

# HEALTHCARE IT MARKET ACTIVITY IMPROVES ACROSS ASSET CLASSES

HEALTHCARE INFORMATION TECHNOLOGY SECTOR UPDATE | SEPTEMBER 2025



**CAPSTONE  
PARTNERS**

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## HEALTHCARE IT COVERAGE VERTICALS

Capstone Partners' Technology, Media & Telecom Group provides high-quality corporate finance advice to software and service providers across the entire Healthcare Information Technology spectrum including the Clinical Systems, eHealth, Electronic Health Records, Patient Monitoring, Practice Management, and Revenue Cycle Management subsegments.

We leverage domain experience to provide high-quality mergers and acquisitions, institutional financing, and strategic advisory services to private and publicly traded healthcare information technology companies across the globe.

### Capstone Advises Companies Across the Healthcare IT Market



#### Business-to-Business HCIT

*Companies that develop software tools for hospitals, private medical groups, and other healthcare services providers to drive operational efficiency, transparency, and accuracy.*

- Appointment Scheduling
- Health Data Analytics
- Clinical Documentation
- Diagnostic Software Tools
- Digital Prescribing
- Electronic Health Records
- Employee Engagement
- Insurer/Payor Communication
- Laboratory Information Systems
- Patient Monitoring
- Practice Management
- Revenue Cycle Management



#### Direct-to-Consumer HCIT

*Companies that provide software and technology-driven solutions directly to patients to improve healthcare accessibility and treatment, wellness monitoring, and medication delivery.*

- Chronic Condition Management
- Digital Healthcare Marketplaces
- Digital Pharmacies
- Online Healthcare Forums
- Patient Portals
- Personal DNA Collection
- Prescription Discount
- Tech-Enabled Primary Care
- Telehealth
- Wearable Health Technology
- Wellness Tracking



# Healthcare Information Technology

## Healthcare IT Market Activity Improves Across Asset Classes

### KEY SECTOR TAKEAWAYS

Capstone Partners' Technology, Media & Telecom (TMT) Group is pleased to share its Healthcare Information Technology (IT) report. Merger and acquisition (M&A) and equity financing activity in the Healthcare IT sector have remained strong to date, underpinned by elevated Healthcare industry spending. The sector's Initial Public Offering (IPO) market has also reopened for the first time since 2022, signaling a return of investor confidence. Business-to-Business (B2B)-focused participants have gained heightened demand and attention in the Capital markets as healthcare providers struggle to manage patient volumes and reconcile payments. Meanwhile, oversaturation has muted capital deployment in the Direct-to-Consumer (DTC) space. Several additional report takeaways are outlined below.

1. Persistent healthcare inflation and an aging U.S. population have been the primary drivers of national healthcare spending, which is slated to continue outpacing gross domestic product (GDP) growth.
2. Sector M&A volume has increased 26% year-over-year (YOY) through year-to-date (YTD) 2025, supported by a competitive pool of strategic and private equity (PE) buyers.
3. PE acquisitions, exits, and fundraising in the sector have all risen to date as sponsors look to deploy dry powder and distribute returns to capital-hungry limited partners (LPs).
4. M&A has remained the most viable exit path for sponsors. While the Healthcare IT IPO market has reopened, recent listings have been venture capital (VC)-backed exits.
5. Growth capital investors have increasingly targeted B2B participants with artificial intelligence (AI) and machine learning (ML) capabilities, buoying overall equity financing activity in the sector.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Healthcare IT sector knowledge, please [contact us](#).

# ELEVATED HEALTHCARE SPENDING UNDERPINS SECTOR DEMAND

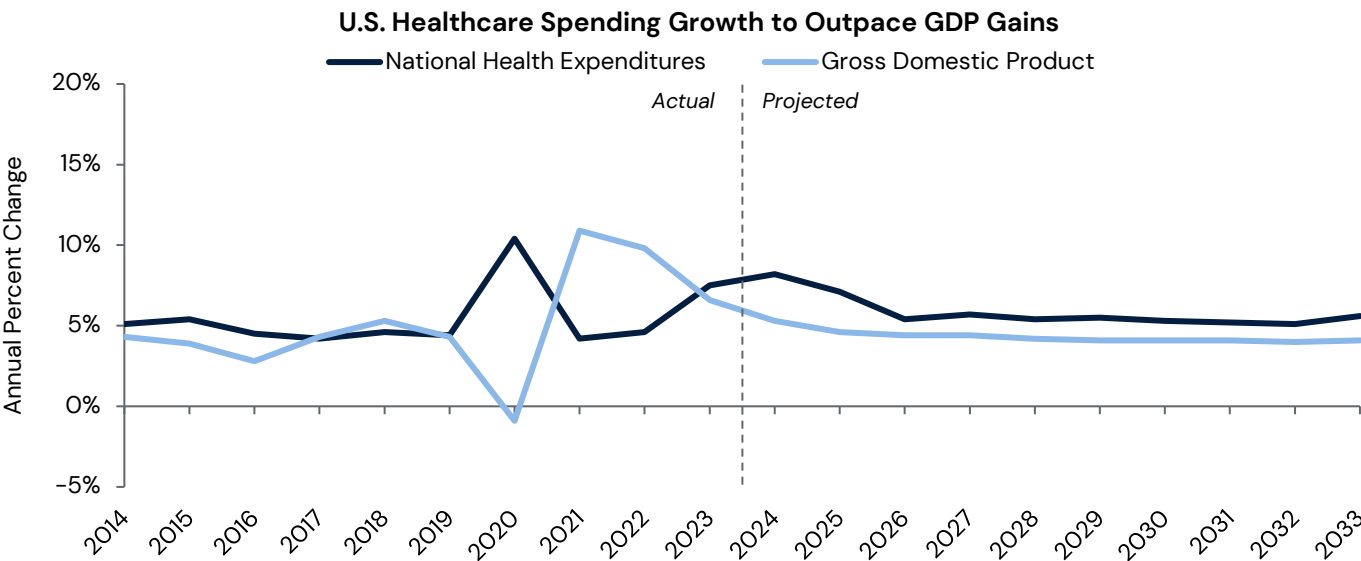
The Healthcare IT sector has experienced strong demand YTD, evidenced by robust M&A, Equity Financing, and Public Equity market activity. Elevated healthcare spending in the U.S. has created a strong backdrop for sector participants, particularly for those serving the B2B end market. Of note, U.S. national health expenditures rose 7.5% YOY to \$4.9 trillion in 2023, according to the Centers for Medicare & Medicaid Services.<sup>1</sup> This marks the highest YOY increase since 2020 (+10.4%), when COVID-19 induced outsized spending. Health expenditure growth outpaced U.S. GDP gains in 2023—a trend projected to continue through 2033. The underlying factors behind this delta have been two-fold: persistent healthcare inflation and an aging U.S. population requiring heightened care. Inflationary pressures have strained relationships between providers, payors and patients, driving accelerated demand for revenue cycle management (RCM) and electronic health record (EHR) solutions in the B2B space.



**David DeSimone,**  
Managing Director

*“Two over-arching themes have dominated the M&A and investment landscape within Healthcare IT in 2025: AI and B2B. A significant majority of transactions in the sector have involved technology companies that bring AI/ML capabilities and solutions for B2B applications, to the detriment of B2C and DTC solution providers.”*

An aging U.S. population has necessitated growth and innovation in the Long-Term Care market. The number of Americans ages 65 and older rose 2.8% YOY to comprise nearly one-fifth (19.3%) of total U.S. citizens as of July 1, 2024, according to the U.S. Census Bureau.<sup>2</sup> These generations have also experienced a high prevalence of chronic health conditions, further constraining patient capacity at hospitals, private medical practices, and senior care organizations. This constraint has led to elevated utilization of AI-enabled RCM and EHR platforms as long-term care providers aim to automate revenue collection and patient intake processes. Capital markets activity has undoubtedly reflected increased appetite for AI RCM capabilities in the Long-Term Care segment. Notably, New Mountain Capital announced its formation of Smarter Technologies through the combination of portfolio companies SmarterDx, Thoughtful.ai, and Access Healthcare (May 2025). The combined entity provides AI-powered RCM software for hospitals, dental groups, and senior care facilities. Although uniquely structured, the deal exemplifies investors’ interest in scaling RCM holdings.



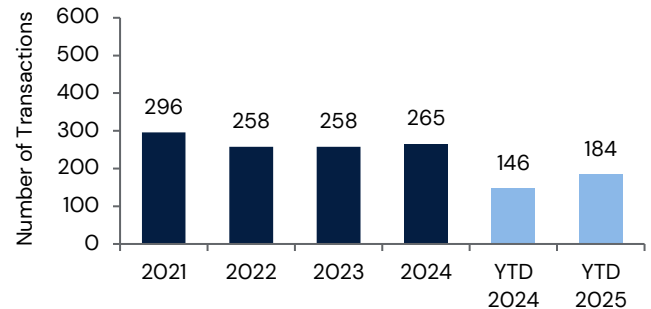
Source: Centers for Medicare & Medicaid Services and Capstone Partners

## ROBUST BUYER POOL SUPPORTS M&A GAINS, COMPETITIVE VALUATIONS

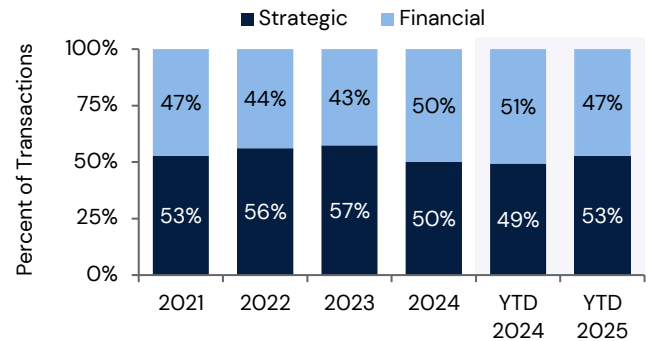
M&A activity in the Healthcare IT sector has flourished YTD with 184 transactions announced or completed—a stark 26% increase compared to the prior year period. Elevated dealmaking in the space has been supported by a robust pool of strategic and financial buyers, most often competing for B2B participants. Sector transactions targeting B2B-focused businesses have risen 53.2% YOY to comprise 78.3% of total targets YTD. Of note, Aranscia acquired AI-enabled EHR provider Spesana in May 2025 (undisclosed). Acquirers have increasingly pursued B2B deals to capitalize on rising U.S. healthcare expenditures. Meanwhile, DTC M&A has dropped 23.1% YOY to date as this segment has become largely oversaturated.

Strategic buyers have accounted for the majority (52.7%) of sector deals YTD, albeit by a slim margin. Private strategics have comprised 32.1% of transactions to date, often rolling up middle market competitors with advanced capabilities such as AI and ML to boost technology stacks. However, public strategic M&A has spiked 58.3% YOY in YTD 2025. A rebound in the Public Equity market has buoyed many public players' available acquisition capital. Sponsor engagements in the sector have proliferated YTD, with add-on transactions accounting for the lion's share (39.1%) of total M&A volume (see next page).

### Healthcare Spending Tailwinds Drive Elevated Healthcare IT M&A

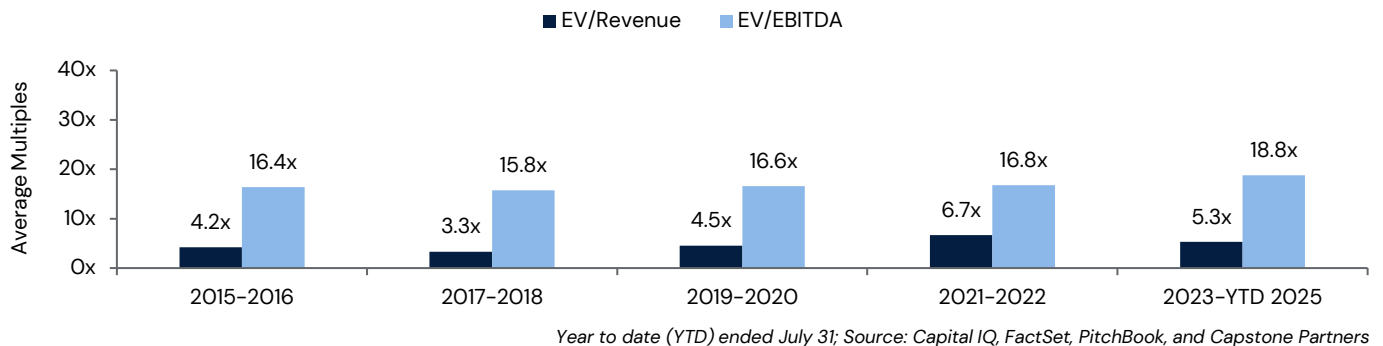


### Strategic and Financial Buyers Compete for Healthcare IT Targets



Year to date (YTD) ended July 31  
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

## Healthcare IT M&A Valuation Analysis



### Valuation Insight

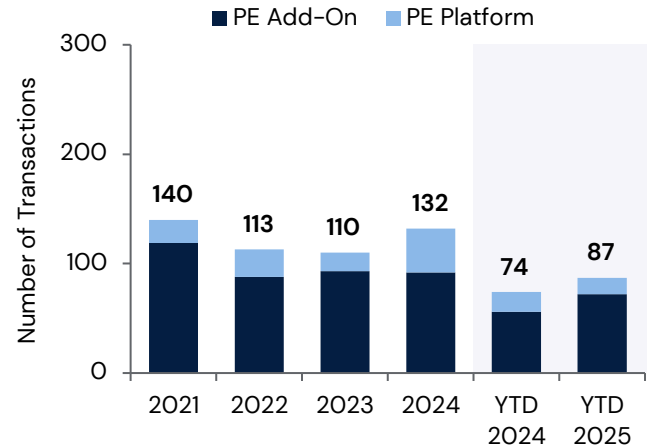
M&A multiples in the Healthcare IT sector have remained robust, largely driven by heightened competition between strategic and financial buyers. Sector purchase multiples have averaged 5.3x EV/Revenue and 18.8x EV/EBITDA from 2023 through YTD 2025. This marks the second-highest average revenue multiple on record and just a slight compression from 2021 through 2022 (6.7x EV/Revenue). Healthcare IT sector targets with a high degree of recurring revenue, advanced interoperability, and strong B2B end market exposure have continued to garner premium multiples.



## HEALTHCARE IT SPONSOR DEALMAKING CONTINUES TO REBOUND

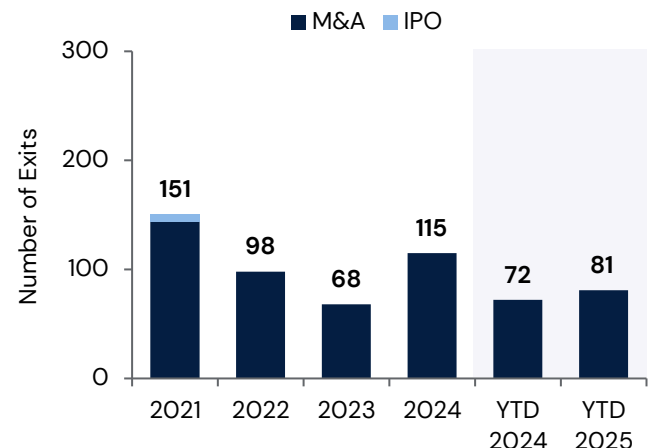
### Private Equity Buyer Activity

PE firms have increasingly targeted the Healthcare IT sector, with 87 M&A transactions announced or completed YTD. This represents an increase of 17.6% compared to YTD 2024. The B2B market has been a key focus for PE firms in the space, with targets in this area comprising 82.8% of total sponsor deals to date. PE add-on acquisitions in the sector have risen 28.6% YOY in YTD 2025 while platform engagements have fallen 16.7% during the same period. Stunted fundraising efforts in 2024 have limited sponsors' ability to pursue large-scale, platform opportunities in the Healthcare IT market. However, platform acquisitions may return as fundraising picks up.



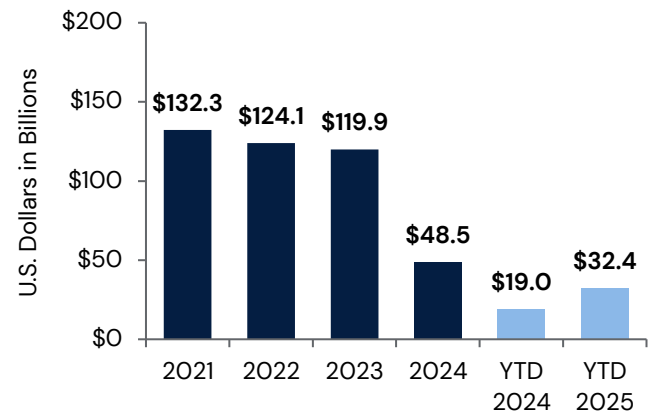
### Private Equity Exit Activity

PE exits of Healthcare IT holdings have increased 12.5% YOY to 81 realized investments YTD, building on the rebound witnessed in 2024. Strong exit valuations, despite muted internal rate of returns (IRR), have spurred heightened exit activity in the space. Of note, the average IRR per Healthcare IT-focused fund has stood at 11% in YTD 2025. While this marks a modest YOY gain, the average IRR has remained well below 2021's peak of 27.2%. M&A has continued to be the most viable exit path for sponsors in the sector, accounting for 100% of exits to date. While the sector's IPO market has reopened YTD, recent listings have been VC-backed exits.



### Private Equity Fundraising

Sponsor capital raising for Healthcare IT-focused funds has rebounded from 2024's deep decline. To date, PE capital raised for sector-specific funds has increased 70.1% YOY to \$32.4 billion. Sponsor fund formation in the Healthcare IT sector has defied broader market trends. Of note, total PE fundraising in the middle market declined 20.6% YOY in the first half of 2025, according to Capstone's [Q2 2025 Capital Markets Update](#). A strong track record of PE capital deployment and exits in the sector have piqued fund investors' appetite. Improving sponsor fundraising levels and robust capital overhang bode well for Healthcare IT market transaction activity in the near-term.



Year to date (YTD) ended July 31  
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

## NOTABLE M&A TRANSACTIONS BY BUYER TYPE

### Strategic



In July 2025, Waystar Holding (Nasdaq:WAY) announced its acquisition of Iodine Software for an enterprise value of \$1.2 billion. Iodine Software develops an AI-powered clinical documentation platform for hospitals. Waystar provides healthcare payment software solutions. Iodine Software's subscription-based business model is expected to be accretive to Waystar's balance sheet and expand the company's total addressable market by more than 15%, according to a press release.<sup>3</sup>



VitalHub (TSX:VHI) acquired Novari Health in July 2025 for an enterprise value of \$35.7 million, equivalent to 4.1x EV/Revenue. Novari Health provides software that electronically manages patients' journey and transitions of care. The acquisition of Novari Health is anticipated to bolster VitalHub's presence in the Canadian Referral Management market. VitalHub plans to leverage its international footprint to expand Novari Health's global reach, penetrating high-demand geographies such as the U.K.



Aranscia, a global provider of clinical workflow technology solutions, acquired Spesana in May 2025. Terms of the deal were not disclosed. Spesana develops an EHR system which utilizes AI to integrate data at the point of care for decision making. The company's solutions have been implemented across more than 140 clinical sites, according to a press release.<sup>4</sup> The transaction adds significant scale to Aranscia's business operations and furthers its mission to unify fragmented healthcare workflows.

### Financial



Arsenal Capital Management-backed Knowtion Health acquired Switch RCM in June 2025 for an undisclosed sum. Switch RCM's AI-driven platform caters to hospitals, resolving overlooked reimbursement entitlements. The deal marks Knowtion Health's first add-on engagement since it was acquired by Arsenal Capital in December 2024 (undisclosed). Additionally, the transaction is slated to expand Knowtion Health's RCM service line and strengthen its technology capabilities for U.S.-based healthcare providers.



In April 2025, PE firm Bain Capital announced its acquisition of HealthEdge Software from Blackstone (NYSE:BX) for an enterprise value of \$2.6 billion or 16.6x EV/Revenue. HealthEdge Software provides a cloud-based platform which analyzes clinical payment data. The company has served more than 115 health plans, connecting providers and payors to reduce administrative costs, according to a press release.<sup>5</sup> The sponsor-to-sponsor transaction highlights PE groups' affinity for M&A exits in the Healthcare IT sector.



Valsoft, Valsef Capital's Software investment arm, acquired American Data for an undisclosed sum (April 2025). American Data offers a fully customizable EHR platform for the U.S. Long-Term Care market. The acquisition deepens Valsoft's portfolio in the Healthcare IT sector. The investment also enables Valsoft to cater to the Long-Term Care space, an area that has experienced heightened demand amid an aging U.S. population. American Data will continue to operate independently.





## SELECT M&A TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV/LTM Revenue	EBITDA
07/24/25	Being Cares*	Mindeye Solutions	Provides AI-powered tools to map and address emotional and behavioral conditions.	-	-	-
07/23/25	Iodine Software*	Waystar Holding (Nasdaq:WAY)	Develops an AI-based clinical documentation software solution for hospitals.	\$1,237.6	-	-
07/17/25	DoctorPapers	TechMatter	Provides RCM solutions for healthcare providers.	-	-	-
07/08/25	Xealth	Samsung Electronics (KOSE:A005930)	Develops a digital health prescribing platform for clinicians.	-	-	-
07/07/25	NOVARI HEALTH	VitalHub (TSX:VHI)	Offers healthcare software that electronically manages the patient journey and transitions of care.	\$35.7	4.1x	-
07/01/25	Etyon*	VisiQuate	Provides AI-enabled RCM solutions to healthcare providers.	-	-	-
06/23/25	MD Revolution	Lexington Wellness Holdings	Develops a clinical compliance platform for healthcare providers.	-	-	-
06/23/25	Prediction Health*	Prompt Therapy Solutions	Offers an AI-assisted scribing software that converts physician conversation into documentation.	-	-	-
06/23/25	Switch RCM*	Knowtion Health	Develops an AI-enabled RCM system intended for healthcare providers.	-	-	-
06/12/25	Q-Centrix*	MRO	Provides AI-enabled data analytics and enterprise clinical data management software.	-	-	-
06/03/25	VEDA Data Solutions*	H1 Insights	Develops automated data science and ML solutions for healthcare directories.	-	-	-
05/29/25	Streamline Health Solutions	Hayes Management Consulting	Provides cloud-based automated revenue reconciliation software for hospitals.	\$35.6	1.9x	-
05/12/25	Spesana*	Aranscia	Develops an AI-enabled EHR system for healthcare providers.	-	-	-
04/30/25	Oncospace*	Sun Nuclear	Offers an AI-powered data analytics platform for personalized medicine in radiation oncology.	-	-	-
04/30/25	Uplift Health Technologies	Teladoc Health (NYSE:TDOC)	Operates as a technology-driven mental healthcare company, offering virtual therapy solutions.	\$45.0	3.0x	-
04/22/25	Beeline Rx	Free Market Health	Develops a technology solution that streamlines the specialty patient onboarding process.	-	-	-
04/15/25	iCAD (Nasdaq:ICAD)*	DeepHealth	Provides AI-powered cancer detection solutions for medical providers.	\$79.4	4.1x	-
04/15/25	StarJar	PLAUD	Develops software that automates inbound document processing workflows for hospitals.	-	-	-
04/10/25	Peek Healthcare Technologies	Wellgistics Health (Nasdaq:WGRX)	Provides an online prescription drugs platform for patients.	\$15.6	10.4x	-
04/08/25	HealthEdge Software	Bain Capital Private Equity	Offers a cloud-based solution to analyze clinical data.	\$2,600.0	16.6x	-
03/24/25	CentralReach	Roper Technologies (Nasdaq:ROP)	Provides an EHR and practice management software solution.	\$1,850.0	-	-
02/12/25	Rocket Doctor	Treatment.com AI (CNSX:TRUE)	Operates a digital health platform that provides comprehensive care virtually.	\$15.0	-	-

Note: Asterisk indicates transaction targets with AI/ML capabilities  
Source: Capital IQ, FactSet, PitchBook and Capstone Partners



## BUYER UNIVERSE

Capstone's TMT Group has built relationships with and tracked buyers that have been highly acquisitive in the Healthcare IT sector, particularly those that have completed notable Healthcare IT transactions. Our sector knowledge and network provides us with unique insights into this buyer universe and industry and growth drivers for the companies within it.

### Active Strategic Buyers



### Active Financial Buyers

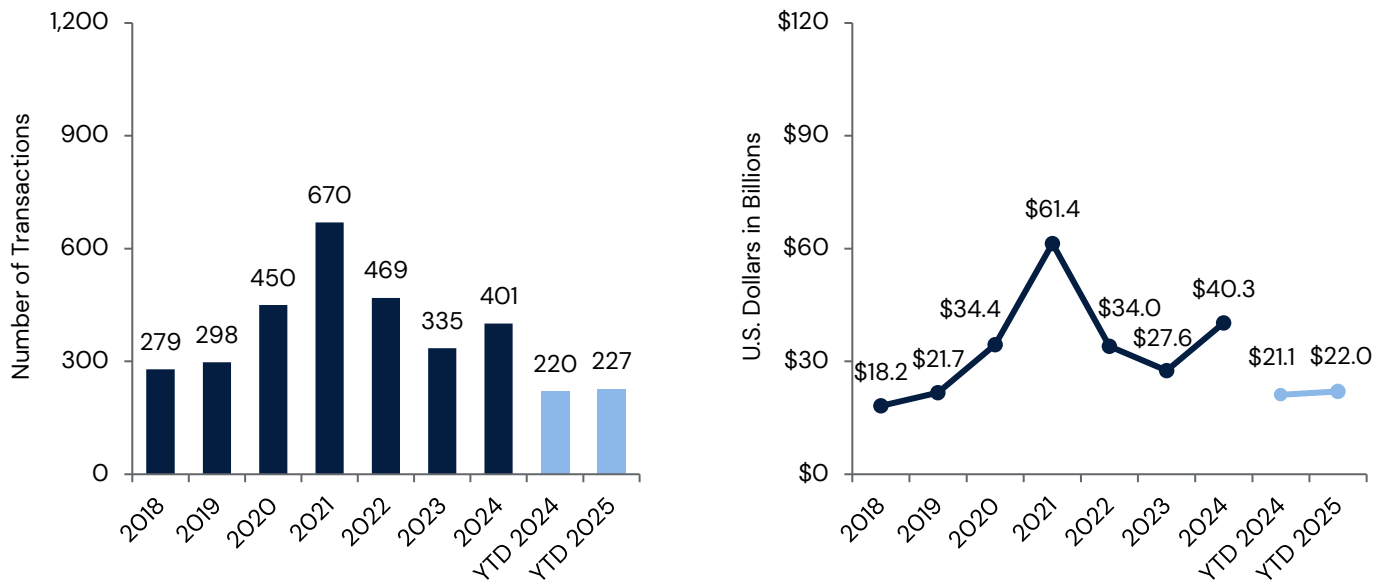


Source: Capstone Partners

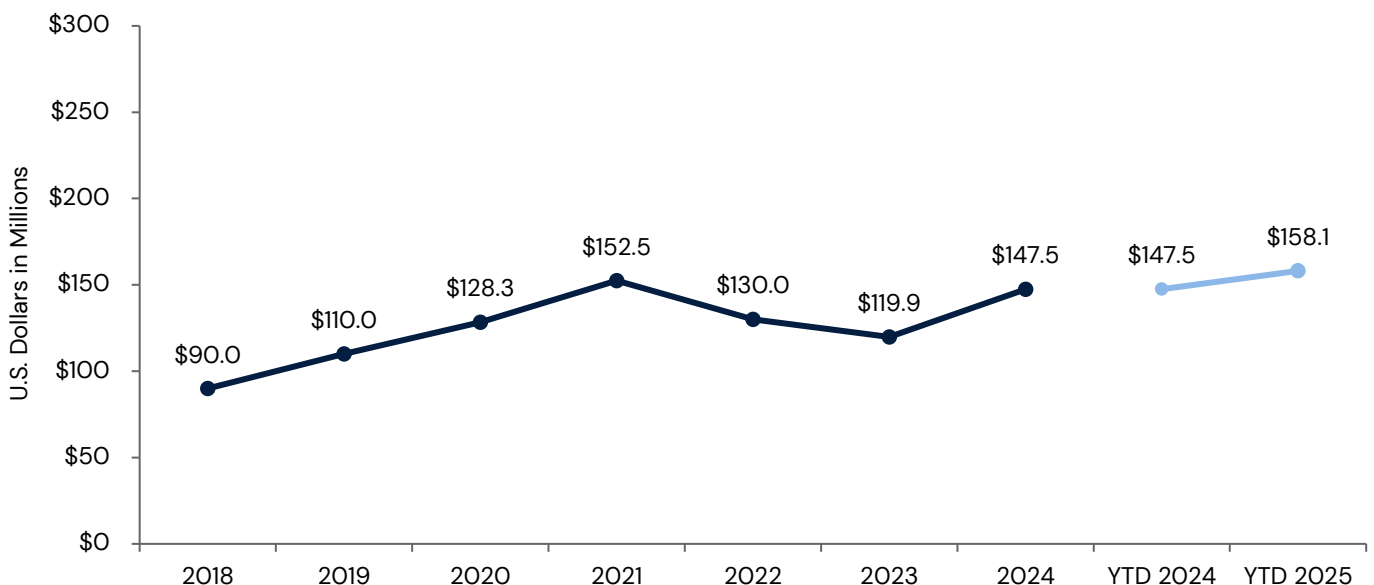
## AI-POWERED B2B PARTICIPANTS DRIVE SECTOR EQUITY FINANCING

Equity financing activity in the Healthcare IT sector has continued to build on the gains witnessed in 2024, driven by heightened appetite for AI-enabled startups serving the B2B market. Total growth capital invested has increased 4.2% YOY to \$22 billion in YTD 2025. The number of equity financing rounds has also risen to date, increasing 3.2% YOY to 227 transactions. Growth investors have namely targeted mature sector players with clear exit visibility. This has been evidenced by the median pre-money valuation for healthcare IT startups climbing to \$158.1 million in YTD 2025—the highest on record. B2B-focused sector participants with AI capabilities have drawn substantially equity investments at premium valuations largely due to attractive recurring revenue profiles.

**Healthcare IT Growth Capital Deal Volume and Total Value Tick up Year to Date**



**Healthcare IT Median Pre-Money Valuation Climbs to Record High**



Year to date (YTD) ended July 31; Data excludes deals less than \$25 million  
Source: PitchBook and Capstone Partners



## NOTABLE EQUITY FINANCING ROUNDS



**\$243 Million**  
Series C  
July 2025

In July 2025, Ambience Healthcare raised \$243 million in Series C funding for a post-money valuation of \$1.3 billion. Oak HC/FT and a16z co-led the round, joined by several new and existing investors. Ambience develops an AI documentation platform for health systems. With the financing, the company plans to further enhance its AI capabilities for clinical workflows.



**\$101 Million**  
Series C  
June 2025

Tennr secured \$101 million in Series C financing for a post-money valuation of \$620 million (June 2025). The round was led by IVP. Tennr provides ML-enabled software to track patient referrals and has more than tripled its revenue since its \$35.4 million Series B round in October 2024, according to a press release.<sup>6</sup> Tennr plans to launch a new healthcare coordination offering with the funding.



**\$90 Million**  
Series C  
May 2025

Cohere Health, a clinical intelligence software provider, raised \$90 million in a Series C funding round for a post-money valuation of \$750 million (May 2025). Temasek led the financing. The funds will be utilized to expand Cohere's clinical use cases, deepen its AI-powered product portfolio, and bolster the company's patient data analytic capabilities for medical decision making.



**\$107 Million**  
PE Growth  
April 2025

In April 2025, Persivia secured \$107 million in growth funding from PE firm Aldrich Capital Partners. Persivia underwent a minority recapitalization as a result of the deal. The company develops an AI-driven chronic care management platform for healthcare providers. With the investment, Persivia plans to grow its sales force and launch new AI solutions.



**\$47 Million**  
PE Growth  
April 2025

Hellocare.ai raised \$47 million in an oversubscribed growth funding round led by PE firm HealthQuest Capital (April 2025). The company offers AI-assisted virtual care delivery software for hospitals and healthcare providers. The equity financing will enable hellocare.ai to meet rising demand as its technology has been deployed across more than 70 health systems, according to a press release.<sup>7</sup>



**\$26 Million**  
PE Growth  
April 2025

In April 2025, ChiroHD secured \$26 million in growth capital from PE investor Mainsail Partners. ChiroHD develops a cloud-based EHR software platform for chiropractors. The funding is expected to drive continued product innovation, enhance platform experience, and expand customer support. In addition, the growth capital will allow ChiroHD to explore AI incorporation.

### EQUITY CAPITAL MARKETS GROUP

The [Equity Capital Markets Group](#) focuses on raising equity capital financing for growth-oriented companies and is active in the Healthcare IT sector. Our team works closely with our TMT Group to help our clients secure equity capital to fund growth initiatives, recapitalize the balance sheet (often including shareholder liquidity), and to finance M&A transactions.

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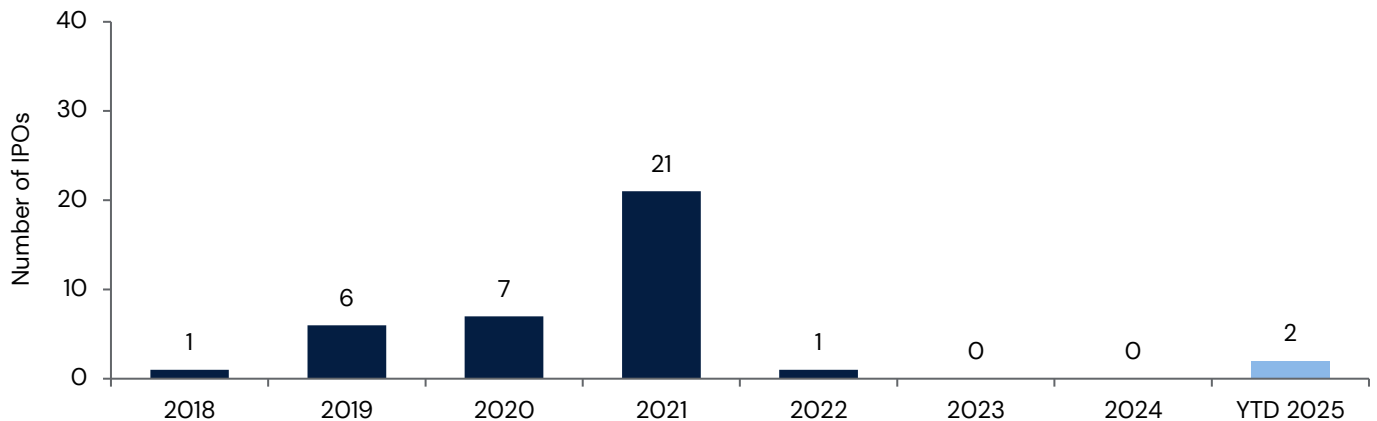
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## HEALTHCARE IT IPO MARKET REOPENS

The Healthcare IT IPO market has reopened YTD following a years-long drought. While there have only been two sector IPOs in YTD 2025, these listings represent the first since 2022. Public market volatility and inflated startup valuations stalled IPO exits in 2023 and 2024. The special purpose acquisition company (SPAC) bubble that roiled Technology markets throughout much of 2021 also prompted hesitation among growth investors, contributing the previously dormant IPO environment. Several factors have enabled public listings to reemerge including interest rate stabilization, cooling inflation, valuation normalization, and heightened SPAC regulations. Healthcare IT IPO activity is expected to pick up as equity capital investors look to exit aging portfolios.

**Healthcare IT IPO Activity Shows Signs of Life Year-to-Date**



Year to date (YTD) ended July 31  
Source: PitchBook and Capstone Partners

## NOTABLE HEALTHCARE IT IPOs



**Ticker:** Nasdaq:OMDA  
**IPO Date:** 06/06/25  
**IPO Share Price:** \$19.00  
**Amount Raised:** \$150.1 Million

On June 6, 2025, Omada Health launched its IPO on the Nasdaq Stock Exchange under the ticker OMDA. Omada Health operates as a virtual healthcare provider, supporting patients with chronic medical conditions such as prediabetes, diabetes, and hypertension. The company raised \$150.1 million through the IPO for a post-money valuation of ~\$1.1 billion. Omada Health initially priced its shares at \$19.00, with the opening share price rising 21% to \$23.00. Prior to its IPO, Omada Health completed 13 equity financing rounds with 47 total investors. The listing represents the latest IPO in the Healthcare IT sector to date and growth investors' bullish outlook on Public market exits.



**Ticker:** NYSE:HNGE  
**IPO Date:** 05/22/25  
**IPO Share Price:** \$32.00  
**Amount Raised:** \$437.3 Million

Hinge Health completed its IPO on the New York Stock Exchange under the ticker HNGE (May 22, 2025). The company develops an AI-enabled software platform for individuals seeking to treat joint and muscle pain. Through the IPO, Hinge Health secured \$437.3 million for a post-money valuation of ~\$2.6 billion. The company's share price opened at \$39.25, increasing 23% from its IPO price of \$32.00 per share. Hinge Health completed eight growth capital deals prior to its IPO. Among the 23 investors that participated in these rounds, five opted to maintain partial ownership at the time of the IPO. This illustrates growth equity firms' appetite for continued investment in the sector, particularly for AI businesses.



## PUBLIC COMPANY TRADING MULTIPLES HOLD STRONG

### HEALTHCARE IT

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	07/31/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Ascom Holding AG	\$5.05	63.5%	\$181.5	\$158.6	\$357.9	\$19.4	5.4%	0.4x	8.2x
Evolent Health, Inc.	\$10.05	29.9%	\$1,164.4	\$1,981.2	\$2,195.9	\$72.2	3.3%	0.9x	27.4x
HealthStream, Inc.	\$26.16	76.4%	\$798.5	\$701.9	\$295.2	\$39.5	13.4%	2.4x	17.8x
GoHealth, Inc.	\$6.13	29.2%	\$68.1	\$779.0	\$822.4	\$97.5	11.9%	0.9x	8.0x
Omnicell, Inc.	\$31.01	55.6%	\$1,452.6	\$1,426.2	\$1,149.5	\$74.1	6.4%	1.2x	19.3x
Premier, Inc.	\$21.48	91.2%	\$1,768.7	\$1,992.1	\$1,260.4	\$327.5	26.0%	1.6x	6.1x
IQVIA Holdings Inc.	\$185.86	73.5%	\$3,596.2	\$45,161.2	\$15,700.0	\$2,923.0	18.6%	2.9x	15.5x
Veradigm Inc.	\$4.90	41.5%	\$832.2	\$605.0	\$588.0	\$55.2	9.4%	1.0x	11.0x
							11.8%	1.4x	14.1x
							11.8%	1.1x	13.2x
							11.8%	1.1x	11.2x

EV = enterprise value; LTM = last twelve months  
\$ in millions, except per share data  
NM = Not Meaningful

### TELEHEALTH

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	07/31/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
American Well Corporation	\$7.35	56.8%	\$116.2	-\$87.1	\$269.8	NM	NM	-0.3x	NM
Hims & Hers Health, Inc.	\$66.18	90.7%	\$14,813.2	\$14,553.9	\$2,013.5	\$166.7	8.3%	7.2x	NM
Hinge Health, Inc.	\$44.95	86.2%	\$3,506.8	\$3,793.3	\$480.8	NM	NM	7.9x	NM
LifeMD, Inc.	\$10.41	65.7%	\$473.1	\$465.8	\$245.6	\$1.2	0.5%	1.9x	NM
Omada Health, Inc.	\$17.52	61.7%	\$997.4	\$1,417.1	\$209.8	NM	NM	6.8x	NM
Ontrak, Inc.	\$0.31	5.5%	\$2.2	\$8.4	\$10.2	NM	NM	0.8x	NM
Teladoc Health, Inc.	\$7.21	47.4%	\$1,273.9	\$1,629.4	\$2,542.3	\$18.9	0.7%	0.6x	NM
							3.2%	3.6x	NM
							0.7%	1.9x	NM
							0.9%	NM	NM

Source: Capital IQ and Capstone Partners as of July 31, 2025



## HEALTHCARE IT REPORT CONTRIBUTORS



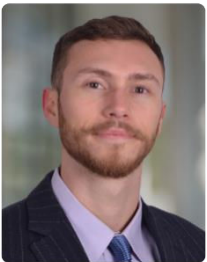
### David DeSimone

Managing Director

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David is a Managing Director in the Technology, Media & Telecom Group. David brings more than 20 years of investment banking experience to Capstone Partners and will help expand the firm's Technology sector coverage. David has worked on equity, debt, and M&A transactions collectively valued at more than \$4 billion. Previously, David was a member of the Capstone team for nearly seven years where he led efforts in the Technology Solutions vertical as a Vice President and Director. Prior to rejoining Capstone, David served as a Principal at Bowen Advisors, an M&A and strategic advisory firm focused on technology companies including communications and healthcare IT.

David has also worked as a Vice President at Boenning & Scattergood, a Philadelphia-based middle market investment bank, where he worked with clients across a variety of industries and developed the firm's Technology practice. He spent his early career working at Needham & Company, Robertson Stephens and J.P. Morgan.



### Max Morrissey

Vice President of Market Intelligence

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Max serves as Vice President on Capstone's Market Intelligence Team. He provides M&A insights, proprietary research analysis, and macroeconomic trends for C-suite middle market executives, specializing in the coverage of the Business Services, Financial Technology & Services, and Technology, Media & Telecom industries. Prior to joining Capstone, Max was an analyst at Lab42 Research, a Chicago-based market research firm. During his time at Lab42 Research, he specialized in the development, implementation, and analysis of proprietary research projects for clients in the Business Services, Consumer, Financial Services, Government, and Technology industries.

## FIRM AWARDS & ACCOLADES

Capstone Partners is consistently recognized as an elite middle market firm by multiple leading industry organizations. This has afforded our clients with immediate market credibility in the acquirer and investor communities. From 2016 to 2024, Capstone has received 22 "investment banking firm of the year" awards from organizations such as The M&A Atlas Awards, The M&A Advisor, M&A Today, and ACQ5. A sampling of Capstone's recent awards is shown below.





## FIRM TRACK RECORD

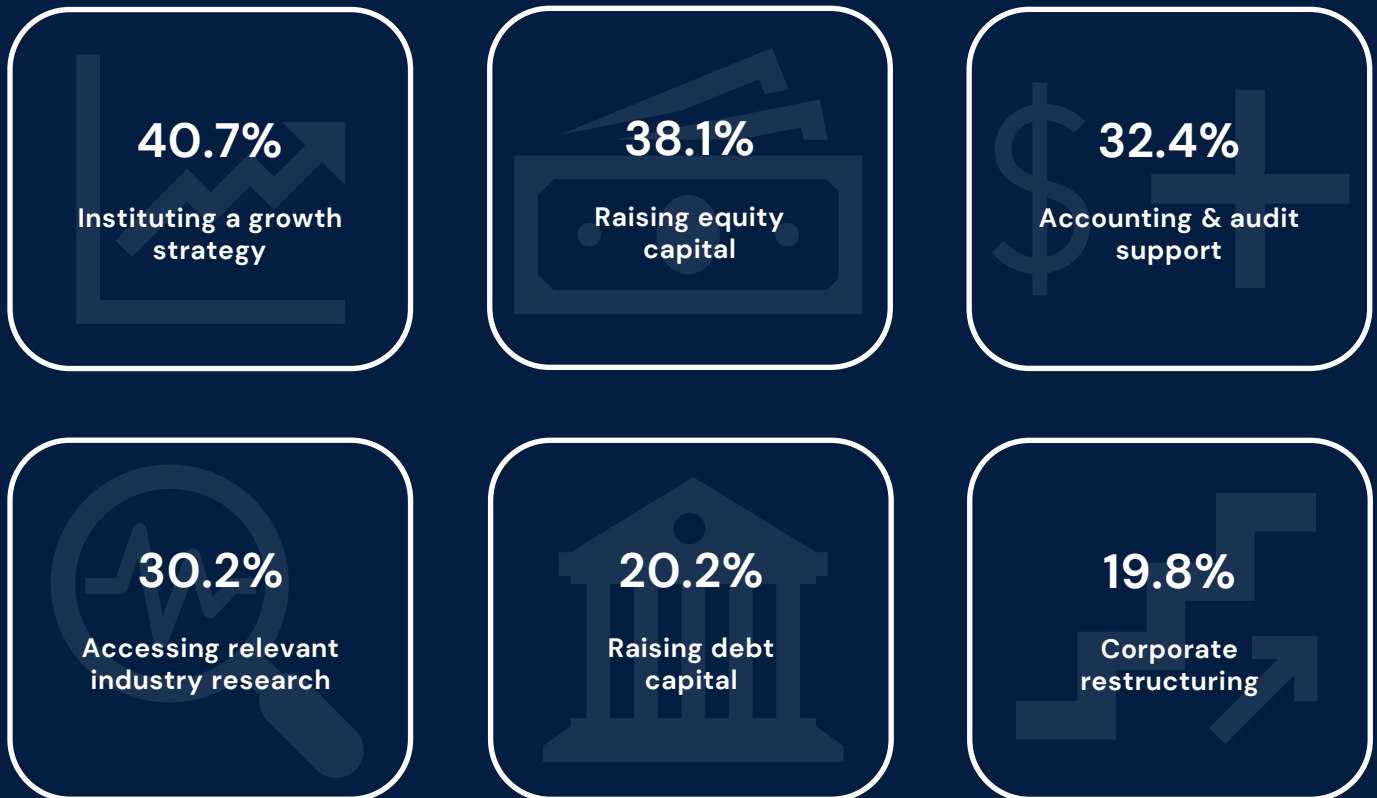
<p><b>CONFIDENTIAL</b></p> <p>CORPORATE SALE (IN MARKET)</p> <p>HEALTHCARE SOFTWARE</p>	<p><b>CONFIDENTIAL</b></p> <p>CORPORATE SALE (IN MARKET)</p> <p>MEDICAL TECHNOLOGY PLATFORM</p>	<p><b>CONFIDENTIAL</b></p> <p>CORPORATE SALE (IN MARKET)</p> <p>BIG DATA, CLOUD COMPUTING, &amp; SOFTWARE ENGINEERING</p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p><b>COREVITAS®</b> <small>Excellence in Evidence</small></p> <p>A portfolio company of</p> <p> <b>Audax Group</b></p>
<p></p> <p>HAS SECURED FINANCING FROM</p> <p><b>Undisclosed Strategic &amp; Financial Investors</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>ELSEVIER</b></p>	<p></p> <p>HAS RECEIVED DEBT FINANCING FROM</p> <p> <b>MONROE CAPITAL</b></p> <p> <b>BRIGHTWOOD</b> <small>Kayne Anderson Capital Advisors L.P.</small></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p>
<p></p> <p>HAS BEEN RECAPITALIZED BY</p> <p> <b>CORTEC Group</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>FAST PACE URGENT CARE CLINIC</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p>	<p></p> <p>HAS PARTNERED WITH</p> <p></p> <p><b>Ridgemont</b> <small>EQUITY PARTNERS™</small></p>
<p> <b>HEALTH EXPRESS</b> <small>Walk-in Urgent Medical Care</small></p> <p>HAS BEEN ACQUIRED BY</p> <p> <b>South Shore Health</b></p>	<p> <b>Medsphere®</b></p> <p>HAS RAISED \$30 MILLION OF EQUITY CAPITAL FROM</p> <p></p> <p><b>Hercules</b> CAPITAL</p>	<p> <b>AXIAL EXCHANGE</b></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>INGAGE PATIENT®</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p>a portfolio company of <b>AUDAX GROUP, INC.</b></p>
<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>POST CAPITAL</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>highroad</b> CAPITAL PARTNERS</p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p></p> <p><b>McKESSON</b></p>	<p></p> <p>HAS BEEN ACQUIRED BY</p> <p> <b>AMRI®</b> <small>Albany Molecular Research Inc.</small></p>

## CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2024 Middle Market Business Owners Survey indicated growth strategies are a priority for 2025, the lion's share (40.7%) of owners anticipate a need for growth strategy support services. Similarly, 38.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Nearly one-third of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, 30.2% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

### Top Financial Services Required by Business Owners in 2025



*Question: Have you ever had, or do you anticipate having, a need for any of the following services?  
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 278*





## ENDNOTES

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PARTNERS**

Common Goals. Uncommon Results.

### Disclosure

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## Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 51 countries.

