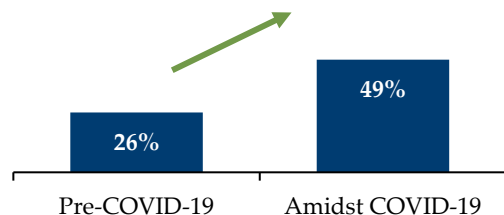


Telehealth Market Overview

Providers Prioritize Telehealth

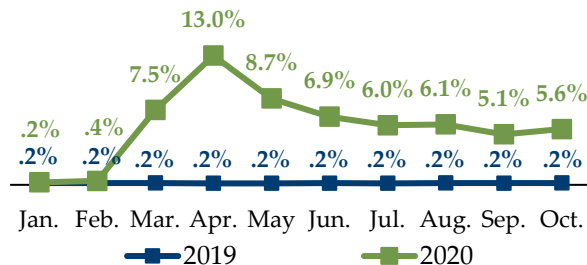
Percentage of Healthcare Organizations Describing Telehealth as Their Top Innovation Priority



During 2020, healthcare organizations were forced to prioritize their telehealth capabilities in response to the COVID-19 pandemic and consequent shift in demand to remote healthcare solutions.

Virtual Care Visits Increase

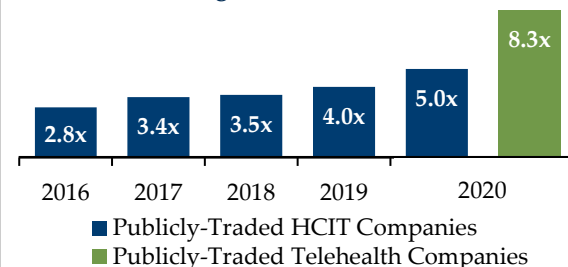
Volume of Telehealth Claim Lines¹



Telehealth claims surged in 2020 with the onset of COVID-19 and prohibition of in-person clinical visits. We anticipate telehealth will remain a meaningful percentage of total claim lines going forward.

Valuation Multiples Continue to Rise

Average EV/LTM Revenue



During 2020, publicly-traded telehealth companies experienced a rise in valuation. Strong trading multiples signal that companies in this market are in demand and sellers can receive high valuations.

\$ in millions	Select Telehealth M&A Transactions ²		Purchase Price	Target LTM Revenue	EV/Revenue
Date	Acquirer	Target			
01/15/21	Accolade, Inc. (NASDAQ: ACCD)	Innovation Specialists LLC	\$460	\$35.0	13.1x
11/30/20	Signant Health	VirTrial, LLC	-	-	-
11/09/20	WELL Health Technologies Corp. (TSX: WELL)	INSIG Corporation	24	-	-
10/27/20	Teleperformance (Paris: TEP)	Health Advocate	690	140.0	4.9x
08/05/20	Teladoc Health, Inc. (NYSE: TDOC)	Livongo Health, Inc.	18,500	264.0	NM
07/29/20	Healthcare Merger Corporation	SOC Telemed (NASDAQ:TLMD)	721	66.2	10.9x
01/29/20	AMN Healthcare, Inc. (NYSE: AMN)	Stratus Video, LLC	475	118.8	4.0x
01/12/20	Teladoc Health, Inc. (NYSE: TDOC)	InTouch Technologies, Inc.	600	80.0	7.5x

Telehealth remains an area of high interest for a diverse universe of buyers and investors. In 2020, acquisitions were made by healthcare technology companies, healthcare providers, strategic telehealth companies, and financial sponsors, at strong valuation multiples:

7.5x Median EV/Revenue

8.1x Mean EV/Revenue

Telehealth Remains Top of Mind for Employers

In 2021, 95 percent of employers with over 500 employees are expected to provide telemedicine coverage while some may even offer telemedicine stations at the office so employees have convenient access to physicians.³

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This overview has been prepared for informational purposes only and does not constitute an offering. Sources: Sherman & Company, S&P MI, company filings, public press releases, report by the Center for Connected Medicine, Fairhealth.org.

Footnotes: 1. A claim line is an individual service or procedure listed on an insurance claim. 2. Revenue multiples exceeding 15.0x excluded as Not Meaningful "NM". 3. America's Health Insurance Plans and the Coalition to Transform Advanced Care.