

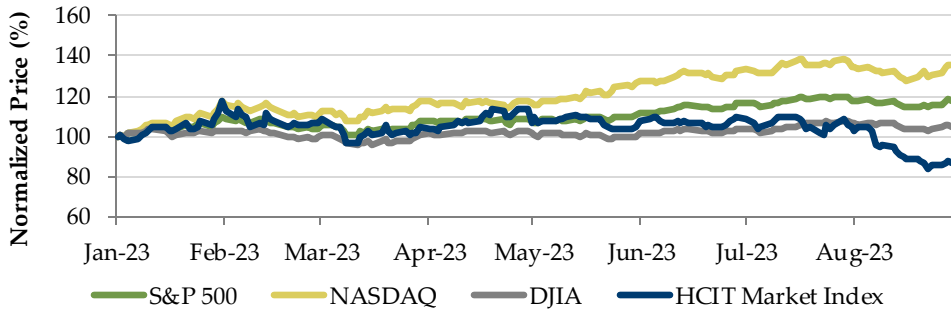
August 2023 Healthcare Technology Market Update

Public Markets

(all financials in millions of USD, except per share items)

Select Public Company Trading Multiples ¹									
Company	Ticker	08/31/23 Close Price	1-Yr. Price Change	08/31/23 Close Price as % of 52-Week High	08/31/23 Market Cap.	LTM Financials		Market Cap./	
						Revenue	EBITDA	Revenue	EBITDA
R1 RCM, Inc.	RCM	17.24	(21.1%)	75.8%	7,223	2,135	450	3.4x	16.1x
Doximity, Inc.	DOCS	23.84	(28.2%)	59.4%	4,642	437	140	10.6x	33.2x
Teladoc Health, Inc.	TDOC	22.64	(27.1%)	65.2%	3,735	2,531	(4)	1.5x	nm
Evolent Health, Inc.	EVH	25.51	(30.6%)	64.1%	2,850	1,632	87	1.7x	32.7x
Omnicell, Inc.	OMCL	56.86	(44.4%)	53.3%	2,571	1,235	36	2.1x	nm
Premier, Inc.	PINC	21.53	(38.9%)	59.7%	2,566	1,336	520	1.9x	nm
Phreesia, Inc.	PHR	28.47	11.0%	71.2%	1,570	301	(144)	5.2x	nm
Veradigm, Inc.	MDRX	13.38	(21.3%)	67.7%	1,462	1,529	115	1.0x	12.7x
NextGen Healthcare, Inc.	NXGN	18.21	6.2%	82.8%	1,220	678	56	1.8x	21.7x
Definitive Healthcare Corp.	DH	9.40	(53.2%)	43.0%	1,065	238	17	4.5x	nm
Accolade, Inc.	ACCD	13.49	32.5%	79.3%	1,020	371	(103)	2.8x	nm
Health Catalyst, Inc.	HCAT	11.69	(2.6%)	73.7%	666	285	(70)	2.3x	nm
HealthStream, Inc.	HSTM	21.03	(5.0%)	75.9%	645	274	33	1.9x	nm
American Well Corp.	AMWL	1.42	(68.8%)	31.3%	404	275	(231)	1.5x	nm

Healthcare Technology Index Price Performance²



Max:	10.6x	33.2x
Median:	2.0x	21.7x
Mean:	3.0x	23.3x
Min:	1.0x	12.7x

YTD Price Change

S&P 500	NASDAQ
17.9%	35.1%
DJIA	HCIT Index
4.8%	(13.2%)

Select 2023 Healthcare Technology Transactions³

Announced Date	Acquirer	Target	Target Sector	Deal Value (\$MM)	EV/ Revenue	EV/ EBITDA
08/08/2023	Roper Technologies, Inc. (NASDAQ: ROP)	Syntellis Performance Solutions, LLC	Enterprise Performance Management Software	1,400	7.6x	16.5x
08/07/2023	Nautic Partners, LLC	Tabula Rasa Healthcare, Inc. (NASDAQ: TRHC)	Tech-enabled Pharmacy Solutions	570	1.7x	nm
07/19/2023	TPG, Inc. (NASDAQ: TPG)	Nextech Systems, LLC	EMR and Practice Management	1,400	8.0x	24.6x
07/06/2023	Thermo Fisher Scientific, Inc. (NYSE: TMO)	CorEvitas, LLC	Data & Analytics	912	8.3x	-
03/06/2023	WW International, Inc. (NASDAQ: WW)	Weekend Health, Inc. (d/b/a Sequence)	Telehealth	106	4.2x	-
01/12/2023	SimiTree Healthcare Consulting	GreenpointMed	Revenue Cycle Management	-	-	-

- While we have generally seen a slowdown in healthcare technology ("HCIT") M&A volume this year, we are beginning to see some signs of recovery in the market as buyers and sellers seemingly become more comfortable with the macroeconomic environment and as the healthcare technology market becomes increasingly attractive from an investment perspective.
- Several large transactions have occurred in recent months at strong valuations, such as Roper Technologies, Inc.'s (NASDAQ: ROP) acquisition of Syntellis Performance and TPG, Inc.'s (NASDAQ: TPG) acquisition of Nextech Systems, LLC, which is likely to encourage more buyers and sellers to come off the sidelines and reengage in M&A.
- We continue to see some of the highest levels of M&A activity in the EMR/EHR, revenue cycle management, and data and analytics sub-sectors. In an environment where providers face thin margins amid labor shortages and inflation, and where we continue to see a prominent shift toward value-based care arrangements, it has never been more important for them to optimize these functions to drive operational efficiency and remain viable.
- Our view is that market dynamics are such that they will continue to necessitate the rapid adoption of healthcare technology solutions by both payers and providers, inviting more investment in the space and an increase in M&A activity in the sector.

Sherman & Company is an investment banking firm dedicated to the convergence of the insurance, healthcare, technology, and asset & wealth management industries.

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Sources: Sherman & Company, S&P Capital IQ Pro, Lev in Pro, Inc. press releases. 1. LTM financials as of most recent filing. 2. Normalized percentage of share price as of market close 01/03/2023. HCIT index constituents in this table select public companies listed at top of this page, weighted by market cap. 3. Roper Technologies, LLC/Syntellis Performance Systems, LLC's transaction multiples derived from Syntellis' estimated 2024 revenue and EBITDA per press release. WW International, Inc./Sequence transaction revenue multiple derived from Sequence's annual run rate revenue per press release. Thermo Fisher Scientific/CorEvitas, LLC revenue multiple based on CorEvitas' estimated 2023 revenue.

Sub-Sector Coverage

- Patient Engagement/Experience
- Remote Patient Monitoring
- Payor/Provider Services
- Pharmacy Benefits Management
- Revenue Cycle Management
- Staffing/Scheduling
- Third-Party Administrators
- Virtual Health/Telehealth
- Analytics/Artificial Intelligence
- Behavioral Health
- Claims/Benefits Administration
- Clinical Trial Management
- Compliance/Security/Regulatory
- Electronic Health Records
- Practice Management Software
- HR and Payroll

Dedicated Healthcare Technology and Services Team



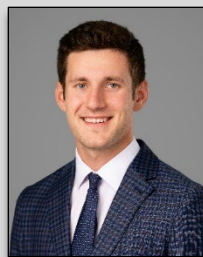
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Strengths

Expertise

Over 30 healthcare and insurance technology and services transactions since founding.

Personalization

Our firm ensures a high touch process from start to finish, providing every resource needed throughout the process.

Relationships

Our firm's bankers have developed deep-rooted relationships with key decision makers across the industry.

Knowledge

Our team understands the evolution of the healthcare market and leverages our sector expertise to guide our clients.

Maximum Value

Our role is to maximize value for our clients and negotiate the best transaction for the shareholders.

Sherman & Company Transaction Experience

Undisclosed



has acquired



Sell-Side Advisor

Undisclosed



has acquired



Sell-Side Advisor

Undisclosed



has acquired



Sell-Side Advisor

Undisclosed



has acquired



Sell-Side Advisor

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Sell-Side Advisor