or analytical functionality.

These pressures may not affect all vendors equally. They may favor companies that combine technology with proprietary data, established provider networks, specialized clinical expertise, integrated products, or measurable customer outcomes. Each of the four companies discussed below appears to possess one or more of these characteristics. Their second quarter developments provide context for their relative stock price performance, although the effect of any individual announcement cannot be isolated from broader market conditions, prior valuations, and changes in investor expectations.

The companies’ strong second quarter stock price performance should nevertheless be interpreted cautiously. Revenue growth, margins, leverage, customer retention, and business mix remained significant considerations for one or more of the selected companies.

Evolent Health

Evolent Health (EVH) provides technology-supported solutions for managing high-cost medical specialties, including oncology, cardiology, imaging, and musculoskeletal care. Evolent describes its differentiated approach as combining proprietary technology with evidence-based clinical pathways, provider networks, and specialized clinical expertise. According to the company, its oncology platform achieves an approximately 50% auto-authorization rate for submitted medical oncology regimens and increases pathway adherence by more than 30% among new partners.

In May 2026, Evolent announced that an existing national payer had agreed to expand the company's oncology and cardiology solutions into additional commercial and Medicare markets. Evolent estimated that the expansion would generate more than \$200 million of annualized revenue. The company also reported that oncology programs for Highmark and Aetna were launched successfully during the first quarter.

These developments are consistent with the investment case that rising specialty-care costs may increase demand for Evolent's combination of technology, clinical expertise, and cost-management services. However, the company's second quarter results also illustrated the risks associated with its performance-based contracts. Revenue increased to \$652.5 million from \$444.3 million in the prior-year quarter, while adjusted EBITDA decreased to \$28.1 million from \$37.5 million.

Claritev

Claritev (CTEV) is seeking to expand beyond its historical claims repricing business into a broader healthcare technology and data insights platform. Claritev's principal assets include its claims data, provider network, customer relationships, and experience identifying potential healthcare cost savings. Claritev reports relationships with more than 750 healthcare payers, 100,000 employers, 60 million consumers, and 1.4 million contracted providers. The company also reported that it analyzed approximately \$175 billion of medical claim charges during 2025 and identified approximately \$24.7 billion of potential savings.

In its first quarter results, Claritev reported new business wins in the provider and government markets. During the second quarter, the company introduced PHCS Novera, a network-management product intended to give self-funded employers and third-party administrators greater control over provider-network design and healthcare costs. These developments are consistent with management's strategy of using

Claritev's data and provider network across products and customer groups beyond its legacy claims repricing business.

Whether this strategy will produce sustained growth remains uncertain. Claritev reported second quarter revenue of \$257.5 million, an increase of 6.6% from the same quarter in the prior year, but also reported a net loss of \$59.2 million. The company's data and network may provide meaningful competitive advantages, but its substantial leverage and the execution requirements associated with its strategic transition remain significant.

Health Catalyst

Health Catalyst (HCAT) provides healthcare-specific data and analytics products intended to help hospitals reduce costs, improve clinical outcomes, and strengthen patient engagement. Health Catalyst identifies its healthcare-specific data, domain expertise, breadth of solutions, and ability to integrate information from multiple systems as competitive strengths. The company reports that its technology incorporates more than 100 million patient records and that its improvement work has produced approximately \$2.8 billion of measured and documented customer outcomes. Health Catalyst has also reported more than 380 client improvement case studies.

In June 2026, Health Catalyst agreed to sell its Vitalware revenue cycle business for \$147 million. The company announced that it intended to use the proceeds, together with available cash, to repay its approximately \$160 million senior secured term loan.

The sale, which closed on July 31, reduced leverage and sharpened Health Catalyst's focus on its core healthcare intelligence and AI products, providing a potentially clearer strategic profile. Nevertheless, the company continued to face operating

pressure. Second quarter revenue declined to \$70.5 million from \$80.7 million in the prior-year quarter, although adjusted EBITDA increased by approximately 6%. Health Catalyst also recognized a \$27 million goodwill impairment during the quarter.

Teladoc Health

Teladoc Health (TDOC) is expanding beyond standalone virtual physician visits by connecting primary care, mental health services, chronic condition management, preventive screening, dermatology, and nutrition through a broader virtual care platform. Teladoc's stated competitive assets include its nationwide provider network, clinical data, relationships with employers and health plans, and ability to offer multiple forms of care through a common platform. The company nevertheless acknowledges that health plans and other market participants may develop or acquire competing services.

During the second quarter, Teladoc expanded access to virtual urgent care, dermatology, and nutrition services through Walmart's Better Care Services platform. The arrangement created an additional distribution channel for selected Teladoc services, although the ultimate financial contribution of the relationship has not been disclosed. Separately, Teladoc has been integrating Catapult Health's at-home preventive screening capabilities with its chronic condition programs following its 2025 acquisition of the company. Teladoc identified the ability to direct Catapult participants into diabetes, hypertension, prediabetes, weight-management, mental health, and primary-care services as part of the strategic rationale for the acquisition. Together with the Walmart relationship, this integration supports Teladoc's effort to position itself as an integrated virtual care platform. Whether that strategy produces renewed consolidated growth remains uncertain.

Outlook

Demand for healthcare automation, data analytics, interoperability, virtual care, and tools that reduce administrative or medical costs is likely to continue. However, adoption and financial performance may remain uneven. Healthcare organizations appear to be placing greater emphasis on demonstrable returns, while vendors face competition from established technology companies, electronic-health-record providers, other specialized vendors, and customers' internally developed solutions.

These conditions may create greater pressure for general purpose or narrowly focused products that lack measurable differentiation. Companies with proprietary healthcare data, specialized clinical capabilities, established provider networks, integrated offerings, or demonstrated financial and clinical outcomes may be better positioned to compete. Even for those companies, however, technological differentiation does not eliminate execution risk, pricing pressure, customer concentration, leverage, or the need to demonstrate sustainable profitability.

Sources:

10-Ks, earnings releases, and other announcements from Evolent Health, Claritev, Health Catalyst, and Teladoc Health.

Qventus, Beyond the Pilot: How CIOs Are Operationalizing AI Across Health Systems in 2026 (<https://www.qventus.com/wp-content/uploads/2026/04/Qventus-Beyond-the-Pilot-How-CIOs-are-operationalizing-AI-across-health-systems-in-2026.pdf>)

American Hospital Association, Solving Health Care's Gen AI Dilemma (https://trustees.aha.org/system/files/media/file/2025/02/T1_0225_genai_accenture.pdf)

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

STOCK MARKET PERFORMANCE

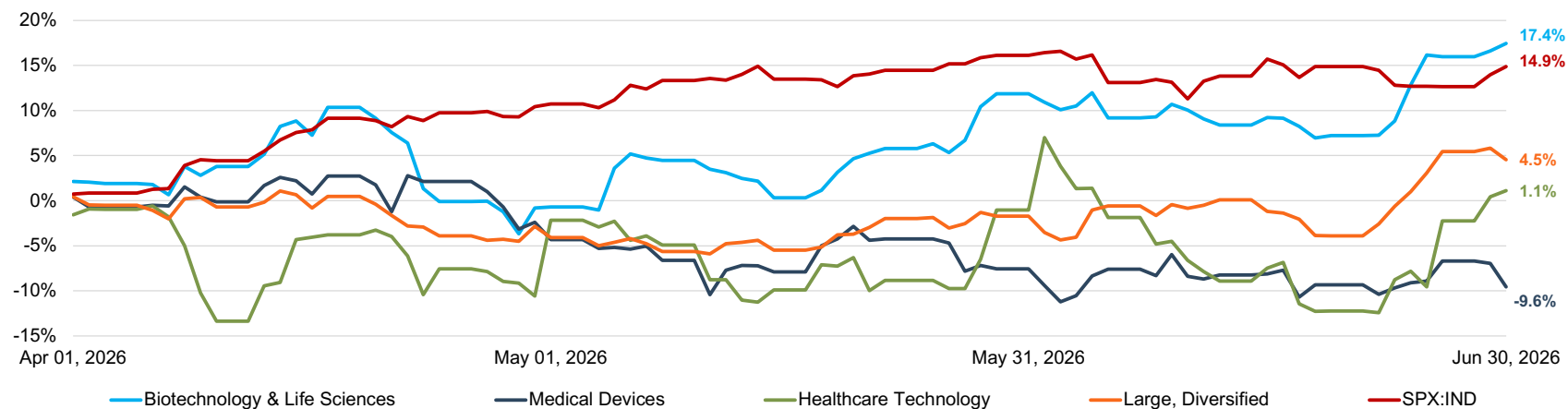
The S&P 500 increased 14.9% during the second quarter of 2026, following a 4.6% decrease in the prior quarter. All but one of the medtech industry sub-sectors tracked by Mercer Capital underperformed the broader index over 2Q26 (medical devices, healthcare technology, and large, diversified companies), while biotech & life science tools companies outperformed the overall market. The healthcare technology group increased 1.1% over the quarter after posting the largest QOQ loss in the prior quarter (-39.4%).

- A market-capitalization weighted index of companies included in our biotechnology and life science tools sub-sector increased 17.4% over the quarter ended June 2026. All but two of the 14 companies tracked posted positive returns. The top performer of the group was Bruker Corporation, which reported a 66.6% return. BRKR develops, manufactures, and distributes scientific instruments and analytical and diagnostic solutions worldwide. The Company is headquartered in Billerica, Massachusetts.
- The medical device index decreased 9.6% in 2Q26, with only five of the 17 companies posting positive returns. The best performer was Edwards Lifesciences Corporation with a quarterly return of 13.0%. EW provides products and technologies to treat advanced cardiovascular diseases. The Company is headquartered in Irvine, California. Masimo Corporation, which led the sector's quarterly return metric in the prior quarter, was acquired by Danaher Corporation in June 2026.
- Within the healthcare technology index, nine of the 13 constituent companies posted positive returns (after all 13 posted negative returns in the prior quarter). The best performer was Evolent Health, Inc., posting a 137.7% return over the prior quarter. EVH is an Arlington, Virginia-based company that provides specialty care management services in oncology, cardiology, and musculoskeletal markets in the United States. The increase in 2Q26 marks a significant shift in this subsector as it experienced several months of decline through 1Q26 as pressures on healthcare IT spending and digital health valuations continue. An article with additional commentary on this sector is included in the beginning of this newsletter.
- The large, diversified companies index increased 4.5% over the quarter. Ten of 18 companies observed posted positive returns over 2Q26, though many of the positive returns were marginal. The top performer within the group was Solventum Corporation, which increased 18.1% during the period. SOLV develops, manufactures, and commercializes a portfolio of solutions to address critical customer and patient needs in the U.S. and internationally.

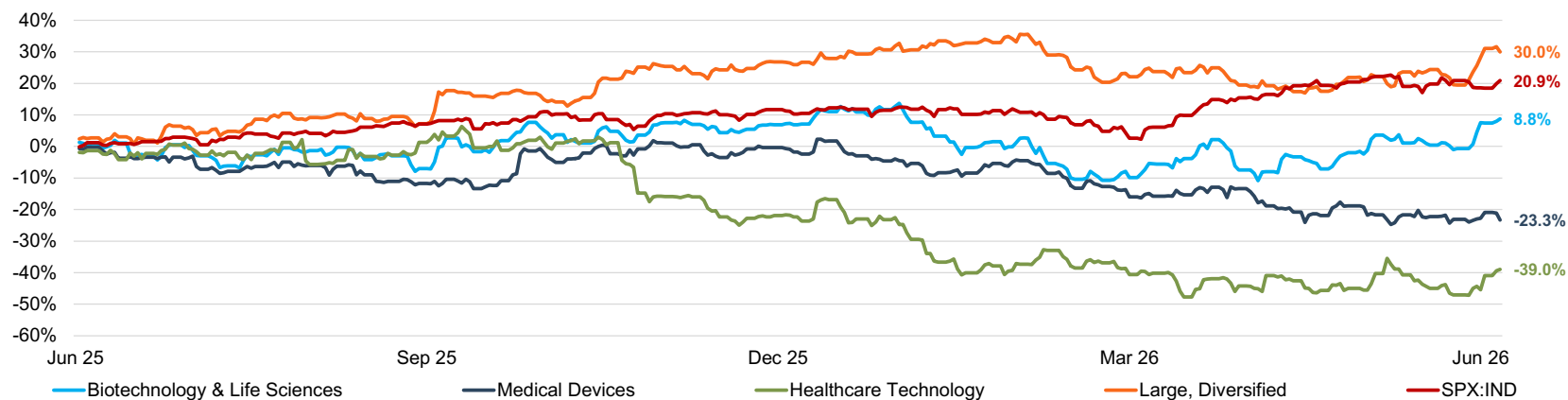
MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

STOCK MARKET PERFORMANCE

2Q 2026 Stock Price Performance



LTM Stock Price Performance



MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

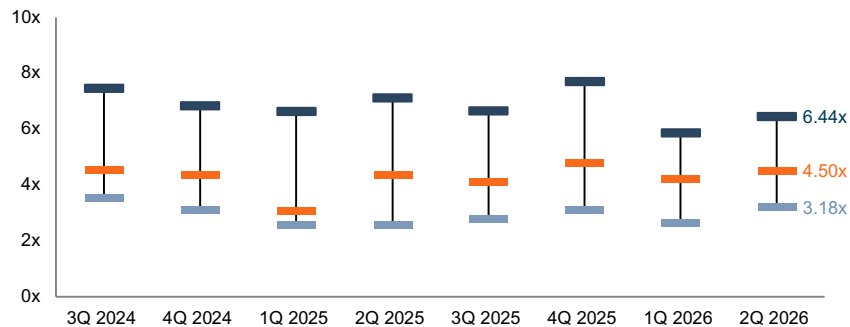
REVENUE MULTIPLES

■ 75% Quartile ■ Median ■ 25% Quartile

Median Revenue multiples from each MCM group. Data source: S&P Capital IQ

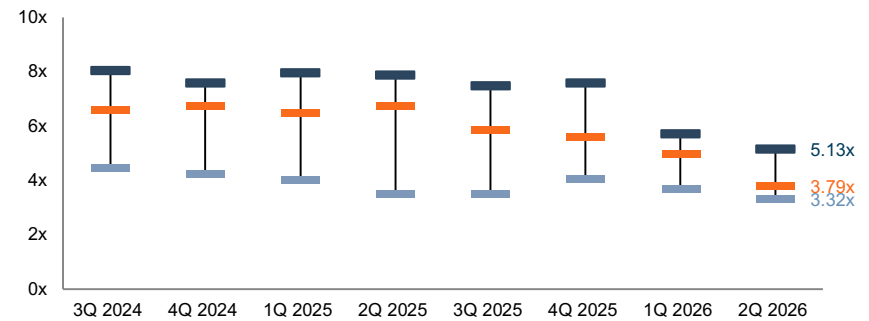
Biotechnology & Life Sciences

EV / Trailing LTM Revenue



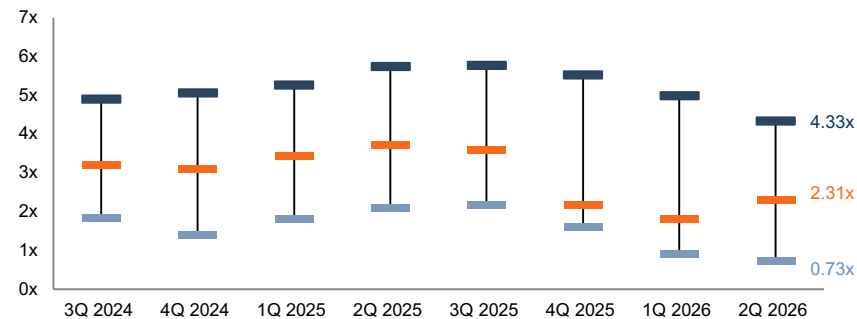
Medical Devices

EV / Trailing LTM Revenue



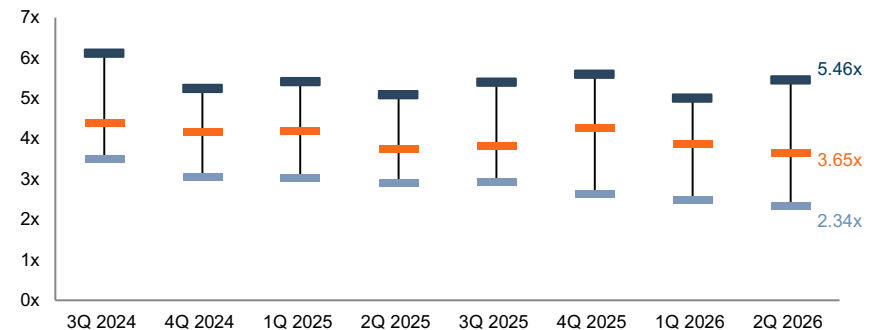
Healthcare Technology

EV / Trailing LTM Revenue



Large, Diversified

EV / Trailing LTM Revenue



MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

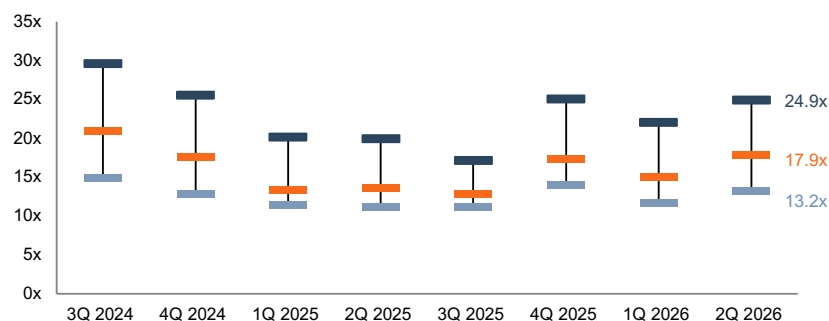
EBITDA MULTIPLES

■ 75% Quartile ■ Median ■ 25% Quartile

Median EBITDA multiples from each MCM group. Data source: S&P Capital IQ

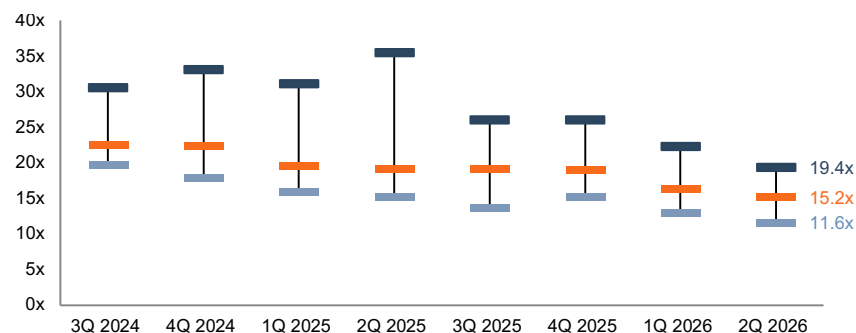
Biotechnology & Life Sciences

EV / Trailing LTM EBITDA



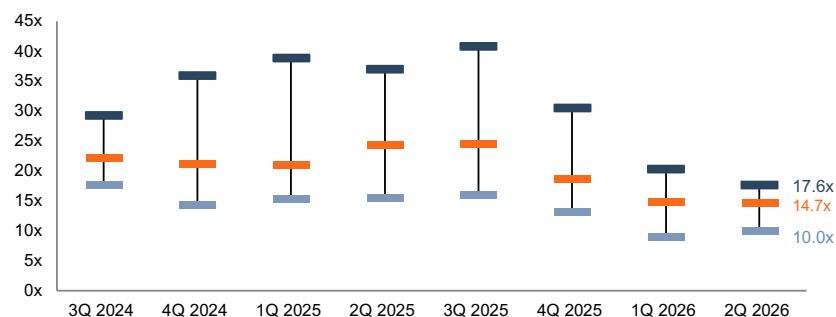
Medical Devices

EV / Trailing LTM EBITDA



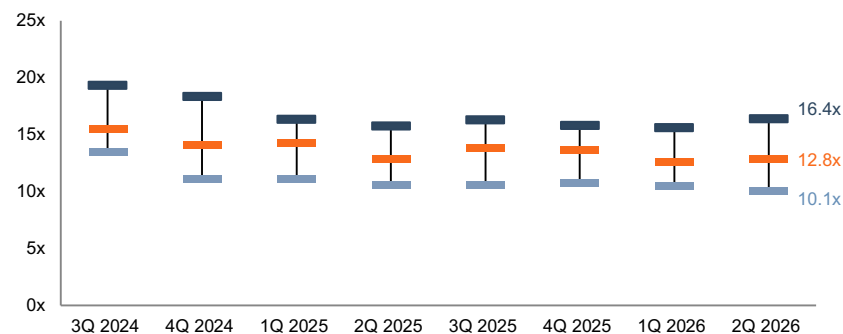
Healthcare Technology

EV / Trailing LTM EBITDA



Large, Diversified

EV / Trailing LTM EBITDA



MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

SELECT OPERATING METRICS

Sector	TTM Gross Margin		TTM Operating Margin		TTM R&D / Revenue		TTM EBITDA Margin	
	2Q 2026	1Q 2026	2Q 2026	1Q 2026	2Q 2026	1Q 2026	2Q 2026	1Q 2026
Biotechnology & Life Sciences	53.1%	53.1%	17.5%	17.7%	7.7%	7.7%	27.4%	27.3%
Medical Devices	67.8%	67.5%	19.0%	18.7%	6.7%	6.5%	28.4%	27.5%
Healthcare Technology	69.1%	69.3%	10.0%	9.5%	10.8%	11.0%	19.0%	18.2%
Large, Diversified	61.6%	61.6%	20.8%	19.6%	9.2%	9.0%	28.3%	28.0%
Overall Median	65.8%	65.7%	18.1%	18.4%	8.5%	8.6%	27.8%	27.3%

Sector	Revenue Growth		L-T FWD Op. Earn. Growth		Debt / EV		Debt / EBITDA	
	Q / Q	Y / Y	2Q 2026	1Q 2026	2Q 2026	1Q 2026	2Q 2026	1Q 2026
Biotechnology & Life Sciences	0.2%	5.3%	6.8%	2.9%	16.9%	18.6%	2.9	3.0
Medical Devices	1.9%	13.5%	6.5%	9.2%	8.7%	6.7%	1.2	1.3
Healthcare Technology	1.6%	6.3%	1.2%	2.6%	19.0%	19.7%	2.5	3.5
Large, Diversified	1.4%	6.3%	5.8%	6.1%	22.9%	20.8%	2.8	2.8
Overall Median	1.4%	8.1%	6.6%	4.5%	16.9%	18.1%	2.5	2.5

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

PUBLIC COMPANIES

		Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Rev.	EV / EBITDA	EV / FWD EBITDA	
		2Q 2026	1Q 2026	2Q 2025	Quarterly	Annual	2Q 2026	2Q 2026	2Q 2026	FY 2027	FY 2028	2Q 2026	2Q 2026	2027	2028
Biotechnology & Life Sciences															
Bio-Rad Laboratories, Inc.	BIO	\$294	\$279	\$241	5.3%	21.7%	\$7,609	\$2,589	\$473	\$409	\$433	2.9x	16.1x	18.6x	17.6x
Bruker Corporation	BRKR	\$60	\$36	\$41	66.6%	46.1%	\$10,886	\$3,500	\$552	\$712	\$787	3.1x	19.7x	15.3x	13.8x
Charles River Laboratories International, Inc.	CRL	\$227	\$173	\$152	31.5%	49.5%	\$13,815	\$3,999	\$941	\$1,111	\$1,193	3.5x	14.7x	12.4x	11.6x
Sartorius Stedim Biotech S.A.	DIM	\$207	\$192	\$238	8.3%	-12.9%	\$22,709	\$3,487	\$974	\$1,249	\$1,419	6.5x	23.3x	18.2x	16.0x
Eurofins Scientific SE	ERF	\$78	\$72	\$71	8.4%	10.4%	\$18,127	\$8,572	\$1,974	\$2,126	\$2,305	2.1x	9.2x	8.5x	7.9x
Illumina, Inc.	ILMN	\$176	\$123	\$95	42.6%	84.3%	\$27,962	\$4,493	\$1,266	\$1,470	\$1,602	6.2x	22.1x	19.0x	17.5x
IQVIA Holdings Inc.	IQV	\$193	\$171	\$158	13.3%	22.6%	\$46,553	\$16,983	\$3,771	\$4,306	\$4,617	2.7x	12.3x	10.8x	10.1x
Lonza Group AG	LONN	\$675	\$629	\$710	7.3%	-4.9%	\$51,773	\$4,191	\$1,404	\$3,256	\$3,703	12.4x	36.9x	15.9x	14.0x
Merck KGaA	XTRA: MRK	\$168	\$124	\$129	35.2%	29.9%	\$83,561	\$24,530	\$6,571	\$7,350	\$7,954	3.4x	12.7x	11.4x	10.5x
Qiagen N.V.	QGEN	\$39	\$40	\$51	-2.3%	-22.7%	\$8,946	\$2,100	\$741	\$844	\$916	4.3x	12.1x	10.6x	9.8x
Revvity, Inc.	RVTY	\$111	\$88	\$97	27.0%	15.0%	\$14,902	\$2,954	\$954	\$967	\$1,054	5.0x	15.6x	15.4x	14.1x
Bio-Techne Corporation	TECH	\$71	\$52	\$51	35.2%	37.3%	\$11,033	\$1,215	\$396	\$446	\$507	9.1x	27.9x	24.7x	21.8x
Waters Corporation	WAT	\$375	\$298	\$349	25.9%	7.4%	\$41,964	\$3,932	\$1,290	\$2,381	\$2,598	10.7x	32.5x	17.6x	16.2x
Caris Life Sciences, Inc.	CAI	\$18	\$18	\$27	-0.3%	-33.3%	\$4,697	\$990	\$185	\$259	\$327	4.7x	25.4x	18.1x	14.4x

(\$Millions, except per share figures)

Data Source: S&P Capital IQ

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

PUBLIC COMPANIES

		Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Rev.	EV / EBITDA	EV / FWD EBITDA	
		2Q	1Q	2Q	Quarterly	Annual	2Q 2026	2Q 2026	2Q 2026	FY 2027	FY 2028	2Q 2026	2Q 2026	2027	2028
		2026	2026	2025											
Medical Devices															
Align Technology, Inc.	ALGN	\$169	\$171	\$189	-1.6%	-10.9%	\$11,097	\$4,140	\$955	\$1,231	\$1,330	2.7x	11.6x	9.0x	8.3x
Boston Scientific Corporation	BSX	\$43	\$63	\$107	-32.0%	-60.3%	\$75,765	\$20,996	\$5,876	\$6,775	\$7,420	3.6x	12.9x	11.2x	10.2x
Coloplast A/S	COLO B	\$57	\$67	\$95	-15.5%	-39.9%	\$16,334	\$4,417	\$1,421	\$1,440	\$1,538	3.7x	11.5x	11.3x	10.6x
The Cooper Companies, Inc.	COO	\$72	\$72	\$71	0.3%	0.8%	\$16,574	\$4,231	\$929	\$1,373	\$1,475	3.9x	17.8x	12.1x	11.2x
DexCom, Inc.	DXCM	\$67	\$63	\$87	7.2%	-22.8%	\$25,440	\$4,969	\$1,428	\$1,921	\$2,218	5.1x	17.8x	13.2x	11.5x
Edwards Lifesciences Corporation	EW	\$90	\$80	\$78	13.0%	15.7%	\$48,645	\$6,512	\$2,026	\$2,384	\$2,687	7.5x	24.0x	20.4x	18.1x
Globus Medical, Inc.	GMED	\$79	\$86	\$59	-8.3%	33.9%	\$10,242	\$3,145	\$1,034	\$1,184	\$1,266	3.3x	9.9x	8.7x	8.1x
Intuitive Surgical, Inc.	ISRG	\$398	\$461	\$543	-13.7%	-26.8%	\$135,757	\$11,034	\$4,209	\$5,839	\$6,568	12.3x	32.3x	23.2x	20.7x
Penumbra, Inc.	PEN	\$316	\$328	\$257	-3.8%	23.0%	\$11,973	\$1,505	\$240	\$356	\$412	8.0x	50.0x	33.6x	29.1x
Insulet Corporation	PODD	\$152	\$210	\$314	-27.4%	-51.5%	\$10,959	\$3,054	\$622	\$934	\$1,111	3.6x	17.6x	11.7x	9.9x
Profound Medical Corp.	TSX:PRN	\$7	\$6	\$6	4.1%	11.8%	\$210	\$19	\$(35)	\$(14)	\$22	11.0x	nm	nm	9.7x
ResMed Inc.	RMD	\$195	\$224	\$258	-13.2%	-24.5%	\$27,501	\$5,653	\$2,143	\$2,250	\$2,419	4.9x	12.8x	12.2x	11.4x
Smith & Nephew plc	SN.	\$14	\$16	\$15	-7.5%	-5.1%	\$15,252	\$6,300	\$1,550	\$1,772	\$1,910	2.4x	9.8x	8.6x	8.0x
STERIS plc	STE	\$211	\$221	\$240	-4.8%	-12.3%	\$22,098	\$6,038	\$1,713	\$1,813	\$1,963	3.7x	12.9x	12.2x	11.3x
Stryker Corporation	SYK	\$315	\$329	\$396	-4.2%	-20.4%	\$132,667	\$25,837	\$7,584	\$8,564	\$9,433	5.1x	17.5x	15.5x	14.1x
Teleflex Incorporated	TFX	\$127	\$120	\$118	6.0%	7.1%	\$8,224	\$1,630	\$306	\$605	\$642	5.0x	26.9x	13.6x	12.8x
Zimmer Biomet Holdings, Inc.	ZBH	\$86	\$90	\$91	-4.8%	-5.6%	\$23,801	\$8,509	\$2,550	\$2,896	\$2,985	2.8x	9.3x	8.2x	8.0x

(\$Millions, except per share figures)

Data Source: S&P Capital IQ Pro

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

PUBLIC COMPANIES

		Price			Δ Stock Price		EV	TTM	TTM	FWD EBITDA		EV /	EV /	EV / FWD	
		2Q 2026	1Q 2026	2Q 2025	Quarterly	Annual		Rev	EBITDA			Rev.	EBITDA		
							2Q 2026	2Q 2026	2Q 2026	FY 2027	FY 2028	2Q 2026	2Q 2026	2027	2028
Healthcare Technology															
M3, Inc.	2413	\$11	\$10	\$14	10.6%	-18.9%	\$6,917	\$2,270	\$558	\$606	\$664	3.0x	12.4x	11.4x	10.4x
Craneware plc	CRW	\$18	\$18	\$29	1.8%	-38.4%	\$598	\$206	\$39	\$50	\$58	2.9x	15.3x	11.9x	10.3x
Claritev Corporation	CTEV	\$34	\$16	\$45	108.8%	-24.4%	\$5,268	\$995	\$550	\$643	\$677	5.3x	9.6x	8.2x	7.8x
Definitive Healthcare Corp.	DH	\$1	\$1	\$4	-32.4%	-78.7%	\$114	\$233	\$37	\$56	\$46	0.5x	3.1x	2.0x	2.5x
Doximity, Inc.	DOCS	\$21	\$23	\$61	-11.0%	-66.2%	\$3,115	\$656	\$212	\$321	\$352	4.8x	14.7x	9.7x	8.8x
Evolent Health, Inc.	EVH	\$5	\$2	\$11	137.7%	-51.9%	\$1,464	\$2,097	\$65	\$155	\$180	0.7x	22.4x	9.4x	8.1x
Health Catalyst, Inc.	HCAT	\$2	\$1	\$4	56.7%	-47.2%	\$214	\$292	\$15	\$6	\$9	0.7x	14.7x	37.8x	22.6x
HealthStream, Inc.	HSTM	\$27	\$21	\$28	31.6%	-1.5%	\$743	\$321	\$75	\$82	\$-	2.3x	10.0x	9.1x	nm
OptimizeRx Corporation	OPRX	\$6	\$6	\$14	-8.9%	-57.6%	\$103	\$99	\$16	\$26	\$26	1.0x	6.4x	3.9x	3.9x
Phreesia, Inc.	PHR	\$10	\$8	\$28	22.8%	-63.8%	\$654	\$496	\$37	\$129	\$143	1.3x	17.6x	5.1x	4.6x
Teladoc Health, Inc.	TDOC	\$8	\$5	\$9	55.6%	-2.6%	\$1,793	\$2,489	\$78	\$287	\$304	0.7x	23.0x	6.2x	5.9x
Veeva Systems Inc.	VEEV	\$177	\$176	\$288	1.0%	-38.4%	\$21,619	\$3,319	\$1,043	\$1,674	\$1,879	6.5x	20.7x	12.9x	11.5x
Waystar Holding Corp.	WAY	\$21	\$24	\$41	-14.8%	-49.8%	\$5,226	\$1,206	\$440	\$601	\$690	4.3x	11.9x	8.7x	7.6x

(\$Millions, except per share figures)

Data Source: S&P Capital IQ Pro

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

PUBLIC COMPANIES

		Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA	EV / Rev.	EV / EBITDA	EV / FWD EBITDA		
		2Q 2026	1Q 2026	2Q 2025	Quarterly	Annual	2Q 2026	2Q 2026	2Q 2026	FY 2027	FY 2028	2Q 2026	2Q 2026	2027	2028
Large, Diversified															
Takeda Pharmaceutical Company Limited	4502	\$32	\$36	\$31	-11.0%	3.4%	\$81,336	\$29,509	\$8,197	\$8,151	\$8,792	2.8x	9.9x	10.0x	9.3x
Agilent Technologies, Inc.	A	\$133	\$114	\$118	16.5%	12.6%	\$39,250	\$7,232	\$2,039	\$2,413	\$2,609	5.4x	19.2x	16.3x	15.0x
AbbVie Inc.	ABBV	\$252	\$217	\$186	15.7%	35.6%	\$508,959	\$64,386	\$30,861	\$36,956	\$41,129	7.9x	16.5x	13.8x	12.4x
Abbott Laboratories	ABT	\$91	\$103	\$136	-11.6%	-33.3%	\$185,821	\$46,585	\$11,582	\$14,491	\$15,854	4.0x	16.0x	12.8x	11.7x
Amgen Inc.	AMGN	\$362	\$352	\$279	2.9%	29.7%	\$238,754	\$38,095	\$17,372	\$22,213	\$22,322	6.3x	13.7x	10.7x	10.7x
Becton, Dickinson and Company	BDX	\$151	\$157	\$172	-3.8%	-12.1%	\$57,797	\$20,074	\$5,496	\$5,759	\$6,087	2.9x	10.5x	10.0x	9.5x
Danaher Corporation	DHR	\$190	\$190	\$198	0.5%	-3.6%	\$158,337	\$25,107	\$8,140	\$9,148	\$9,969	6.3x	19.5x	17.3x	15.9x
GE HealthCare Technologies Inc.	GEHC	\$64	\$71	\$74	-10.1%	-13.6%	\$37,823	\$21,267	\$3,841	\$4,159	\$4,502	1.8x	9.8x	9.1x	8.4x
Johnson & Johnson	JNJ	\$254	\$244	\$153	3.9%	66.3%	\$639,639	\$97,929	\$34,917	\$37,470	-	6.5x	18.3x	17.1x	nm
Medtronic plc	MDT	\$78	\$87	\$87	-9.7%	-10.3%	\$120,676	\$36,363	\$10,305	\$10,927	\$11,453	3.3x	11.7x	11.0x	10.5x
Merck & Co., Inc.	MRK	\$129	\$120	\$79	6.8%	62.3%	\$364,193	\$66,569	\$24,165	\$33,610	\$36,581	5.5x	15.1x	10.8x	10.0x
Pfizer Inc.	PFE	\$24	\$28	\$24	-14.2%	-0.7%	\$189,321	\$63,696	\$25,609	\$24,139	\$21,072	3.0x	7.4x	7.8x	9.0x
Koninklijke Philips N.V.	PHIA	\$27	\$27	\$24	0.9%	13.2%	\$32,882	\$20,517	\$3,643	\$3,766	\$4,072	1.6x	9.0x	8.7x	8.1x
Roche Holding AG	SWX:ROP	\$412	\$392	\$325	5.0%	26.8%	\$361,855	\$78,692	\$30,271	\$32,819	\$34,894	4.6x	12.0x	11.0x	10.4x
Sanofi	SAN	\$86	\$95	\$97	-10.1%	-11.2%	\$123,206	\$56,799	\$16,639	\$17,646	\$19,129	2.2x	7.4x	7.0x	6.4x
Siemens Healthineers AG	SHL	\$39	\$42	\$55	-6.6%	-29.3%	\$58,033	\$26,894	\$5,403	\$5,545	\$6,109	2.2x	10.7x	10.5x	9.5x
Solventum Corporation	SOLV	\$77	\$65	\$76	18.1%	1.7%	\$18,252	\$8,310	\$1,169	\$2,053	\$2,175	2.2x	15.6x	8.9x	8.4x
Thermo Fisher Scientific Inc.	TMO	\$501	\$492	\$405	2.0%	23.7%	\$224,929	\$46,336	\$11,971	\$13,446	\$14,611	4.9x	18.8x	16.7x	15.4x

(\$Millions, except per share figures)

Data Source: S&P Capital IQ Pro

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

MERGERS & ACQUISITIONS

Announced Transactions During 2Q 2026

Acquirer	Target	Announce Date	Transaction Value	Implied EV	Implied EV			Target Sector
					Revenue	EBIT	EBITDA	
Merck KGaA	Bio-Techne Corporation	6/25/26	\$11,868	\$11,654	9.62	37.5	29.9	Life Sciences Tools and Services
AbbVie Inc.	Apogee Therapeutics, Inc.	6/22/26	10,695	9,635	nm	nm	nm	Biotechnology
GlaxoSmithKline LLC	Nuvalent, Inc.	6/9/26	10,629	9,341	nm	nm	nm	Biotechnology
Eli Lilly and Company	Kelonia Therapeutics, Inc.	4/20/26	7,000	7,000	nm	nm	nm	Biotechnology
Gilead Sciences, Inc.	Tubulis GmbH	4/7/26	5,000	5,000	nm	nm	nm	Biotechnology
Angelini Pharma S.p.a.	Catalyst Pharmaceuticals, Inc.	5/7/26	4,100	3,344	5.60	12.5	10.9	Biotechnology
Neurocrine Biosciences, Inc.	Soleno Therapeutics, Inc.	4/6/26	2,647	2,392	8.39	26.7	25.9	Biotechnology
Treeline Biosciences, Inc.	Standard BioTools Inc.	6/8/26	2,500	2,500	28.98	nm	nm	Life Sciences Tools and Services
Bayer Aktiengesellschaft	Perfuse Therapeutics, Inc.	5/6/26	2,450	2,450	nm	nm	nm	Biotechnology
UCB SA	Candid Therapeutics, Inc.	5/3/26	2,200	2,200	nm	nm	nm	Biotechnology
Incyte Corporation	Vega Therapeutics, Inc.	6/8/26	2,000	2,000	nm	nm	nm	Biotechnology
Chiesi Farmaceutici S.p.A.	KalVista Pharmaceuticals, Inc.	4/29/26	1,823	1,538	13.43	nm	nm	Biotechnology
Ipsen S.A.	Kartos Therapeutics, Inc.	6/29/26	1,750	1,750	nm	nm	nm	Biotechnology
Eli Lilly and Company	Vaccine Company, Inc.	5/26/26	1,550	1,550	nm	nm	nm	Biotechnology
Eli Lilly and Company	Curevo, Inc.	5/26/26	1,500	1,500	nm	nm	nm	Biotechnology
Novanta Inc.	Riverpoint Medical, LLC	6/9/26	1,450	1,450	nm	nm	nm	Health Care Equipment
AIP, LLC; American Industrial Partners Capital Fund VIII, L.P.	Avanos Medical, Inc.	4/14/26	1,397	1,332	1.86	81.2	19.9	Health Care Supplies
UCB SA	Neurona Therapeutics, Inc.	4/17/26	1,150	1,150	nm	nm	nm	Biotechnology
Amneal Pharmaceuticals, Inc.	Kashiv BioSciences, LLC	4/22/26	1,102	1,102	nm	nm	nm	Biotechnology
Roche Holding AG	PathAI, Inc.	5/7/26	1,050	1,050	nm	nm	nm	Life Sciences Tools and Services
Ligand Pharmaceuticals Incorporated	XOMA Royalty Corporation	4/27/26	1,049	963	19.83	193.6	111.0	Biotechnology

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

MERGERS & ACQUISITIONS

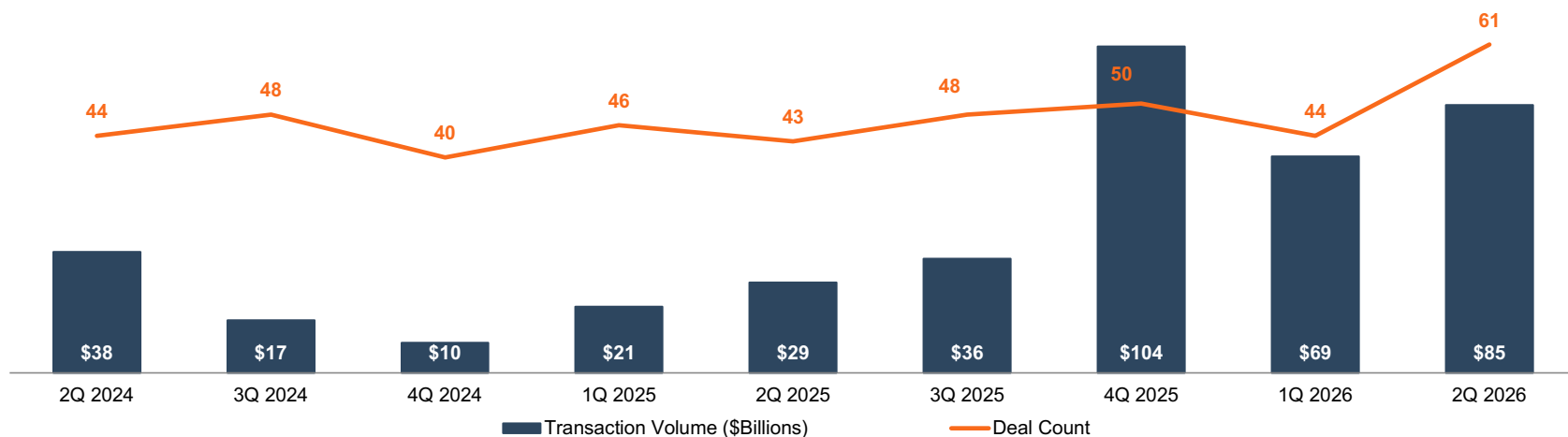
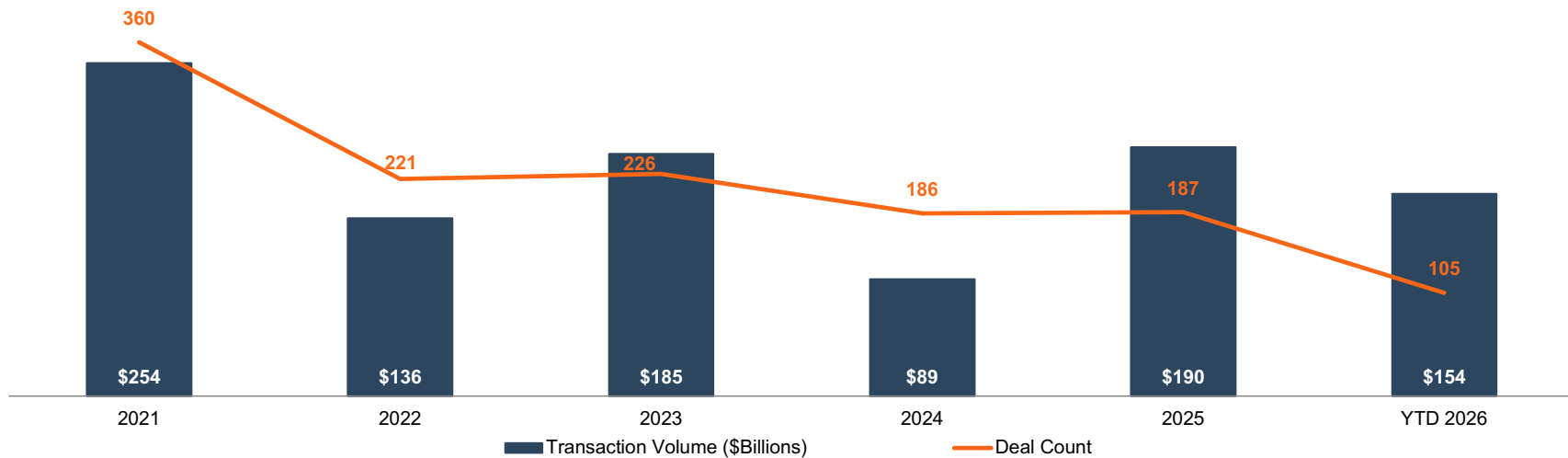
Announced Transactions During 2Q 2026 (cont.)

Acquirer	Target	Announce Date	Transaction Value	Implied EV	Implied EV			Target Sector
					Revenue	EBIT	EBITDA	
Johnson & Johnson	Firefly Bio, Inc.	6/8/26	1,000	1,000	nm	nm	nm	Biotechnology
Biogen Inc.	RayThera Inc.	6/17/26	1,000	1,000	nm	nm	nm	Biotechnology
H.B. Fuller Company	Advanced Medical Solutions Group plc	5/15/26	743	725	3.17	32.0	17.7	Health Care Supplies
MC Dental Holdings America, Inc.	Ultradent Products, Inc.	6/12/26	900	900	2.42	nm	nm	Health Care Equipment
Stryker Corporation	Amplitude Vascular Systems, Inc.	4/13/26	835	835	nm	nm	nm	Health Care Equipment
Eli Lilly and Company	LimmaTech Biologics AG	5/26/26	780	780	nm	nm	nm	Biotechnology
Medtronic plc	SPR Therapeutics, Inc.	5/20/26	650	650	nm	nm	nm	Health Care Equipment
Foundation Medicine, Inc.	SAGA Diagnostics US, Inc.	4/16/26	595	595	nm	nm	nm	Health Care Technology
Inventurus Knowledge Solutions, Inc.	TruBridge, Inc.	4/23/26	582	547	1.58	26.5	15.7	Health Care Technology
Thoma Bravo, L.P.	kneat.com, inc.	6/8/26	667	615	9.25	nm	nm	Health Care Technology
Anthropic, PBC	Coefficient Bio, Inc.	4/3/26	400	400	nm	nm	nm	Health Care Technology
Altaris, LLC	Simulations Plus, Inc.	6/16/26	374	325	3.95	25.8	20.8	Health Care Technology
ResMed Inc.	Noctrix Health, Inc.	4/30/26	360	360	15.00	nm	nm	Health Care Equipment
Eli Lilly and Company	CrossBridge Bio, Inc.	4/14/26	300	300	nm	nm	nm	Biotechnology
Liminatus Pharma, Inc.	InnocsAI LLC	5/20/26	288	288	nm	nm	nm	Biotechnology
Revenio Group Oyj	Visionix International SAS	4/13/26	243	243	1.70	23.4	14.7	Health Care Equipment
Korsana Biosciences, Inc.	Cyclerion Therapeutics, Inc.	4/1/26	268	268	134.67	nm	nm	Biotechnology
Remix Therapeutics, Inc.	Passage Bio, Inc.	6/24/26	226	226	nm	nm	nm	Biotechnology
Eli Lilly and Company	Engage Biologics Inc.	5/20/26	202	202	nm	nm	nm	Life Sciences Tools and Services
CareDx, Inc.	Naveris, Inc.	4/28/26	160	160	4.57	nm	nm	Biotechnology
Med-Metrix, LLC	Vitalware, LLC	6/4/26	147	147	3.97	nm	nm	Health Care Technology
Merit Medical Systems, Inc.	View Point Medical, Inc.	4/1/26	140	140	nm	nm	nm	Health Care Equipment

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

MEDTECH & DEVICE M&A

Medtech & Device M&A



Source: Capital IQ; Mercer Capital Analysis

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

INITIAL PUBLIC OFFERINGS

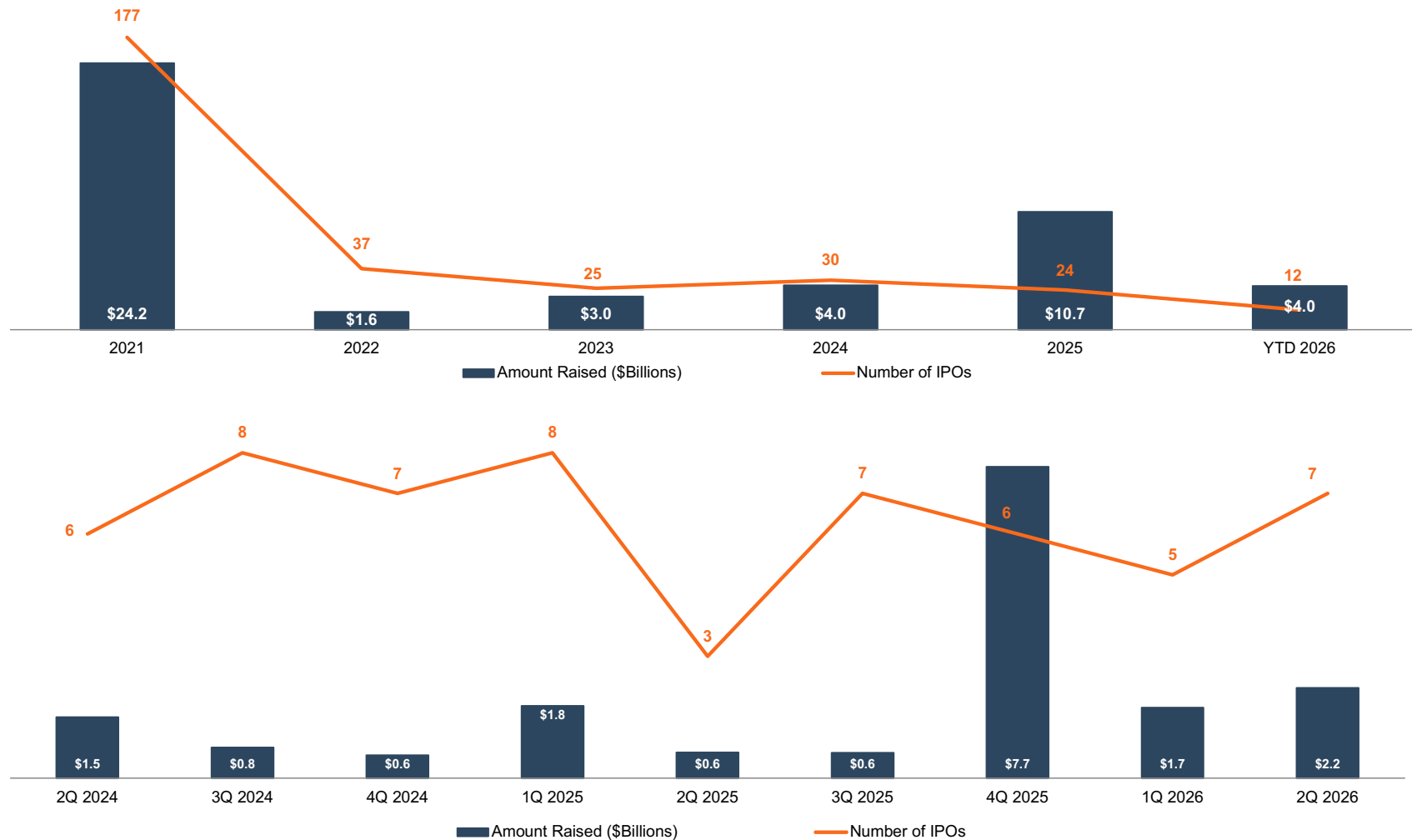
Completed Initial Public Offerings During 2Q 2026

Issuer	Ticker	IPO Date	IPO Price	Gross Proceeds (\$mil)	6/30/26 Stock Price	Return Since IPO	6/30/26 Market Cap	Industry
Parabilis Medicines, Inc.	NasdaqGS:PBL5	6/9/26	\$20.00	\$670.0	\$27.37	36.9%	\$3,485.2	Biotechnology
Alzai Health Corp.	TSXV:ALZI	6/9/26	0.40	3.0	0.47	17.5%	30.1	Health Care Technology
Odyssey Therapeutics, Inc.	NasdaqCM:ODTX	5/7/26	18.00	279.0	18.71	3.9%	895.8	Biotechnology
Mobia Medical, Inc.	NasdaqGS:MOBI	5/7/26	15.00	150.0	13.40	-10.7%	445.5	Health Care Equipment
Hemab Therapeutics Holdings, Inc.	NasdaqGS:COAG	4/30/26	18.00	301.5	36.73	104.1%	1,715.5	Biotechnology
Alamar Biosciences, Inc.	NasdaqGS:ALMR	4/16/26	17.00	191.3	27.09	59.4%	1,877.6	Life Sciences Tools and Services
Kailera Therapeutics, Inc.	NasdaqGS:KLRA	4/16/26	16.00	625.0	22.03	37.7%	2,854.3	Biotechnology

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES

INITIAL PUBLIC OFFERINGS

Medtech & Device IPOs



Source: Capital IQ; Mercer Capital Analysis

MERCER CAPITAL'S MEDTECH & DEVICE INDUSTRY SERVICES



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Mercer Capital provides valuation services to start ups, larger public and private companies, and private equity and venture capital funds.

Mercer Capital's expertise in the medtech and device industry spans the following segments:

- Biotechnology and life sciences
- Medical devices
- Healthcare technology
- Large, diversified

Our services include:

- Transaction and valuation advisory
- Purchase price allocations
- Impairment testing
- Portfolio valuation for LP reporting
- Equity compensation valuation for tax compliance

Contact a Mercer Capital professional to discuss your needs in confidence.

MEDTECH & DEVICE INDUSTRY VALUATION TEAM



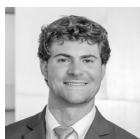
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