



BRENTWOOD
CAPITAL
ADVISORS

The best deal. Done.

HEALTHCARE TECHNOLOGY
SECTOR UPDATE
3Q21

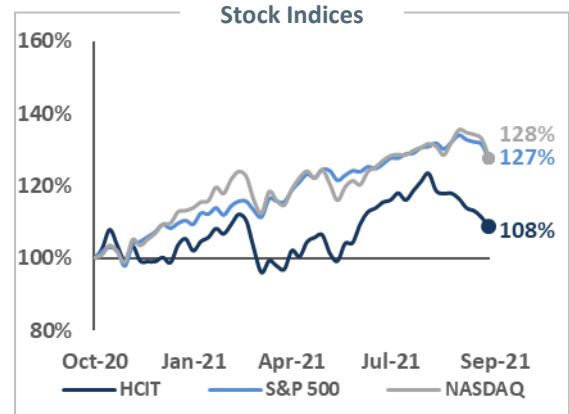
November 2021

www.brentwoodcapital.com

3Q21 Healthcare Technology Sector Overview

BCA Market Commentary & Stock Indices Relative Performance

- Social determinants of health (SDOH) has emerged as an active and increasingly important subsector of HCIT in Q3. Unite Us, a leading player in this space, made several transformative acquisitions. NowPow, which was led by BCA and offers personalized referral plans, and Carrot Health, which provides behavioral analytics were two of the notable transactions.
- Revenue cycle activity was oriented around patient financial responsibility, which continues to be a challenge for hospitals as high deductible plans shift a higher percent of the total cost of care to the patient. Noteworthy transactions were R1's acquisition of VisitPay and Waystar's acquisition of Patientco.
- Telehealth continues to generate broad interest after receiving broad acceptance as a viable alternative to in-person care in 2020. Maven, which provides telehealth and digital health support, completed a \$110mm Series D round led by Dragoneer.



Select M&A Transactions

M&A Deals				TEV Multiple		
Date	Target	Acquiror(s)	Target Business Description	TEV (\$M)	Revenue	EBITDA
Pending	Inovalon	Nordic Capital, Insight	Cloud-based platforms and analytics for healthcare providers.	\$7,300	10.2x	34.1x
9/21/21	NowPow	Unite Us	Community referral platform supporting full spectrum of care.	Confidential - BCA Transaction		
8/4/21	Home Care Pulse	Cressey & Co.	Satisfaction management, benchmarking, and performance services for home care industry.	Confidential - BCA Transaction		
7/29/21	Healthify	WellSky	Healthcare referral platform addressing social determinants of health.	N/A	N/A	N/A
7/28/21	SilverCloud, Conversa	Amwell	On-demand, virtual care and communication platforms.	N/A	N/A	N/A
7/15/21	PatientCo	Waystar	Patient payments, communications and engagement software.	\$450	N/A	N/A
7/7/21	Availity	Novo Holdings	Healthcare data and administrative networks platform.	\$1,700	N/A	21.3x
7/1/21	VisitPay	R1 RCM	Digital payment solution provider for the healthcare industry.	\$300	N/A	N/A

FINANCING DEALS				Amount (\$M)	Round of Financing
Date	Target	Investor(s)	Target Business Description		
9/24/21	Meru Health	Industry Ventures	Comprehensive online mental health solutions and therapeutic program	\$38	Series B
9/21/21	Pager	Susquehanna	Virtual care navigation and collaboration platform.	\$70	Series C
8/17/21	Maven Clinic	Dragoneer, Lux Capital	Digital health platform targeting women's and family health.	\$110	Series D

Select Public Trading Multiples

(\$M except share prices)									
Company	Ticker	Stock Price		% of 52-Week		TEV / Revenue		TEV / EBITDA	
		9/30/21	High	Low	TEV	LTM	NTM	LTM	NTM
Allscripts	MDRX	\$13.37	70%	169%	\$1,958	1.3x	1.3x	7.3x	7.2x
American Well	CHNG	\$9.11	21%	103%	\$1,402	5.8x	4.7x	N/M	N/M
Cerner	CERN	\$70.52	84%	104%	\$22,313	4.0x	3.8x	12.3x	11.2x
Health Catalyst	HCAT	\$50.01	84%	158%	\$2,401	11.1x	9.1x	N/M	N/M
HealthEquity	HQY	\$64.76	69%	132%	\$5,805	7.5x	7.4x	24.1x	22.7x
Phreesia	PHR	\$61.70	76%	204%	\$2,881	16.0x	13.8x	N/M	N/M
Teladoc	TDOC	\$126.81	41%	101%	\$21,139	11.1x	9.2x	N/M	N/M

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses. Data per SEC filings and PitchBook.

Brentwood Capital Advisors

Industry Bankers

Jack Jeong | Managing Director
(630) 388-8490
jjeong@brentwoodcapital.com

John Kibler | Managing Director
(312) 656-9296
jkibler@brentwoodcapital.com

Porter Meadors | Director
(615) 224-3821
pmeadors@brentwoodcapital.com

Representative Transactions

<p>Sell-side</p> <p>Sale to</p>	<p>Buy-side</p> <p>Cressey & Company</p> <p>Acquisition of</p>	<p>Sell-side</p> <p>Sale to</p>
---------------------------------	--	---------------------------------