

COVERAGE ACROSS THE CONSUMER HEALTHTECH UNIVERSE















LOOKING AHEAD

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 (multichannel 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,

Fric Bormel

Eric Bormel
Head of Consumer Healthtech



2022 YEAR END MARKET REPORT



2H 2022 INDICATORS



FINANCING ACTIVITY



M&A ACTIVITY







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, latestage 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

		Tota	al Transac	ctions	Total (Total Capital Raised (\$M)						
		2H 22	YoY	НоН	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%)					
00	Wearable Therapeutic Devices	6	(33%)	20%	231	(19%)	151%					
400	Wearable RPM Devices	10	(29%)	(29%)	244	(45%)	(26%)					
8	DTC Rx	11	57%	120%	299	(16%)	(30%)					
	DTC Dx	14	133%	100%	241	87%	29%					
/A\ o	DTC PDTx	3	(70%)	(50%)	92	(91%)	(79%)					
	Behavioral Health	12		(25%)	206	(77%)	(71%)					
	Total	89	(4%)	(7%)	\$1,997	(55%)	(40%)					

Selected Transactions

	Category	Company	Lead Investor	Raise (\$M)
			North Castle Partners	\$165
	6	XX MAVEN	GENERAL (© CATALYST	\$90
		on 🗶	SUMMIT PARTNERS	\$87
		VIOME LIFE SCIENCES	BOLD capital group, llc	\$67
		rumen°	P pitango	\$62
	/A\ o	\$ CureApp	CARLYLE	\$53
		kindbody	SQUARE POINT	\$50
SOLOMON PARTNERS		10 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

Se	ected	Transactions

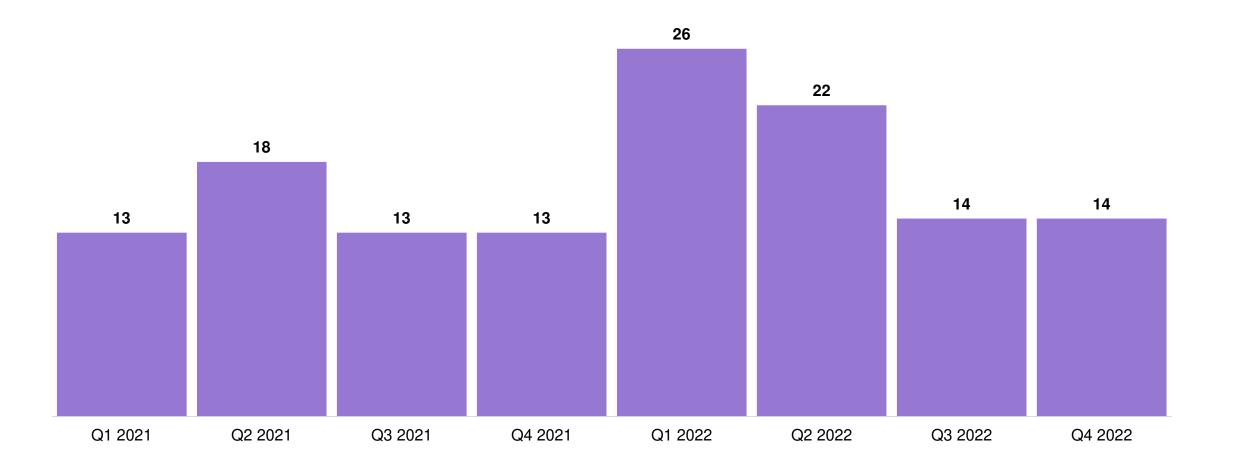
			Tota	al Transac	tions			
		2H 22	2H 21	YoY	1H 22	НоН		
ll co lh	Biometric Monitoring Devices	2	2			100%		
/	Connected Health & Fitness Devices	5	2	150%	5		SOLOMON PARTNERS	
	Health & Wellness Fech	15	14	7%	25	(40%)		
	Wearable Therapeutic Devices	1		100%	6	(83%)		
11 11	Wearable RPM Devices	2	2			100%		
	OTC Rx	2	1	100%	3	(33%)		
	DTC Dx		1	(99%)	2	(99%)		
[/ <u>^</u>	OTC PDTx	1	1		1			
	Behavioral Health		3	(99%)	6	(99%)		
1	Гotal	28	26	8%	48	(42%)		

	Category	Acquiror	Target	Ent. Value
	© •	Warburg Pincus	Internet Brands	\$12,000
MON	© •	P fizer	Resupp	A\$182
	00	PATIENT SQUARE	EARGO	\$99
	0	ResMed	mementor health applications	~\$20
		fentec health	CVC\C\/n\u00fctrimedy	ND
	© •	Optum	RED VENTURES Joint Venture	ND
	/ <u>A</u> \ •	BEHAVR	OXFORDVR	ND
	<u>□</u>	Wellable	SWEAT FACT • R DAILY ENDORPHIN Welness Challenges	ND



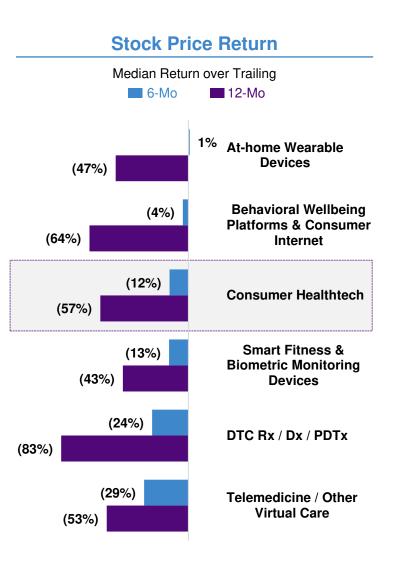
M&A settled into historical norms following peak transactions in 1H 2022

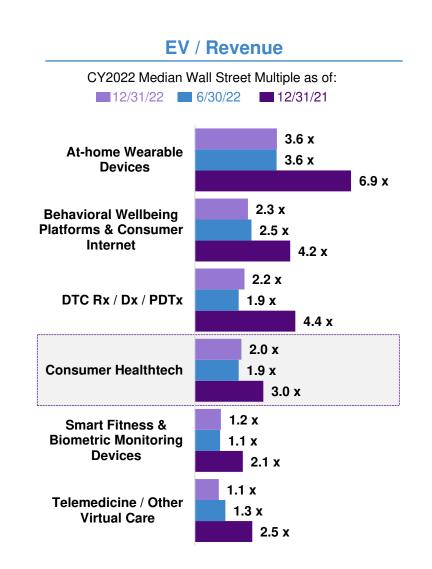


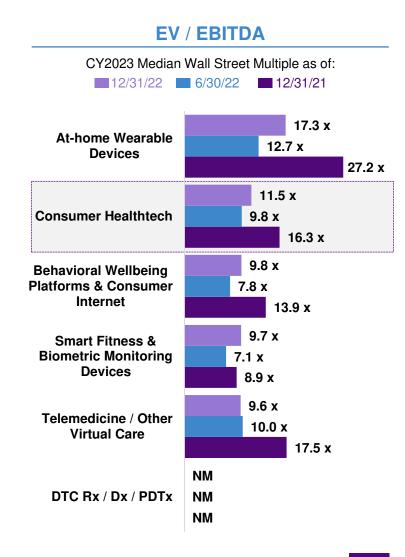




Stock prices and valuations fell across Consumer Healthtech, though 2H 2022 saw some stabilization across public companies

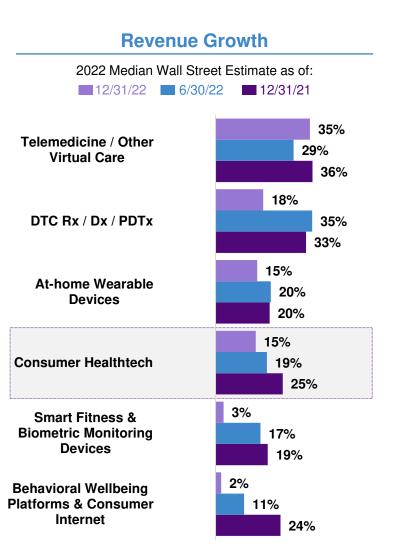


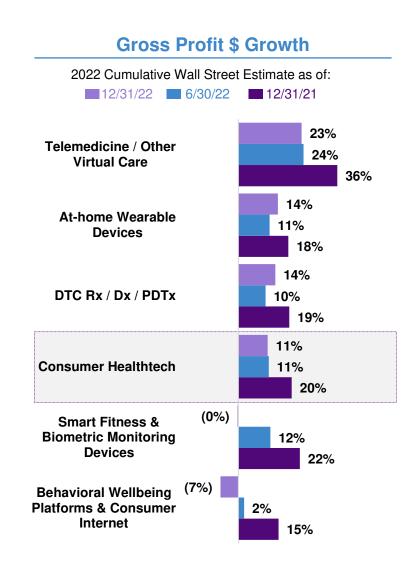


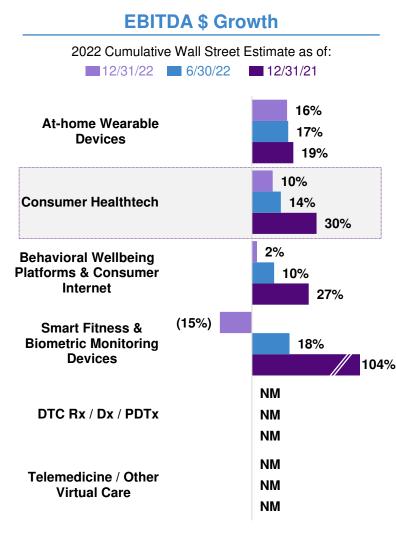




Consumer Healthtech remains a high growth sector, though well off the pace of analyst expectations











	Price		Stock Pr	ice Perfo	mance		Equity	Enterprise	Revenue % Rev Growth			EV / Re	evenue	Gross	Margin	EV / EBITDA	
Company Name	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max	Value	Value	CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023
At-home Wearable Dev	<u>rices</u>																
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





	Price		Stock Pr	ice Perfoi	rmance		Equity	Enterprise	Revenue	% Rev	Growth	EV / Re	evenue	Gross	Margin	EV / E	BITDA
Company Name	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max	Value	Value	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 &	Consume	r 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





	Price		Stock Pr	ice Perfo	rmance		Equity	Enterprise	Revenue	% Rev	Growth	EV / Re	evenue	Gross	Margin	EV / E	BITDA
Company Name	12/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max	Value	Value	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 V	irtual 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





Price		Stock Pr	ice Perfo	rmance		Equity	Enterprise	Revenue	% Rev (Growth	EV / Re	evenue	Gross	Margin	EV / E	BITDA
2/31/22	1-Mo	3-Mo	6-Mo	LTM	2Yr Max	Value	Value	CY2022	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023	CY2022	CY2023
ket Cap	Between	\$10m - \$5	<u>50m)</u>													
0.45	(57%)	(44%)	(75%)	(89%)	(90%)	\$23	\$35	\$9	36%	81%	3.9 x	2.1 x	56%	60%	NM	NM
0.14	(5%)	(2%)	71%	(38%)	(82%)	22	24	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>lonitoring</i>	<u>Devices</u>															
1.30	(30%)	(53%)	(46%)	(66%)	(80%)	44	27	NA	NA	NA	NA	NA	NA	NA	NA	NA
1.53	3%	(6%)	(13%)	(75%)	(95%)	49	90	342	(46%)	1%	0.3 x	0.3 x	21%	27%	NM	NM
ms & Cor	nsumer In	ternet														
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
2.43	(19%)	(14%)	(50%)	(63%)	(63%)	41	20	2	NA	700%	9.5 x	1.2 x	9%	65%	NM	NM
1	0.45 0.14 lonitoring 1.30 1.53 ms & Con 0.70	0.45 (57%) 0.14 (5%) 0.00000000000000000000000000000000000	ket Cap Between \$10m - \$8 0.45 (57%) (44%) 0.14 (5%) (2%) Ionitoring Devices 1.30 (30%) (53%) 1.53 3% (6%) Image: Consumer Internet 0.70 13% (46%)	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) 0.14 (5%) (2%) 71% Jonitoring Devices 1.30 (30%) (53%) (46%) 1.53 3% (6%) (13%) ms & Consumer Internet 0.70 13% (46%) (21%)	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) 0.14 (5%) (2%) 71% (38%) lonitoring Devices 1.30 (30%) (53%) (46%) (66%) 1.53 3% (6%) (13%) (75%) ms & Consumer Internet 0.70 13% (46%) (21%) (85%)	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) 0.14 (5%) (2%) 71% (38%) (82%) Jonitoring Devices 1.30 (30%) (53%) (46%) (66%) (80%) 1.53 3% (6%) (13%) (75%) (95%) Jone & Consumer Internet 0.70 13% (46%) (21%) (85%) (89%)	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) \$23 0.14 (5%) (2%) 71% (38%) (82%) 22 lonitoring Devices 1.30 (30%) (53%) (46%) (66%) (80%) 44 1.53 3% (6%) (13%) (75%) (95%) 49 ms & Consumer Internet 0.70 13% (46%) (21%) (85%) (89%) 36	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) \$23 \$35 0.14 (5%) (2%) 71% (38%) (82%) 22 24 Inditoring Devices 1.30 (30%) (53%) (46%) (66%) (80%) 44 27 1.53 3% (6%) (13%) (75%) (95%) 49 90 Ims & Consumer Internet 0.70 13% (46%) (21%) (85%) (89%) 36 96	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) \$23 \$35 \$9 0.14 (5%) (2%) 71% (38%) (82%) 22 24 NA Ionitoring Devices 1.30 (30%) (53%) (46%) (66%) (80%) 44 27 NA 1.53 3% (6%) (13%) (75%) (95%) 49 90 342 ms & Consumer Internet 0.70 13% (46%) (21%) (85%) (89%) 36 96 35	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) \$23 \$35 \$9 36% 0.14 (5%) (2%) 71% (38%) (82%) 22 24 NA NA NA Ionitoring Devices 1.30 (30%) (53%) (46%) (66%) (80%) 44 27 NA NA 1.53 3% (6%) (13%) (75%) (95%) 49 90 342 (46%) ms & Consumer Internet 0.70 13% (46%) (21%) (85%) (89%) 36 96 35 104%	ket Cap Between \$10m - \$50m) 0.45 (57%) (44%) (75%) (89%) (90%) \$23 \$35 \$9 36% 81% 0.14 (5%) (2%) 71% (38%) (82%) 22 24 NA NA NA NA **Indication Devices** 1.30 (30%) (53%) (46%) (66%) (80%) 44 27 NA NA NA NA 1.53 3% (6%) (13%) (75%) (95%) 49 90 342 (46%) 1% **Indication Devices** 0.70 13% (46%) (21%) (85%) (89%) 36 96 35 104% 30%	Nation N	Name	Nation N	Nation State Sta	Nation N

S-1 Filed Category

Rotech Healthcare 7/6/21 At-home Wearable Devices Keep 2/25/22 Consumer Internet - Health



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





Financial Sponsors





Grocery, Pharmacy & Restaurants



Infrastructure, Power & Renewables

Technology, Media & Telecom

New York
Headquarters

Chicago, Miami
Regional Offices

170+ Employees 130+
Investment
Bankers

28+

Partners & Managing Directors

10+ Senior

Advisors

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

Healthcare Coverage



Healthcare Technology



Virtual Care & Telemedicine



Payer / Provider / Employer-Tech



Medical Technology & Devices



Pharmacy & Pharmacy Services



Tools & Diagnostics



Outsourced Device / Pharma Services



Healthcare Services

Consumer Healthtech Coverage



Biometric Monitoring Devices



Connected Health & Fitness Devices



Health & Wellness Tech



Wearable Therapeutic Devices



Wearable RPM Devices



DTC Rx / Dx



Digital Therapeutics



Behavioral Health

Consumer Retail Coverage



Automotive & Powersports



Beauty, Health & Wellness



Branded Apparel, Footwear & Accessories



Consumer Products



E-commerce, Omnichannel & Traditional Retail



Grocery & Food Retail



Luxury & Jewelry



Restaurants

Technology & Media Coverage

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 Retail

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







myfitnesspal 🗶 mapmy@fitness



five Below







Selected Sponsor Clients



OAK HC/FT





OPTUM SILVERSMITH

CORPORATION

PROSOMNUS'

KENNETH COLE

Saky Avenue

Office DEPOT

OfficeMax

Healthcare



Jon Hammack Med Tech Group Head



Healthcare Tech / Services



Firm Leadership

Ryan Stewart



Ko Kobayashi Healthcare Tech / Services

Peter Solomon

Founder & Chairman

Marc Cooper

Chief Executive Officer



Scott Moses Restaurants



Grocery, Pharmacy &

David Shiffman

Jeffrey Derman

Retail & Apparel

Group Co-Head

Consumer Tech







Joseph Stein



M&A & Fairness Committee



Cathy Leonhardt Retail & Apparel Group Co-Head



Irina Adler Beauty, Health & Wellness



Nate Stulman FinTech

Rich Brail

Chairman of M&A

Technology, Media & Telecom

Technology & Media



Mark Boidman Media & Entertainment















Product Leadership



Capital Markets



Tucker Laurens Financial Sponsors

Sash Rentala

Financial Sponsors

Financial Sponsors

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/VCbacked, publicly listed)
- Advisory role (sellside, buyside, deSPAC, capital raise, restructuring)





Merged with

Lakeshore **Acquisition I SPAC**

Served as financial advisor to ProSomnus

NOVEMBER 2022



Strategic investment in



Served as financial advisor to Vestar Capital Partners

SEPTEMBER 2022 A\$182,000,000



ResApp Health

APRIL 2022

\$1,025,000,000



♥Masimo

Served as financial advisor to Sound United

APRIL 2022





Served as financial advisor

to Gymlib **AUGUST 2021**

FEBRUARY 2022



withings

Served as financial advisor

OCTOBER 2021 \$142,000,000



Series D investment at \$1.6B valuation

Served as financial advisor to Truepill

OCTOBER 2021



Sale to



Served as financial advisor to Gryphon Investors



AUGUST 2021



Sale to



Served as financial advisor to Pharmaca







Served as financial advisor to

Dr. Organic (The Bountiful Co.)

MAY 2021

CONAIR

Sold to



AMERICAN SECURITIES

Served as financial advisor to Conair

Nutraceutical

Sale to

DECEMBER 2020 \$345,000,000



Sale of



Served as financial advisor to Under Armour

NOVEMBER 2020



Acquired



Served as financial advisor to New Mountain Capital

SEPTEMBER 2020 \$60,000,000



Received growth financing from



Served as exclusive financial advisor to withings

AUGUST 2018 / MAY 2018





Block and Re-IPO

Served as advisor

to Weight Watchers

DECEMBER 2013





Acquired



to Under Armour

MAY 2017 AUGUST 2016 \$196,600,000 \$446,000,000





Served as financial advisor to Skullcandy to Nutraceutical International

Skullcandy,



Served as financial advisor

OCTOBER 2015



Received significant investment from



Served as financial advisor

\$179,500,000 ULCYCLE

MAY 2015

Sold minority interest to



Served as advisor to the founders of SoulCycle

DISCLAIMER

This document is a marketing presentation. It has been prepared by personnel of Solomon Partners or its affiliates and not by Natixis' research department. It is not investment research or a research recommendation and is not intended to constitute a sufficient basis upon which to make an investment decision. This material is provided for information purposes, is intended for your use only and does not constitute an invitation or offer to subscribe for or purchase any of the products or services mentioned. Any pricing information provided is indicative only and does not represent a level at which an actual trade could be executed. Natixis may trade as principal or have proprietary positions in securities or other financial instruments that are the subject of this material. It is intended only to provide observations and views of the said personnel, which may be different from, or inconsistent with, the observations and views of Natixis analysts or other Natixis sales and/or trading personnel, or the proprietary positions of Natixis. Observations and views of the writer may change at any time without notice.

This presentation may contain forward-looking statements and comments relating to the objectives and strategy of Solomon Partners. Any such projections inherently depend on assumptions, project considerations, objectives and expectations linked to future events, transactions, products and services as well as on suppositions regarding future performance and synergies.

Certain information in this presentation relating to parties other than Solomon Partners or taken from external sources has not been subject to independent verification, and Solomon Partners makes no warranty as to the accuracy, fairness or completeness of the information or opinions in this presentation. Neither Solomon Partners nor its representatives shall be liable for any errors or omissions or for any harm resulting from the use of this presentation, the content of this presentation, or any document or information referred to in this presentation.

Nothing in this presentation constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances. Each individual or entity who receives this document or participates in any future transaction shall be responsible for obtaining all such advice as it thinks appropriate on such matters and shall be responsible for making its own independent investigation and appraisal of the risks, benefits and suitability of the transactions as to itself. Any discussions of past performance should not be taken as an indication of future results, and no representation, expressed or implied, is made regarding future results. No person shall have any liability whatsoever (in negligence or otherwise) for any loss arising from any use of this document or its contents or otherwise arising in connection with this document or any other written or oral communications transmitted to the recipient in relation hereto.

Solomon Partners and/or its affiliates, officers, directors and employees, including persons involved in the preparation or issuance of this material, may, from time to time, have long or short positions in, and buy or sell, the securities or derivatives mentioned in this material.

The information contained herein may be based in part on hypothetical assumptions and for certain models, past performance. These assumptions have certain inherent limitations, and will be affected by any changes in the structure or assets for this transaction. This material is confidential and any redistribution is prohibited. Solomon Partners is not responsible for any unauthorized redistribution.

