

Welcome to our Fall 2022 edition of M&A and Capital Markets Insights for (HW Tech) companies. Included in this report are an overview of lower middle-market (LMM) M&A activity; recent key U.S. economic indicators; recent Retail HW Tech and Enterprise HW Tech sector trends and notable M&A and capital raising deals.

LOWER MIDDLE-MARKET M&A OVERVIEW

The combination of inflation, rising interest rates, labor issues, and supply chain challenges has created headwinds for businesses and potential investors during the first half of 2022. Consequently, we have seen a retreat in M&A activity in the LMM.

Deal count and aggregate deal value across the LMM declined significantly in 1H 2022 compared to 1H 2021, with deal count declining approximately 22% and deal value declining approximately 16%. However, LMM deal count and deal value for 1H 2022 are well above pandemic levels experienced in 1H 2020.



Source: PitchBook
LMM defined as transaction value between \$5M and \$250M

Given the macroeconomic environment and geopolitical uncertainty, the remainder of 2022 is likely to be a challenging M&A market. But keep in mind, private equity firms have over \$1 trillion of “dry powder” that needs to be invested and corporate strategics have an increasing need to take advantage of scalability, technological advancements, and digital transformation. Therefore, we believe that there will remain high investor demand for efficiently run companies with strong brands, compelling products or services, and innovative technology.

Contents

LMM M&A Overview	1
Diamond Capital HW Tech Team	2
U.S. Economic Statistics	4
Retail HW Tech Overview	5
Enterprise HW Tech Overview	11

Firm Overview

Diamond Capital Advisors is an independent investment banking firm that provides M&A, capital raising, corporate valuations and related strategic advisory services to lower middle-market companies in North America.

Our transaction experience covers a broad range of industries, end markets and business models. We have domain expertise in working with companies serving the Fitness, Health and Wellness industries.

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Securities offered through Hamilton Grant LLC, Member of FINRA/SIPC. Hamilton Grant and Diamond Capital Advisors are not affiliated.

DIAMOND CAPITAL ADVISORS' HEALTH & WELLNESS TECH TEAM



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Kahlil has over 20 years of corporate transactional experience. He is currently the Managing Partner of Numa Wayne Capital Advisors, a fitness, health, and wellness-focused investment banking firm. He was formerly a Senior Vice President and Head of the West Coast office for an international middle-market investment bank with offices in North America, Europe, Asia, and Africa.

Kahlil began his career as an M&A and corporate finance attorney for Fried, Frank, Harris, Shriver & Jacobson in New York prior to transitioning into investment banking with Citigroup's Media, Telecom, and Technology Investment Banking Group.

Kahlil graduated with a B.S. from Cornell University, where he was a member of the Cornell Big Red football team. He also holds a J.D. from Georgetown University Law Center, where he served as a staff editor for The Tax Lawyer. Kahlil is a member of FINRA, holding Series 7, 79, 24, and 63 securities licenses. He is also a member of the New York Bar (inactive)



Shawn Thompson

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Shawn Thompson has 25 years of investment banking and corporate finance experience. He provides merger and acquisition, valuation, financial advisory and restructuring services for diverse companies, typically those with enterprise values up to \$200 million. He has executed transactions in a range of industries including consumer products, technology, healthcare, manufacturing, distribution, retail and businesses services.

Prior to Diamond, Shawn worked at JP Morgan, Barrington Associates (now Intrepid), Mosaic Capital and other middle market investment banking firms. He has completed over 50 transactions in sell-side advisory, buy-side advisory, leveraged buy-outs, restructuring and valuations.

Shawn graduated Magna Cum Laude with a B.S. Economics from The Wharton School of Business at the University of Pennsylvania. Shawn holds the Series 79 and 63 FINRA securities licenses.



Michael J. Brunelle

Managing Director

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Michael J. Brunelle specializes in advising health care and biotechnology companies. Michael's entire career has been focused on the health care sector as an investment banker, entrepreneur and mergers and acquisitions specialist for private and publicly traded pharmaceutical and biotechnology companies.

Prior to joining Diamond, Michael held the position of Vice President for Acquisitions and Development for Nantworks and its formerly affiliated companies – Celgene, Abraxis Bioscience, American Bioscience and American Pharmaceutical Partners. At Dillon, Read & Co. Inc., Michael was a Vice President in the health care investment banking group and completed in excess of \$2 billion of transactions for large multi-hospital systems, academic health centers, financially distressed institutions and long-term care facilities.

Michael graduated with a B.A. from the University of California at San Diego and holds a MBA in Finance from The Wharton School of Business at the University of Pennsylvania.

DIAMOND CAPITAL'S HEALTH & WELLNESS TRACK RECORD

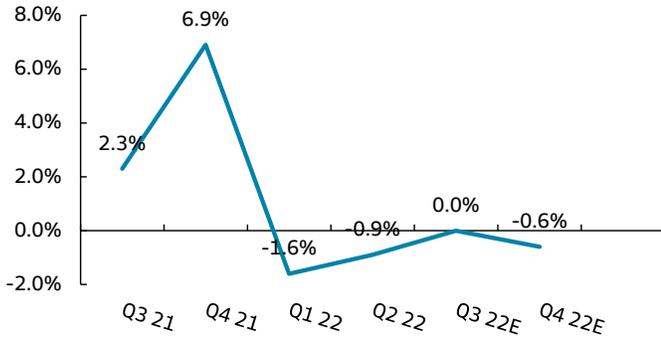
Diamond Capital's Health, and Wellness practice has represented numerous companies in the health, and wellness industry verticals. Our advisory work has included multiple industries and involved companies of diverse specialties, many of which sell in both the public- and private-sector markets.

 has been acquired by Advisor to Seller	 has been acquired by Best Form Industries Advisor to Seller	 CAPITAL RAISE Advisor to Company	 has been acquired by Individual Labs Advisor to Seller
Modern Homecare Services and Pharmacy, Inc. has been acquired by Advisor to Seller	 VALUATION Advisor to Company	 has been acquired by Advisor to Seller	 has been acquired by Advisor to Seller
 FINANCIAL ADVISORY Advisor to Company	 FINANCIAL ADVISORY Advisor to Company	 FINANCIAL ADVISORY Advisor to Company	 has been acquired by Private Investment Group Advisor to Seller
 VALUATION Advisor to Company	The Weekend Exercise Company has been acquired by Private Investment Group Advisor to Seller	 has been acquired by American Plasma Inc. Advisor to Seller	 CAPITAL RAISE Advisor to Company

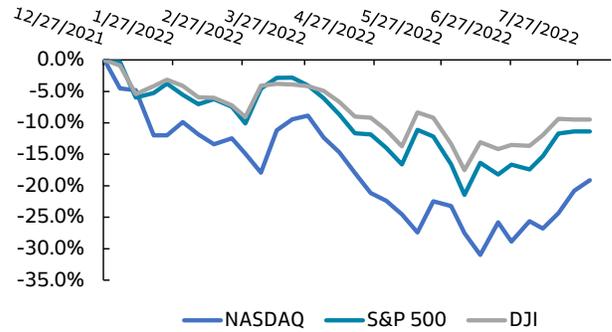


U.S. ECONOMICS STATISTICS

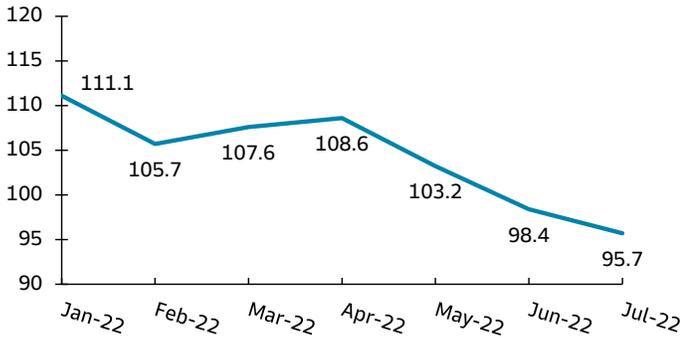
2022 YTD Real GDP



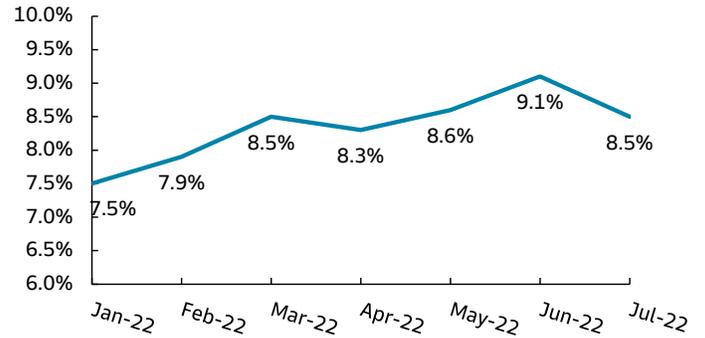
2022 YTD Stock Index Performance



2022 YTD Consumer Confidence Index



2022 YTD Consumer Price Index



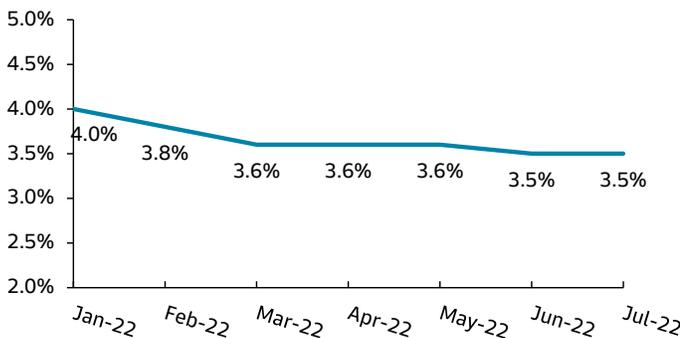
Producer Price Index



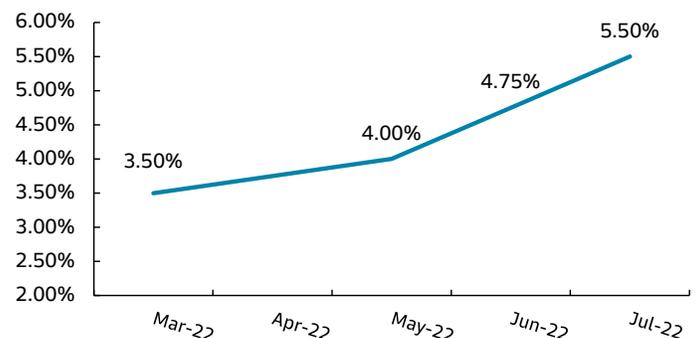
Industrial Production Index



2022 YTD Unemployment Rate



2022 YTD Prime Rate



RETAIL HEALTH & WELLNESS TECHNOLOGY



Clinical Healthcare

- Telehealth services
- Digital therapeutics (DTx)
- Concierge specialty & primary care clinics



Mobile & Digital

- Personal health tools and tracking
- Fitness applications
- Behavior modification tools



Personalized Medicine & Testing

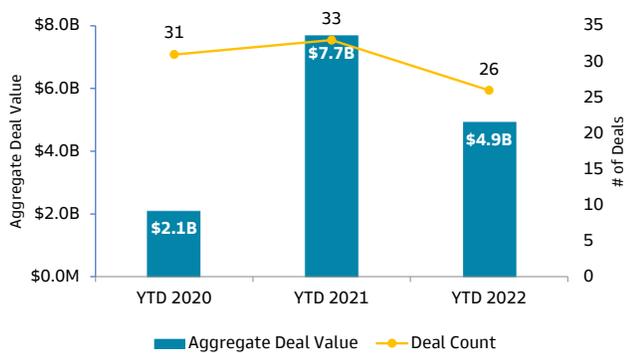
- Ad-hoc personalized testing
- Bioinformatics
- Genomic testing



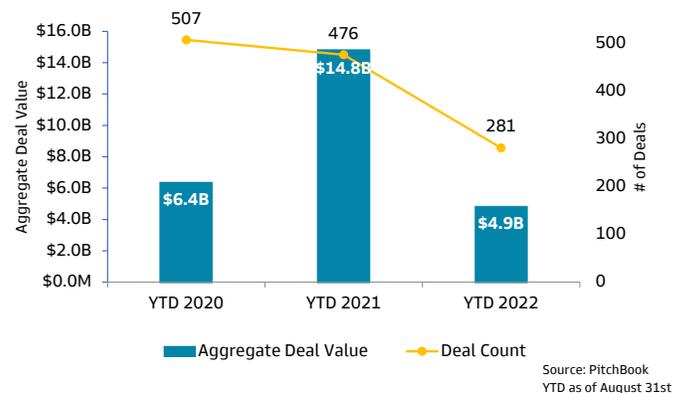
Biometric Wearables & Devices

- Biometric monitoring wearables
- Remote patient monitoring (RPM) tools
- Smart devices

YTD 2020-2022 HW RETAIL TECH M&A



YTD 2020-2022 HW RETAIL TECH PE/VC



M&A Activity

In the Retail HW Tech space, there were 26 M&A deals with aggregate deal value of approximately \$4.9 billion year-to-date as of the end of August (YTD) 2022, compared with 33 deals with aggregate deal value of approximately \$7.7 billion YTD 2021. This represents a 21% decline in deals and 36% decline in aggregate deal value. Among the different Retail HW Tech segments, Clinical Healthcare generated the most aggregate deal value representing 87% of deal value, followed by Personalized Testing and Medicine with 13% of aggregate deal value.

PE VC Financing Activity

There were 281 PE/VC financing deals generating \$4.9 billion in aggregate deal value in the Retail HW Tech space YTD 2022, compared with 476 deals with aggregate deal value of \$14.8 billion YTD 2022. This represents a 41% decline in transactions and 67% in aggregate transaction value. Among the different retail HW Tech segments, Clinical Healthcare generated the most deal value representing 41% of aggregate deal value, followed by Mobile and Digital Health (24%), Personalized Testing and Medicine (19%) and Biometric Wearables and Devices (16%).

RETAIL HEALTH & WELLNESS TECHNOLOGY (cont'd)

Clinical Healthcare Sector Observations



The Clinical Healthcare segment comprises companies involved in the distribution of health services via mobile and online telecommunication platforms, companies that provide in-person or online subscription-based care, and companies that provide therapeutic treatments through tech-enabled devices and platforms. The segment continues to benefit from increased telemedicine adoption as ignited by the COVID-19 pandemic, government initiatives to approve digital therapeutics, and patient demand for customer-focused, ongoing preventative care.

YTD 2022, M&A deals in the Clinical Healthcare space include: LifeMD's (NASDAQ: LFMD) \$464 million acquisition of Cleared (allergy telehealth platform) (1/2022), Amazon's (NASDAQ: AMZN) agreement to acquire One Medical for \$3.9 billion (concierge primary care) (7/2022), and UCP Merchant Medicine's acquisition of Intellivisit (AI clinical support tools) (3/2022).

*"This acquisition represents a major step forward for LifeMD's mission of redefining and elevating American healthcare. Cleared is a transformational addition to our growing portfolio of telehealth capabilities and moves us beyond treating lifestyle conditions into chronic conditions with large addressable market demand." **Justin Schreiber, Chairman CEO, LifeMD***

The Clinical Healthcare space attracted over \$2.0 billion in PE/VC investment YTD 2022. PE/VC deals include: a \$150 million investment in Wheel (virtual care platform) led by Lightspeed Venture

Partners and Tiger Global Management (1/2022), a \$110 million investment in Medically Home (hospital-at-home platform) led by Baxter International and Global Medical Response (1/2022), a \$150 million investment in Ro (telehealth services) led by ShawSpring Partners (1/2022), and a \$115 million investment in Brightline (behavioral health platform) led by KKR (7/2022).

*"Wheel believes the future of virtual care is simply 'care' — driven by online and in-person care. By providing the infrastructure to power virtual care, Wheel is committed to moving the healthcare industry forward with clinicians, organizations, and patients all playing an integral role. In just a few years, Wheel has proven they are the leader and trusted partner to build in virtual care. I'm personally passionate about their noble goals to make virtual-first care more accessible, affordable, and equitable at scale." **Dr. Ling Wong, Partner, Lightspeed Venture Partners***

Mobile & Digital Health Sector Observations



Mobile & Digital Health companies are developing tools and apps to help consumers monitor and improve personal health. Health providers may recommend these tools in conjunction with traditional care. These products differ from digital therapeutics as they can help prevent illnesses but are mostly not approved by the FDA to treat illnesses. In 2021, the Mobile and Digital Health segment took off as employers increased wellness benefits and as mental health became less stigmatized.

RETAIL HEALTH & WELLNESS TECHNOLOGY (cont'd)

Notable M&A transactions in the Mobile and Digital Health segment YTD 2022 include: Monument's acquisition of Tempest (digital alcohol recovery platform)(5/2022) and FitOn's acquisition of Peerfit (corporate wellness platform)(2/2022).

"Today's announcement marks a major milestone in our journey to make holistic alcohol use disorder treatment available to everyone. Tempest's commitment to changing the narrative around alcohol use disorder through member-first care perfectly aligns with our own mission and values. We're thrilled to be able to offer both Monument and Tempest members new tools in their treatment journey, along with anyone else ready to take the next step."

Mike Russell, CEO, Monument

PE/VC investment activity in the Mobile and Digital Health segment has been quite robust YTD 2022 with approximately \$1.2 billion in aggregate transaction value. Transactions include: a \$235 million investment in Lyra Health (digital mental health platform and tools) led by Dragoneer Investment Group (1/2022), a \$320 million investment in Biofourmis (remote care management) led by General Atlantic and 2050 Capital (7/2022), and a \$192 million investment in Omada Health (chronic care digital health) by Fidelity Management & Research (2/2022).

"In recent years, we have seen a significant trend towards virtual at-home care, which has become a critical alternative to in-person care, particularly as digital adoption continues to accelerate. Biofourmis is tapping into this global trend with a new approach to remote care management." **Sandeep Naik, Managing Director, General Atlantic**

Personalized Medicine & Testing



Sector Observations

Companies in the Personalized Medicine & Testing segment provide personalized recommendations or treatments based on genomics, microbiomics, or other biomarkers and vital indicators, using proprietary biological data analysis platforms to devise new diagnostic and medication methodologies. The need for quick testing solutions for viruses and future pandemics and the expansion of telehealth has driven recent growth in this segment.

Notable M&A transactions in this segment include: Labcorp's (NYSE: LH) \$575 million acquisition of Personal Genome Diagnostics (cancer genomics) (2/2022); Element Biosciences acquisition of Loop Genomics (platform technology for long-read DNA sequencing) (2/2022); and Kindbody's acquisition of Phosphorous (genomics-based diagnostics) (6/2022).

"Labcorp's leadership and scale in diagnostic testing and drug development, coupled with PGDx's innovative technology and suite of capabilities, will accelerate access to personalized treatments for cancer patients globally. PGDx's comprehensive portfolio of next-generation sequencing products will meaningfully add to our breadth of capabilities, in line with our strategic priority to lead in oncology. PGDx's technology is well positioned in an important segment with strong growth prospects. We look forward to welcoming PGDx's talented team and working together to bring world-class diagnostics, technology and treatments within reach for all." **Adam Schechter, CEO, Labcorp.**

RETAIL HEALTH & WELLNESS TECHNOLOGY (cont'd)

YTD 2022, PE/VCs invested over \$900 million in the Personalized Medicine & Testing segment. Notable transactions include: a \$200 million investment in DNA Nexus (bioinformatics) led by Blackstone (NYSE: BX) (3/2022), a \$190 million investment in Maze Therapeutics (precision medicine platform) led by Matrix Capital Management (1/2022), and a \$42 million investment in Variantyx (genomic sequencing diagnostics platform) led by Robert Bosch Venture Capital (2/2022).

"We have seen a rapid proliferation of healthcare data over the last several years, driven by the advent of new technologies and the surging availability of diagnostic tests. The DNANexus Platform enables the life sciences industry to derive critical insights from multi-omic, clinical, and phenotypic data to hasten the development and delivery of novel therapeutics, getting them into the hands of patients who need them more quickly and cost-effectively. We're proud to support the next phase of growth for the company as it continues executing on its mission to improve human healthcare." **Ram Jagannath, Global Head of Healthcare, Blackstone**

Biometric Wearables & Devices segment. One notable deal was Ginkgo Bioworks Holdings acquisition of Bitome (AI-based bioprocessing) (6/2022) for an undisclosed amount.

"Ginkgo is constantly looking for opportunities to strengthen its cell engineering platform, and a central component of cell engineering is testing and optimizing strains at scale. Having evaluated Bitome's technology over the past few years, we believe their technology will allow us to accelerate the design and optimization of strains across a range of customers and industries." **Barry Canton, CTO, Ginkgo Bioworks**

YTD 2022, PE/VCs invested approximately \$780 million in the Biometric Wearables & Devices segment over 95 transactions. Notable financial and strategic investments include: a \$45 million investment in Podometrics (diabetes smart device) led by D1 Capital Partners (3/2022), a \$150 million investment in AliveCor (EKG monitoring solutions) led by GE Healthcare (8/2022), and a \$38 million investment in Levels (diabetes RPM) led by Andreessen Horowitz (4/2022).

"GE Healthcare is committed to providing advanced technologies that better connect data and create actionable insights for clinicians to serve patients in and out of the hospital. This strategic partnership with AliveCor deepens our ability to deliver connected care enabling clinicians to make faster, more informed decisions, and help improve patient outcomes." **Tom Westrick, CEO, GE Healthcare Patient Care Solutions**

Biometric Wearables & Devices

Sector Observations



Biometric Wearables & Devices companies integrate biometric technology into both wearable and nonwearable devices that can monitor and/or improve user health. The increase in patients needing remote patient monitoring and innovations in smart sensors and IoT have driven recent growth in this segment.

YTD 2022, there was not much M&A activity in the

RETAIL HEALTH & WELLNESS TECHNOLOGY (cont'd)

RETAIL HEALTH & WELLNESS TECH: SELECT M&A TRANSACTIONS (YTD 2022)

Deal Date	Target	Acquirer	Enterprise Value (\$M)	EV/LTM Rev.	EV/LTM EBITDA
07/21/22	 one medical	 amazon	\$3,900	3.9x	NM
06/06/22	 bitome	 GINKGO BIOWORKS	N/A	N/A	N/A
05/17/22	TEMPEST	monument	N/A	N/A	N/A
02/18/22	 PGD Personal Genome Diagnostics	 labcorp	575.0	N/A	N/A
02/08/22	 LOOP GENOMICS	 Element Biosciences	N/A	N/A	N/A
01/18/22	 cleared.	 LifeMD ⁺	463.5	N/A	N/A

YTD as of August 31st

RETAIL HEALTH & WELLNESS TECH: SELECT FINANCING TRANSACTIONS (YTD 2022)

Deal Date	Company	Investor(s)	Amount (\$M)	Deal Type
07/27/22	 biofourmis	 GENERAL ATLANTIC  2050 CAPITAL	\$320.0	Series D
05/31/22	DNAexus	 Blackstone	200.0	Series I
08/16/22	AliveCor	 GE Healthcare	150.0	Series F
03/24/22	 PODIMETRICS	 D1 CAPITAL PARTNERS	44.8	Series C
01/19/22	lyra	 DRAGONEER INVESTMENT GROUP	235.0	Series G
01/13/22	ro	 SHAW PARTNERS SPRING	150.0	Series D1

YTD as of August 31st

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY



Operations & Care Management

- Patient management
- Healthcare analytics & Big Data
- Hospital management



Prescription Technology

- E-pharmacy
- Pharmacy automation technology
- E-prescription



Insuretech

- Operations technology
- Insurance providers
- Marketplace & benefits platforms



Customer Acquisition Tools

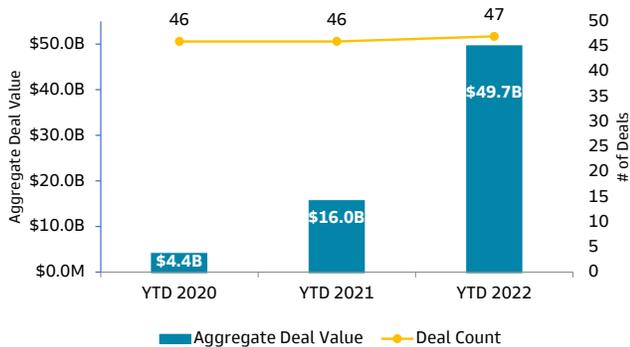
- Scheduling & marketing platforms
- Corporate distribution



Clinical Trial Technology

- Patient recruitment & retention
- Clinical trial management (CTM) and electronic data capture (EDC) systems

YTD 2020-2022 ENTERPRISE H&W TECH M&A

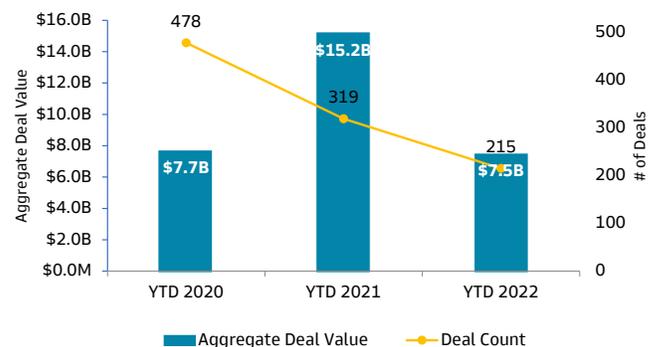


Source: PitchBook
YTD as of August 31st

M&A Activity

In the Enterprise HW Tech space, there were 47 M&A deals with aggregate deal value of \$49.7 billion YTD 2022, compared with 46 deals with aggregate deal value of \$16.0 billion YTD 2021. This represents a 2% increase in deals and 211% increase in aggregate deal value. Most of the increase in aggregate deal value came from two megadeals in the Operations & Care Management segment: Microsoft's (NASDAQ: MSFT) acquisition of Nuance Communications (\$18.8 billion) and the acquisition of Athenahealth by a PE group led by Hellman & Friedman (\$17.0 billion).

YTD 2020-2022 ENTERPRISE H&W TECH PE/VC



Source: PitchBook
YTD as of August 31st

PE VC Financing Activity

There were 215 PE/VC financing deals generating \$7.5 billion in aggregate deal value in the Enterprise HW Tech space YTD 2022, compared with 319 deals with aggregate value of \$15.2 billion YTD 2021. This represents a 33% decline in deals and 51% decline in aggregate deal value. Among the Enterprise HW Tech segments, Operations & Care Management had the most deal value representing 30% of aggregate deal value, followed by Insurtech (27%), Customer Acquisition Tools (26%), Clinical Trial Technology (9%) and Prescription Technology (7%).

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY

Operations Care and Management



Sector Observations

The Operations & Care Management segment is categorized into three subsegments: healthcare analytics & Big Data, hospital management systems, and patient management systems. Segment growth is mainly driven by the persistence of outdated and inefficient administrative processes and tools, the opportunity to improve patient care and outcomes, and the implementation of favorable government initiatives. Attractive characteristics of this industry include high demand, high switching costs, and government regulations that require or incentivize digitizing medical data.

YTD 2022, there were 25 M&A transactions for an aggregate transaction value of \$49.6 billion, with two deals accounting for the vast majority of transaction value: Microsoft's (NASDAQ: MSFT) \$18.8 billion acquisition of Nuance Communications (AI-based business intelligence) (3/2022) and the \$17.0 billion acquisition of athenahealth (EHR vendor) led by private equity firms Hellman & Friedman and Bain Capital (1/2022).

"Completion of this significant and strategic acquisition brings together Nuance's best-in-class conversational AI and ambient intelligence with Microsoft's secure and trusted industry cloud offerings. This powerful combination will help providers offer more affordable, effective and accessible healthcare, and help organizations in every industry create more personalized and meaningful customer experiences." **Scott Guthrie, EVP Cloud + AI Group, Microsoft**

PE/VC's invested over \$2.2 billion in the Operations & Care Management segment across 91 transactions YTD 2022. Notable transactions include: a \$123 million investment in H1 (healthcare professional data network) led by Altimeter Capital Management (6/2022), a \$143 million investment in Visby Medical (PCR diagnostics) led by Ping An Insurance (6/2022), and a \$200 million investment in Transcarent (consumer-directed healthcare platform) led by Kinnevik and Human Capital (1/2022).

"Transcarent fits squarely into our investment thesis and complements our healthcare portfolio ideally. The focus on consumer choice, the mission to align incentives between providers and health consumers, and the ability to create a more equitable healthcare industry by providing everyone with the same high quality experience, no matter the Member's background or position in a corporation, is appealing to us."

Christian Scherrer, Investment Manager, Kinnevik

Prescription Technology



Sector Observations

The Prescription Technology segment is categorized into three subsegments: e-pharmacies, e-prescriptions, and pharmacy automation technology. Companies in this space are working to revamp the value chain of prescription receipt. The growth in telemedicine has helped drive the growth in this segment.

The only M&A transaction in this segment YTD 2022 was SpendMend's acquisition of pharmacy software procurement provider Trulla (8/2022).

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY (cont.)

"We are thrilled to integrate Trulla software into the larger SpendMend suite of pharmacy solutions. In the last year, we've provided compliance and optimization services for over 300 pharmacies. We believe every one of those clients could benefit immediately by using the Trulla solution." **Rob Nahoopii, PharmD, MS, ACE, Sr. VP of Pharmacy Services, SpendMend**

There were 17 PE/VC financing transactions in the Pharmacy Technology segment with aggregate transaction value of \$555 million. Deals include: a \$200 million investment in Alto Pharmacy (digital pharmacy) led by Softbank (1/2022) and a \$50 million investment in Bicycle Health (opioid abuse treatment) led by InterAlpen Partners (6/2022).

"We've been laser-focused for the last seven years on building solutions to the foundational issues plaguing the broken pharmacy industry. We're so proud of the progress the team has made, quietly solidifying our position as the market leader in the rapidly growing digital pharmacy market. We're thrilled this new funding will enable us to continue to define this evolving industry and to help even more patients get the care they deserve." **Jamie Karraker, Co-Founder, Alto Pharmacy**

and marketplace and benefits management providers. While the U.S. health insurance industry is dominated by large legacy insurance providers, rising healthcare costs coupled with steadily improving technological capabilities are creating opportunities for businesses that build viable models that address gaps in the insurance market.

Notable M&A transactions in the Insurtech segment YTD 2022 include: CleverRx's acquisition of Predictive Health Partners (healthcare risk assessment platform) (4/2022), Marpai's acquisition of Maestro Health (health benefit TPA) (8/2022) for \$22 million, and Alpha II's acquisition of Health eFilings (certified EHR technology solutions) (8/2022).

"Combining our TPA experience with Marpai is incredibly exciting. Over the last couple of years, we have made significant investments in cost containment and clinical solutions that are delivering outstanding results for our customers. Marpai brings deep TPA domain expertise, expanded discount network options and incredibly sophisticated approaches to data analytics. The combined organization will help employers proactively provide benefits that are expected to lead to healthier and more satisfied member populations. This will be unmatched in the market." **Brandon Wood, CEO, Maestro Health**

There were 47 PE/VC financing transactions with aggregate transaction value of approximately \$2.1 billion YTD 2022. Notable transactions include: a \$120 million investment in Friday Health Plans (health insurance provider) led by Leadenhall Capital Partners (5/2022), a \$123 million investment in Aledade (physician data analytics) led by OMERS

Insurtech



Sector Observations

The Insurtech segment consists of three subsegments: health insurers, insurance operations tech,

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY (cont.)

Growth Equity (6/2022), and a \$90 million investment in Gravie (health benefit solutions) led by Georgian (3/2022).

*"When we started Aledade nearly a decade ago, we made a bet that if we empowered primary care doctors with the right insights, technology, and contracts that paid for value, we could improve patient outcomes, cut wasteful spending, and create a scalable business model for these practices and Aledade to thrive. With this financing, Aledade is extremely well-positioned in this market environment to accelerate our work to meet patients where they are, especially in Medicare Advantage, and seize new opportunities to expand wraparound patient care services." **Farzad Mostashari MD, CEO, Aledade***

Customer Acquisition Tools



Sector Observations

The Customer Acquisition Tools sector is categorized into two segments: scheduling & marketing platforms (i.e., platforms that enable individuals to search, schedule, and cancel appointments online, helping healthcare providers decrease customer service workload and minimize no-shows) and corporate distribution (i.e., corporate-focused providers and platforms that enable distribution via corporate channels). Growth in this segment is mainly driven by technological innovations and an increase in corporate wellness initiatives and their potential for cost-saving opportunities.

The Customer Acquisition Tools segment experienced a moderate amount of M&A activity YTD 2022 with 13 transactions. Notable transactions

include: Oracle's (NYSE: ORCL) acquisition of Adi Insights (customer service optimization) (5/2022), Aledade's acquisition of Iris Healthcare (advanced care planning solutions) (1/2022), and Trustmark Companies' acquisition of FitReserve (multi-studio fitness membership) (5/2022).

*"Aledade and Iris Healthcare share a vision for scaling value-based primary care in a way that benefits patients and physicians. Partnering with Aledade's seasoned leadership team strengthens our ability to ensure that patients receive the care they desire and avoid the care they don't." **Steve Wardle, CEO, Iris Healthcare***

There were 42 PE/VC financing transactions with aggregate transaction value of approximately \$2.0 billion in this segment YTD 2022. Notable transactions include: a \$230 million investment in Gusto (HR platform) led by Dragoneer Investment Group (5/2022), a \$125 million investment in NexHealth (patient experience platform) led by Buckley Ventures (4/2022), and a \$212 million investment in Healthcare.com (digital healthcare platform) led by Oaktree Capital Management (2/2022).

*"HealthCare.com is positioned for its next phase of explosive growth. There is a crisis of cost, transparency and access stemming from complexity and a slow pace of change in healthcare and health insurance. The consumer is at the center of our offering, and our ultimate product is their end-to-end healthcare experience. We aim to create an iterative relationship with the consumer that will span decades, improving lifelong wellness." **Don Loonam, CEO, Healthcare.com***

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY (cont.)

Clinical Trial Technology



Sector Observations

The Clinical Trial Technology segment consists of two subsegments: clinical trial management systems and patient recruitment & retention software. Segment growth is mainly driven by the rising complexity and quantity of trials, growth of contract research organizations, technological innovation, difficulty recruiting trial participants, rising popularity of decentralized trials, and strict government regulations.

The sole M&A transaction in the Clinical Trial Technology segment YTD 2022 was M&B Sciences acquisition of Clara Health (CT platform) (3/2022).

"We are excited about the advancement in patient recruitment technology that Clara Health brings with its innovative Clara Platform. We believe this innovation, combined with the significant technological investment that we've already made into Neighborhood-Trials.com, positions M&B Sciences to be a leader in the patient recruitment and retention space. This integration will position M&B as a leader in patient recruitment and retention with a focus on increasing underrepresented populations in clinical trials." **Eddilisa Martin MD, CEO, M&B Sciences**

YTD 2022, there were 18 PE/VC financing transactions with aggregate transaction value of approximately \$700 million in the Clinical Trial Technology segment. Notable transactions include: a \$220 million investment in Reify Health (CT recruitment platform) led by Coatue Management (4/2022), a \$150 million investment in Verana Health (CT data insights platform) led by Johnson & Johnson Inno-

vation (1/2022), and a \$50 million investment in Unlearn (CT machine-learning platform) by Insight Partners (8/2022).

"We seek out innovative companies at the intersection of technology and healthcare and were impressed by Reify Health's strong collaboration with key stakeholders in the ecosystem. We believe Reify Health will help transform clinical trials, starting with the critical pain point of patient recruitment and reinventing trial operations around it." **Aaron Weiner, Managing Director and Head of Healthcare, Coatue Management**

ENTERPRISE HEALTH & WELLNESS TECHNOLOGY (cont'd)

ENTERPRISE HEALTH & WELLNESS TECH: SELECT M&A TRANSACTIONS (YTD 2022)

Deal Date	Target	Acquirer	Enterprise Value (\$M)	EV/LTM Rev.	EV/LTM EBITDA
08/18/22	 +TRULLA	 SPEND MEND	N/A	N/A	N/A
08/04/22	 maestro health	 MARPAI	\$22.1	N/A	N/A
05/23/22	 Adi Insights	 ORACLE	N/A	N/A	N/A
03/04/22	 NUANCE	 Microsoft	18,800.0	14.0x	178.1x
03/01/22	 Clara	 MSB SCIENCES	N/A	N/A	N/A
01/27/22	 athenahealth	Hellman&Friedman  BainCapital	17,000.0	N/A	N/A

YTD as of August 31st

ENTERPRISE HEALTH & WELLNESS TECH: SELECT FINANCING TRANSACTIONS (YTD 2022)

Deal Date	Company	Investor(s)	Amount (\$M)	Deal Type
06/06/22	 Aledade	 OMERS Private Equity	\$123.0	Series E
05/12/22	 gusto	 DRAGONEER	230.0	Series E
04/21/22	 Reify HEALTH	 COATUE	220.0	Series D
01/27/22	 alto PHARMACY	 SoftBank Investment Advisers	200.0	Series E
01/14/22	 Verana Health	 Johnson & Johnson INNOVATION	150.0	Series E
01/11/22	 transcarent	 KINNEVIK  Human Capital	200.0	Series C

YTD as of August 31st