



# CONSUMER HEALTHTECH

## 2023 MARKET REPORT

To be added to the distribution, please contact [eric.bormel@solomonpartners.com](mailto:eric.bormel@solomonpartners.com)

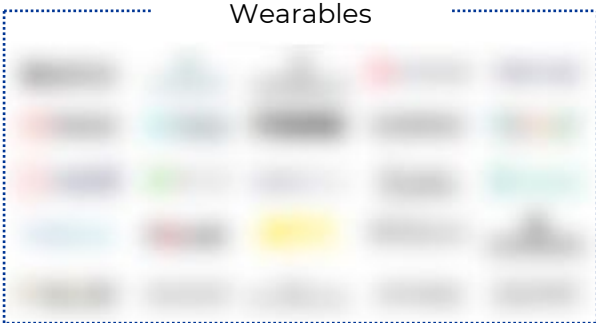
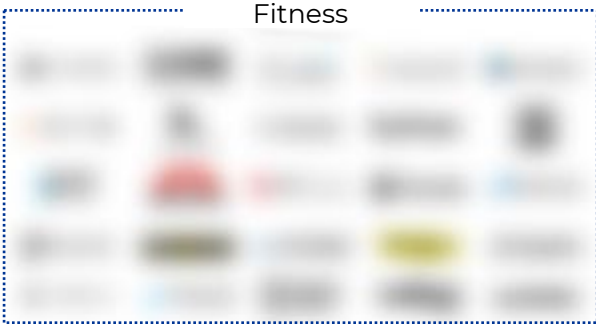
Private and Confidential

AN AFFILIATE OF

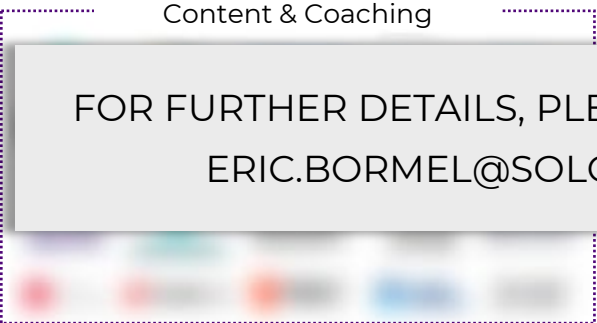


# COVERAGE ACROSS THE CONSUMER HEALTHTECH UNIVERSE

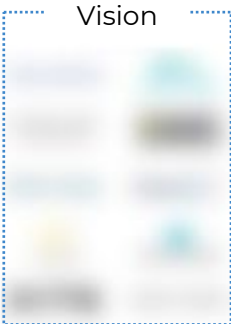
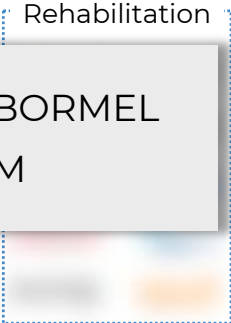
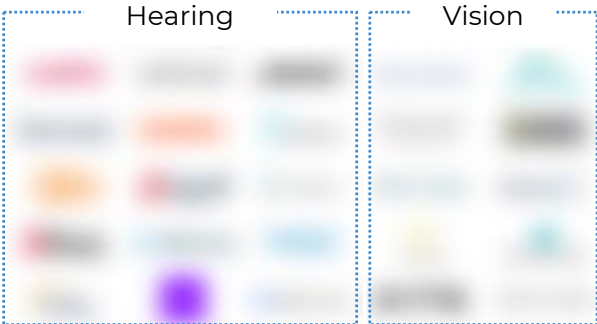
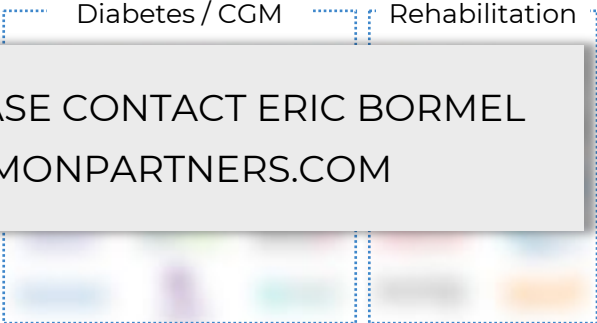
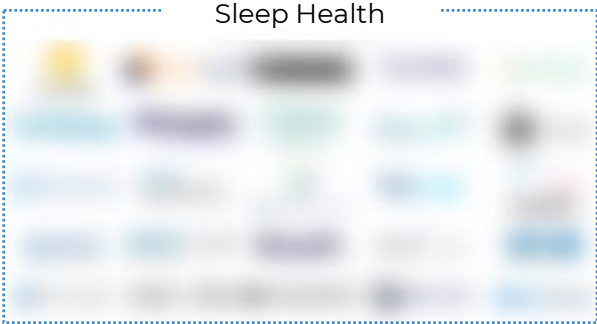
## CONNECTED HEALTH & FITNESS DEVICES



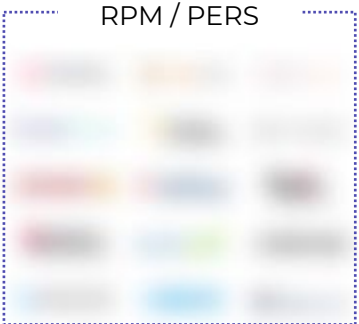
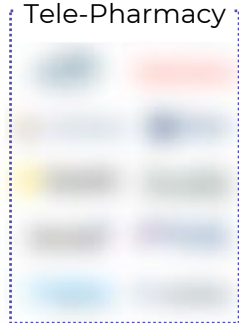
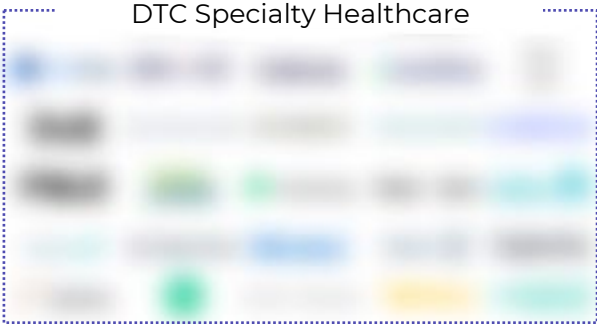
## HEALTH & WELLNESS TECH



## CONSUMER MED TECH / TECH-ENABLED SERVICES



## VIRTUAL CARE

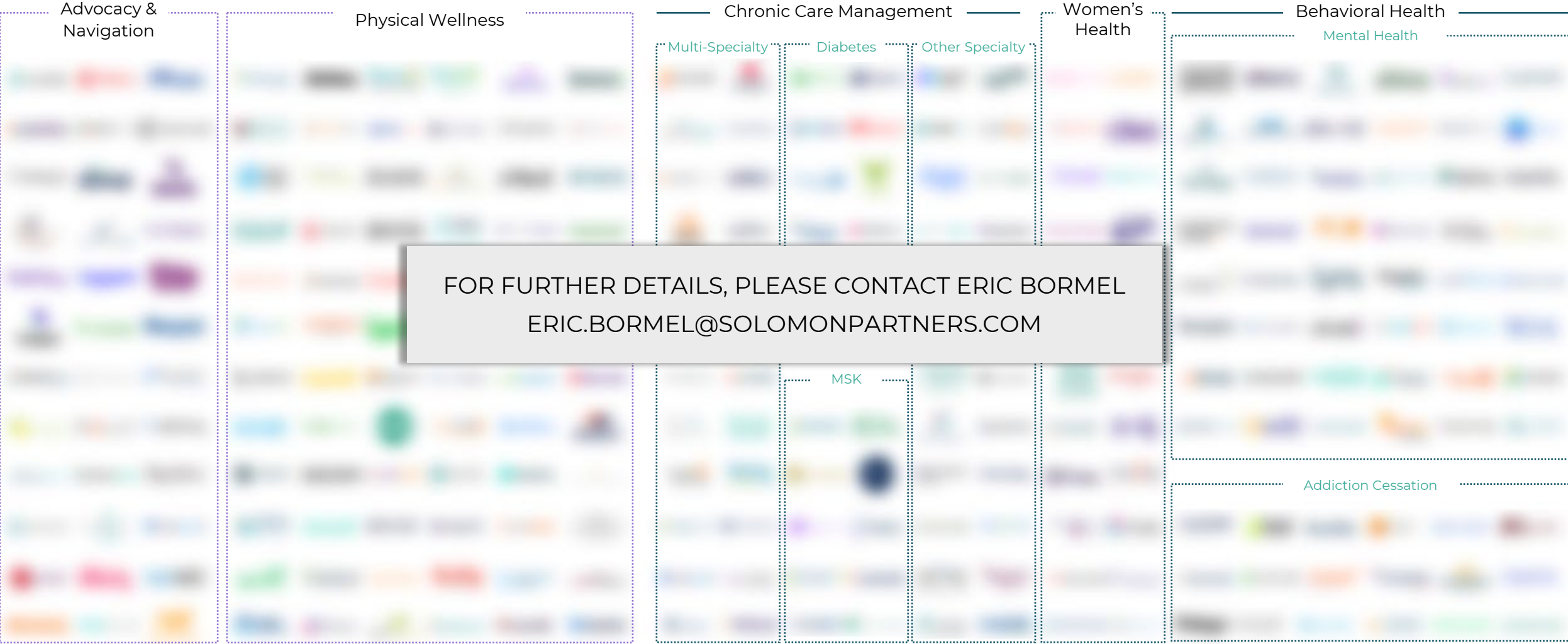


FOR FURTHER DETAILS, PLEASE CONTACT ERIC BORMEL  
ERIC.BORMEL@SOLOMONPARTNERS.COM

# COVERAGE ACROSS THE CONSUMER HEALTHTECH UNIVERSE (CONT'D)

## CORPORATE WELLNESS

## CARE MANAGEMENT



# LOOKING AHEAD

**R**esiliency proved to be the defining characteristic of 2023 in Consumer Healthtech. Despite the challenging macroeconomic environment, Consumer Healthtech companies pressed ahead with 5% median stock price increase, \$4.5 billion in venture financing and 27 scaled M&A transactions. As the leading M&A investment bank for the category with another four announced financial advisory roles in 2023, we identified key themes of 2023 and what it means for you and the broader Consumer Healthtech category in 2024:

### Funding Environment Stabilized

Despite dropping 34% in 2023, Consumer Healthtech funding finally stabilized at ~\$1 billion raised per quarter, with positive indicators for future growth such as sequentially increasing # of transactions in Q3 and Q4, the first such instance since 2020. Credit an improving macroeconomic environment and a slight resurgence of late-stage capital raises targeting the attractive Corporate Wellness category. Heading into 2024, expect continued momentum in early-stage capital raises for innovative companies; however, late-stage transactions will likely remain selective, creating attractive acquisition opportunities for scaled assets seeking lower-to-middle-market exits.

### Capability and Customer-Focused Acquisitions

The M&A environment was challenged, yet accessible in 2023. Strategics acquired unique product capabilities (*Team Snap / MOJO, Abbott / Bigfoot, WW / Sequence, Sun Life / Dialogue, Evernorth / Bright.MD, Tivity / Burnalong*) or new customers to upsell over time (*HealthComp / Virgin Pulse, Edenred / Reward Gateway, Peloton / Lululemon Studio*). While private equity prioritized assets that demonstrated growth and profitability pre-and-post-pandemic (*Wahoo Fitness, United Sports Brands, Navigate Wellbeing Solutions, Europa Eyewear, Wellworks*). With the environment stabilized and investors needing wins to fundraise, expect a busy 2024 as sellers test the M&A market with competition fierce for high-quality assets.

### Flight to Quality

2023 was the year cash flow mattered to public Consumer Healthtech companies. Those generating higher EBITDA margins were rewarded with higher revenue multiples (Exhibit A). As a result, companies are prioritizing margin expansion over revenue growth with the average EBITDA margin forecasted to grow from 1% to 11% between 2022 and 2024.

'24 EBITDA Margin	#	EV / Revenue	
		CY23	CY24
30% +	5	5.5 x	5.0 x
20% - 30%	11	4.4 x	3.9 x
10% - 20%	11	3.0 x	2.6 x
0% - 10%	12	2.6 x	2.2 x
<0%	7	1.8 x	1.7 x

This is creating a growth chasm amongst have and have nots. While average category revenue growth was a robust 9%, we observed 34% of companies with growth above 15% and conversely 30% of companies with declining revenue. Investors reacted accordingly as 60% of companies saw their stock price grow or contract by 20%+. Expect in 2024 that cash flow generation will continue to be prioritized by investors (with exceptions for outsized revenue growth through the lens of the Rule of 40) and should be considered in budgeting decisions.

### Point Solution Consolidation

The abundance of point solutions continues to create headaches for payers, HR leaders and consumers navigating the growing maze of alternatives. This isn't new. What was new in 2023 was the realization of the problem – which was magnified by the increased venture funding levels and employer pandemic era budgets of 2020 and 2021 – and the desire to solve it. As a result, we expect 2024 to begin an era of consolidation, both within and across Consumer Healthtech verticals. Scale will increasingly matter as a means of achieving new logo / customer growth, managing expenses and generating profitability. Expect this consolidation to be led by existing category leaders, as well as new entrants, including strategics from outside the category and private equity uniquely equipped to handle the challenge.

### Closing Thoughts

In an otherwise challenging 2023, we are proud to have served as financial advisor on four Consumer Healthtech transactions. We thank our clients for entrusting us to guide them through these monumental moments in their Company – across sellside, buy-side, capital raises and debt advisory engagements.

In closing, we remain bullish on the prospects of the Consumer Healthtech category and a great many of its companies. Daily, we talk with entrepreneurs and founders creating unique health & wellness technology solutions that continue to find product-market fit with an audience hungry for better outcomes at better costs. We talk with large strategics seeking scaled assets to bolster their capabilities and accelerate growth. And we talk with sponsors seeking angles to win in a growing and consolidating category.

Please enjoy our 2023 Consumer Healthtech Market Report. As we enter 2024, we'd welcome a chance to connect – either in-person or virtually – and look forward to a fruitful and active year.

Regards,

Eric Bormel  
Director, Consumer Healthtech



# CONSUMER HEALTHTECH MARKET REPORT

**Section A**

2023 INDICATORS

**Section B**

M&A ACTIVITY

**Section C**

FINANCING ACTIVITY

**Section D**

PUBLIC COMPANY OPERATING & VALUATION UPDATE

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



# 2023 INDICATORS



## M&A INDICATORS

M&A activity slowed as bid / ask spreads remained wide; however, the market rebound is underway as 2H 2023 saw M&A transactions rise both sequentially and YoY

(18%)

# of Transactions

2023 vs. 2022

+80%

# of Transactions

2H vs. 1H 2023



## FINANCING INDICATORS

The disappearance of late-stage growth rounds drove the decline in \$ raised, forcing companies to prioritize cash flow breakeven earlier in business lifecycle

(16%)

# of Transactions

2023 YoY

(34%)

\$ Raised

2023 YoY



## PUBLIC COMP INDICATORS

Strength in Virtual Care and appreciating EBITDA multiples led to rising stock prices across Consumer Healthtech

+5%

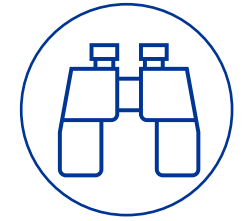
Stock Price Return

2023 Median

+16%

EV / EBITDA

12-Month Median  
Multiple Appreciation



## OPERATIONAL INDICATORS

Consumer Healthtech remains a high growth category and with companies increasingly generating robust cash flow

+9%

Revenue Growth

2023 Mean

+1,020







EBITDA Margin

2022-2024 Mean  
Basis Point Expansion


























# M&A ACTIVITY

## 23% DECLINE IN M&A ACTIVITY DRIVEN BY REDUCTION IN HEALTH & WELLNESS TECH TRANSACTIONS

### SUMMARY M&A ACTIVITY (#)

	2023	2022	YOY
 Connected Health & Fitness Devices	5	1	400%
 Health & Wellness Tech	2	12	(83%)
 Consumer Med Tech	4	7	(43%)
 Virtual Care	8	7	14%
 Corporate Wellness	6	7	(14%)
 Care Management	2	1	100%
<b>Total</b>	<b>27</b>	<b>35</b>	<b>(23%)</b>

### SELECTED TRANSACTIONS

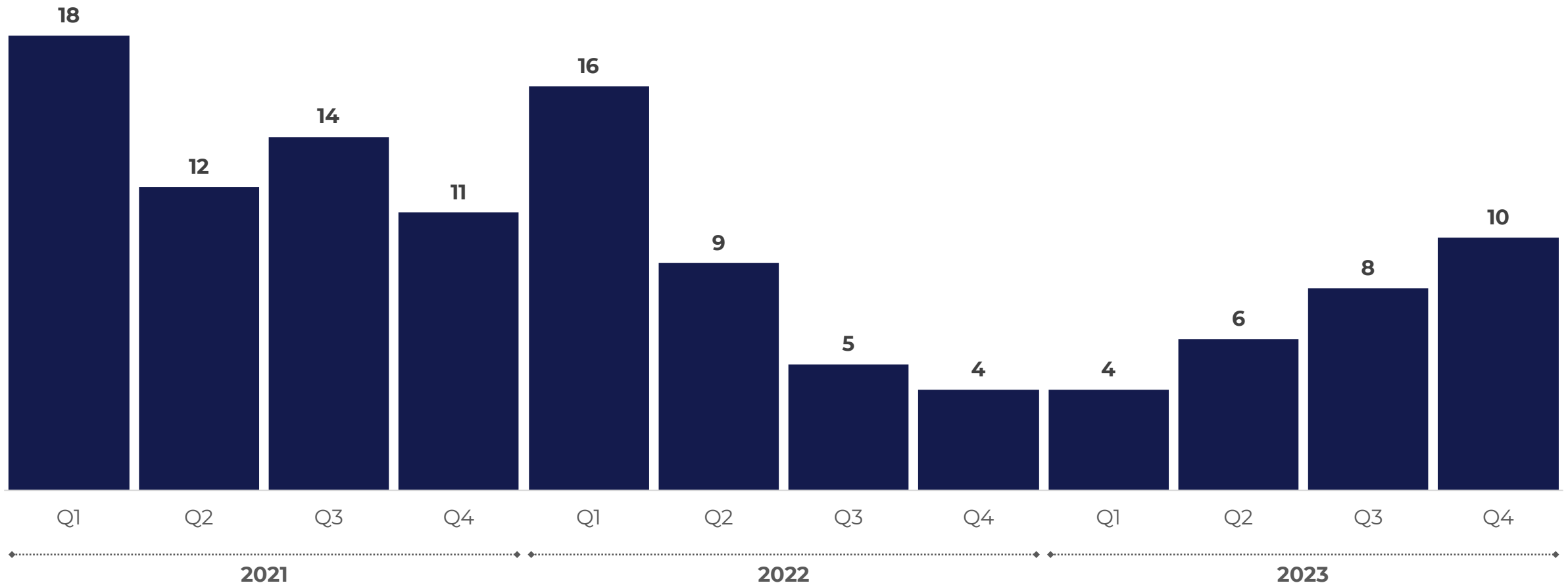
	ACQUIROR	TARGET	ENT. VALUE (\$M)
	 HealthComp	 pulse	\$3,000
	 Edenred	 Reward Gateway	\$1,150
	 WeightWatchers	 sequence	\$106
	 ResMed	 somnoware	\$100+
	 FOUNDER  SOLOMON PARTNERS  jory  RHÔNE  RZC INVESTMENTS	 wahoo FITNESS	ND
	 SOLOMON PARTNERS  PELOTON	 Studio	ND
	 Norwest Equity Partners	 UNITED SPORTS BRANDS	ND



# M&A ACTIVITY

## M&A ACTIVITY ACCELERATED THROUGH 2023

# of Transactions

























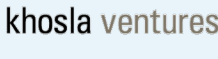







# FINANCING ACTIVITY

195 FINANCINGS OCCURRED RAISING \$4.5 BILLION DESPITE OVERALL 34% DECLINE OF FUNDING

## SUMMARY FINANCING ACTIVITY (#)

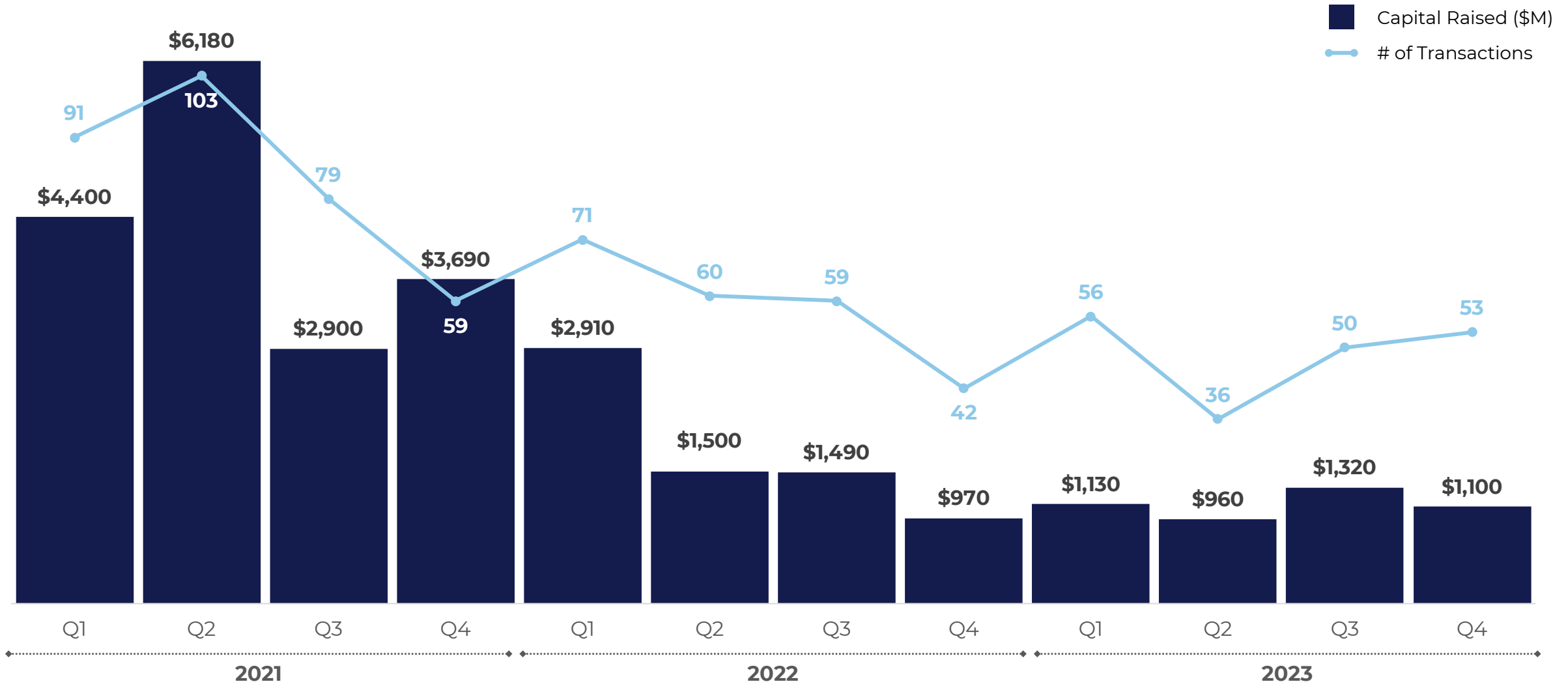
	# OF TRANSACTIONS		\$ RAISED (\$M)	
	2023	YOY	2023	YOY
 Connected Health & Fitness Devices	22	(35%)	\$560	(50%)
 Health & Wellness Tech	26	(40%)	430	(56%)
 Consumer Med Tech	16	(33%)	340	(43%)
 Virtual Care	52	(22%)	1,220	(46%)
 Corporate Wellness	25	108%	460	100%
 Care Management	54	4%	1,500	(10%)
<b>Total</b>	<b>195</b>	<b>(16%)</b>	<b>\$4,510</b>	<b>(34%)</b>

## SELECTED TRANSACTIONS

	COMPANY	LEAD INVESTOR	RAISE (\$M)
	 monogram health	 TPG	\$375
	 TONAL	 CATTERTON	\$130
	 Headway	 SPARK CAPITAL	\$120
	 EGYM	 AFFINITY PARTNERS	\$116
	 FORWARD	 khosla ventures	\$100
	 Gympass	 EQT	\$85
	 SOLOMON PARTNERS  wikiloc	 Miura Partners	ND

# FINANCING ACTIVITY

THE VENTURE MARKET HAS FOUND ITS EQUILIBRIUM OF ~\$1 BILLION RAISED PER QUARTER



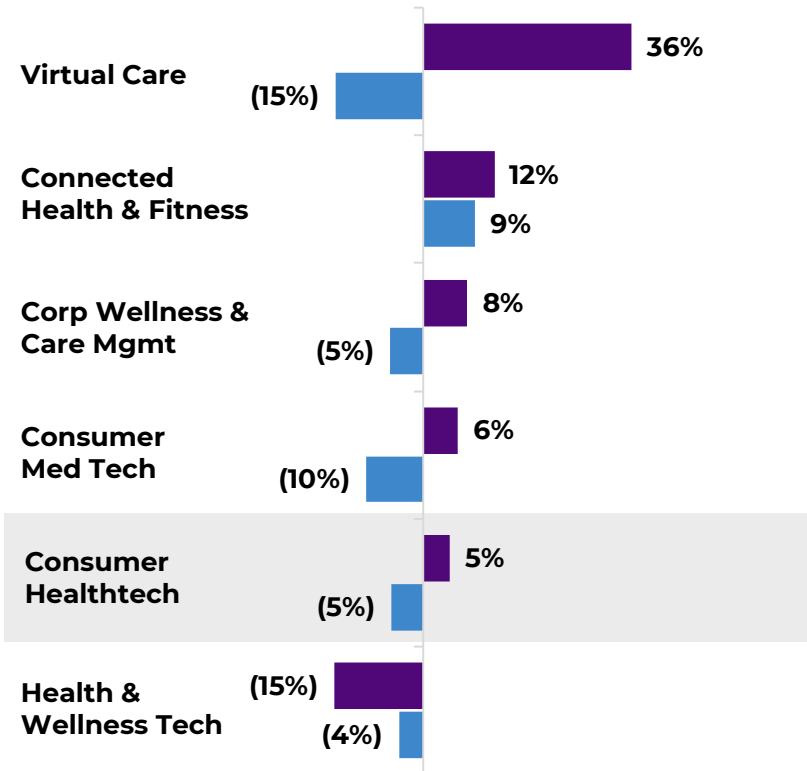
# PUBLIC COMPANY OPERATING & VALUATION UPDATE

PUBLIC COMPANIES FINISHED 5% HIGHER IN 2023 AS FORWARD EBITDA MULTIPLES EXPANDED

## STOCK PRICE RETURN

Median Return of Trailing:

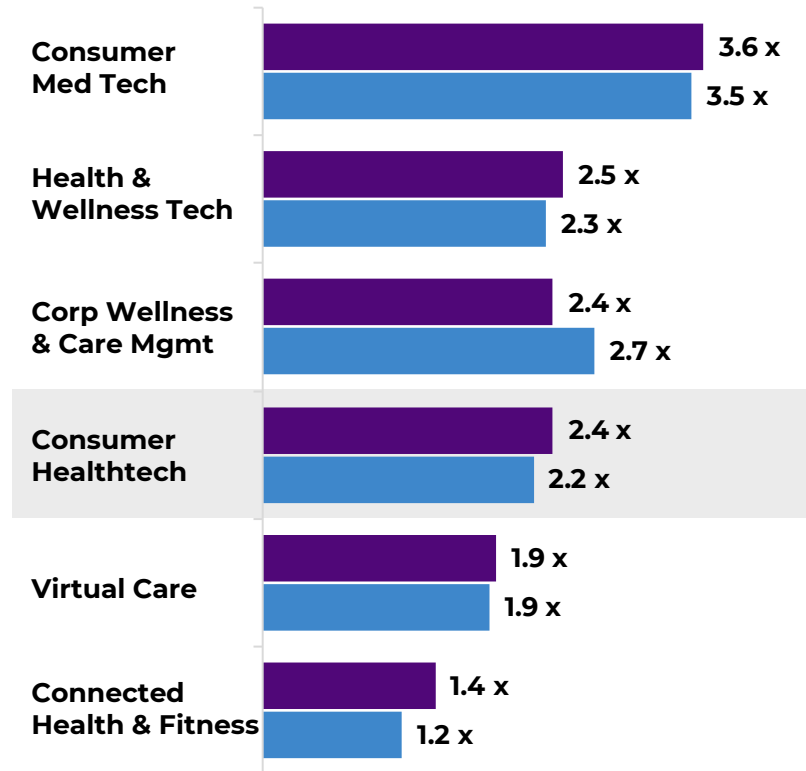
■ 6-Mo ■ 12-Mo



## EV / REVENUE

Median Wall Street Multiple:

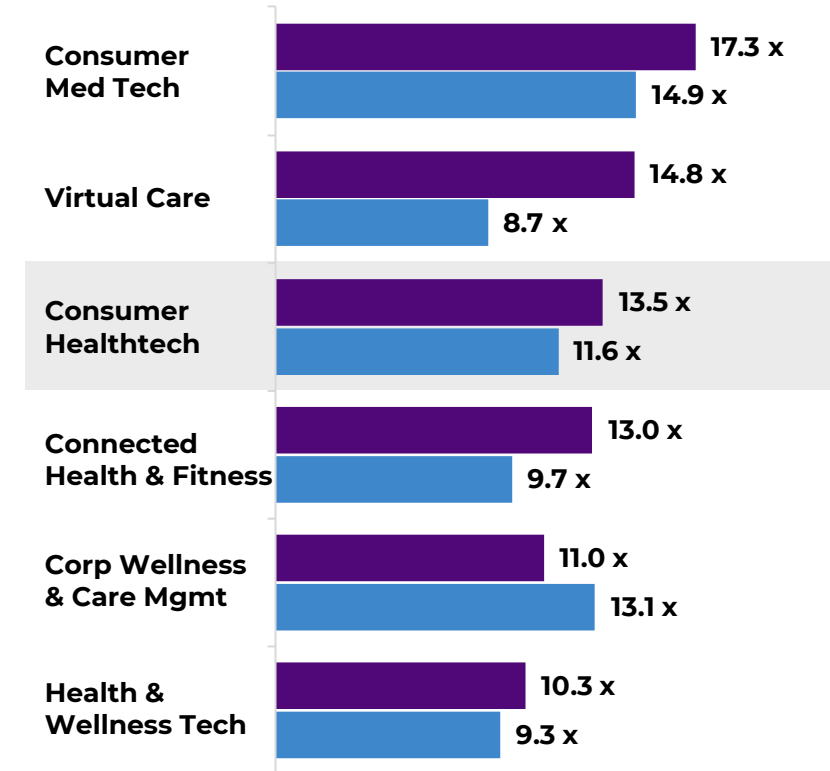
■ CY22 as of 12/31/22 ■ CY23 as of 12/31/23



## EV / EBITDA

Median Wall Street Multiple:

■ CY23 as of 12/31/22 ■ CY24 as of 12/31/23



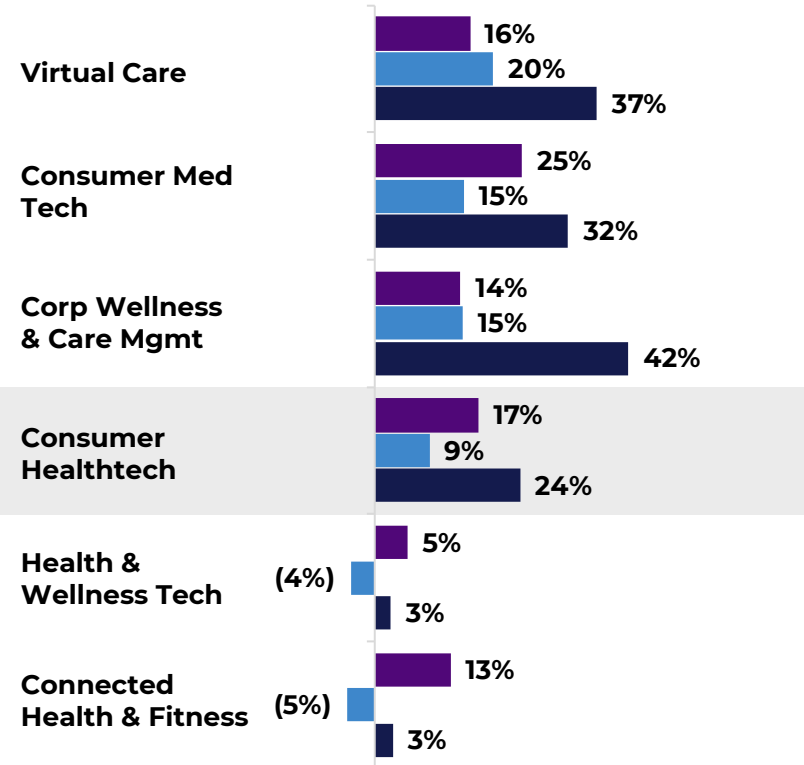
# PUBLIC COMPANY OPERATING & VALUATION UPDATE

REVENUE GROWTH DIPPED IN CY23 AS PUBLIC COMPANIES PRIORITIZED MARGIN EXPANSION

## REVENUE GROWTH PROGRESSION

Average Actual and Forecasted Growth

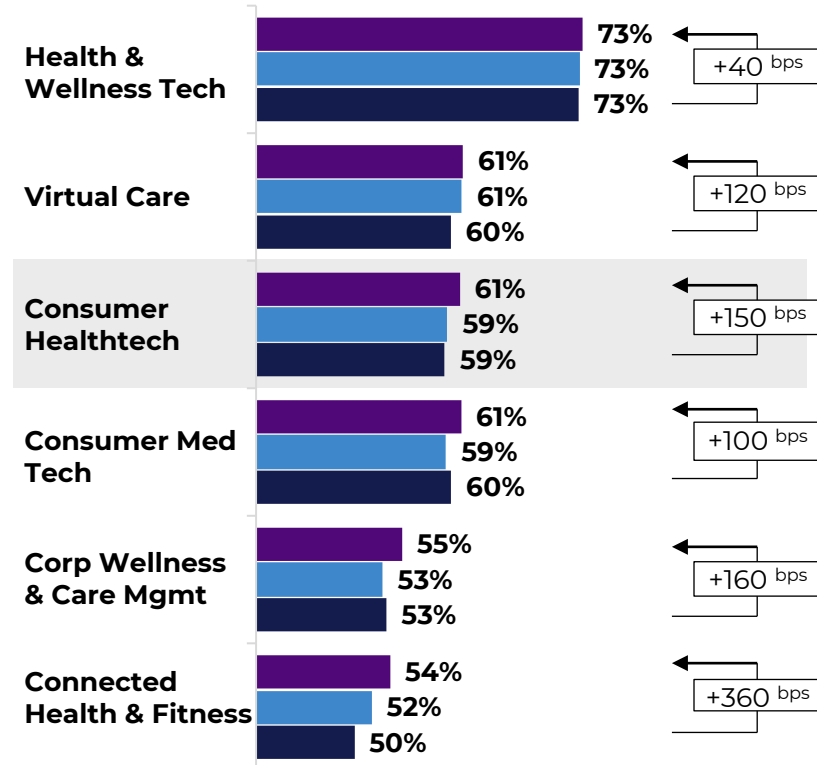
■ CY22A ■ CY23E ■ CY24E



## GROSS MARGIN PROGRESSION

Average Actual and Forecasted Margin

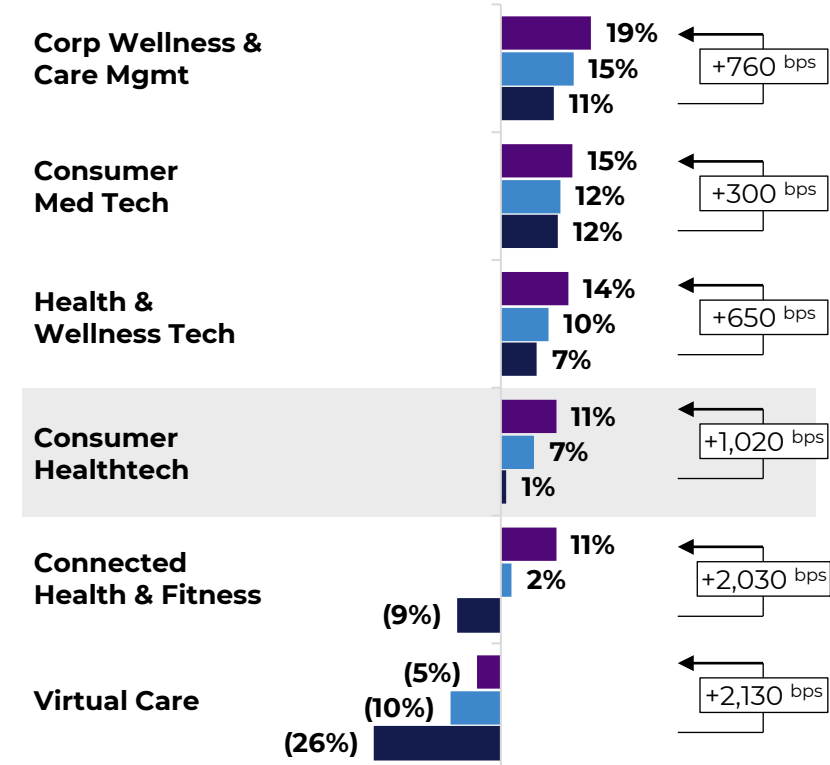
■ CY22A ■ CY23E ■ CY24E



## EBITDA MARGIN PROGRESSION

Average Actual and Forecasted Margin

■ CY22A ■ CY23E ■ CY24E



# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance			Equity Value	Enterprise Value	Revenue CY2023	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/23	3-Mo	6-Mo	LTM				CY2023	CY2024	CY2023	CY2024	CY2023	CY2024	CY2023	CY2024
<b>Connected Health &amp; Fitness Devices</b>															
Catapult Group	\$0.94	29%	39%	89%	\$233	\$240	\$94	(1%)	25%	2.5 x	2.0 x	80%	81%	NM	13.0 x
Garmin	128.54	22%	23%	39%	24,594	21,816	5,153	6%	8%	4.2 x	3.9 x	57%	57%	18.2 x	16.1 x
InBody	19.59	2%	(13%)	25%	255	189	133	7%	16%	1.4 x	1.2 x	75%	76%	5.2 x	4.3 x
Johnson Health Tech	2.24	(9%)	(4%)	(1%)	678	1,160	1,214	11%	7%	1.0 x	0.9 x	48%	49%	11.3 x	9.7 x
Keep Fitness	1.79	(61%)	IPO	IPO	938	1,889	297	(4%)	12%	6.4 x	5.7 x	45%	48%	NM	NM
Owlet	5.28	18%	11%	(33%)	45	49	54	(23%)	28%	0.9 x	0.7 x	39%	45%	NM	24.1 x
Peloton	6.09	21%	(21%)	(23%)	2,195	3,135	2,675	(11%)	6%	1.2 x	1.1 x	44%	46%	NM	NM
Technogym	10.02	24%	7%	27%	2,010	1,937	892	14%	8%	2.2 x	2.0 x	53%	53%	11.7 x	10.3 x
Zepp Health	1.42	23%	25%	(2%)	364	365	358	(40%)	2%	1.0 x	1.0 x	26%	29%	NM	18.1 x
<b>Mean</b>		<b>8%</b>	<b>8%</b>	<b>15%</b>				<b>(5%)</b>	<b>13%</b>	<b>2.3 x</b>	<b>2.1 x</b>	<b>52%</b>	<b>54%</b>	<b>11.6 x</b>	<b>13.7 x</b>
<b>Median</b>		<b>21%</b>	<b>9%</b>	<b>12%</b>				<b>(1%)</b>	<b>8%</b>	<b>1.4 x</b>	<b>1.2 x</b>	<b>48%</b>	<b>49%</b>	<b>11.5 x</b>	<b>13.0 x</b>
<b>Size Weighted Mean (a)</b>		<b>19%</b>	<b>18%</b>	<b>33%</b>				<b>1%</b>	<b>8%</b>			<b>51%</b>	<b>52%</b>		
<b>Health &amp; Wellness Tech</b>															
23andMe	\$0.91	(7%)	(48%)	(58%)	\$438	\$181	\$256	(13%)	5%	0.7 x	0.7 x	49%	48%	NM	NM
Beachbody	8.29	(44%)	(60%)	(68%)	56	39	513	(26%)	(3%)	0.1 x	0.1 x	54%	56%	NM	NM
Doximity	28.04	32%	(18%)	(16%)	5,213	4,483	454	16%	11%	9.9 x	8.9 x	90%	89%	23.4 x	19.7 x
GoodRx	6.70	19%	21%	44%	2,721	2,582	745	(2%)	5%	3.5 x	3.3 x	91%	92%	12.2 x	11.7 x
Sleep Cycle	3.84	65%	48%	(11%)	78	68	24	12%	12%	2.9 x	2.6 x	77%	77%	9.1 x	7.9 x
WW International	8.75	(21%)	30%	127%	692	2,003	890	(15%)	4%	2.2 x	2.2 x	62%	64%	14.9 x	10.3 x
Ziff Davis	67.19	5%	(4%)	(15%)	3,090	3,400	1,373	(2%)	5%	2.5 x	2.4 x	85%	86%	7.0 x	6.6 x
<b>Mean</b>		<b>7%</b>	<b>(4%)</b>	<b>0%</b>				<b>(4%)</b>	<b>5%</b>	<b>3.1 x</b>	<b>2.9 x</b>	<b>73%</b>	<b>73%</b>	<b>13.3 x</b>	<b>11.2 x</b>
<b>Median</b>		<b>5%</b>	<b>(4%)</b>	<b>(15%)</b>				<b>(2%)</b>	<b>5%</b>	<b>2.5 x</b>	<b>2.4 x</b>	<b>77%</b>	<b>77%</b>	<b>12.2 x</b>	<b>10.3 x</b>
<b>Size Weighted Mean (a)</b>		<b>18%</b>	<b>(4%)</b>	<b>4%</b>				<b>(6%)</b>	<b>5%</b>			<b>76%</b>	<b>77%</b>		

# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance			Equity Value	Enterprise Value	Revenue CY2023	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/23	3-Mo	6-Mo	LTM				CY2023	CY2024	CY2023	CY2024	CY2023	CY2024	CY2023	CY2024
<b>Consumer Med Tech</b>															
<u>Sleep Health</u>															
Inspire Medical	\$203.43	3%	(37%)	(19%)	\$6,006	\$5,542	\$610	50%	27%	9.1 x	7.2 x	84%	84%	NM	NM
Nyxoah	4.71	(39%)	(39%)	(17%)	135	69	4	27%	170%	NM	5.9 x	64%	68%	NM	NM
ProSomnus	0.98	(6%)	(68%)	(82%)	16	51	27	40%	24%	1.9 x	1.5 x	52%	53%	NM	NM
ResMed	172.02	16%	(21%)	(17%)	25,301	26,442	4,445	18%	7%	5.9 x	5.5 x	56%	57%	18.9 x	17.5 x
<u>Diabetes</u>															
DexCom	124.09	33%	(3%)	10%	47,945	47,319	3,593	23%	19%	13.2 x	11.0 x	64%	64%	47.2 x	37.9 x
Insulet Corp	216.98	36%	(25%)	(26%)	15,151	15,908	1,648	26%	20%	9.7 x	8.1 x	67%	67%	NM	45.8 x
iRhythm Technologies	107.04	14%	3%	14%	3,281	3,157	489	19%	18%	6.5 x	5.4 x	68%	70%	NM	NM
Senseonics	0.57	(6%)	(25%)	(45%)	301	254	22	34%	75%	11.5 x	6.6 x	12%	25%	NM	NM
Tandem Diabetes	29.58	42%	21%	(34%)	1,929	1,715	765	(5%)	10%	2.2 x	2.0 x	51%	53%	NM	NM
<u>Rehabilitation</u>															
Enovis	56.02	6%	(13%)	5%	3,058	3,423	1,698	9%	11%	2.0 x	1.8 x	58%	59%	12.8 x	10.8 x
<u>Hearing</u>															
Amplifon	34.63	11%	(7%)	13%	7,810	9,398	2,527	8%	8%	3.7 x	3.4 x	79%	79%	15.4 x	13.9 x
Demant	43.82	1%	3%	54%	9,497	11,460	3,321	14%	7%	3.5 x	3.2 x	74%	75%	14.2 x	12.9 x
GN	25.44	34%	1%	8%	3,702	5,496	2,683	(3%)	5%	2.0 x	1.9 x	50%	52%	15.6 x	11.9 x
Masimo	117.21	34%	(29%)	(21%)	6,194	7,009	2,040	0%	4%	3.4 x	3.3 x	51%	51%	21.8 x	19.1 x
Sonova	326.01	26%	15%	25%	19,439	21,347	3,401	(22%)	35%	6.3 x	4.6 x	72%	72%	18.5 x	17.1 x
<u>Vision</u>															
Bausch+Lomb	17.06	1%	(15%)	10%	5,986	10,162	4,065	8%	12%	2.5 x	2.2 x	61%	63%	13.8 x	11.5 x
EssilorLuxottica	200.66	10%	5%	7%	90,199	102,015	28,091	4%	6%	3.6 x	3.4 x	64%	64%	13.9 x	12.7 x
Kits Eyecare	4.71	26%	33%	133%	148	146	91	32%	15%	1.6 x	1.4 x	34%	35%	NM	35.7 x
Warby Parker	14.10	7%	21%	5%	1,659	1,443	668	12%	12%	2.2 x	1.9 x	55%	55%	27.3 x	21.2 x
<u>Dental</u>															
Align Technology	274.00	(10%)	(23%)	30%	20,985	19,683	3,833	3%	5%	5.1 x	4.9 x	70%	71%	20.8 x	19.6 x
<b>Mean</b>		<b>12%</b>	<b>(10%)</b>	<b>3%</b>				<b>15%</b>	<b>25%</b>	<b>5.1 x</b>	<b>4.3 x</b>	<b>59%</b>	<b>61%</b>	<b>20.0 x</b>	<b>20.5 x</b>
<b>Median</b>		<b>11%</b>	<b>(10%)</b>	<b>6%</b>				<b>13%</b>	<b>12%</b>	<b>3.6 x</b>	<b>3.4 x</b>	<b>62%</b>	<b>63%</b>	<b>17.0 x</b>	<b>17.3 x</b>
<b>Size Weighted Mean (a)</b>		<b>16%</b>	<b>(5%)</b>	<b>7%</b>				<b>6%</b>	<b>10%</b>			<b>64%</b>	<b>64%</b>		

# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance			Equity Value	Enterprise Value	Revenue CY2023	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/23	3-Mo	6-Mo	LTM				CY2023	CY2024	CY2023	CY2024	CY2023	CY2024	CY2023	CY2024
<b>Virtual Care</b>															
Hims & Hers	\$8.90	41%	(5%)	39%	\$1,887	\$1,674	872	67%	27%	1.9 x	1.5 x	82%	81%	37.7 x	21.5 x
Invitae	0.63	4%	(45%)	(66%)	180	1,281	486	(6%)	9%	2.6 x	2.4 x	49%	50%	NM	NM
American Well	1.49	27%	(29%)	(47%)	428	28	258	(7%)	5%	0.1 x	0.1 x	38%	40%	NM	NM
LifeMD	8.29	33%	91%	327%	325	331	148	19%	20%	2.2 x	1.9 x	87%	88%	33.2 x	18.3 x
Talkspace	2.54	30%	100%	316%	424	299	146	22%	25%	2.0 x	1.6 x	50%	50%	NM	NM
Teladoc	21.55	16%	(15%)	(9%)	3,568	4,075	2,612	9%	6%	1.6 x	1.5 x	71%	71%	12.6 x	11.2 x
WELL Health	2.91	(7%)	(19%)	36%	702	1,035	575	34%	19%	1.8 x	1.5 x	49%	47%	12.1 x	10.5 x
<b>Mean</b>		<b>21%</b>	<b>11%</b>	<b>85%</b>				<b>20%</b>	<b>16%</b>	<b>1.8 x</b>	<b>1.5 x</b>	<b>61%</b>	<b>61%</b>	<b>23.9 x</b>	<b>15.4 x</b>
<b>Median</b>		<b>27%</b>	<b>(15%)</b>	<b>36%</b>				<b>19%</b>	<b>19%</b>	<b>1.9 x</b>	<b>1.5 x</b>	<b>50%</b>	<b>50%</b>	<b>22.9 x</b>	<b>14.8 x</b>
<b>Size Weighted Mean (a)</b>		<b>22%</b>	<b>(3%)</b>	<b>37%</b>				<b>20%</b>	<b>12%</b>			<b>66%</b>	<b>66%</b>		
<b>Corporate Wellness &amp; Care Management</b>															
Accolade	12.01	14%	(11%)	54%	916	907	380	6%	23%	2.4 x	1.9 x	47%	49%	NM	NM
HealthEquity	66.30	(9%)	5%	8%	5,689	6,229	992	15%	16%	6.3 x	5.4 x	62%	65%	17.5 x	14.1 x
LifeSpeak	0.49	43%	55%	(32%)	25	87	40	11%	4%	2.2 x	2.1 x	91%	91%	8.5 x	8.0 x
Progyny	37.18	9%	(5%)	19%	3,563	3,228	1,093	39%	20%	3.0 x	2.5 x	22%	22%	17.2 x	14.2 x
Sharecare	1.08	15%	(38%)	(33%)	381	311	454	3%	9%	0.7 x	0.6 x	43%	46%	12.9 x	6.7 x
<b>Mean</b>		<b>14%</b>	<b>1%</b>	<b>3%</b>				<b>15%</b>	<b>14%</b>	<b>2.9 x</b>	<b>2.5 x</b>	<b>53%</b>	<b>55%</b>	<b>14.0 x</b>	<b>10.7 x</b>
<b>Median</b>		<b>14%</b>	<b>(5%)</b>	<b>8%</b>				<b>11%</b>	<b>16%</b>	<b>2.4 x</b>	<b>2.1 x</b>	<b>47%</b>	<b>49%</b>	<b>15.1 x</b>	<b>11.0 x</b>
<b>Size Weighted Mean (a)</b>		<b>(0%)</b>	<b>(1%)</b>	<b>14%</b>				<b>21%</b>	<b>17%</b>			<b>43%</b>	<b>45%</b>		
<b>All Consumer Healthtech - 48 Companies</b>															
<b>Mean</b>		<b>12%</b>	<b>(2%)</b>	<b>17%</b>				<b>9%</b>	<b>17%</b>	<b>3.5 x</b>	<b>3.1 x</b>	<b>59%</b>	<b>61%</b>	<b>17.4 x</b>	<b>16.0 x</b>
<b>Median</b>		<b>14%</b>	<b>(5%)</b>	<b>5%</b>				<b>8%</b>	<b>11%</b>	<b>2.4 x</b>	<b>2.1 x</b>	<b>57%</b>	<b>58%</b>	<b>14.9 x</b>	<b>13.5 x</b>
<b>Size Weighted Mean (a)</b>		<b>16%</b>	<b>(2%)</b>	<b>7%</b>				<b>6%</b>	<b>10%</b>			<b>62%</b>	<b>63%</b>		
<b>Cumulative \$ Growth</b>								<b>5%</b>	<b>9%</b>			<b>5%</b>	<b>11%</b>		

# PUBLIC COMPANY OPERATING & VALUATION UPDATE

Company Name	Price	Stock Price Performance			Equity Value	Enterprise Value	Revenue CY2023	% Rev Growth		EV / Revenue		Gross Margin		EV / EBITDA	
	12/31/23	3-Mo	6-Mo	LTM				CY2023	CY2023	CY2024	CY2023	CY2024	CY2023	CY2024	CY2023
<b>Micro-Cap (Defined as Market Cap or Enterprise Value Between \$10m - \$50m)</b>															
<i>Connected Health &amp; Fitness Devices</i>															
Movano	\$0.78	(28%)	(28%)	(40%)	\$43	\$35	NA	NA	NA	NA	NA	NA	NA	NA	NA
Interactive Strength	0.86	(37%)	(69%)	IPO	12	20	1	82%	390%	NM	3.2 x	41%	41%	NM	NM
BowFlex	0.77	(9%)	(37%)	(50%)	28	36	231	(33%)	1%	0.2 x	0.2 x	23%	30%	NM	NM
<i>Consumer Med Tech</i>															
Biotricity	1.15	(46%)	(70%)	(57%)	10	31	12	33%	15%	2.6 x	2.3 x	68%	65%	NA	NA
Eargo	2.59	19%	(47%)	(77%)	54	8	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nuheara	0.08	(26%)	(36%)	(44%)	18	18	NA	NA	NA	NA	NA	NA	NA	NA	NA
SomnoMed	0.34	(29%)	(48%)	(61%)	37	45	61	13%	15%	0.7 x	0.6 x	NA	NA	21.8 x	12.4 x
Vivos Therapeutics	12.44	159%	(2%)	24%	15	14	14	(11%)	30%	1.0 x	0.8 x	61%	61%	NA	NA
<i>Virtual Care</i>															
Akili Therapeutics	0.49	(11%)	(56%)	(57%)	38	(33)	2	453%	327%	NM	NM	49%	62%	NM	NM
Cue Health	0.16	(63%)	(56%)	(92%)	25	(85)	70	(82%)	41%	NM	NM	14%	14%	NM	NM
Cloud Dx	0.07	--	(10%)	(40%)	6	15	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>Corporate Wellness &amp; Care Management</i>															
DarioHealth	1.72	(48%)	(57%)	(60%)	47	32	21	(25%)	29%	1.5 x	1.2 x	32%	44%	NM	NM
OnTrak	0.40	(54%)	(86%)	(82%)	15	26	13	(9%)	42%	2.0 x	1.4 x	NA	NA	NM	NM

## Delisted in 2023

## Status

Pear Therapeutics	4/7/23: Filed Chapter 11 bankruptcy
Babylon Health	8/9/23: Filed Chapter 7 bankruptcy
SmileDirectClub	10/30/23: Filed Chapter 11 bankruptcy



A person wearing a smartwatch with digital healthtech overlays. The background is a blurred outdoor scene with a person running. The smartwatch is on the person's left wrist, and there are various digital icons and lines around it, including a heart rate monitor icon, a pulse line, and a circular graphic. The overall theme is health and technology.

# SOLOMON PARTNERS CONSUMER HEALTHTECH COVERAGE

# FIRM OVERVIEW

SOLOMON PARTNERS IS AN INDEPENDENTLY OPERATED INVESTMENT BANK WITH PROPRIETARY ACCESS TO GLOBAL FINANCING CAPABILITIES AND INTERNATIONAL COVERAGE THROUGH OUR PARENT COMPANY, NATIXIS

## CAPABILITIES

- 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

**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 equity and debt 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

## New York Headquarters

Additional Offices in Chicago and Miami

**200+**  
Employees

**150+**  
Investment Bankers

**30+**  
Partners & Managing Directors

**\$200B+**  
Advised M&A Transactions

**10+**

Industries Covered

**Business Services**

**Consumer Retail**

**Financial Services & FinTech**

**Financial Sponsors**

**Grocery, Pharmacy & Restaurants**

**Healthcare**

**Industrials**

**Infra, Power & Renewables**

**Media**

**Technology**

# WE ARE GLOBAL BY DESIGN WITH OUR NATIXIS NETWORK

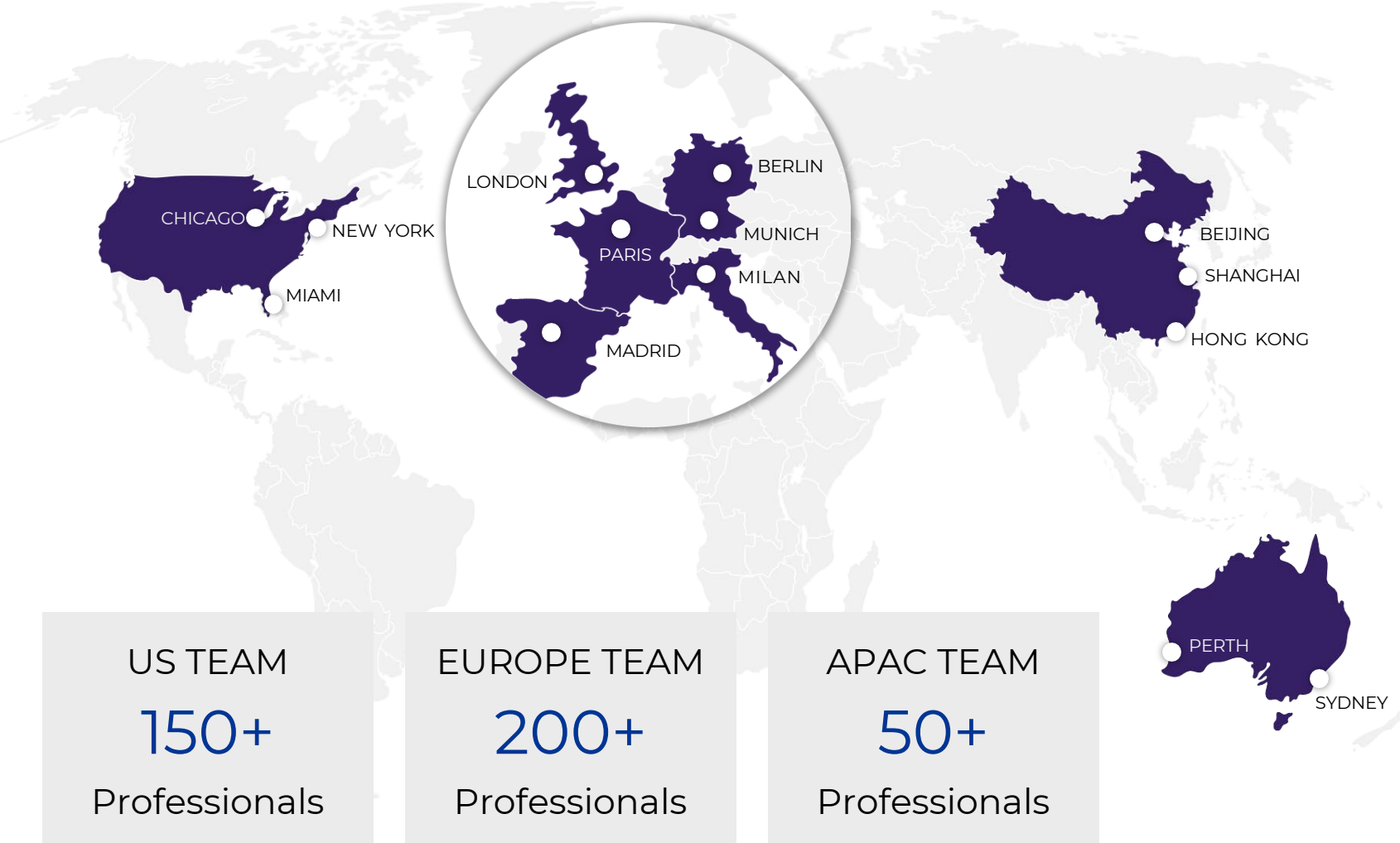
## Advisory Platform

for companies with international ambitions

➤ **Capitalizing** on Natixis network with local foothold in over 35 countries

➤ **Coverage** for all major continents

➤ Significant **cross-border** M&A and capital raising



# CONSUMER HEALTHTECH LEADERSHIP

CONSUMER HEALTHTECH EFFORT SUPPORTED BY SOLOMON'S WELL-CONNECTED NETWORK OF STRATEGIC AND SPONSOR RELATIONSHIPS ACROSS HEALTHCARE, CONSUMER RETAIL AND TECHNOLOGY & MEDIA INDUSTRIES

## HEALTHCARE



**Eric Bormel**  
Consumer Healthtech  
(o) 786.831.6614 | (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





**Jon Hammack**  
Med Tech  
Group Head



**Karan Garg**  
Healthcare Services




**Brad Hildebrand**  
Healthcare Services




**Aryeh Sand**  
Life Sciences

## FIRM LEADERSHIP



**Peter Solomon**  
Founder & Chairman



**Marc Cooper**  
Chief Executive Officer


## CONSUMER RETAIL




**David Shiffman**  
Consumer Retail  
Group Co-Head



**Jon LeVert**  
Consumer



**Jeffrey Derman**  
Consumer Tech



**Peter Diamond**  
Consumer

## PRODUCT LEADERSHIP



**Joseph Stein**  
Capital Markets




**Jeff Jacobs**  
M&A & Fairness Committee



**Cathy Leonhardt**  
Consumer Retail  
Group Co-Head



**Scott Moses**  
Grocery, Pharmacy & Restaurants  
Group Head




**Brandon Yoshimura**  
Direct-to-Consumer



**Josh Heft**  
Grocery, Pharmacy & Restaurants

## FINANCIAL SPONSORS




**Sash Rental**  
Financial Sponsors



**Tucker Laurens**  
Financial Sponsors


## TECHNOLOGY & MEDIA



**Rich Brail**  
Technology, Media & Telecom  
Chairman of M&A



**Craig Muir**  
Technology  
Group Head



**Mark Boidman**  
Media  
Group Head



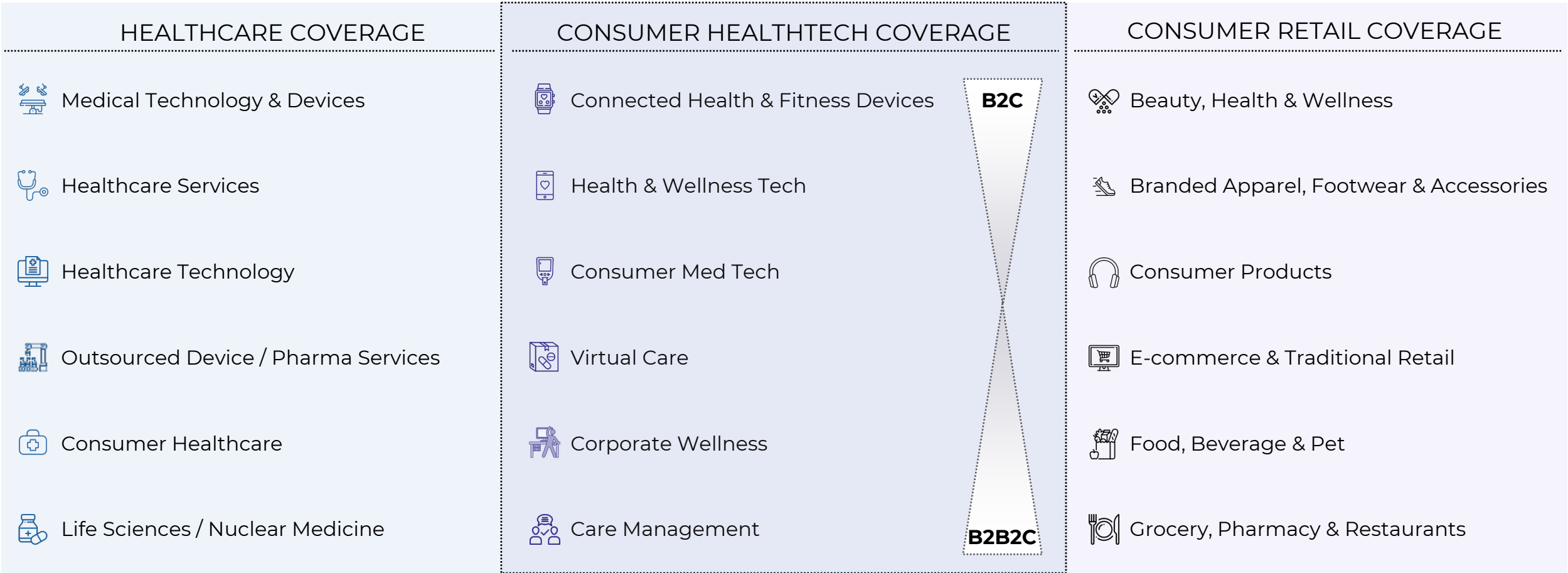
**Joseph Watson**  
Technology

## GLOBAL NETWORK



# CONSUMER HEALTHTECH COVERAGE

FOCUSED B2C AND B2B2C COVERAGE AT THE NEXUS OF DIGITAL HEALTH AND BRANDED CONSUMER



**Technology & Media Coverage**

# WORLD CLASS EXPERTISE IN CONSUMER HEALTHTECH

## Expertise Across:

- ✓ High Growth Consumer Healthtech Verticals
- ✓ Customer Channel (DTC, Wholesale, Self-Insured Employer, Payer, Provider)
- ✓ Solutions (Consumer Product, Medical Device, Software, Tech-Enabled Service)
- ✓ Client Ownership (Founder-owned, PE/VC-backed, Publicly Listed)
- ✓ Advisory Role (Sellside, Buyside, deSPAC, Capital Raise, Restructuring)

SEPTEMBER 2023



Strategic alternatives for



Served as financial advisor to Lululemon

JUNE 2023



Received growth financing from



Served as financial advisor to Wikiloc

MAY 2023



Majority Recapitalization and Growth Investment

Served as financial advisor to Wahoo Fitness

APRIL 2023



Sale to



Served as financial advisor to Prodigo Solutions

DECEMBER 2022  
\$168,000,000



Merged with

**Lakeshore Acquisition I SPAC**

Served as financial advisor to ProSomnus

DECEMBER 2022  
\$1,350,000,000



Acquired



Served as financial advisor & placement agent to Prime

NOVEMBER 2022



Strategic investment in



Served as financial advisor to Vestar Capital Partners

SEPTEMBER 2022



Sale to



Served as financial advisor to Patient Funding Alternatives

SEPTEMBER 2022  
A\$182,000,000



Sale to



Served as financial advisor to ResApp Health

APRIL 2022



Sale to

**E G Y M**

Served as financial advisor to Gymlib

APRIL 2022  
\$1,025,000,000



Sale to



Served as financial advisor to Sound United

FEBRUARY 2022




Sale to



Served as financial advisor to 8fit

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 Panalgo

SEPTEMBER 2021

Merged with



Served as financial advisor to Evaluate

AUGUST 2021



Sale to



Served as financial advisor to Pharmaca

DECEMBER 2020  
\$345,000,000



Sale of



to



Served as financial advisor to Under Armour

SEPTEMBER 2020  
\$60,000,000




Received growth financing from




Served as financial advisor to withings

MAY 2015  
\$179,500,000



Sold minority interest to



Served as advisor to the founders of SoulCycle

DECEMBER 2013  
\$150,000,000



Acquired



Served as financial advisor to Under Armour

# 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.