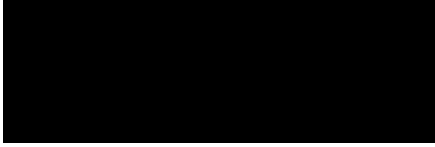


Valuation Analysis-



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Fidelman & Co.



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Valuation Analysis- [REDACTED]

[REDACTED] should likely currently be valued at \$16.63 million.

[REDACTED] - Industry Categorization

[REDACTED] is a point of sale (POS) financing [solution](#) for health and wellness elective medical procedures. It operates on a B2B2C business model, charging lending fees to the end-user and marketing fees to doctor's offices.

As such, the company is a FinTech solution operating in the health and wellness (HealthTech) industry.

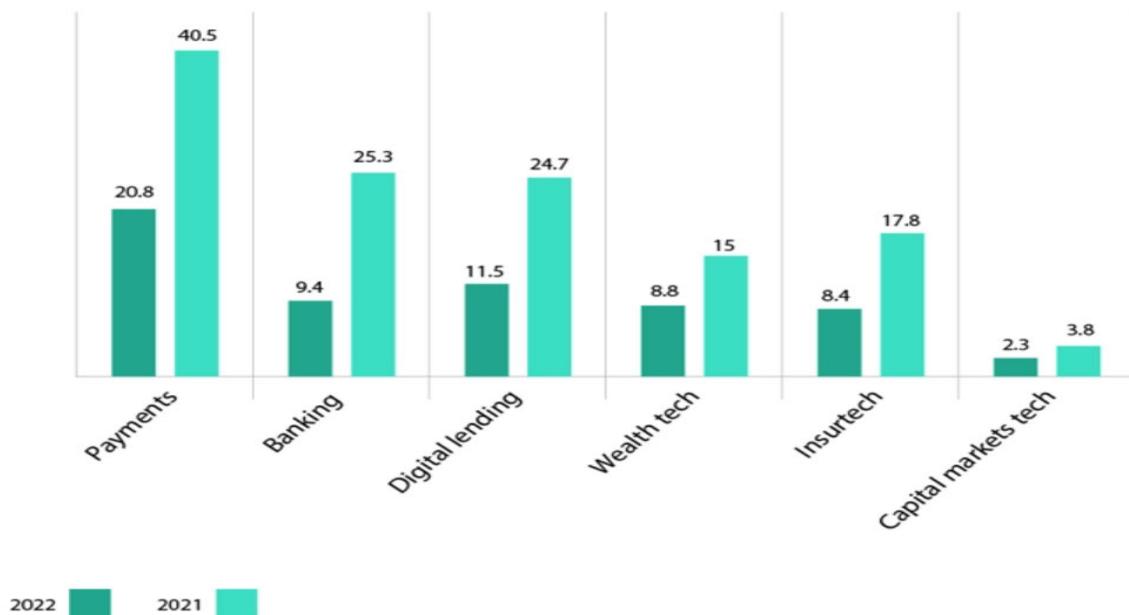
FinTech - Industry Overview

The FinTech industry was among the big winners of the pandemic starting in 2020, fuelled by favorable economic policies. Then, 2021 saw unprecedented levels of investment and M&A activity. However, the tides changed in 2022 with rising interest rates, leading to one of the worst years for FinTech funding in the past decade.

FinTech funding decreased by 46% YoY to \$75.2 billion in 2022, while the number of deals decreased by 8% to 5,048 deals, according to [CB Insights](#).

Sector-by-Sector Analysis of Global Fintech Funding in 2022

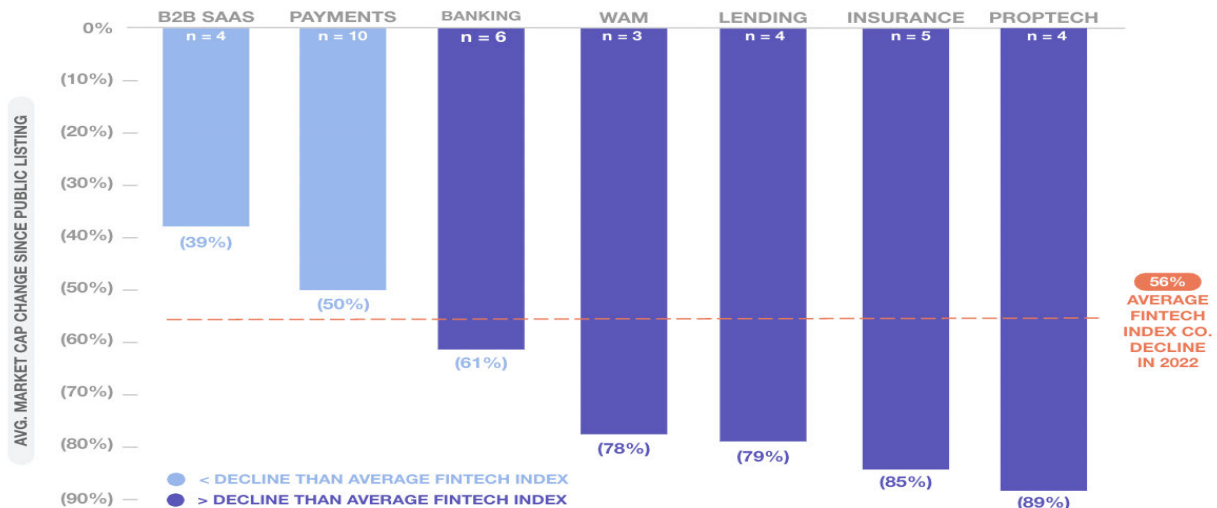
US Billion



The decrease was largely caused by the number of mega-deals plummeting, and investment rounds decreasing in value across the board.

“[Companies](#) that have raised a lot of money acquire users for insane amounts. There will be a significant collapse in the fintech field in the next two years and one has to think carefully about what is going to happen. The cheap money of the past will be gone,” Avi Eyal, co-founder of Entrée Capital stated.

Publicly-traded FinTechs lost 56% of their market cap on average in 2022. Lending, insurance, and PropTech companies were hit the hardest, according to [F-Prime](#).

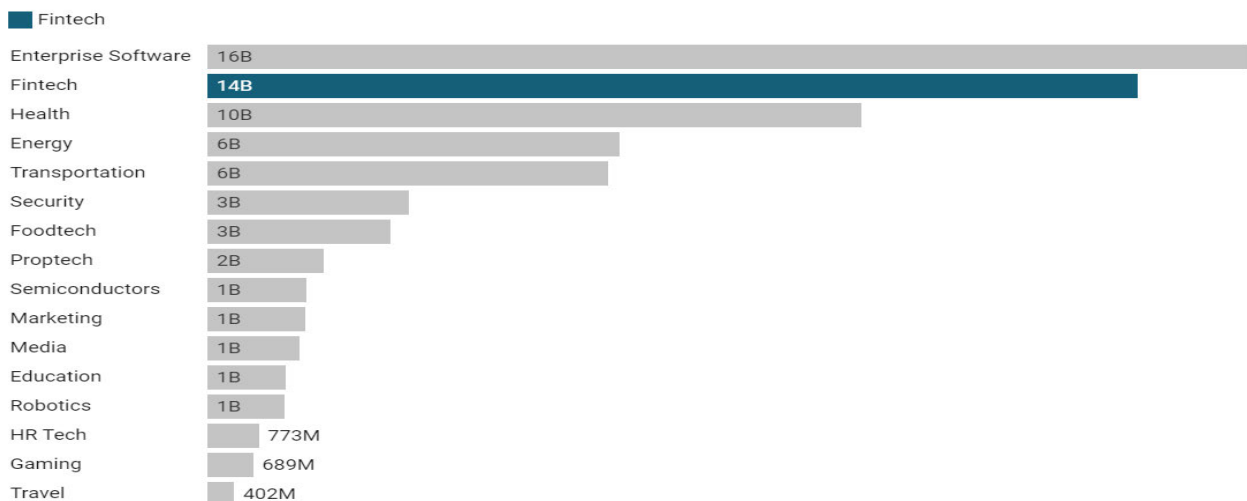


HealthTech - Industry Overview

The HealthTech industry saw a significant boom in investment and M&A activity in 2020 and 2021, as a result of the global pandemic. However, since then, deal activity and valuations have dropped significantly as the pandemic waned. However, investor interest is still high and deal activity has started to recover slowly in the beginning of 2023.

Health technology was the third [most invested industry](#), behind enterprise software and fintech in the first quarter of 2023.

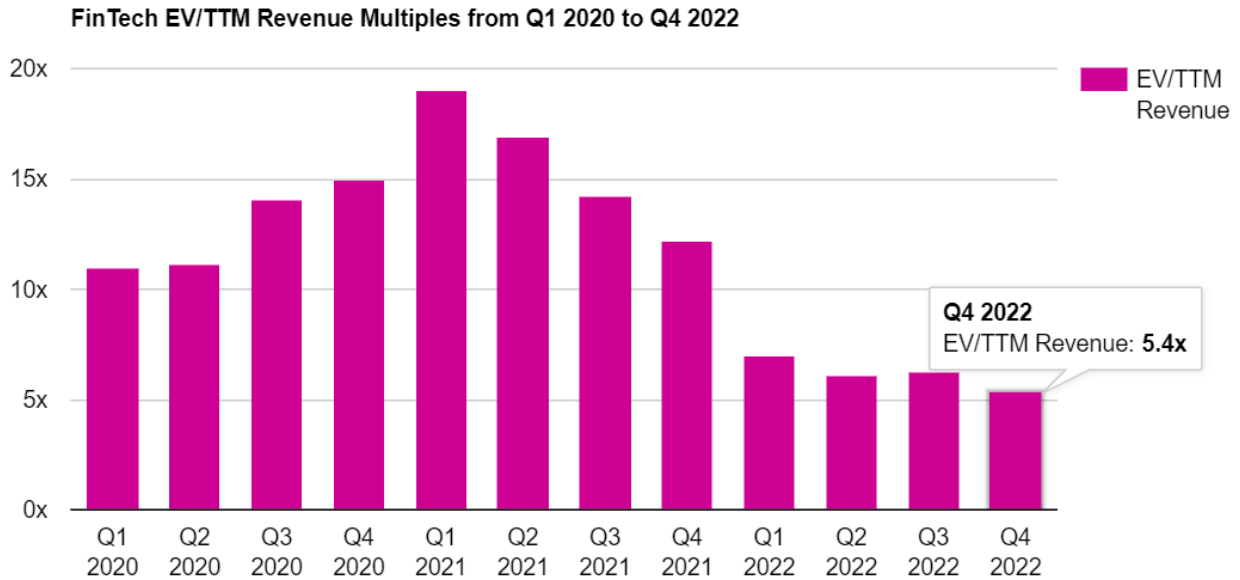
Global VC investment by industry Q1 2023



FinTech - Valuation Multiples

[FirstPageSage](#) determined that lending FinTech companies are valued at **5.5x** their annual revenue in 2023, on average.

The median EBITDA multiple for Fintech SaaS companies in Q4 2022 was **5.4x**, according to [Finerva](#).



[F-Prime](#) determined that publicly-traded lending FinTechs were valued at **2.2x** their LTM revenue, on average, in 2022.

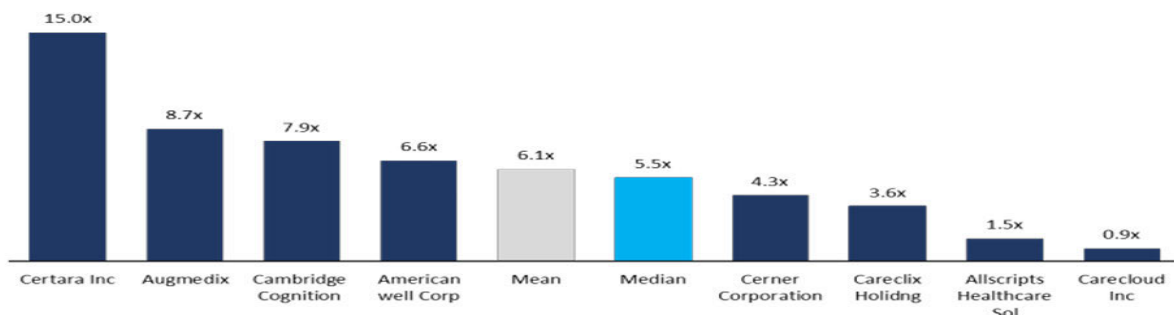
Similarly, [Houlihan Lokey](#) found that lending Fintechs traded at a **2.7x** revenue multiple in the first quarter of 2023.

Lending technology companies saw an uptick in revenue multiples in 2023 and traded at **3.8x** their LTM revenue, according to [Hampton Partners](#).

[Mercer Capital](#) identified a **3.3x** revenue multiple for publicly-traded FinTech companies.

HealthTech - Valuation Multiples

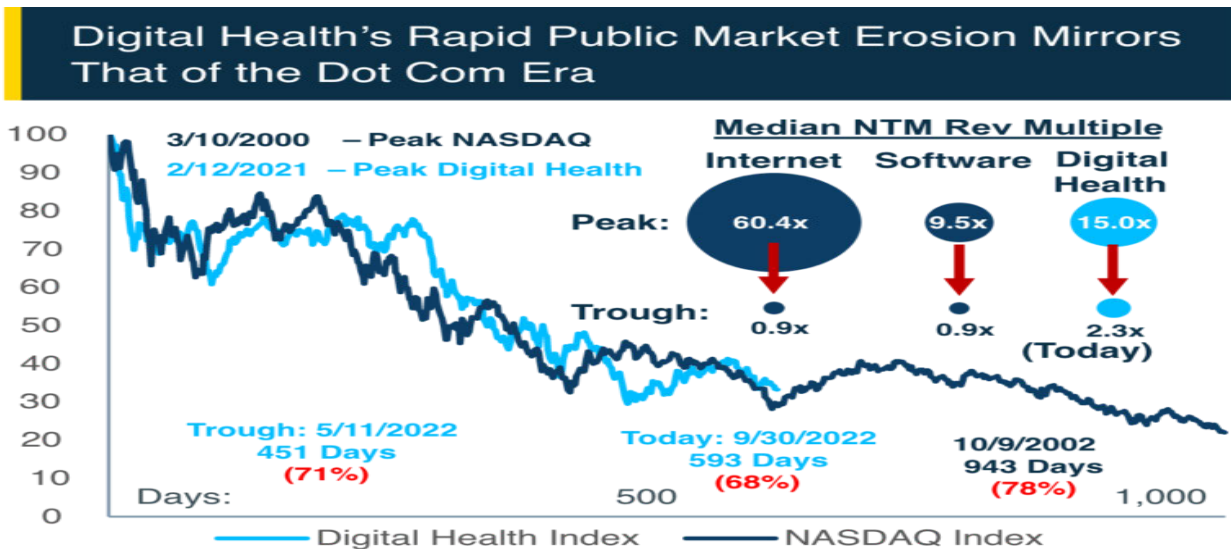
[Danescor M&A Advisory](#) found that publicly listed HealthTech companies traded at a median revenue multiple of **5.47x**.



SharpSheet's analysis of publicly-traded TeleHealth companies produced a median revenue multiple of **4.8x**, as shown in the table below.

Company	EV (\$M)	LTM Revenue (\$M)	EV/Revenue
Accolade, Inc.	487	275	1.8x
American Well Corporation	306	253	1.2x
Change Healthcare Inc.	12,104	3,416	3.5x
GoodRx Holdings, Inc.	7,335	745	9.8x
Health Catalyst, Inc.	1,259	242	5.2x
Hims & Hers Health, Inc.	972	272	3.6x
HealthStream, Inc.	596	257	2.3x
Model N, Inc.	975	202	4.8x
NantHealth, Inc.	314	63	5.0x
1Life Healthcare, Inc.	2,295	622	3.7x
Oak Street Health, Inc.	7,167	1,433	5.0x
Progyny, Inc.	3,814	501	7.6x
Phreesia, Inc.	1,272	197	6.5x
Teladoc Health, Inc.	11,164	63	5.5x
Tabula Rasa HealthCare, Inc.	489	331	1.5x
Median			4.8x
Average			4.5x

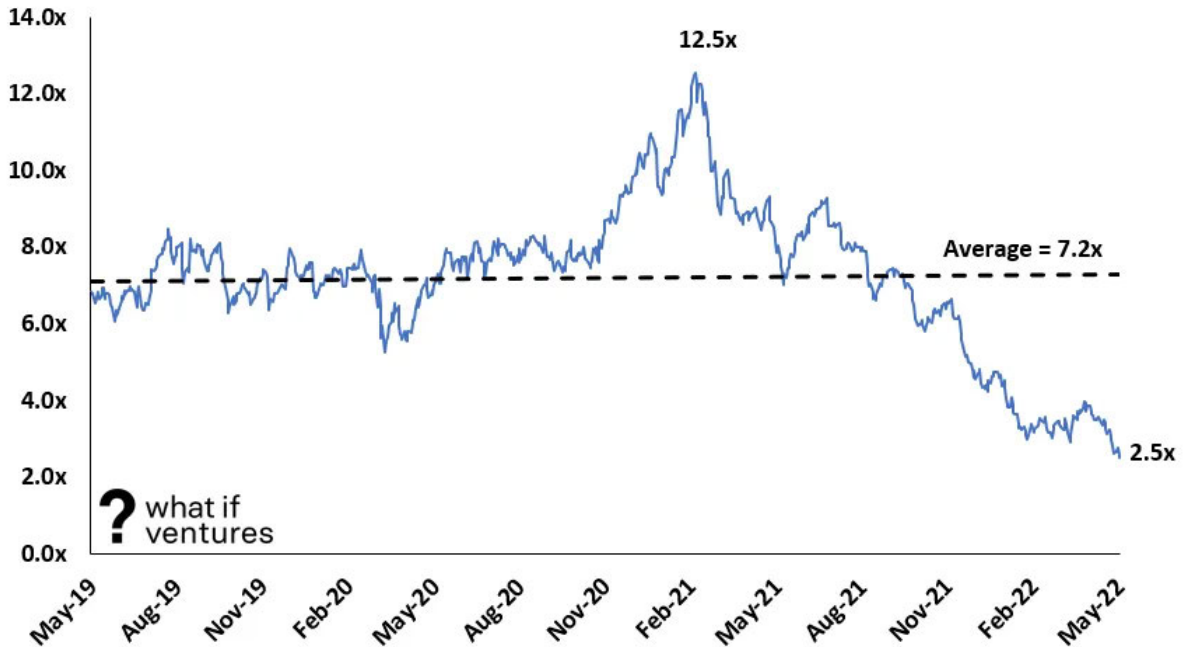
A recently conducted analysis by [SVB Securities](#) found that valuations in the digital health industry have hit an all-time low of just **2.3x** NTM revenue in Q4 2022.



Source: FactSet, Capital IQ, PitchBook, Rock Health, and Cambridge Associates.

Similarly, [What If Ventures](#) concluded that the overall downturn in the economy brought down public HealthTech company valuations sharply in the second half of 2022. These companies traded at a valuation of **2.5x**, even though the average multiple over the past three years is **7.2x**

Excluding: GDRX & AMWL (who shocked values up at their IPOs in Sep 2020)



Valuation Analysis - [REDACTED]

The average identified revenue multiple for FinTech lending companies is **3.82x** $((5.5 + 5.4 + 2.2 + 2.7 + 3.8 + 3.3) / 6)$, while the average identified revenue multiple for HealthTech companies is **3.77x** $((5.47 + 4.8 + 2.3 + 2.5) / 4)$.

[REDACTED] is primarily a FinTech lending company that applies a POS lending business model to the health industry. Therefore, the majority (80%) of the revenue multiple for its valuation should be similar to other lending FinTechs, while a small portion (20%) of its revenue should be valued at HealthTech multiples. Applying that split to the identified multiples produces a revenue multiple of **3.81x** $(3.82 * 80\% + 3.77 * 20\%)$.

[REDACTED] projects that it will generate a revenue of \$432,672 in the remainder of 2023, and a revenue of \$6,113,059 in 2024. This means that its annualized projected revenue over the next 18 months is \$4,363,821.

Applying the multiple identified above to the annualized revenue produces a valuation of **\$16.63 million** $(\$4,363,821 * 3.81)$.

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