

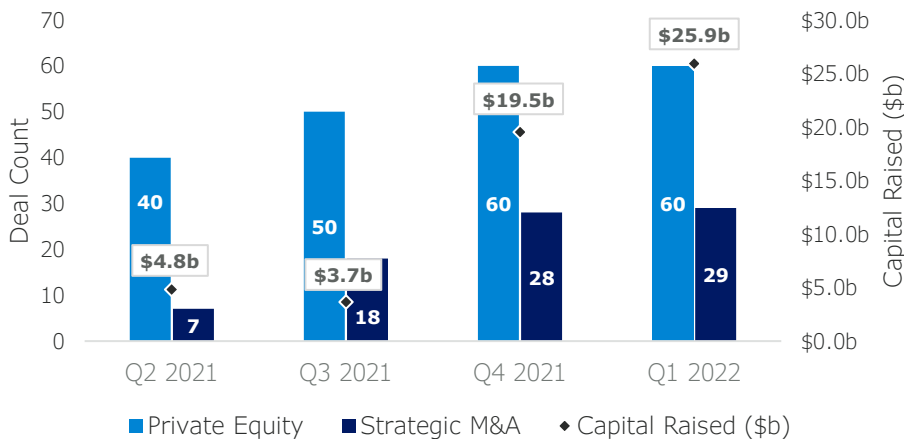
Market Update Healthcare IT & Consulting

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M&A activity within the broader Healthcare IT & Consulting ecosystem has continued at a rapid pace through the first quarter of 2022, with nearly ~\$26b in capital raised through the first three months of the year. Valuations have continued to soar for high-performing IT Services and software companies serving payors, providers, and life sciences customers, proving that even amidst global volatility, there is a massive market opportunity for vendors to drastically improve the overall healthcare ecosystem from patient engagement, to care delivery, to billing and collections, to population health, and everything in-between.

There are a variety of factors that are continually pushing the Healthcare IT & Consulting sector upmarket and increasing the adoption of technology within the healthcare ecosystem. The rapid shift towards value-based and ambulatory care, cost & regulatory pressure, the never-ending rise of consumerism in healthcare, and the consolidation of hospitals and providers are key forces acting on the industry and manifesting in advancements and adoption of new technologies. Combining these forces, IT Services leaders who can help healthcare-focused clients realize the benefits of change while disrupting the traditional continuum of care delivery will be best positioned to leverage industry tailwinds.

Deal Count and Capital Raised by Transaction Type

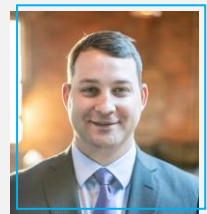


7MA has completed numerous M&A transactions for companies operating in the Healthcare IT & Consulting Industry and has developed unparalleled deal expertise and knowledge of the industry trends, valuation trends, and most active strategic and financial buyers. Please contact Ben Garber, Steve Buffington, Conor Smith, or Adam Alderfer if you would like to learn more about 7MA's Healthcare IT & Consulting practice.

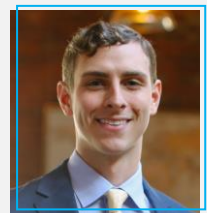
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The Chartis Group Acquires Crankfrog

The Chartis Group, a leading healthcare advisory and analytics firm, announced its acquisition of Crankfrog, one of the fastest growing payer consulting firms advising national, regional, and local payers on strategy, operations, and technology. The acquisition of Crankfrog furthers Chartis' commitment to helping its clients navigate the evolving healthcare ecosystem and how care is delivered and financed. The addition of Crankfrog allows Chartis to expand and amplify its capabilities to serve both payers and providers while adding a like-minded firm with exceptionally talented consultants providing complementary capabilities in payer strategy, operations, digital, and IT.

Date: February 22, 2022

Deal Type: M&A

Target HQ: USA

7 Mile Advisors acted as the buy-side advisor to The Chartis Group



Quantori Received Growth Capital from Flint Capital

Quantori, a premier data analytics, science, and engineering firm focusing on the life science and healthcare industries, who creates explanatory and causal models to provide human-interpretable reasoning and decision guidance, has received an undisclosed amount of growth capital from Flint Capital, a Boston-based early-stage venture capital fund. Designing and deploying physical, logical, and semantic data architectures and integration layers, Quantori and Flint Capital's partnership will help Quantori expand its Eastern European and U.S. footprints as well as digital transformation capabilities for its clients.

Date: February 25, 2021

Deal Type: Capital Raise

Target HQ: USA

7 Mile Advisors acted as the sell-side advisor to Quantori



BDO USA Acquires Culbert Healthcare Solutions

BDO USA, LLP ("BDO"), one of the nation's leading accounting and advisory firms, recently acquired Culbert Healthcare Solutions, Inc. ("Culbert"), a Massachusetts-based management consulting firm that advises hospitals, academic medical centers, and large physician group practices. This combination further strengthens and expands BDO's management advisory capabilities, specifically in the healthcare industry. Culbert Healthcare Solutions was instrumental in further establishing BDO's healthcare advisory experience, and 7 Mile Advisors looks forward to continuing to support the growth and expansion of BDO's advisory practice.

Date: December 16, 2021

Deal Type: M&A

Target HQ: USA

7 Mile Advisors acted as the buy-side advisor to BDO



Industry Vertical

Agnostic

Hospital
& Health
Systems

Life
Sciences

Payor

Providers

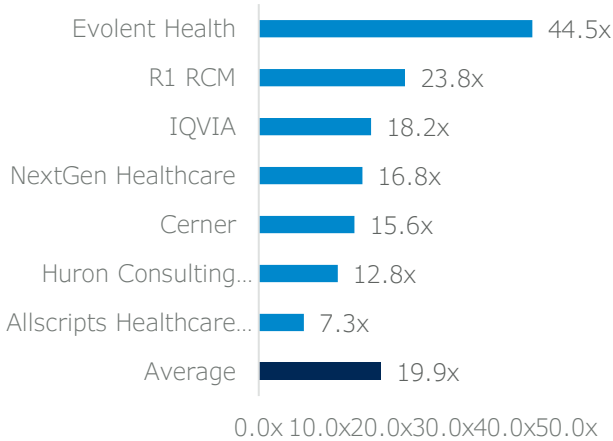
Revenue
Cycle

Please reach out to 7MA team to get access to the market landscape.

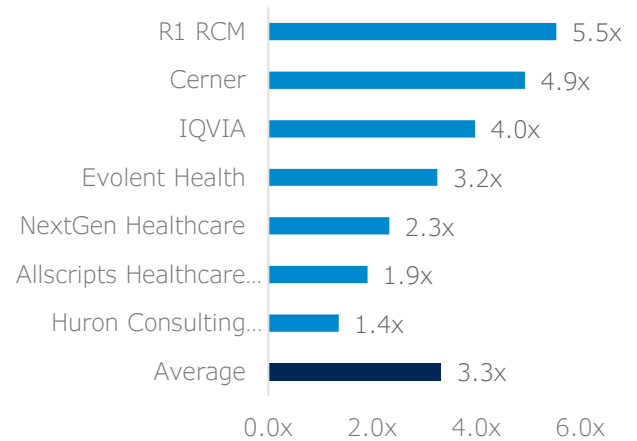
Publicly-traded Healthcare IT & Consulting Companies – Q1 2022

Companies	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# of FTEs	Rev / FTE \$k
Huron Consulting Group	1,254	98	927	6%	29%	11%	1.4x	12.8x	4,609	27
NextGen Healthcare	1,370	81	589	3%	51%	14%	2.3x	16.8x	3,038	45
Allscripts Healthcare Solutions	2,863	390	1,503	0%	41%	26%	1.9x	7.3x	8,000	36
Evolut Health	2,948	66	908	-2%	28%	7%	3.2x	44.5x	3,500	84
R1 RCM	8,163	344	1,475	16%	21%	23%	5.5x	23.8x	22,000	37
Cerner	28,439	1,828	5,765	5%	83%	32%	4.9x	15.6x	25,150	113
IQVIA	55,102	3,022	13,874	22%	33%	22%	4.0x	18.2x	79,000	70
Average	14,306	833	3,577	7%	41%	19%	3.3x	19.9x	20,757	59
Median	2,948	344	1,475	5%	33%	22%	3.2x	16.8x	8,000	45

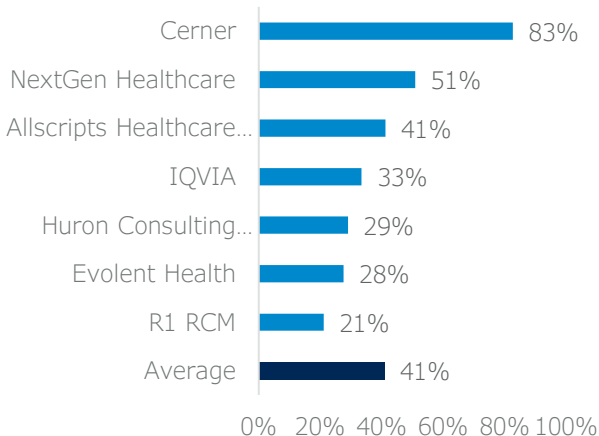
TEV / EBITDA X



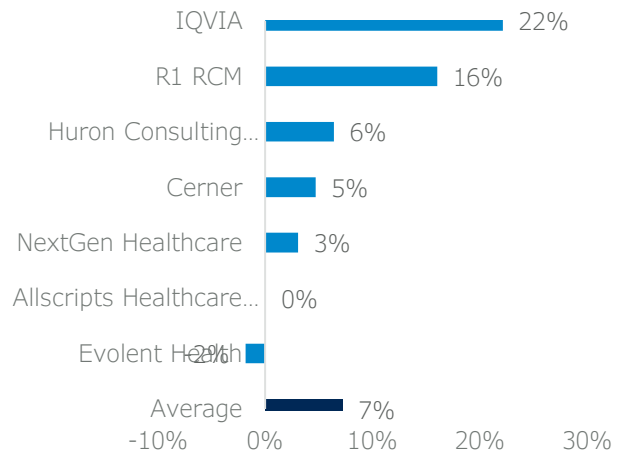
TEV / Rev X



Gross Margin %



Rev Growth YoY



Q1 2022 M&A Transactions

Date	Target	Buyer / Investor	Target Description
February 2022			<ul style="list-style-type: none"> Developer of medical practice automation and claims management software intended for medical groups and health systems. The company's platform offers revenue cycle management, medical billing, electronic health records, patient engagement, care coordination, population health management as well as clinical intelligence and decision support, helping healthcare organizations to deliver measurable financial and clinical results.
February 2022			<ul style="list-style-type: none"> Developer of revenue cycle management software intended for healthcare providers, academic medical centers, independent and physician groups. The company offers a suite of cloud-based, digital patient intake, front-end RCM software and patient-access systems to facilitate electronic collaboration between the patient, provider and payer, enabling clients to maximize revenue and reduce inefficiencies throughout the revenue cycle.
January 2022			<ul style="list-style-type: none"> Provider of primary care data and business analytics services intended to improve patient care and drive efficiencies through the better use of information technology. The company provides real-time insights using business intelligence tools, thereby enabling the health and social care sector clients to improve access, efficiency, and workforce planning by better understanding demand, capacity, and activity patterns relating to patient populations.
January 2022			<ul style="list-style-type: none"> Provider of business and information technology consulting services intended for the life sciences industry. The company offers business development services, team formation, validation and commissioning, new product integration as well as process and automation engineering, enabling clients to thoroughly understand their challenges and achieve the goals.
January 2022			<ul style="list-style-type: none"> Operator of a digital behavioral health company dedicated to advancing behavioral-medical integration. The company offers a platform that combines a digital health assessment with an analytics engine to identify patient behavioral health issues, assign risk scores, and generate alerts that are delivered in real-time at the point of care and also supports video-based virtual visits and other features.
January 2022			<ul style="list-style-type: none"> Developer of a community engagement platform designed to keep alumni and families connected to each other. The company's platform allows healthcare organizations to learn about the patient and visitor experience, build awareness through targeted calls-to-action and reach the community through personalized wellness content, enabling users to connect with each other to share stories, tips, strategies, and successes.

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit www.7mileadvisors.com.



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Notable 7 Mile Transactions

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CitiusTech

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GGA

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QUISITIVE™

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Recovery Services

RCAP
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CONSULTING

