

Q4: Quarterly Industry Update

AS OF December 31, 2023

cogent valuation
FINANCIAL OPINIONS

Cardiovascular Equipment Industry Summary

COGENT VALUATION identified **Cardiovascular Equipment** publicly traded companies, IPOs, and recent M&A transactions within the Cardiovascular Equipment industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2022, the median 52-week share price return of the Cardiovascular Equipment industry decreased from 40.1% to 39%, and the median YTD return increased from 22.2% to 34.8%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 11.8 to 6 and the median EV/EBITDA multiple decreased from 9.2 to 3.4. The median price-to-earnings multiple increased from 19.4 to 23.2 and the median EV/Gross Profit multiple decreased from 52.3 to 46.6 over the same period. The median MVIC/Earnings multiple increased from 21.2 to 23.2. The median Price/Revenue multiple increased from 4.2 to 6.9 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
39%	34.8%	6x	3.4x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
23.2x	46.6x	23.2x	6.9x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	6x	3.2x	3.4x	1.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	3.4x	18.0x	17.6x	13.4x	24.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	23.2x	30.1x	20.3x	21.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	46.6x	22.2x	31.3x	23.6x	24.5x	23.3x	12.4x	46.9x
Median MVIC/Earnings Multiple	23.2x	11.6x	12.7x	13.7x	15.4x	26.5x	12.2x	13.2x
Median Price/ Revenue Multiple	6.9x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

Company Name	Q4 2023	12-months 2023	Two Year ¹	Three Year ¹	2022	2021	2020	Company Name
ABIOMED, Inc.	140.0%	140.0%	66.3%	75.2%	78.6%	66.3%	137.2%	42.3%
BioTelemetry, Inc.	115.6%	115.6%	33.8%	63.0%	67.1%	358%	16.5%	26.3%
Boston Scientific Corporation	55.3%	55.3%	14.6%	20.5%	29.5%	46.6%	39.2%	10.2%
Cardiovascular Systems, Inc.	65.2%	39%	-2.0%	45.4%	1.1%	-2.1%	-49.7%	-12.3%
CryoLife, Inc.	34.8%	83.8%	20.3%	25.8%	30.6%	0.0%	-4.9%	2.2%
Edwards Lifesciences Corporation	54.5%	54.5%	13.4%	3.4%	40.2%	10.3%	24.0%	93.7%
Medtronic plc	21.8%	21.8%	32.4%	7.4%	11.7%	13.4%	6.5%	25.8%
St. James's Place plc	-9.9%	-9.9%	66.3%	27.4%	5.6%	32.4%	17.1%	5.3%
Teleflex Incorporated	6.9%	6.9%	105.2%	27.4%	18.8%	54.4%	-56.4%	38.3%
Median of Industry Public Companies	34.8%	39%	34.4%	75.2%	29.5%	20.3%	14.5%	24.4%

[1] Calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

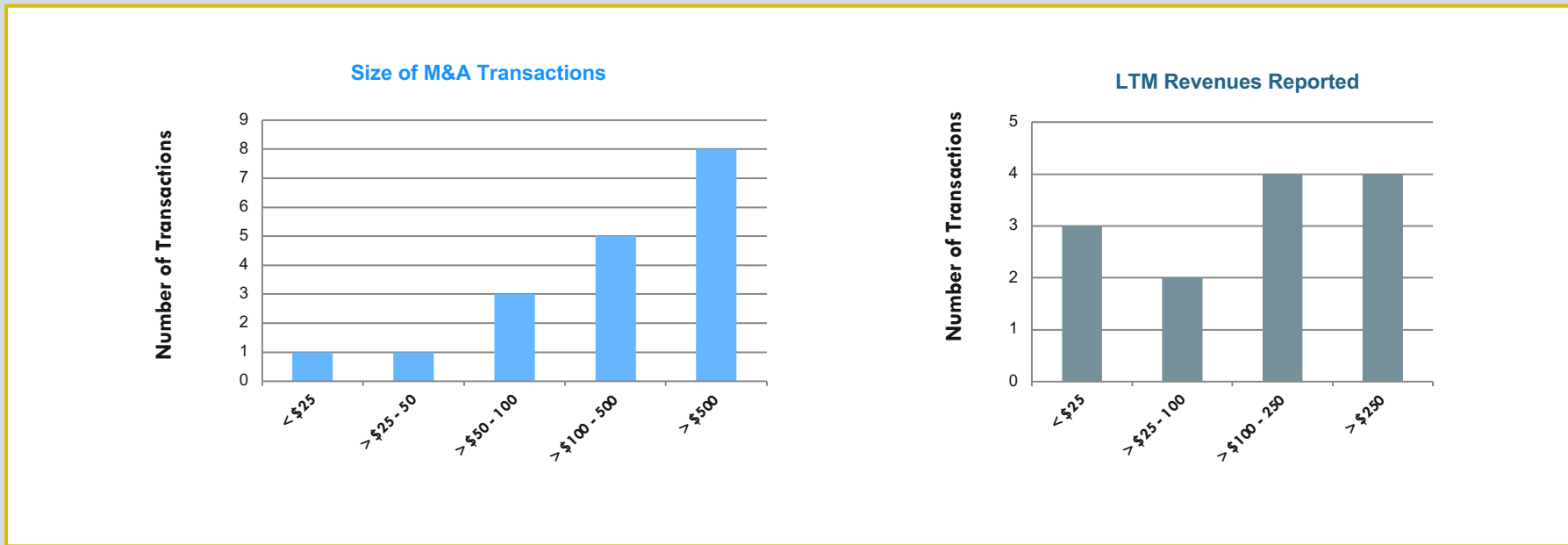
Industry Initial Public Offerings—Cardiovascular (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
10/29/23	Hancock Jaffe Laboratories, Inc.	\$5.00	15.1	\$22.1	\$1.5	\$3.8	\$0.0	(\$6.3)	(\$7.0)	(\$6.3)
9/17/23	Sphere Medical Holding PLC	\$1.46	7.0	\$10.4	\$4.4	\$1.5	\$4.5	(\$7.0)	(\$3.4)	(\$3.0)
7/18/23	Kips Bay Medical, Inc.	\$1.50	2.1	\$16.5	\$7.2	\$0.0	\$0.2	(\$3.3)	(\$10.2)	(\$8.6)
2/10/23	BioTelemetry, Inc.	\$8.00	4.5	\$81.0	\$103.0	\$2.8	\$64.9	(\$8.6)	(\$0.4)	\$8.9
11/18/23	Volcano Corporation	\$18.00	6.8	\$54.4	\$62.0	\$31.1	\$95.3	\$4.8	(\$17.8)	\$0.5
6/14/22	Lombard Medical Technologies Limited	\$8.00	14.4	\$47.0	\$11.8	\$7.4	\$0.1	(\$4.2)	(\$13.0)	(\$8.2)
12/12/20	AtriCure, Inc.	\$2.82	4.0	\$48.0	\$12.4	\$0.0	\$25.5	(\$9.5)	(\$9.7)	(\$3.7)
8/5/20	Stereotaxis, Inc.	\$12.00	5.5	\$44.0	\$41.1	\$6.0	\$9.9	(\$5.8)	(\$30.5)	(\$29.2)
	Median of all IPOs	nm	nm	\$45.5	\$12.1	\$3.3	\$7.2	(\$6.1)	(\$9.9)	(\$5.0)

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
11/22/23	C. R. Bard, Inc.	Becton, Dickinson	\$25,785.2	100%	\$3,779.3	6.6x
10/21/23	JOTEC GmbH	CryoLife, Inc.	\$253.6	100%	\$51.0	5.0x
8/20/23	The Spectranetics Corporation	Philips Holding USA Inc.	\$2,117.3	100%	\$277.6	7.5x
7/21/23	Vascular Solutions, Inc.	Teleflex Incorporated	\$1,007.2	100%	\$160.0	6.1x
6/24/23	St. Jude Medical, Inc.	Abbott Laboratories	\$30,336.5	100%	\$5,644.0	5.3x
6/21/23	Selexys Pharmaceuticals	Novartis AG	\$665.0	100%	N/A	N/A
6/22/23	Creganna-Tactx Medical	Tyco Electronics UK Holdings Ltd.	\$895.0	100%	\$249.0	3.6x
5/30/23	Thoratec Corp.	St. Jude Medical, Inc.; SJM International, Inc.	\$3,683.3	100%	\$483.8	7.0x
5/23/23	Lazarus Effect, Inc.	Medtronic plc	\$100.0	100%	N/A	N/A
12/12/22	C. R. Bard, Inc.	Lombard Medical, Inc.	\$49.0	81%	N/A	N/A
11/3/22	CardioInsight Technologies	Medtronic plc	\$123.0	100%	N/A	N/A
8/28/22	CardioMEMS, Inc.	St. Jude Medical Inc.	\$375.0	100%	N/A	N/A
8/15/21	Oscor Inc., Lead Business	Sorin SpA	\$20.0	100%	N/A	N/A
5/13/21	CircuLite, Inc.	Heartware International	\$401.8	100%	\$1.3	N/A
9/15/20	Cardiocom	Medtronic	\$200.0	100%	\$50.0	4.0x
6/22/20	eResearchTechnology	Genstar Capital	\$423.5	100%	\$193.7	1.9x
5/30/20	SunTech Medical Group	Halma	\$57.0	81%	\$23.0	2.3x
5/23/20	ZOLL Medical	Asahi Kasei	\$2,216.2	100%	\$544.3	3.9x
Median of 18 M&A Transaction Targets			\$452.0	100%	\$160.0	5.0x

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of December 31, 2023



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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