



Digital Health M&A Perspectives

May 25, 2022

Confidential



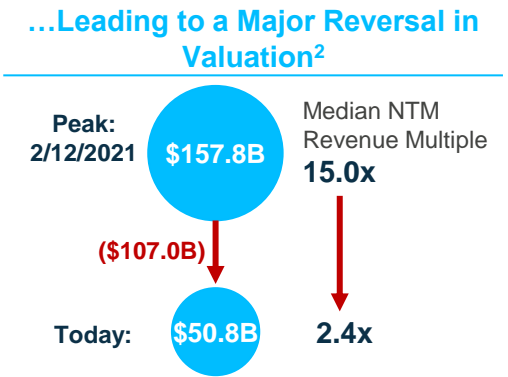
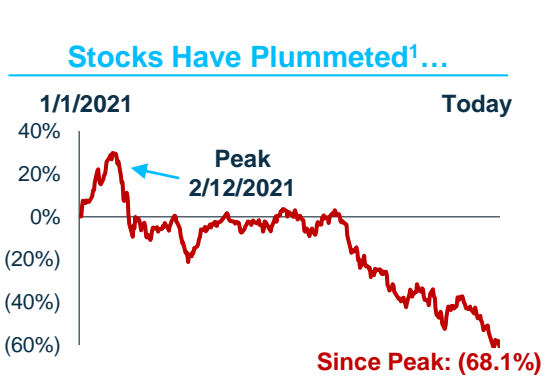
DIGITAL HEALTH'S "ICARUS MOMENT" SETS UP A POTENTIAL WAVE OF M&A AND CONSOLIDATION

A Swift Fall

The Megatrends Have Not Disappeared

Setting the Stage for M&A and Consolidation

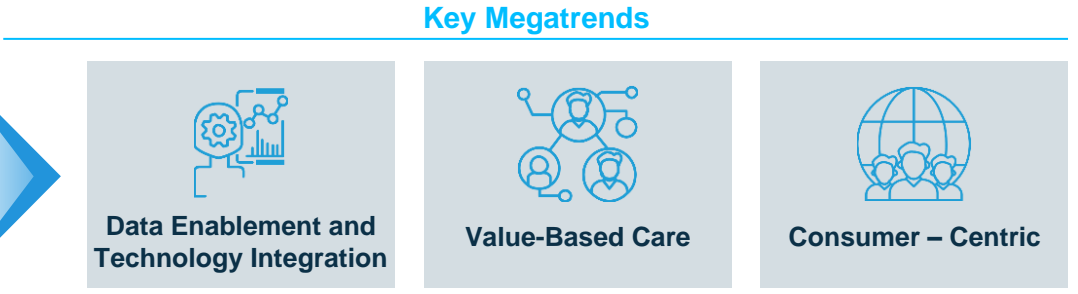
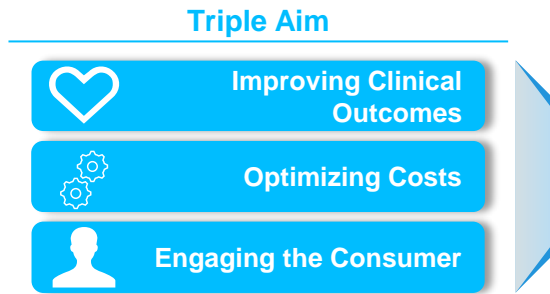
With Clear Areas of Opportunity



SPAC Implosion

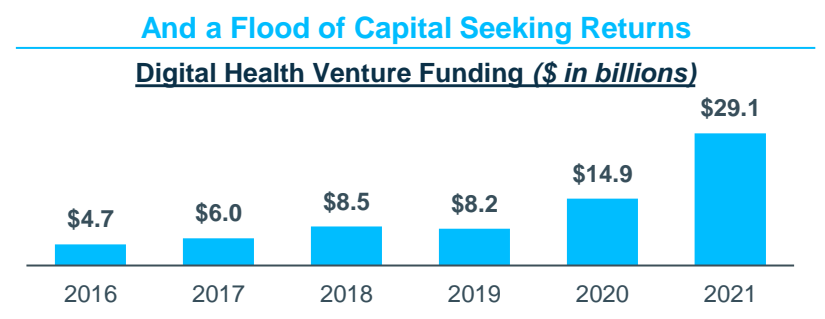
Avg. Price Perf. Post-SPAC: **(64.8%)**

	#	Companies
2H20	3	CanoHealth, Caremax, hims&hers
1H21	9	23andMe, DocGo, P3 Health Partners, PEAR, UpHealth, talkspace, @sharecare, babylon Science
2H21	1	The Oncology Institute of Hope & Innovation



Consolidators of Scale Poised to Act

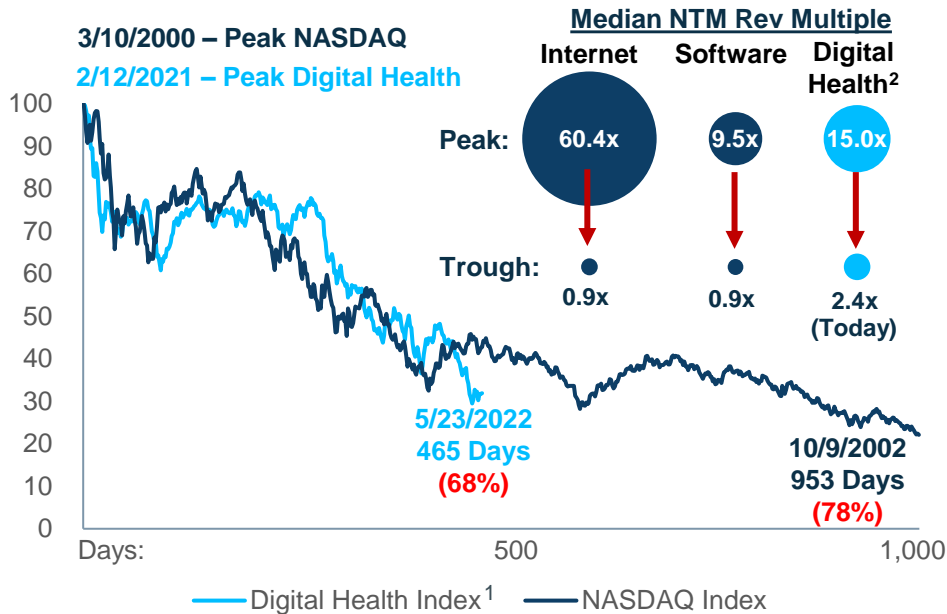
Digital Health Accolade, HealthCatalyst, Included, Quantum Health, Teladoc, Pulse	HC Services Cigna, CVS Health, one medical, United Healthcare, OPTUM	Consumer amazon, BEST BUY, Walmart
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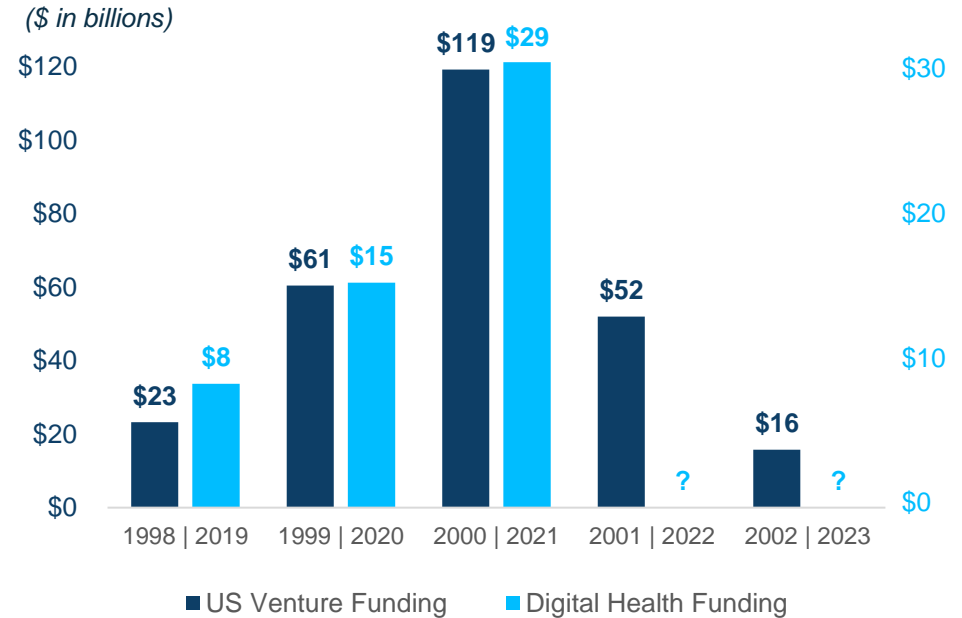
- | | | | |
|-----------------------------------|--|---|---|
| Pain Point: | × Point Solution Fatigue | × Traditional Healthcare's Failures | × Care and Cost Alignment |
| | <ul style="list-style-type: none"> ✓ Virtual Care ✓ Chronic Care Management ✓ Consumer Front Door | <ul style="list-style-type: none"> ✓ Women's Health ✓ Behavioral Health ✓ Hybrid Care Models | <ul style="list-style-type: none"> ✓ Data Enablement ✓ Value-based Care |
| Categories of Opportunity: | | | |

REVISITING HISTORY AFTER THE DOT COM BUBBLE BURST

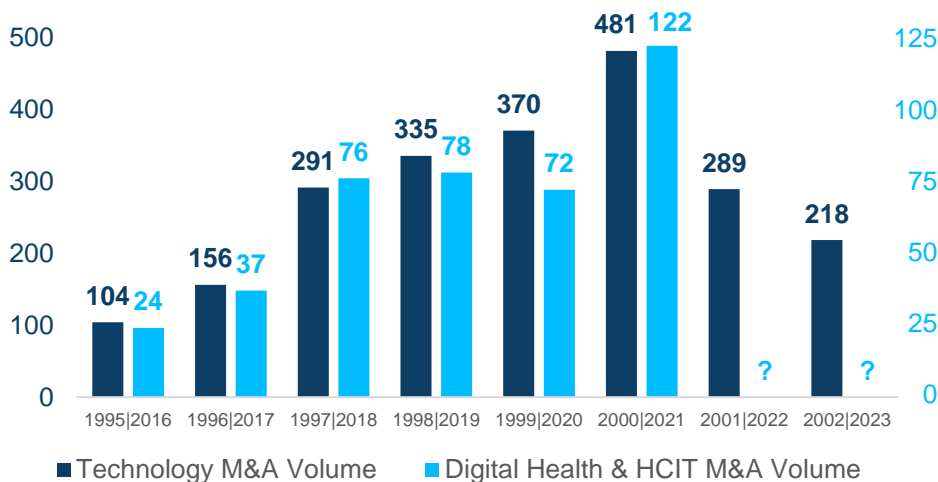
Digital Health's Rapid Public Market Erosion Mirrors that of the Dot Com Era



The Public Market Implosion Reverberated in Private Markets, Foreshadowing What Digital Health is Likely to Experience

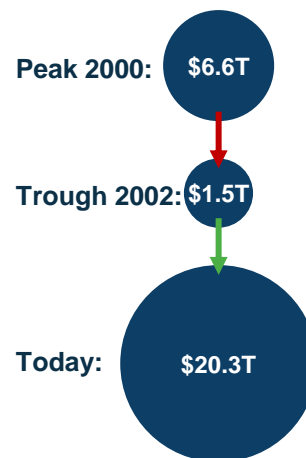


M&A Volume Post-Bubble Peaked in the 24 Months After the Bubble Burst and Remained Elevated



The Tech Sector Continues to Thrive

Nasdaq Mkt Cap.



Survivors

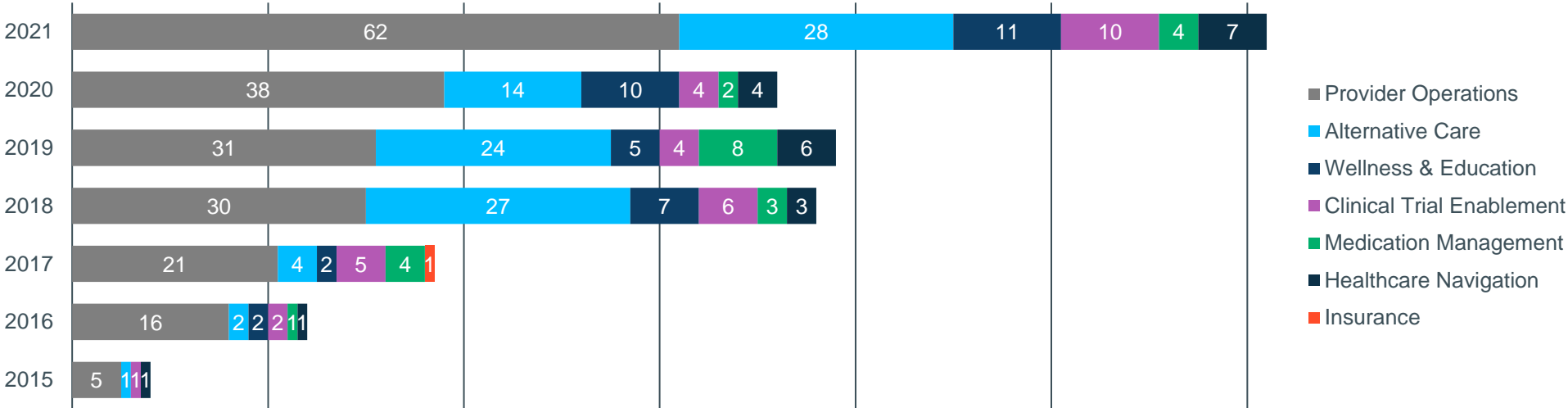


Notable Names to IPO After 2000



CONSOLIDATION ACTIVITY IS POISED TO ACCELERATE

DIGITAL HEALTH & HCIT PRIVATE M&A DEALS BY SUBSECTORS



HCIT M&A MEDIAN DEAL VALUES BY YEAR

YEAR	TOTAL DEAL	YEARS TO EXIT
2021	\$63M	5.0
2020	\$84M	6.2
2019	\$40M	5.8
2018	\$100M	4.9
2017	\$41M	3.6
2016	\$10M	4.2
2015	\$70M	4.3

2021 NOTABLE M&A DEALS⁽¹⁾

Alternative Care: Access+Physicians, CONTESSA HOME RECOVERY CARE, current health, iorahealth, ginger, MDLIVE, Modern Fertility, PlushCare

Clinical Trial Enablement: Genuity, zebiAI, 4G CLINICAL

Healthcare Navigation: dottori.it, Healthify, Tango health

Provider Operations: BardyDx, ciitizen, NANOX X-RAY REIMAGINED, ooda HEALTH, PATIENTCO, PATIENTPING, PerGen, trapelo, twistle, visitpay

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