

# CONSUMER HEALTHTECH

## 2022 Year End Market Report



## COVERAGE ACROSS THE CONSUMER HEALTHTECH UNIVERSE

Note: Companies are representative of those who participate in the Solomon-defined sector.



# LOOKING AHEAD

**T**his past year was again transformational for the high growth Consumer Healthtech category. However, while much operational progress was forged, the macro and capital markets environment challenged fundamental operating principals. So, as we enter 2023, let's take a moment to assess key learnings for our category:

- 1. Multi-Channel Go-To-Market:** It has become clear that a single GTM strategy is a losing strategy, with select exceptions. Agile DTC companies are successfully pivoting into a multi-channel approach consisting of a) owned retail, b) wholesale (brick & mortar or dotcom), c) B2B2C via self-insured employers or payers, d) life science data partnerships and / or e) provider channel via payer reimbursement. Similarly, those who started on the prescribed wearable side have found innovative direct-to-patient marketing a winning strategy. We expect this trend to be magnified in 2023, with M&A a streamlined path to enter new channels.
- 2. Unit Economics > Growth:** In the heyday of the 2010s and early 2020s with relatively cheap capital available, our clients were hyper-focused on acquiring new customers. However, in 2022, companies (at the behest of their investors), rotated their priorities inward, with a heavy emphasis on upselling existing customers. Consumer Healthtech businesses a) increased subscription / product price, b) retargeted existing customers with new / acquired products, and / or c) developed a subscription product with attractive payback economics. Critically, each of these measures increases LTV and Gross Margins, two of the most important metrics assessed by investors in the current environment. Similarly, loss-making businesses dialed back their marketing. We noted that Q3 marketing for EBITDA-negative businesses declined 11% YoY to focus on near-term cash runway, with certain fitness-tech companies reducing budgets by 50%+. Heading into 2023, we expect that growth will be back in vogue as the delineation between companies becomes clearer following the dislocation of 2022, improving quality businesses capital raise and exit prospects.



- 3. Path to Profitability:** In 2022, those who could not prove cash independence in the next 18 months fell out of favor with financial investors. Strategics are requiring that businesses already prove cash independence. Many startups will not survive this trend. Those who do survive will intensely focus on the two points above (multi-channel GTM and unit economics). The honeymoon phase in Consumer Healthtech is largely over. 2H 2022 financings were down 55% vs. 2H 2021 and 40% vs. 1H 2022. 2023 will decide the fate of a material percentage of the industry.
- 4. Consolidation:** Let's remember that 90% of the industry was founded in the last 15 years. Accordingly, the winners and losers are yet to be decided. Today's early winners largely were early adopters, with still much to demonstrate to elicit staying power. We believe that M&A will play a crucial role in that staying power, as we have seen across other maturing industries. Given the trends above, we are fast approaching the date where 'interesting products' must prove that they are 'cash-generating businesses.' We believe that moment arrived in late 2022, and the time is now for larger, better capitalized companies to take advantage. If those inside the industry don't step up, we expect visionary companies from outside the core category (across Healthcare, Technology, Consumer and Retail) and Private Equity to aggressively enter.

*Here at Solomon Partners, we support clients with M&A, capital markets and debt advisory expertise. But importantly, we also support our clients throughout their lifecycle with thoughtful insights based on decades of experience, with an eye toward impact on public market appetite or strategic / private equity exit. Notwithstanding the challenging environment, we are proud to have served as financial advisor on six Consumer Healthtech transactions in 2022.*

*In closing, let's not forget that our industry remains early in its lifecycle, still generating market leading growth. Consumer Healthtech innovators have found new direct-to-patient avenues or developed new devices / services to improve the health and wellness of millions across the globe. We continue to champion both the large and small companies to current – and potential new – sector participants and remain bullish on the prospects of a great many Consumer Healthtech companies.*

*Please enjoy our Consumer Healthtech Year End Market Report. As we enter 2023, we'd welcome a chance to connect – either in-person or virtually – and look forward to a fruitful and active year.*

Regards,

Eric Bormel  
Head of Consumer Healthtech





# 2022 YEAR END MARKET REPORT

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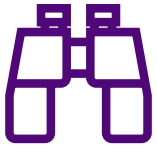
PUBLIC COMPANY OPERATING & VALUATION UPDATE

January February March April May June July August September October November December



# 2H 2022 INDICATORS

The operational environment in Consumer Healthtech worsened in 2H 2022, consistent with the broader economic environment, which negatively impacted financing and public market returns; however, the category continues to achieve market-leading growth



## Operational Indicators

Led by strength across virtual care, **Consumer Healthtech continued at its industry leading growth trajectory**, though underperformance in fitness tech weighed on performance

**+15%**

Revenue Growth  
2022E vs. 2021A

**+11%**

Gross Profit \$  
2022E vs. 2021A



## Financing Indicators

**Investors shied away from larger, late-stage rounds** and instead focused on early-stage, smaller equity investments seeking to diversify away from public market dislocation

**(4%)**

Transaction Volume  
2H YoY

**(55%)**

Capital Raised  
2H YoY



## M&A Indicators

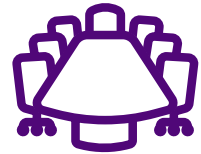
**M&A activity slowed vs. 1H 2022** amidst the challenging capital markets environment; however, transactions continued to be executed at premiums for attractive assets

**8%**

Transaction Volume  
2H YoY

**(42%)**

Transaction Volume  
2H HoH



## Public Comp Indicators

**Stock prices fell across Consumer Healthtech**, although at a lower rate than the pull-back in Wall Street financial estimates, causing an appreciation in revenue and EBITDA multiples

**(12%)**

Stock Price Return  
Median 2H 2022

**6%**

EV / 2022E Revenue  
Multiple Appreciation  
Since 6/30/22



































# FINANCING ACTIVITY

2H 2022 saw a shift from larger to smaller financings as the capital raised declined precipitously both YoY and HoH

## Summary Financing Activity

	Total Transactions			Total Capital Raised (\$M)		
	2H 22	YoY	HoH	2H 22	YoY	HoH
 Biometric Monitoring Devices	5	(29%)	(50%)	\$179	(32%)	8%
 Connected Health & Fitness Devices	9	--	29%	310	(26%)	94%
 Health & Wellness Tech	19	--	(27%)	196	(69%)	(76%)
 Wearable Therapeutic Devices	6	(33%)	20%	231	(19%)	151%
 Wearable RPM Devices	10	(29%)	(29%)	244	(45%)	(26%)
 DTC Rx	11	57%	120%	299	(16%)	(30%)
 DTC Dx	14	133%	100%	241	87%	29%
 DTC PDTx	3	(70%)	(50%)	92	(91%)	(79%)
 Behavioral Health	12	--	(25%)	206	(77%)	(71%)
<b>Total</b>	<b>89</b>	<b>(4%)</b>	<b>(7%)</b>	<b>\$1,997</b>	<b>(55%)</b>	<b>(40%)</b>

## Selected Transactions

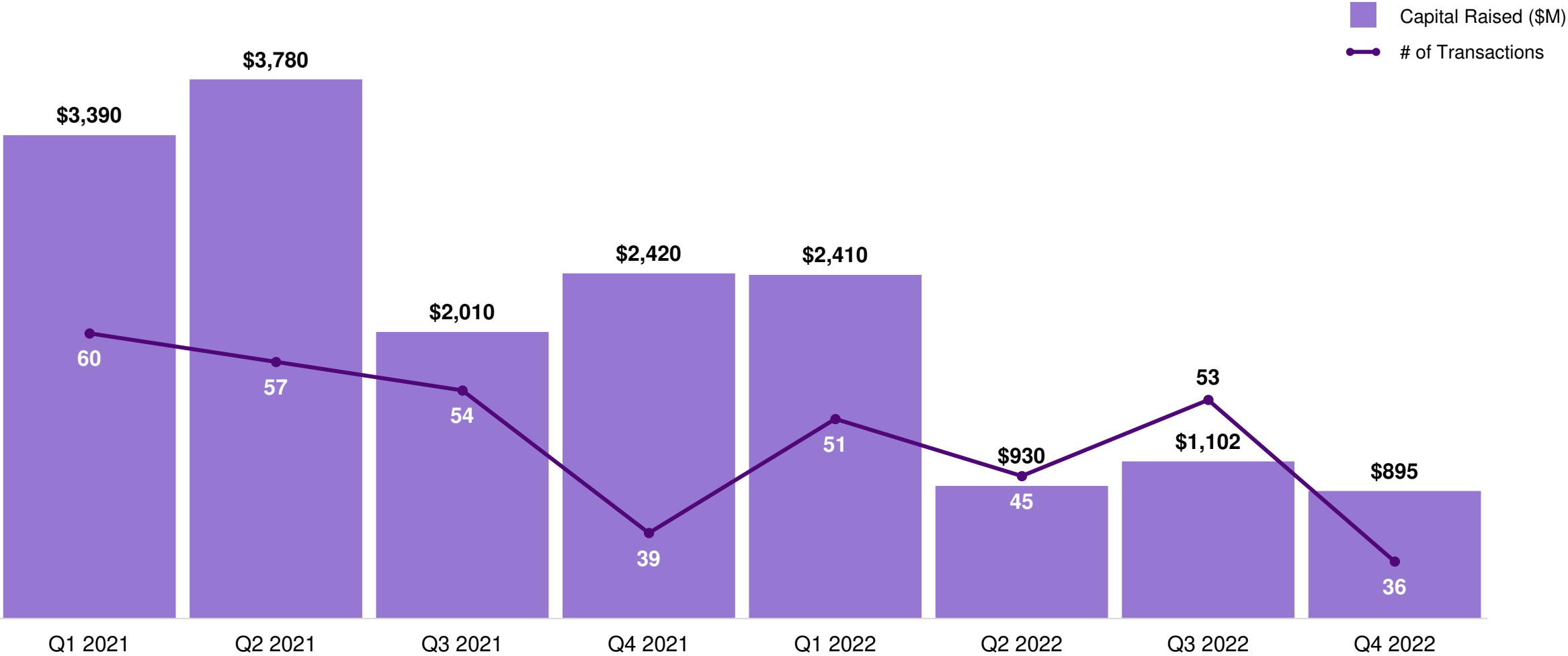
Category	Company	Lead Investor	Raise (\$M)
	 Therabody	 North Castle Partners	\$165
	 MAVEN	GENERAL  CATALYST	\$90
	 ON X	 SUMMIT PARTNERS	\$87
	 VIOME LIFE SCIENCES	 BOLD capital group, llc	\$67
	 lumen®	 pitango	\$62
	 CureApp	CARLYLE	\$53
	kindbody	SQUARE  POINT	\$50
	 NOX HEALTH	 VESTAR	ND





# FINANCING ACTIVITY

Notwithstanding the macroeconomic environment, Consumer Healthtech companies are raising ~\$1 billion per quarter over the last 3 quarters
















# M&A ACTIVITY

Exit velocity remained consistent with the second half of 2021 though off the rapid pace of 1H 2022, largely driven by fewer exits in Health & Wellness Tech

## Summary M&A Activity

	Total Transactions				
	2H 22	2H 21	YoY	1H 22	HoH
 Biometric Monitoring Devices	2	2	--	--	100%
 Connected Health & Fitness Devices	5	2	150%	5	--
 Health & Wellness Tech	15	14	7%	25	(40%)
 Wearable Therapeutic Devices	1	--	100%	6	(83%)
 Wearable RPM Devices	2	2	--	--	100%
 DTC Rx	2	1	100%	3	(33%)
 DTC Dx	--	1	(99%)	2	(99%)
 DTC PDTx	1	1	--	1	--
 Behavioral Health	--	3	(99%)	6	(99%)
<b>Total</b>	<b>28</b>	<b>26</b>	<b>8%</b>	<b>48</b>	<b>(42%)</b>

## Selected Transactions

Category	Acquiror	Target	Ent. Value
	WARBURG PINCUS	 Internet Brands®	\$12,000
	 Pfizer	 Resapp HEALTH	A\$182
	 PATIENT SQUARE CAPITAL	 EARGO	\$99
	 ResMed	 mementor health applications	~\$20
	femtec health	avaa /  nūtrimed	ND
	 Optum	 RED VENTURES Joint Venture	ND
	 BEHAVR	 OXFORDVR	ND
	 Wellable	 SWEAT FACTOR DAILY ENDORPHIN Wellness Challenges	ND

Source: Publicly available research.

Note: YoY represents Year over Year growth (vs. 2H 21). HoH represents Half over Half growth (vs. 1H 22). Solomon Partners logo indicates that Solomon or a Natixis-affiliate organization advised on the transaction.

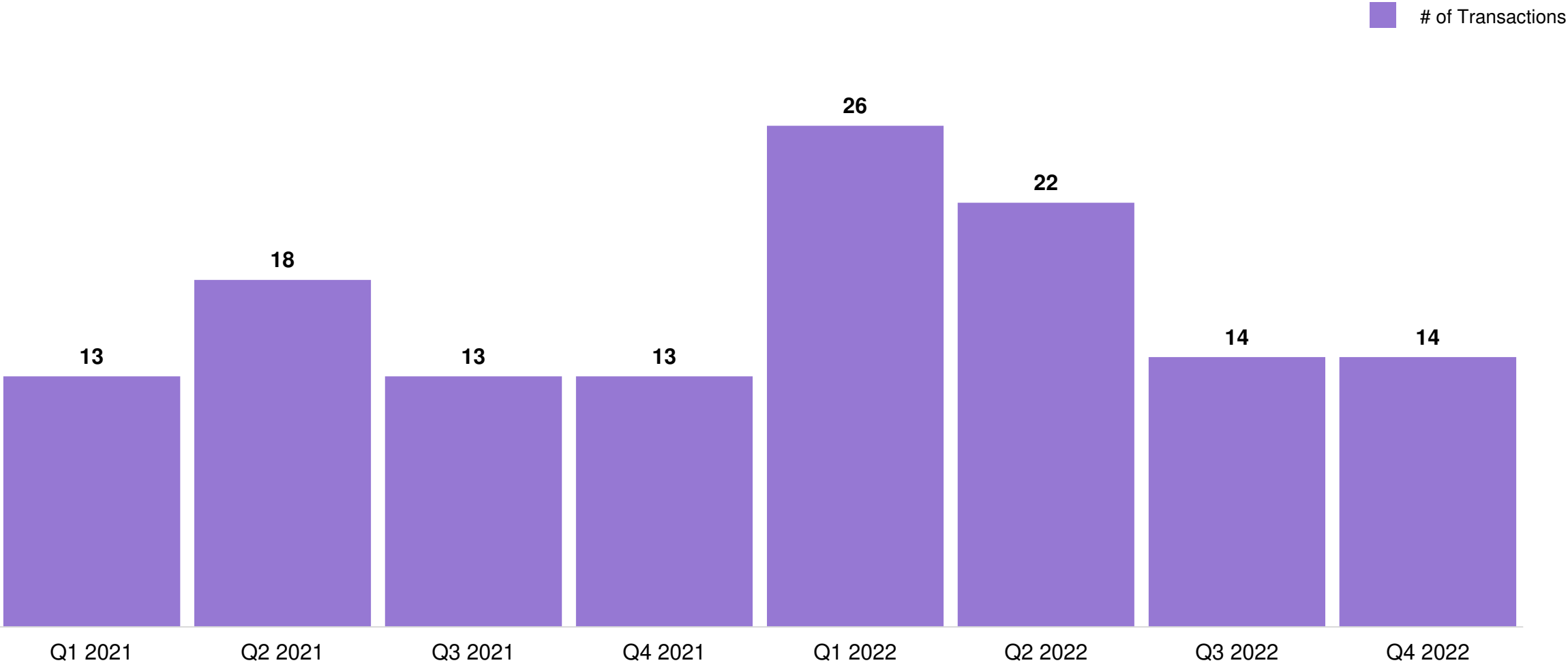
Private and Confidential





# M&A ACTIVITY

M&A settled into historical norms following peak transactions in 1H 2022







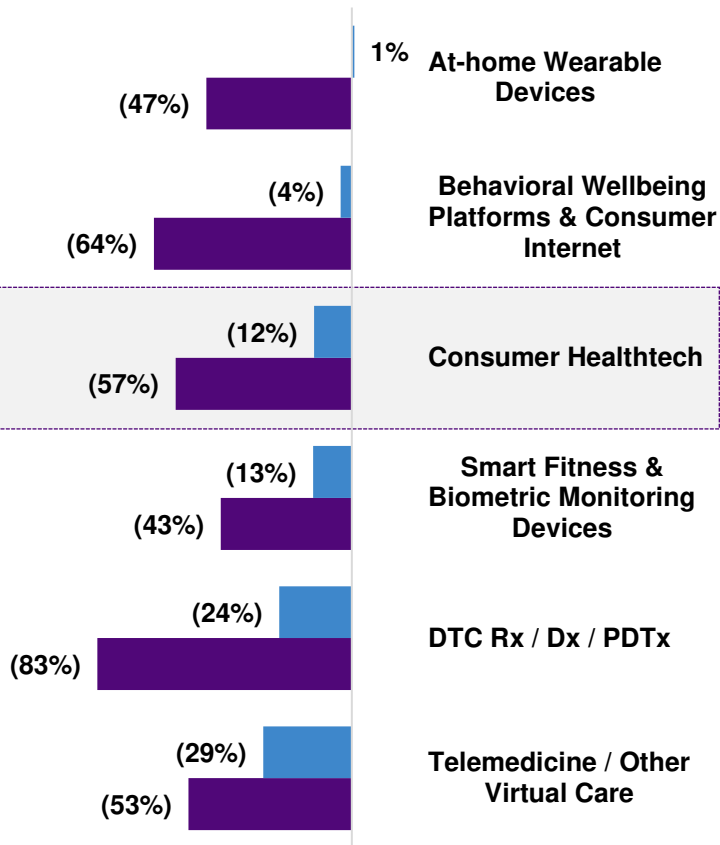
# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Stock prices and valuations fell across Consumer Healthtech, though 2H 2022 saw some stabilization across public companies

## Stock Price Return

Median Return over Trailing

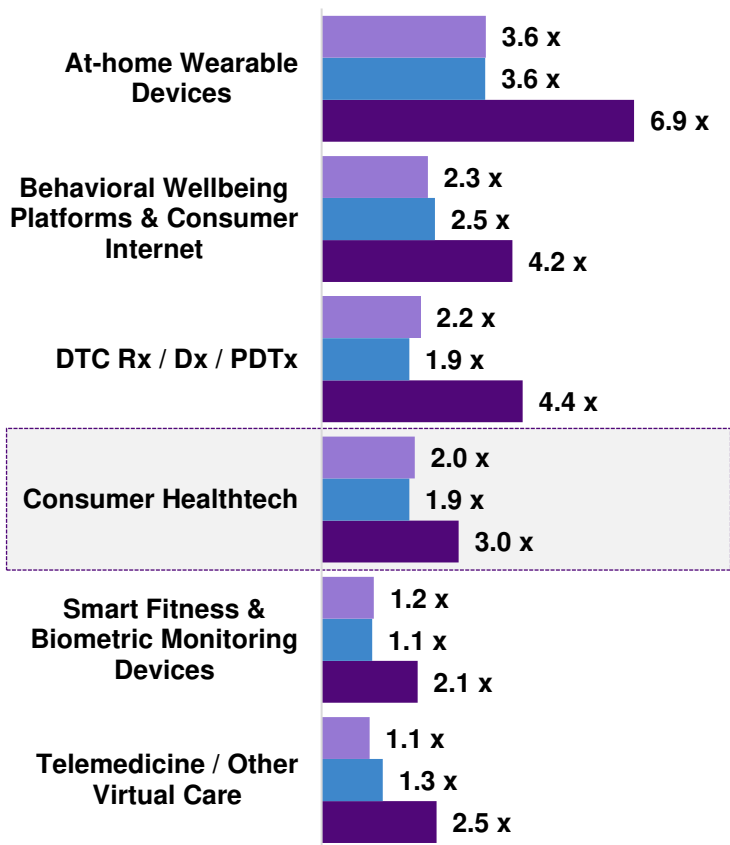
■ 6-Mo ■ 12-Mo



## EV / Revenue

CY2022 Median Wall Street Multiple as of:

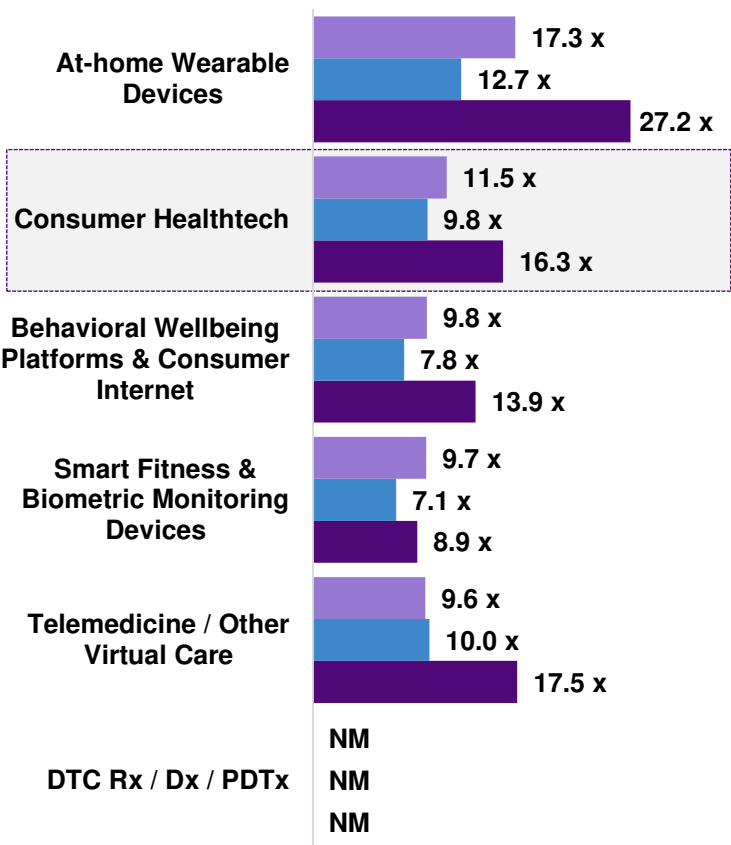
■ 12/31/22 ■ 6/30/22 ■ 12/31/21



## EV / EBITDA

CY2023 Median Wall Street Multiple as of:

■ 12/31/22 ■ 6/30/22 ■ 12/31/21







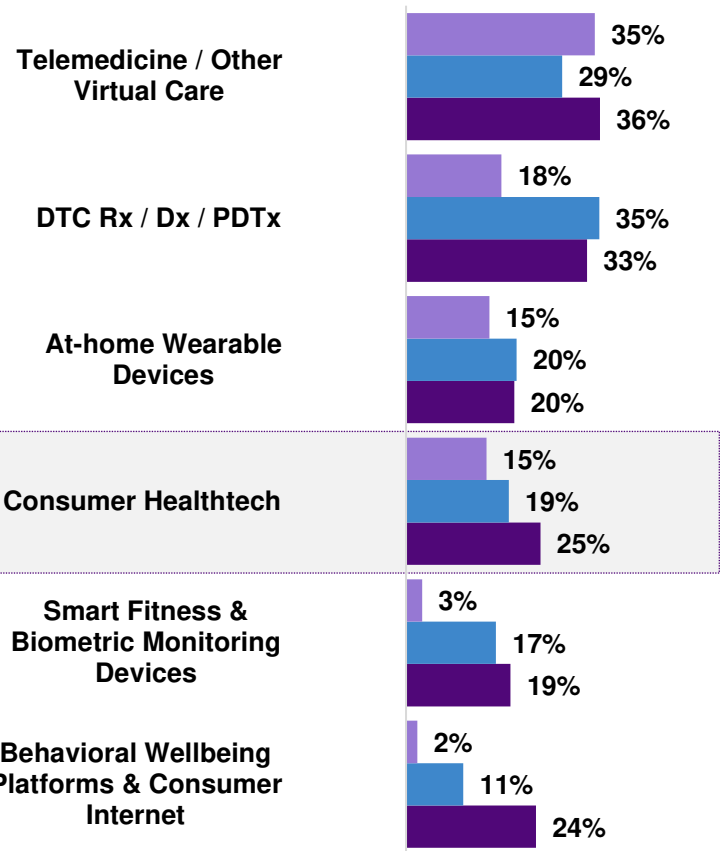
# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Consumer Healthtech remains a high growth sector, though well off the pace of analyst expectations

## Revenue Growth

2022 Median Wall Street Estimate as of:

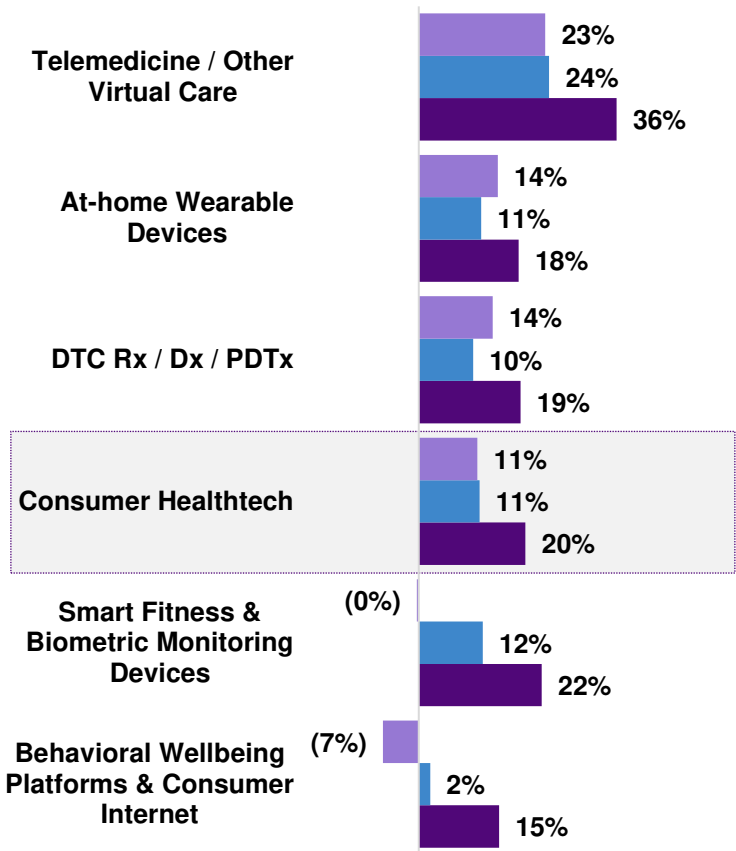
12/31/22 6/30/22 12/31/21



## Gross Profit \$ Growth

2022 Cumulative Wall Street Estimate as of:

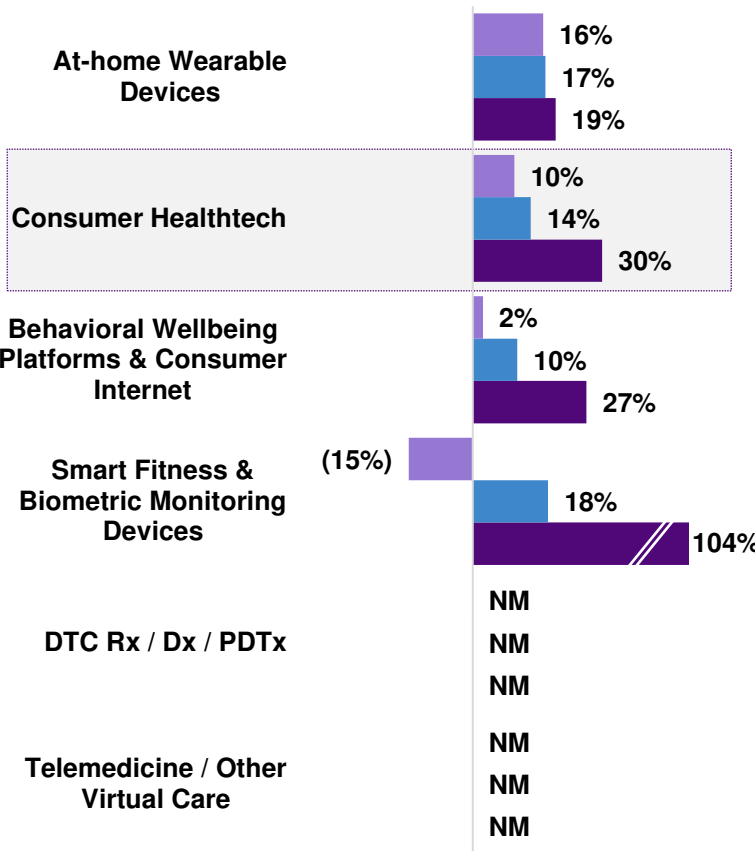
12/31/22 6/30/22 12/31/21



## EBITDA \$ Growth

2022 Cumulative Wall Street Estimate as of:

12/31/22 6/30/22 12/31/21







# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance					Equity Value	Enterprise Value	Revenue	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max				CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022
At-home Wearable Devices																	
Align Technology	\$210.90	7%	2%	(11%)	(68%)	(71%)	\$16,474	\$15,333	\$3,718	(6%)	3%	4.1 x	4.0 x	71%	71%	16.5 x	16.2 x
Bausch+Lomb	15.51	3%	1%	2%	IPO	IPO	5,429	7,646	3,733	(1%)	2%	2.0 x	2.0 x	60%	61%	10.4 x	10.0 x
DarioHealth	4.28	(14%)	(8%)	(30%)	(67%)	(86%)	110	77	27	33%	26%	2.8 x	2.2 x	39%	55%	NM	NM
DexCom	113.24	(3%)	41%	52%	(16%)	(30%)	43,740	43,397	2,905	19%	19%	14.9 x	12.5 x	64%	65%	NM	49.3 x
Eargo	0.58	(9%)	(45%)	(24%)	(89%)	(99%)	238	118	33	2%	2%	3.6 x	3.5 x	33%	41%	NM	NM
EssilorLuxottica	180.31	(5%)	21%	18%	(10%)	(12%)	80,175	92,128	26,215	24%	5%	3.5 x	3.4 x	63%	64%	14.3 x	13.5 x
Insulet Corp	294.39	(2%)	28%	35%	11%	(8%)	20,445	21,130	1,267	15%	15%	16.7 x	14.5 x	66%	66%	NM	NM
Kits Eyecare	1.97	6%	(0%)	22%	(8%)	(71%)	62	62	67	11%	17%	0.9 x	0.8 x	32%	33%	NM	17.5 x
iRhythm Technologies	93.67	(14%)	(25%)	(13%)	(20%)	(65%)	2,820	2,652	409	27%	19%	6.5 x	5.5 x	68%	69%	NM	NM
Masimo	147.95	2%	5%	13%	(49%)	(51%)	7,777	8,523	2,020	63%	17%	4.2 x	3.6 x	55%	52%	19.9 x	17.2 x
ProSomnus	5.56	(47%)	IPO	IPO	IPO	IPO	89	109	20	39%	100%	5.6 x	2.8 x	59%	65%	NA	NA
Senseonics	1.03	(7%)	(22%)	--	(61%)	(80%)	493	398	16	19%	88%	24.4 x	13.0 x	18%	18%	NA	NA
SmileDirectClub	0.35	(42%)	(61%)	(66%)	(85%)	(98%)	138	361	484	(24%)	(1%)	0.7 x	0.8 x	71%	72%	NM	NM
SomnoMed	0.88	(5%)	(12%)	7%	(45%)	(51%)	73	70	54	21%	18%	1.3 x	1.1 x	62%	65%	NM	18.7 x
Sonova	236.98	(9%)	(0%)	(28%)	(39%)	(45%)	14,246	15,886	3,804	8%	13%	4.2 x	3.7 x	71%	72%	14.8 x	13.0 x
Tandem Diabetes	44.95	7%	(6%)	(24%)	(70%)	(71%)	2,890	2,564	803	14%	11%	3.2 x	2.9 x	52%	53%	45.5 x	39.2 x
Warby Parker	13.49	(21%)	1%	20%	(71%)	(77%)	1,560	1,362	595	10%	15%	2.3 x	2.0 x	57%	58%	NM	26.4 x
	Mean	(9%)	(5%)	(2%)	(46%)	(61%)				16%	22%	5.9 x	4.6 x	55%	57%	20.3 x	22.1 x
	Median	(5%)	(0%)	1%	(49%)	(71%)				15%	15%	3.6 x	3.4 x	60%	64%	15.7 x	17.3 x





# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance					Equity Value	Enterprise Value	Revenue	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max			CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023
Smart Fitness & Biometric Monitoring Devices																	
Catapult Sports	\$0.50	(11%)	(12%)	(12%)	(53%)	(68%)	\$120	\$113	\$96	54%	(11%)	1.2 x	1.3 x	72%	75%	NM	NM
Garmin	92.29	(1%)	15%	(6%)	(32%)	(48%)	17,689	14,991	4,853	(3%)	6%	3.1 x	2.9 x	58%	58%	12.8 x	11.5 x
InBody	15.90	9%	5%	(15%)	(13%)	(38%)	207	146	126	16%	14%	1.2 x	1.0 x	NA	NA	4.2 x	3.8 x
Johnson Health Tech	2.26	(10%)	(6%)	28%	23%	(31%)	684	1,220	1,086	9%	13%	1.1 x	1.0 x	43%	48%	30.5 x	9.7 x
Owlet	0.56	(33%)	(48%)	(67%)	(79%)	(95%)	64	58	71	(6%)	15%	0.8 x	0.7 x	35%	47%	NM	NM
Peloton	7.94	(30%)	15%	(14%)	(78%)	(95%)	2,700	3,444	3,010	(27%)	(7%)	1.1 x	1.2 x	39%	45%	NM	NM
Technogym	7.62	(3%)	11%	15%	(15%)	(40%)	1,534	1,486	755	16%	10%	2.0 x	1.8 x	68%	68%	10.6 x	9.3 x
Zepp Health	1.45	21%	6%	(22%)	(71%)	(93%)	364	427	614	(32%)	12%	0.7 x	0.6 x	22%	23%	NM	24.8 x
Mean		(7%)	(2%)	(12%)	(40%)	(63%)				3%	7%	1.4 x	1.3 x	48%	52%	14.5 x	11.8 x
Median		(6%)	5%	(13%)	(43%)	(58%)				3%	11%	1.2 x	1.1 x	43%	48%	11.7 x	9.7 x
Behavioral Wellbeing Platforms & Consumer Internet																	
Beachbody	\$0.53	(25%)	(48%)	(56%)	(78%)	(97%)	\$164	\$107	\$691	(21%)	(10%)	0.2 x	0.2 x	55%	63%	NM	NM
Doximity	33.56	(1%)	11%	(4%)	(33%)	(67%)	6,460	5,710	390	23%	28%	14.6 x	11.5 x	89%	89%	37.4 x	26.9 x
GoodRx	4.66	7%	(0%)	(21%)	(86%)	(92%)	1,846	1,777	761	2%	2%	2.3 x	2.3 x	92%	91%	8.7 x	9.1 x
Sharecare	1.60	(16%)	(16%)	1%	(64%)	(87%)	566	423	439	6%	19%	1.0 x	0.8 x	48%	50%	24.0 x	10.9 x
Sleep Cycle	4.13	44%	17%	(2%)	(33%)	(52%)	84	63	21	17%	23%	3.1 x	2.5 x	76%	76%	11.6 x	10.3 x
WW International	3.86	(7%)	(2%)	(40%)	(76%)	(91%)	272	1,497	1,041	(14%)	(9%)	1.4 x	1.6 x	61%	61%	7.7 x	9.3 x
Ziff Davis	79.10	(14%)	16%	6%	(29%)	(46%)	3,733	4,055	1,395	(2%)	3%	2.9 x	2.8 x	86%	87%	7.9 x	7.7 x
Mean		(2%)	(3%)	(16%)	(57%)	(76%)				2%	8%	3.6 x	3.1 x	72%	74%	16.2 x	12.3 x
Median		(7%)	(0%)	(4%)	(64%)	(87%)				2%	3%	2.3 x	2.3 x	76%	76%	10.2 x	9.8 x





# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance					Equity Value	Enterprise Value	Revenue	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max			CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023
DTC Rx / Dx / PDTx																	
23andMe	\$2.16	(29%)	(24%)	(13%)	(68%)	(88%)	\$984	\$573	\$294	18%	(2%)	1.9 x	2.0 x	45%	50%	NM	NM
Akili Therapeutics	1.12	(23%)	(50%)	(89%)	(89%)	(92%)	87	(52)	0	NA	992%	NM	NM	30%	30%	NM	NM
Cue Health	2.07	(35%)	(31%)	(35%)	(85%)	(90%)	309	9	385	(37%)	(31%)	0.0 x	0.0 x	41%	33%	NM	NM
Hims & Hers	6.41	4%	15%	42%	(2%)	(74%)	1,332	1,133	521	97%	36%	2.2 x	1.6 x	77%	78%	NM	NM
Invitae	1.86	(37%)	(24%)	(24%)	(88%)	(97%)	452	1,465	513	12%	1%	2.9 x	2.8 x	42%	46%	NM	NM
Pear Therapeutics	1.18	(36%)	(42%)	(23%)	(81%)	(88%)	165	108	15	246%	121%	7.3 x	3.3 x	38%	59%	NM	NM
	Mean	(26%)	(26%)	(24%)	(69%)	(88%)				67%	186%	2.9 x	1.9 x	45%	49%	NA	NA
	Median	(32%)	(28%)	(24%)	(83%)	(89%)				18%	19%	2.2 x	2.0 x	42%	48%	NA	NA
Telemedicine / Other Virtual Care																	
American Well	\$2.83	(22%)	(21%)	(34%)	(53%)	(93%)	\$779	\$218	\$276	9%	16%	0.8 x	0.7 x	42%	45%	NM	NM
Babylon	6.75	(52%)	(43%)	(72%)	(95%)	(98%)	167	348	1,110	244%	29%	0.3 x	0.2 x	1%	6%	NM	NM
DocGo	7.07	(4%)	(29%)	(1%)	(24%)	(36%)	724	573	435	37%	14%	1.3 x	1.2 x	34%	36%	13.1 x	10.5 x
LifeMD	1.94	(20%)	(2%)	(5%)	(50%)	(94%)	61	59	125	35%	30%	0.5 x	0.4 x	84%	85%	NM	4.5 x
Talkspace	0.61	(31%)	(41%)	(64%)	(69%)	(95%)	97	(56)	119	4%	12%	NM	NM	50%	50%	NM	NM
Teladoc	23.65	(17%)	(7%)	(29%)	(74%)	(92%)	3,830	4,482	2,400	18%	13%	1.9 x	1.7 x	69%	69%	18.4 x	15.5 x
WELL Health	2.09	(6%)	(8%)	(7%)	(42%)	(69%)	482	778	418	88%	15%	1.9 x	1.6 x	54%	54%	10.1 x	8.7 x
	Mean	(22%)	(21%)	(30%)	(58%)	(82%)				62%	18%	1.1 x	1.0 x	48%	49%	13.9 x	9.8 x
	Median	(20%)	(21%)	(29%)	(53%)	(93%)				35%	15%	1.1 x	0.9 x	50%	50%	13.1 x	9.6 x
Consumer Healthtech	Mean	(12%)	(10%)	(13%)	(52%)	(71%)				25%	38%	3.7 x	2.9 x	54%	57%	16.8 x	15.7 x
45 Companies	Median	(9%)	(6%)	(12%)	(61%)	(77%)				15%	14%	2.0 x	2.0 x	56%	58%	13.1 x	11.5 x





# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance					Equity Value	Enterprise Value	Revenue	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max			CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023
<b><u>Micro-Cap (Defined as Market Cap Between \$10m - \$50m)</u></b>																	
<i>At-home Wearable Devices</i>																	
Biotricity	0.45	(57%)	(44%)	(75%)	(89%)	(90%)	\$23	\$35	\$9	36%	81%	3.9 x	2.1 x	56%	60%	NM	NM
Nuheara	0.14	(5%)	(2%)	71%	(38%)	(82%)	22	24	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>Smart Fitness &amp; Biometric Monitoring Devices</i>																	
Movano	1.30	(30%)	(53%)	(46%)	(66%)	(80%)	44	27	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nautilus	1.53	3%	(6%)	(13%)	(75%)	(95%)	49	90	342	(46%)	1%	0.3 x	0.3 x	21%	27%	NM	NM
<i>Behavioral Wellbeing Platforms &amp; Consumer Internet</i>																	
LifeSpeak	0.70	13%	(46%)	(21%)	(85%)	(89%)	36	96	35	104%	30%	2.7 x	2.1 x	90%	91%	13.3 x	6.8 x
<i><u>DTC Rx / Dx / PDTx</u></i>																	
HealthBeacon	2.43	(19%)	(14%)	(50%)	(63%)	(63%)	41	20	2	NA	700%	9.5 x	1.2 x	9%	65%	NM	NM
<b>S-1 Filed</b>	<b>S-1 Filed</b>	<b><u>Category</u></b>															
Rotech Healthcare	7/6/21	At-home Wearable Devices															
Keep	2/25/22	Consumer Internet - Health															



A person is shown from the waist up, running. They are wearing a dark grey tank top and black leggings. On their left wrist, they wear a black smartwatch with a red heart icon on the screen. The watch is surrounded by concentric white circles, suggesting a signal or data transmission. The background is a blurred outdoor scene with trees and a path. Overlaid on the image are various white digital graphics: a network of lines and nodes on the left, a dashed circle around the watch, a line graph on the right, and a dashed line with a square at the bottom left. The overall color palette is purple and blue.

# SOLOMON PARTNERS CONSUMER HEALHTECH COVERAGE



# SOLOMON PARTNERS OVERVIEW

**Solomon Partners is an independently operated M&A advisory firm with proprietary access to global financing capabilities and international coverage through Natixis, our parent company**

- Founded in 1989, we are a leading financial advisory firm with a legacy as one of the first independent investment banks
- We offer unmatched industry knowledge in the sectors we cover, providing comprehensive strategic solutions tailored to generate long-term shareholder value
- We offer the “best of both worlds”: the experience of a boutique culture with the international reach and capabilities of a global institution



<b>New York</b> Headquarters	<b>Chicago, Miami</b> Regional Offices	<b>170+</b> Employees	<b>130+</b> Investment Bankers	<b>28+</b> Partners & Managing Directors	<b>10+</b> Senior Advisors
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## OUR COMPREHENSIVE PRODUCT CAPABILITIES

### Mergers & Acquisitions

We advise clients on public and private mergers, acquisitions, divestiture, spin-offs and other strategic advisory assignments

### Financing Advisory

We are uniquely independent, allowing us to offer unconflicted access to public capital markets and bespoke financing solutions

### Activism Defense

We advise boards and management teams on their vulnerability to, and defense from, shareholder activism and unsolicited or hostile takeover bids

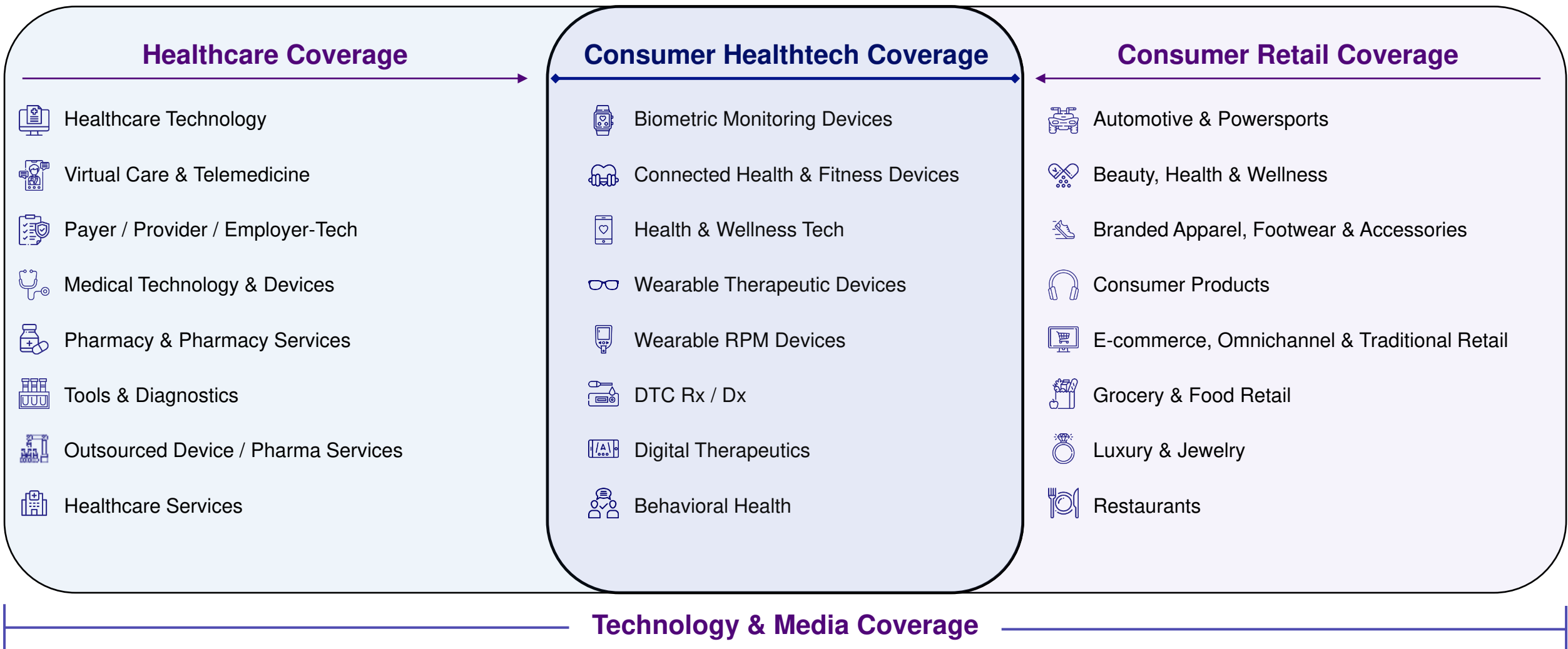
### Debt Advisory & Restructuring

We advise clients on modifications, lender negotiations, complex financings, exchange offers and comprehensive financial restructurings



# CONSUMER HEALTHTECH COVERAGE

Focused coverage at the nexus of digital health, branded consumer and technology





# CONSUMER HEALTHTECH COVERAGE AND SUPPORT TEAM

Consumer Healthtech effort supported by Solomon's well-connected network of strategic and sponsor relationships across healthcare, consumer retail and technology & media industries

## Consumer Healthtech



**Eric Bormel**

Consumer Healthtech

(o) 646.378.4063 | (c) 410.404.0204

Eric.Bormel@solomonpartners.com

10 Years of Experience at the Intersection of  
*Digital Health* and *Branded Consumer*

Selected Company Clients



Selected Sponsor Clients



## Healthcare



**Jon Hammack**

Med Tech

Group Head



**Ryan Stewart**

Healthcare Tech / Services



**Ko Kobayashi**

Healthcare Tech / Services

## Firm Leadership



**Peter Solomon**

Founder & Chairman



**Marc Cooper**

Chief Executive Officer

## Consumer Retail



**David Shiffman**

Retail & Apparel

Group Co-Head



**Jeffrey Derman**

Consumer Tech



**Scott Moses**

Grocery, Pharmacy & Restaurants

## Product Leadership



**Joseph Stein**

Capital Markets



**Jeff Jacobs**

M&A & Fairness Committee



**Cathy Leonhardt**

Retail & Apparel

Group Co-Head



**Irina Adler**

Beauty, Health & Wellness



**Brandon Yoshimura**

Direct-to-Consumer

## Financial Sponsors



**Sash Rentala**

Financial Sponsors



**Tucker Laurens**

Financial Sponsors

## Technology & Media



**Rich Brail**

Technology, Media & Telecom

Chairman of M&A



**Nate Stulman**

FinTech



**Mark Boidman**

Media & Entertainment

## Global Network

M&A Partners by Natixis

CLIPPERTON

Fenchurch Advisory

NATIXIS PARTNERS

Azure Capital











銀株 VERMILION



# SELECTED CONSUMER HEALTHTECH TRANSACTIONS

## Expertise across:

- ✓ Consumer healthtech verticals
- ✓ Product types (consumer products, medical devices, software, tech-enabled services)
- ✓ Go-to-market strategies (DTC, B2B, physician prescribed)
- ✓ Client ownership (founder-owned, PE/VC-backed, publicly listed)
- ✓ Advisory role (sellside, buy-side, deSPAC, capital raise, restructuring)

<p>DECEMBER 2022 \$168,000,000</p>  <p>Merged with <b>Lakeshore Acquisition I SPAC</b></p> <p>Served as financial advisor to ProSomnus</p>	<p>NOVEMBER 2022</p>  <p>Strategic investment in <b>NOX HEALTH</b></p> <p>Served as financial advisor to Vestar Capital Partners</p>	<p>SEPTEMBER 2022 \$182,000,000</p>  <p>Sale to <b>Pfizer</b></p> <p>Served as financial advisor to ResApp Health</p>	<p>APRIL 2022 \$1,025,000,000</p>  <p>Sale to <b>Masimo</b></p> <p>Served as financial advisor to Sound United</p>	<p>APRIL 2022</p>  <p>Sale to <b>EGYM</b></p> <p>Served as financial advisor to Gymlib</p>
<p>FEBRUARY 2022</p>  <p>Sale to <b>withings</b></p> <p>Served as financial advisor to 8fit</p>	<p>OCTOBER 2021 \$142,000,000</p>  <p>Series D investment at \$1.6B valuation</p> <p>Served as financial advisor to Truepill</p>	<p>OCTOBER 2021</p>  <p>Sale to <b>GRYPHON INVESTORS</b></p> <p>Served as financial advisor to Gryphon Investors</p>	<p>AUGUST 2021</p>  <p>Sale to <b>MEDLY</b></p> <p>Served as financial advisor to Pharmaca</p>	<p>AUGUST 2021</p>  <p>(KKR / CARLYLE)</p> <p>Sale of <b>dr.organic to group</b></p> <p>Served as financial advisor to Dr. Organic (The Bountiful Co.)</p>
<p>MAY 2021</p>  <p>Sold to <b>AMERICAN SECURITIES</b></p> <p>Served as financial advisor to Conair</p>	<p>DECEMBER 2020 \$345,000,000</p>  <p>Sale of <b>myfitnesspal</b> to <b>FP FRANCISCO PARTNERS</b></p> <p>Served as financial advisor to Under Armour</p>	<p>NOVEMBER 2020</p>  <p>Acquired <b>NATROL</b></p> <p>Served as financial advisor to New Mountain Capital</p>	<p>SEPTEMBER 2020 \$60,000,000</p>  <p>Received growth financing from <b>idinvestbpi france</b></p> <p>Served as exclusive financial advisor to withings</p>	<p>AUGUST 2018 / MAY 2018 \$595mm / \$456mm</p>  <p>Block and Re-IPO</p> <p>Served as advisor to Weight Watchers</p>
<p>MAY 2017 \$446,000,000</p>  <p>Sale to <b>HGGC</b></p> <p>Served as financial advisor to Nutraceutical International</p>	<p>AUGUST 2016 \$196,600,000</p>  <p>Sale to <b>MILL ROAD CAPITAL</b></p> <p>Served as financial advisor to Skullcandy</p>	<p>OCTOBER 2015</p>  <p>Received significant investment from <b>SPECTRUM EQUITY</b> and <b>FP FRANCISCO PARTNERS</b></p> <p>Served as financial advisor to GoodRx</p>	<p>MAY 2015 \$179,500,000</p>  <p>Sold minority interest to <b>EQUINOX</b></p> <p>Served as advisor to the founders of SoulCycle</p>	<p>DECEMBER 2013 \$150,000,000</p>  <p>Acquired <b>mapmyfitness</b></p> <p>Served as financial advisor to Under Armour</p>



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