



# Healthcare IT and Life Science Tools

Industry Overview and  
Capital Markets Perspectives

April 2021

# Key Findings

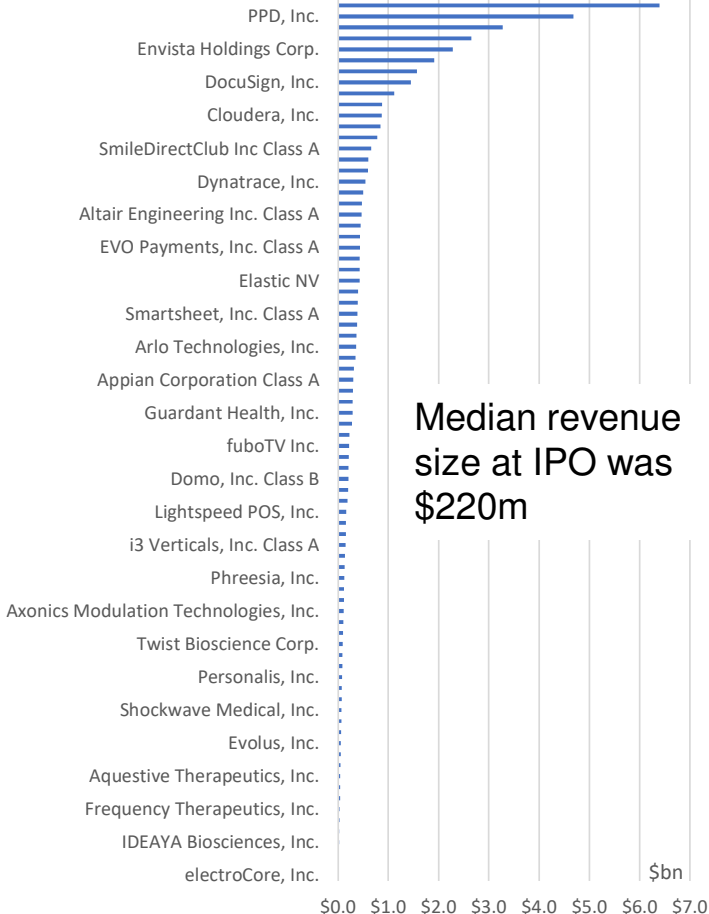
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- We analyzed 80 companies in the Healthcare IT and Lifesciences and Technology space that went public in the last 3 years
- The typical company had:
  - \$220 million revenue
  - \$120 million gross profit and negative EBITDA
  - 14x EV / Revenue multiple
  - 27% revenue growth rate
- Valuation multiple depends primarily on the revenue growth
- Taking the company size and profitability into account can allow the valuation with high accuracy

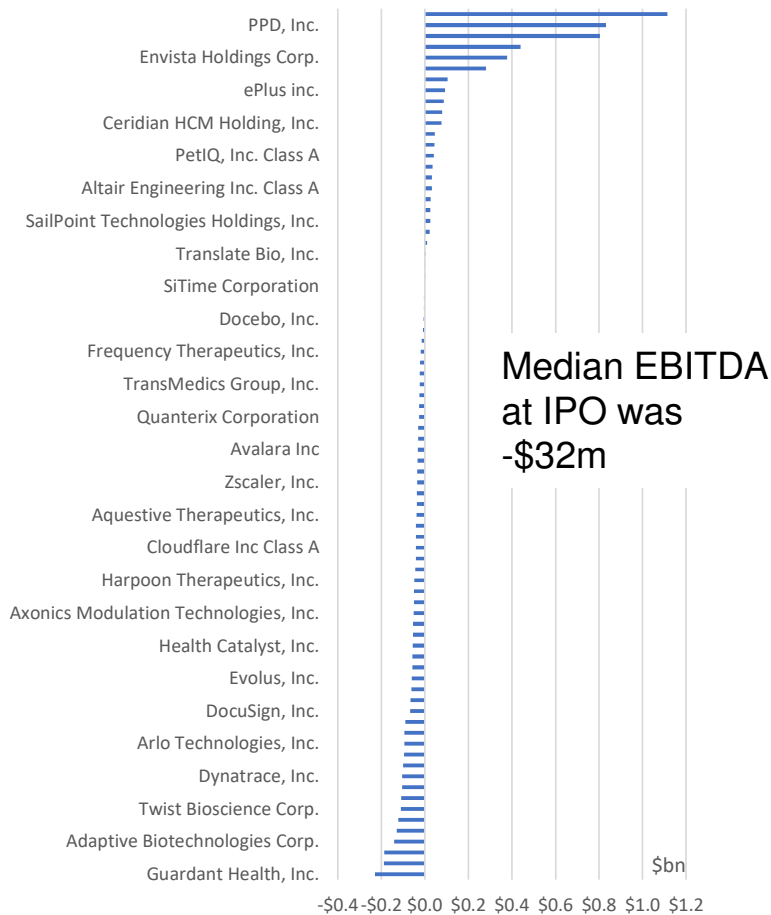
I look forward to engaging with companies, particularly, identified in this report on understanding how they compare to the competition and what their value drivers are

# Benchmarking: Revenue and EBITDA

Revenue 2020

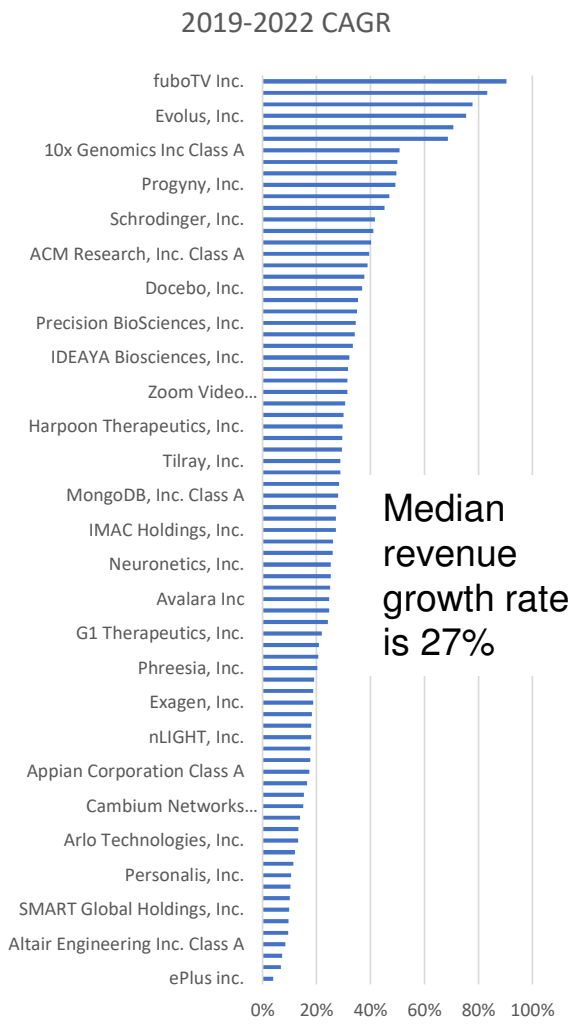
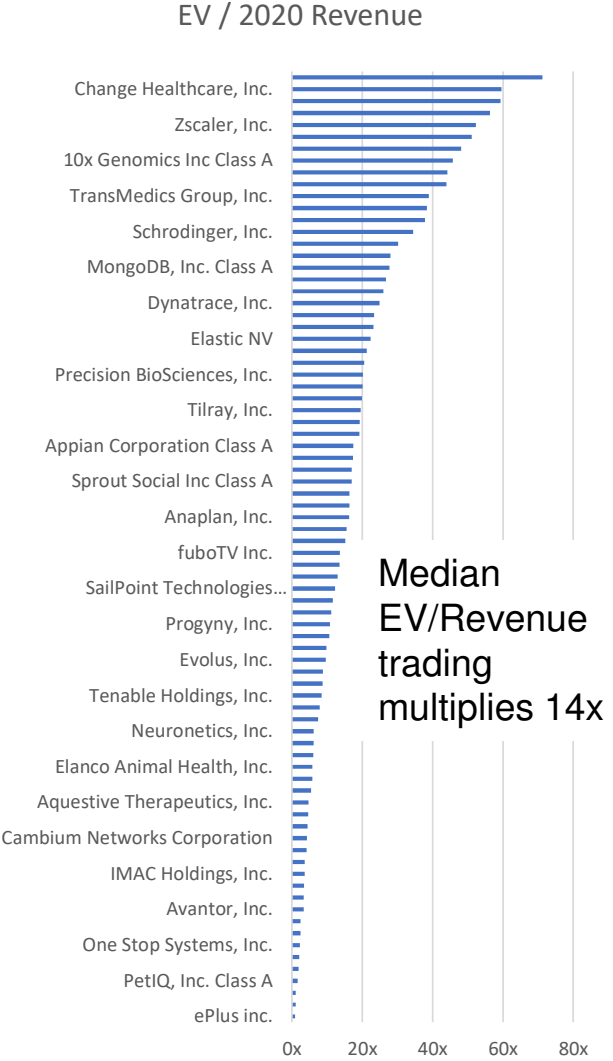


EBITDA 2020



Note: Charts show select companies from the study

# Benchmarking: Valuation and Growth



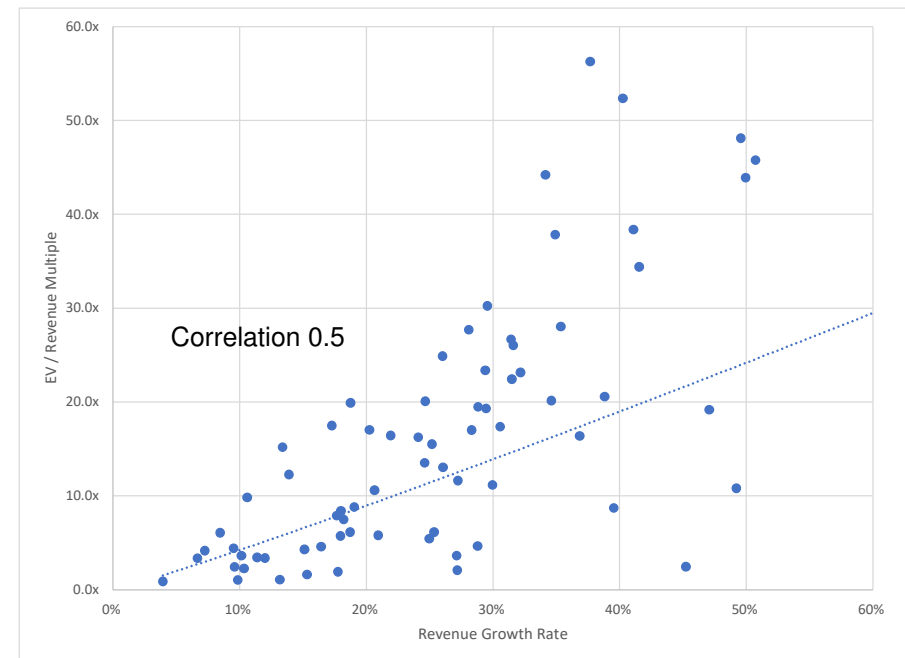
Note: Charts show select companies from the study

# Valuation Drivers

## Comments

- Valuation multiples depend on the growth rates
  - Correlation between revenue 2019-22 CAGR and EV / Revenue multiple is 0.5
  - Growth determines about 50% of the valuation
- Company size and profitability account are also important
  - Account for addition 15% of the valuation
  - The other 35% are company-specific
- We constructed a 3-factor regression model that predicts the valuation multiple with 65% accuracy

## Growth Rate as Valuation Driver



# Healthcare Data Analytics

### NLP / Pub-Med Analytics

### Genomic Analytics

### Registries

### Real World Evidence

### Data Marketplace

### Precision Medicine Analytics

# Tech Enabled Services

## Patient / Site Recruitment

## EDC, ePRO, eCOA, eSource

## CTMS / Trial Admin

# Tech Enabled Services

## Large Industry Leaders



## Trial / Protocol Design



## Hybrid Trials



## Safety / Compliance



## Patient Engagement



## End-to-End eClinical Solutions





# Genomics

## Instruments and Consumables

Instruments  
Chips  
Reagents

## Pre-Sequencing

Library preparation  
Reagent kits  
Target enrichment

## Sequencing Services

Exomes  
RNA  
Whole / Targeted genomes

## Bioinformatics

Data Analysis Software  
Data Analysis Services  
Cloud Computing Solutions

# About the Author



## Clients



## Engagements

- Financial modelling
- Benchmarking to competition
- Assesemnt of value creation alternatives
- IPO / SPAC / M&A exit
- Strategy development
- Acquisitions and partnerships

## Summary of Experience

Art Baker is an advisor to companies in the medtech space. He has previously held strategy and corporate development roles in Fortune 500 and private equity owned companies. He worked as an investment banker at RBC Capital Markets from 2006 to 2013.

Art is passionate about the healthcare technologies and life sciences and would like to continue his career at one of the established or emerging companies. His areas of expertise include strategy, M&A, operational finance, budgeting, forecasting, capital markets, negotiations and new business development.

Art possesses a Bachelor of Science in Business from Oklahoma City University, an Ph.D. Degree in Finance from Moscow State University, Russia, and an MBA from the University of Toronto, Canada. He passed all three levels of the CFA Program.

## Contact Information



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