



EUROPEAN TELEMEDICINE

UPDATE H1 2022

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LOS ANGELES | BERLIN | GENEVA | DUBAI | SINGAPORE



TELEMEDICINE UPDATE

WHAT HAPPENED IN H1 2022?

In this document, we provide a [H1 2022](#) update to the Drake Star European telemedicine report. After major sector upheavals driven by the COVID-19 pandemic, the telemedicine sector is now experiencing a moderate but steady growth in terms of patient utilization. Strategically speaking, M&A activity has been driven by [cross-border expansion](#), as well as an important [focus on profitability](#). Large national incumbents pursue a pan-European consolidation play in order to seek preeminence at continental level. In parallel, we are seeing acquisitions of niche tech specialists in order to expand value chain propositions for patients and doctors. However, pure growth models are not anymore valued by both public and private market investors, and a few companies have been driven into reconsidering their business model to secure [cash-generation](#).

We have noted a reevaluation of listed telemedicine companies of the Drake Star Telemedicine index as investors are trying to understand the post COVID-19 business potential. [Listed companies currently trade at 2.3 times the revenue](#), slightly lower than the historical 2.7 times excluding the COVID-19 valuation blimp. Enterprise values peaked during the pandemic with companies trading at 10 times the revenue. During H2 2021 and H1 2022, investors played a waiting game to see what the market is going to be like after COVID-19.

We continue to be [optimistic](#) regarding the European telemedicine market reflecting investment by government authorities, better understanding of telemedicine services, increase in elderly population, technological developments in medical diagnostic methods and general lack of doctors in Europe.

WHAT TO EXPECT FOR H2 2022?

Over the medium to long term, investors will be more concerned with return on investment, i.e. monetization of telemedicine platforms, and [positive EBITDA](#) companies, initiating a pivot from hyper growth to profitability.

A [temporary excess supply of telemedicine](#) will be observable [compared to the demand](#). Significant investments in infrastructures have been made driven by COVID-19. With demand for telemedicine following the historical pre-pandemic trend again, operators will wait until demand matches supply to resume growth capital expenditures and fundraisings. An opportunistic consolidation will accelerate with small players, not yet profitable, doomed to disappear or be absorbed.

It is worth remembering that in Europe, the main sources of revenues are, in decreasing importance order, the [government reimbursements](#) of services, [private insurance](#) companies' reimbursements, [doctors' subscriptions to SaaS](#) products and [patients' payments](#). Therefore, as telemedicine continues to mature, operators will position themselves to be relevant for government and insurances' reimbursement systems, and somewhat less to doctors' payments as there are limits to how much they can spend.

The market will pursue its maturing phase through [late-stage investments](#) in incumbents. The telemedicine market will continue its consolidation with macro deals focusing on operational synergies and technological complementarities. We expect valuations to stabilize on both trading and transaction multiples.

Strategic M&A consolidation

Strategic M&A consolidation of European telemedicine (+25% with 10 deals in H1 2022 vs. 8 deals H2 2021) and Global M&A consolidation with more than 100 M&A deals over the last 8 quarters.

There were either [geographic-oriented](#) deals or vertical integration in [technology](#).

Fundraisings decreased in Europe with a preference for late-stage investments

Fundraising in H1 2022 decreased by -35% compared to H2 2021 with the number of fundraising deals going from 37 in H2 2021 to 24 in H1 2022. However, the total deal value increased by 102% compared to H2 2021, boosted by the €500m raised by Doctolib.

A new direction in fundraising has emerged, with investors focusing on [late-stage VC](#) rather than [seed and early-stage investments](#).

Recalibration of public telemedicine companies

The Drake Star Telemedicine index⁽¹⁾ declined by -19.4% in H1 2022, outperforming both the Nasdaq (-24.7%) and S&P 500 (-21.1%).

There was a significant [performance variance](#) between players. Babylon recorded a -89% decrease since its SPAC listing in August 2021. The company, which had a valuation of 6.4 times revenues, has been reevaluated by the market at 0.4 times revenues. Pharmacy Chain 36.6, the best European performer, declined by 13% in H1 2022.

Notes (1): Drake Star Telemedicine index gathers public telemedicine companies on a global basis, the full list of companies included in the index is available on page 14. There are two changes with the initial Drake Star telemedicine index: (a) the withdrawal of Livongo Health because of its acquisition per another member of the index, i.e., Teladoc Health and (b) the addition of Babylon Holding which recently got listed through a SPAC.

Source: Pitchbook, Capital IQ, Drake Star proprietary research

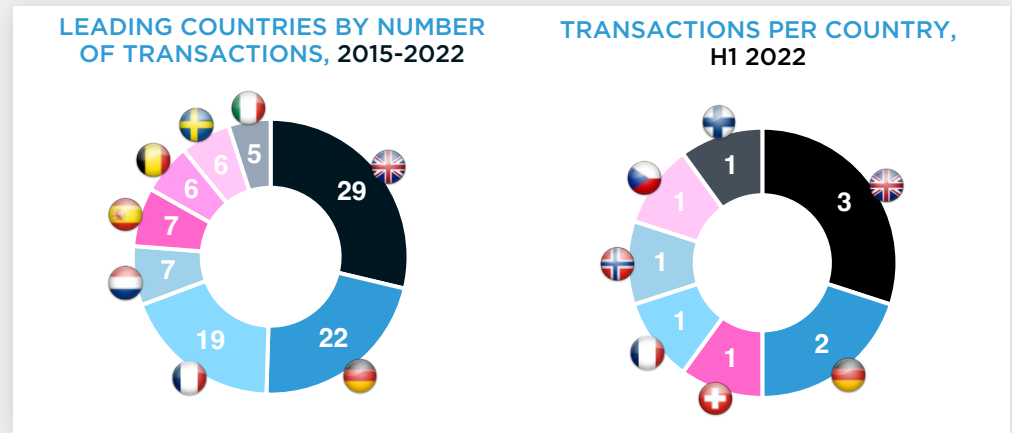
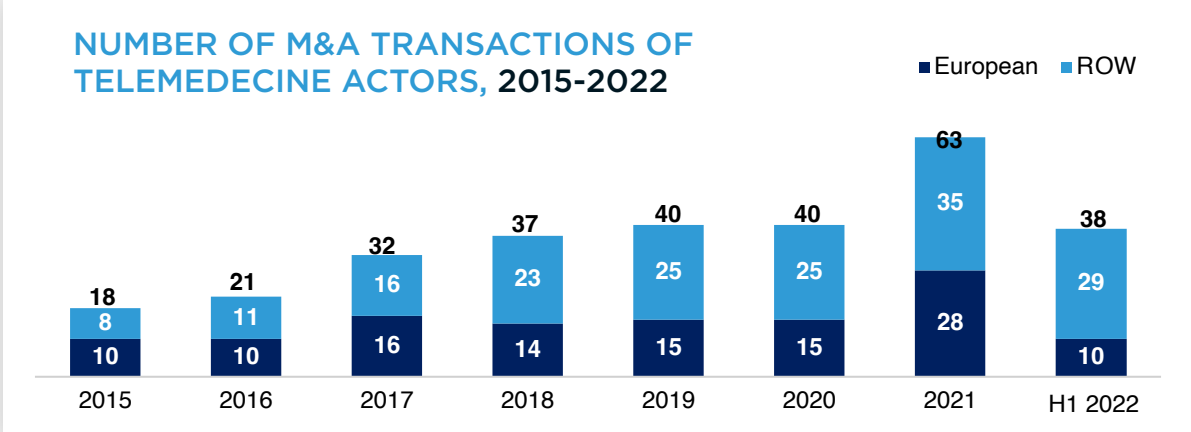
M&A TRANSACTIONS

STRATEGIC M&A CONSOLIDATION

M&A activity maintains its intensive trend in H1 2022 with **10 deals in Europe** and €606m in disclosed transaction value compared to H2 2021 with 8 deals and €413m value. This first semester is mainly driven by the Lloyds Pharmacy deal of €533m representing 88% of the disclosed deal size in H1 2022.

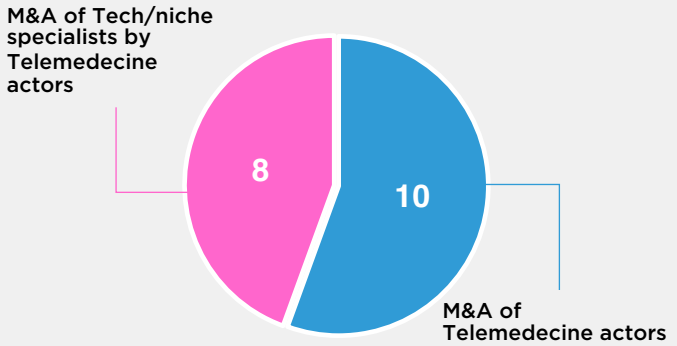
The share of European deals, excluding record year 2021, slowed down over the last 5 years. In terms of number of deals, Europe accounted for **26%** of M&A transactions in H1 2022. This is lower than the record year of 2021 with 28 deals representing 44% of the global deal number. Unprecedented €4,143m in European deal value was disclosed in 2021, with the Babylon SPAC listing of €3,500m accounting for 85% of total European M&A deal value.

European deal number is still led by the **UK with 3 deals** in H1 2022, followed by Germany with 2 deals, and France, Switzerland, Finland, Norway and Czech Republic with 1 deal in this semester. With the UK LBO on Lloyds Pharmacy leading, Germany is the second country in terms of disclosed deal value with the acquisition of Disapo by Parfümerie Douglas for €57m.



Source: Pitchbook, Capital IQ, Drake Star proprietary research

NUMBER OF M&A TRANSACTIONS, H1 2022



We detected two general trends from this section. First of all, the **telemedicine market is consolidating** through several major acquisitions in the first half of 2022. As we will see on slides 4 and following, telemedicine companies are focusing on external growth both in new segments and in their own by absorbing competition. Then, as we will see on slide 8 and following, the leading companies of the market are **improving their services by integrating niche specialists** in order to capture more revenues. As an example, Doctolib acquired Tanker in January 2022, a French data encryption start-up, to secure exchanges between doctors and patients.

EUROPEAN M&A DEALS IN THE TELEMEDICINE MARKET, H1 2022 - OVERVIEW

TARGET	SUBSECTOR	COUNTRY	AMOUNT	ACQUIRER	DATE
	Remote Consultation		N.A	 H U M A	Jan-22
	Specialty Care		€3.0M	 Dr.Dropin	Jan-22
	Remote Consultation		€12.8M	KANABO+	Feb-22
	Remote Pharmacy		N.A	Pharmosan	Mar-22
	Remote Consultation		N.A	otto group	Mar-22
	Symptom Checker & Remote Monitoring Solutions		N.A	medgate_	Mar-22
	Remote Pharmacy		€533.2M	 AURELIUS	Apr-22
	Remote Pharmacy		€56.8M	DOUGLAS	Apr-22
	Remote Consultation		N.A	MAIN CAPITAL PARTNERS	Apr-22
	Remote Consultation		N.A	enovacom groupe	May-22

Source: Pitchbook, Company Websites

FOCUS ON EUROPEAN M&A DEALS IN THE TELEMEDICINE MARKET, H1 2022 (1/3)

iplato
N.A.
ACQUISITION BY
HUMA



DEAL DESCRIPTION

Iplato was acquired by Huma, for an undisclosed amount. The acquisition will help Huma to advance in digital-first delivery of care and remote patient monitoring for National Health Service patients.

January 20th, 2022 | London

BUSINESS DESCRIPTION

Developer of a healthcare technology platform designed to assist patients to appropriate healthcare service. Iplato's platform offers remote consultation, decreases unnecessary appointments by empowering patients with the knowledge to seek relevant alternative assistance, enabling healthcare professionals to make informed decisions for sorting patients based on their needs and resolve requests remotely.

KEY PERSONNEL

Tobias Alpsten – Co-Founder & CEO
Martin Rowden – Co-Founder & Director

2006 60 €5.9M
B2C Remote Consultation

KEY SHAREHOLDERS*

N.A.

Snapmed
€3.0M
ACQUISITION BY
Dr.Dropin



DEAL DESCRIPTION

Snapmed was acquired by Dr.Dropin for €3.0m. The acquisition will help the acquirer expand the service offering and increase the supply of digitized medical care.

January 24th, 2022 | Sandnes

BUSINESS DESCRIPTION

Operator of an online doctor consultation platform intended to provide confidential consultations. Snapmed's platform gives everyone access to secure and high-quality skincare advice at unmatched convenience, for people to get treated in dermatology consultations in a secure and efficient way.

KEY PERSONNEL

Håvard Liltved Dalen – Co-Founder & CEO
Simen Ogreid – Co-Founder & CFO

2016 +10 N.A.
B2C Speciality Care

KEY SHAREHOLDERS*



The GP Service
€12.8M
ACQUISITION BY
KANABO+



DEAL DESCRIPTION

The GP Service was acquired by Kanabo for €12.8m on February 22, 2022. The acquisition will facilitate the rapid growth of the existing GP digital telemedicine business. It will establish a new and fully compliant channel to market for Kanabo's products designed for medical patients.

February 22nd, 2022 | Leicester

BUSINESS DESCRIPTION

Developer of an online medical platform designed to help patients with medical consultations. The GP Service platform provides information regarding private medical treatments, doctors, medical specialists, pharmacies, and other experts via an online assessment questionnaire or through secure video chat, enabling patients to see a doctor online at their own convenience.

KEY PERSONNEL

Suleman Sacranie – Co-Founder & CEO
Alexander Barber – Medical Director

2014 -10 €4.2m
B2C Remote Consultation

KEY SHAREHOLDERS*



FOCUS ON EUROPEAN M&A DEALS IN THE TELEMEDICINE MARKET, H1 2022 (2/3)



N.A.
ACQUISITION BY
Pharmosan



DEAL DESCRIPTION

Vamida was acquired by Pharmosan for an undisclosed amount. The acquisition will help Pharmosan to expand its business in the pharmaceutical wholesale trade which covers the factors of purchasing, storage, order picking and delivery

March 7th, 2022 | Brno

BUSINESS DESCRIPTION

Operator of an online platform intended to sell pharmaceutical products. Vamida's platform provides online pharmacy services for prescription medicine, and other Healthcare products. In 2018, Vamida merged with the Austrian leading online pharmacy Apobag, a developmental milestone towards growth and expansion

KEY PERSONNEL

Marie Baresova – Pharma Director
Philippe Prufer – Board Member

KEY SHAREHOLDERS*

N.A.

 2011
  +5
  N.A.
 B2C
  Remote Pharmacy



N.A.
ACQUISITION BY
otto group



DEAL DESCRIPTION

Medgate Holding was acquired by Otto group for an undisclosed amount. At the same time, Medgate has acquired BetterDoc, a German data analysis service for e-booking. The Otto Group is pursuing its targeted expansion of its digital services towards digital health.

March 10th, 2022 | Basel

BUSINESS DESCRIPTION



Provider of digital health services intended to offer prevention and acute medical care as well as care for the chronically ill and rehabilitation. Medgate offers telemedical consultation, chronic disease management, discharge and rehabilitation management, patient recruitment and support for clinical trials and other related services.


KEY PERSONNEL

Andre Moeri – Founder & Board Member
Claudine Blaser – CEO


KEY SHAREHOLDERS*



 1999
  450
  N.A.
 B2C
  Remote Consultation



N.A.
ACQUISITION BY
medgate_



DEAL DESCRIPTION

BetterDoc was acquired by Medgate Holding, for an undisclosed amount. The acquisition will complement Medgate's teleconsultation services. At the same time, Medgate Holding was acquired by Otto group.

March 10th, 2022 | Köln

BUSINESS DESCRIPTION

Operator of a health quality data platform intended to help patients find appropriate doctors. Better doc's data analytics platform provides access to information from health system, measures outcome with Patient Reported Outcomes and finds the appropriate doctor for a patient's situation enabling patients to choose the right doctor for effective treatment.

KEY PERSONNEL






Nils von Dellingshausen – Co-Founder & CEO
Christoph von Dellingshausen – Co-Founder & CFO

KEY SHAREHOLDERS*

N.A.





















HEARTBEAT LABS

 2012
  +60
  N.A.
 B2C
  Symptom checker & remote monitoring solutions

FOCUS ON EUROPEAN M&A DEALS IN THE TELEMEDICINE MARKET, H1 2022 (3/3)

 <p>€533M</p> <p>ACQUISITION BY</p>  	<p>DEAL DESCRIPTION</p> <p>Lloyds Pharmacy, a subsidiary of McKesson Europe, was acquired by Aurelius through a €533m LBO. The acquisition is a part of the wider deal which involves the acquisition of McKesson UK along with the company</p> <p>April 7th, 2022 Coventry</p>	<p>BUSINESS DESCRIPTION</p> <p>Operator of pharmacy company specialized in pharmacy services, products, prescriptions and advice online and in-store. Lloyds Pharmacy offers medicines, other Healthcare products, and online doctor assistance to patients.</p>	<p>KEY PERSONNEL</p> <p>Toby Anderson – CEO McKesson</p> <p>1963</p> <p>17,000</p> <p>N.A.</p> <p>B2C</p> <p>Remote Pharmacy</p>	<p>KEY SHAREHOLDERS*</p> 
 <p>€56.8M</p> <p>ACQUISITION BY</p>  	<p>DEAL DESCRIPTION</p> <p>Disapo was acquired by Parfümerie Douglas, via its financial sponsors including CVC Capital through a €56.8m LBO. The acquisition was made to greatly expand the product range and strengthen market position.</p> <p>April 7th, 2022 Aachen</p>	<p>BUSINESS DESCRIPTION</p> <p>Operator of an online pharmacy intended to offer medicines delivered at home. Disapo offers medicines, beauty, other Healthcare products, and online doctor assistance to patients. This online pharmacy offers drugs with or without prescription thanks to its electronic prescription system.</p>	<p>KEY PERSONNEL</p> <p>Sebastian Kraus – Founder & CEO</p> <p>Franz Peikert – Managing Director & Board Member</p> <p>2005</p> <p>200</p> <p>N.A.</p> <p>B2C</p> <p>Remote Pharmacy</p>	<p>KEY SHAREHOLDERS*</p> <p>N.A.</p>
 <p>N.A.</p> <p>ACQUISITION BY</p>  	<p>DEAL DESCRIPTION</p> <p>Video Visit was acquired by Main Capital through an undisclosed amount LBO. Growth opportunities will be explored by offering complementary solutions in the Finnish market and through an internationalization strategy.</p> <p>April 20th, 2022 Melbourne & London</p>	<p>BUSINESS DESCRIPTION</p> <p>Operator of a video communication platform, Video Visit's platform is a secured and simple-to-use outpatient care portal that can be easily integrated into prevailing healthcare service processes, enabling organizations in the home care and Healthcare sectors to create innovative e-health alternatives and provide online services.</p>	<p>KEY PERSONNEL</p> <p>Juhana Ojala – Co-Founder & CEO</p> <p>Esa Ojala – Co-Founder & Chairman</p> <p>2010</p> <p>30</p> <p>€1.5m</p> <p>B2C</p> <p>Remote Consultation</p>	<p>KEY SHAREHOLDERS*</p>   
 <p>N.A.</p> <p>ACQUISITION BY</p>  	<p>DEAL DESCRIPTION</p> <p>Nomadeec was acquired by Enovacom, a subsidiary of Orange Business Services, for an undisclosed amount. The funds will be used to accelerate its development and continue to innovate.</p> <p>May 30th, 2022 Uppsala</p>	<p>BUSINESS DESCRIPTION</p> <p>Developer of telemedicine platform designed to offer a single tool for teleconsultation, tele-expertise, and tele-triage. Nomadeec's platform optimizes the quality of prehospital care, provides medical teleconsultations, bridges the gap of health deserts, and prevents unnecessary hospitalization.</p>	<p>KEY PERSONNEL</p> <p>Xavier Maurin – Co-Founder & CEO</p> <p>Louis Rouxel – Co-Founder & Medical Director</p> <p>2014</p> <p>16</p> <p>€4.0M</p> <p>B2C</p> <p>Remote Consultation</p>	<p>KEY SHAREHOLDERS*</p>    

EUROPEAN M&A DEALS BY TELEMEDICINE PLAYERS, H1 2022 - OVERVIEW

TARGET	SUBSECTOR	COUNTRY	AMOUNT	ACQUIRER	DATE
 Oncología Basada en la Evidencia	Outpatient service		€94.4M		Jun-22
	Outpatient service		€41.9M		Mar-22
	Enterprise System		€27.4M		Jan-22
	Internet Retail		€15.0M		Apr-22
 Image Medica	Inpatient service		€5.8M		Jan-22
	Enterprise system		N.A.		Mar-22
 The Genome Company	Laboratory service		N.A.		Mar-22
 BARNKLINIK	Outpatient service		N.A.		Jun-22

Source: Pitchbook, Company Websites

FOCUS ON EUROPEAN M&A DEALS BY TELEMEDICINE PLAYERS, H1 2022 (1/3)

BIENZOBAS
Oncología Basada en la Evidencia

€94.4M

ACQUISITION BY

atrys



DEAL DESCRIPTION

Bienzobas reached a definitive agreement to be acquired by Atrys Health for an estimated €94.4m. The acquisition price amounts to €76.3m plus an earn-out of approximately €18.1m, subject to the level of EBITDA reached by the company in 2022.

July 14th, 2022 | Almeria

BUSINESS DESCRIPTION

Provider of oncology services intended to improve oncological treatments. Bienzobas specializes in scientific and evidence-based oncology and offers care and consulting services for healthcare and insurance providers as well as public and private hospitals across Spain

KEY PERSONNEL

Eliseo Garcia – Founder
Marian Isach Gabaldon – CEO

KEY SHAREHOLDERS*



2000
Deal Announced

20
Outpatient service

n.a.

GHP Specialty Care

€41.9M

ACQUISITION BY

Capio



DEAL DESCRIPTION

GHP Specialty Care reached a definitive agreement to be acquired by Capio, a subsidiary of Ramsay Santé for €41.9m. The transaction will lead to a complemented geographical presence in Sweden and Denmark, and accelerated development of digital and data-driven solutions

March 07th, 2022 | Goteborg

BUSINESS DESCRIPTION

Healthcare provider that operates specialized clinics, primarily in the Nordic countries. GHP's clinics address various medical areas such as diabetes care, neurology, general surgery, sports medicine and arrhythmia. GHP has two segments, the Nordic Region and the International one. The company generates majority of its revenue from the Nordic Region.

KEY PERSONNEL

Daniel Öhman – CEO
Philip Delborn – CFO

KEY SHAREHOLDERS*

N.A.

2006
Deal Announced

15
Outpatient service

€18.1m

Tanker

€27.4M

ACQUISITION BY

Doctolib



DEAL DESCRIPTION

Tanker was acquired by Doctolib for an estimated €27.4m. Doctolib had a partnership Tanker since 2019. Thanks to this merger, Doctolib has the means to further develop online medical confidentiality.

January 21st, 2022 | Paris

BUSINESS DESCRIPTION

Developer of an end-to-end encryption technology designed to protect data on end-user devices. Tanker's technology helps to encrypt data that can be implemented in the code of applications and offers a tamper-proof infrastructure for all documents to be signed with a set of keys generated and securely stored in each device

KEY PERSONNEL

Clément Ravouna – Co-Founder & CEO
Violaine Laurans – Finance & Admin Manager

KEY SHAREHOLDERS*



AXA
Venture Partners

2016
Deal Completed

10
Enterprise System

€7.7m

FOCUS ON EUROPEAN M&A DEALS BY TELEMEDICINE PLAYERS, H1 2022 (2/3)

FIRST A
€15.0M
ACQUISITION BY
APOTEK



DEAL DESCRIPTION

First A was acquired by Apotheke for €15m on April 12, 2022. Following this acquisition, Apotek will leverage its know-how in e-pharmacy across Europe, accelerate its expansion, total patient reach and overall strategy.

April 12th, 2022 | Berlin

BUSINESS DESCRIPTION

Developer of a pharmacy delivery application designed to let users get medicine delivery from local pharmacies. First A's platform makes delivering and ordering medication easy and convenient through a mobile application.

KEY PERSONNEL

Antonie Nissen – Co-founder
Florian Swoboda – Co-founder
Leif Loehde – Co-founder

2020
Deal Completed
25
Internet Retail
N.A.

KEY SHAREHOLDERS*

N.A.

SIMM
€5.8M
ACQUISITION BY
atrys



DEAL DESCRIPTION

SIMM Molecular was acquired by Atrys Health for €5.8m. The acquisition will consolidate Atrys' position as a benchmark in the diagnosis of oncological diseases and in the fields of pathological anatomy and oncohematology, genetics, imaging diagnosis and radiotherapy.

January 4th, 2022 | Barcelona

BUSINESS DESCRIPTION

Provider of diagnostic imaging and nuclear therapy intended to perform explorations and carry out metabolic treatments helping clients to recover from their injuries.

KEY PERSONNEL

Isabel Roca Bielsa – Founder & Medical Director

1998
Deal Completed
30
Inpatient service
N.A.

KEY SHAREHOLDERS*

N.A.

kollarna.se
N.A.
ACQUISITION BY
DOKTOR.SE



DEAL DESCRIPTION

Kollarna.se was acquired by Doktor.se for an undisclosed amount. The acquisition will help Doktor.se to strengthen its offering in high-quality accessible care for patients.

March 8th, 2022 | Vastra Frolunda

BUSINESS DESCRIPTION

Developer of an online diagnosis platform specialized in diagnoses that can be determined by the patient's medical history, enabling users to reduce the administration for the doctors and eliminate time away from the everyday life of the patient.

KEY PERSONNEL

Matilda Lundblad – Co-Founder & CEO
Viktor Sellman – Co-Founder & COO

2016
Deal Completed
5+
Enterprise System
N.A.

KEY SHAREHOLDERS*

N.A.

FOCUS ON EUROPEAN M&A DEALS BY TELEMEDICINE PLAYERS, H1 2022 (3/3)



N.A.

ACQUISITION BY




DEAL DESCRIPTION

Veritas has entered into a definitive agreement to be acquired by LetsGetChecked. The acquisition will enable LetsGetChecked to strengthen its European expansion and develop new operational and technological capabilities.




March 29th, 2022 | Madrid



BUSINESS DESCRIPTION

Developer of a genetic testing platform designed to transform genetic data into useful information. Veritas's platform can detect a wide range of variations in a gene than are typically found in next-generation sequencing and offers a screening test for hereditary breast and ovarian cancer risk.

KEY PERSONNEL

Javier de Echevarria Carreres – Co-Founder & CEO
Vincenzo Cirigliano – Co-Founder & CTO

 2014
  65
  €30M

 Deal Announced
  Laboratory service

KEY SHAREHOLDERS*



Charme Capital Partners



N.A.

ACQUISITION BY




DEAL DESCRIPTION

Alva Barnklinik was acquired by Capio, a subsidiary of Ramsay Santé, for an undisclosed amount. The acquisition will complement Capio's midlife clinics, childcare centers and health centers and enable expanded care chains.




June 1st, 2022 | Stockholm



BUSINESS DESCRIPTION

Operator of a pediatric clinic, Alva Barnklinik conducts pediatric and medical clinics, offering treatment options relating to allergic diseases, asthma and stomach problems and psychological concerns to children and adolescents.

KEY PERSONNEL

Anders Nilsson – Founder & CEO

 2013
  30
  N.A.

 Deal Completed
  Outpatient service

KEY SHAREHOLDERS*

N.A.

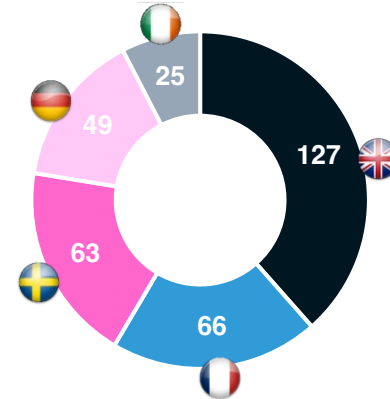
H1 2022

SIGNIFICANT GROWTH IN RAISED AMOUNT DRIVEN BY THE DOCTOLIB DEAL FUNDRAISING (1/2)

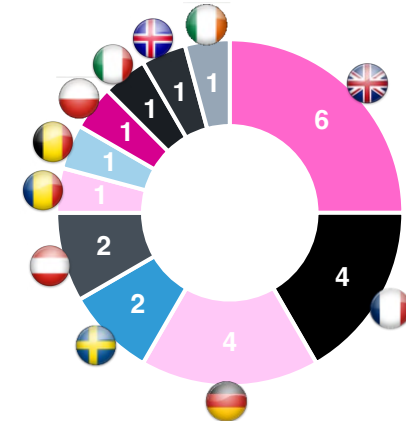
Geographically, the United Kingdom is the top ranked country in terms of number of fundraisings with 127 transactions since 2015. France outranks the United Kingdom slightly in terms of amount raised due to the €500m fundraising of its national leader Doctolib in January 2022. Sweden, ranked 3rd, leads the way among Nordic countries with its national leaders Kry and two recent investments in NuvoAir and Ovulai in Late Stage et Pre-Seed, respectively.

In H1 2022, the [number of fundraisings decreased by -35% compared to H2 2021](#), going from 37 to 24. However, the total European disclosed fundraising amount increased by 102%, reaching €773m in H1 2022 against €382m in H2 2021. This growth in total amount is explained by the significant fundraising of Doctolib.

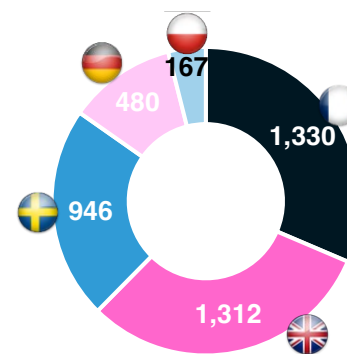
TELEMEDICINE'S LEADING COUNTRIES BY NUMBER OF FUNDRAISINGS, 2015-2022



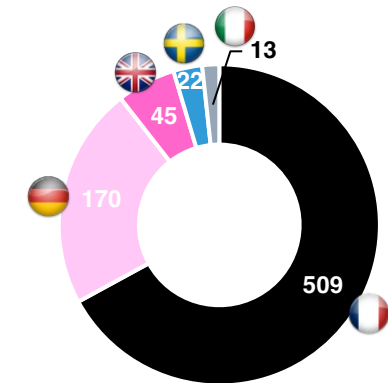
NUMBER FUNDRAISINGS PER COUNTRY, H1 2022



TELEMEDICINE'S LEADING COUNTRIES BY TOTAL AMOUNT RAISED AND DISCLOSED, 2015-2022 (IN €M)



TOTAL AMOUNT RAISED AND DISCLOSED PER COUNTRY, H1 2022 (IN €M)



Source: Pitchbook, Capital IQ, Drake Star proprietary research

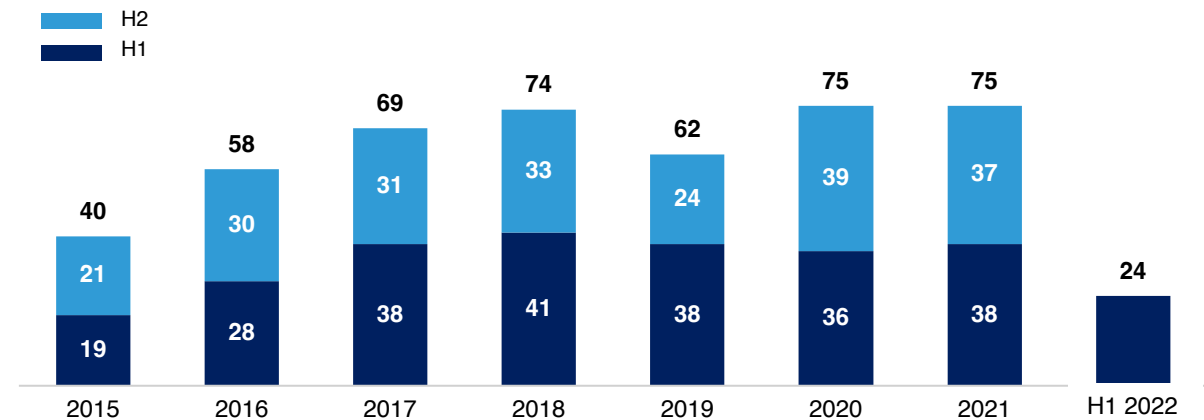
H1 2022

DECREASE IN THE NUMBER OF DEALS WITH A FOCUS ON LATE-STAGE INVESTMENTS FUNDRAISING (2/2)

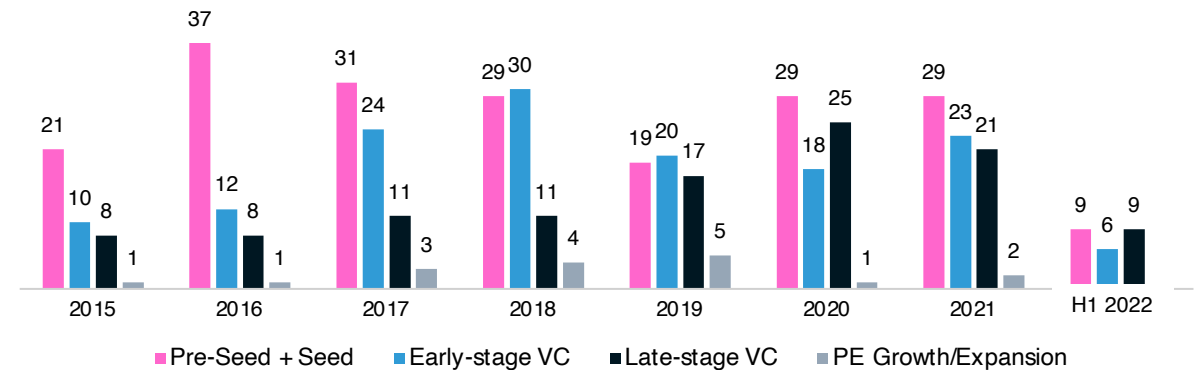
Investments in H1 2022 dropped from the previous six months, in line with the current maturing phase of the market. Fundraisings declined by -35%, going from 37 in H2 2021 to 24 in H1 2022. The number of fundraising deals in Europe during the first semester is at its **lowest level since H1 2015**. The year 2022 should therefore be one of the lowest in recent years, despite the interest of funds in the healthcare sector, which represents 21% of investments in 2021.

Late-stage investment is now on par with pre-seed and seed investment. VCs follow up on existing investments and companies that have already raised funds. During H1 2022, late-stage investment represented 38% of total investment, versus 27% in H2 2021. We are expecting to observe PE Growth/Expansion deals in the sector in the coming semesters.

NUMBER OF FUNDRAISING DEALS IN EUROPE


























TELEMEDICINE'S FUNDRAISING LANDSCAPE BREAKDOWN BY INVESTMENT TYPE IN EUROPE



Source: Pitchbook, Capital IQ, Xerfi, Drake Star proprietary research

TOP H1 2022 DISCLOSED FUNDRAISING

COMPANY	SUBSECTOR	COUNTRY	AMOUNT	LEAD INVESTOR(S)	DATE
 Doctolib	Remote Consultation		€500.0m	EURAZEO	Mar-22
 ada	Symptom Checker & Remote Monitoring Solutions		€105.8m	leaps ⁺	Feb-22
 wellster healthtech	Remote Consultation		€52.5m	Dermapharm Holding SE 	Jan-22
 HUMA	Symptom Checker & Remote Monitoring Solutions		€30.9m	AstraZeneca 	Mar-22
 NUVOAIR	Remote Consultation		€22.0m	AlbionVC 	Jan-22
 MILLE FARMACIE	Remote pharmacy		€13.2m	KWE 	Feb-22
 HelloBetter	Remote Consultation		€10.0m	MassMutual Ventures	Mar-22
 LYPHEGROUP	Remote Consultation		€5.9m	LEAFYTUNNEL	May-22
 Kara Health	Symptom Checker		€5.8m		May-22

Source: Pitchbook, Company Websites

SELECTED FUNDRAISING DEALS (1/2)



€500.0M
PRIVATE
PLACEMENT
EURAZEO



DEAL DESCRIPTION

Doctolib raised €500m of venture funding in a deal led by Eurazeo. The funds will be used to further fuel a recruitment drive that's aimed at bringing over 3,500 new employees to the table over the next five years.




March 15th, 2022 | Levallois-Perret

BUSINESS DESCRIPTION

Operator of French leading online healthcare platform designed to help patients choose doctors and book appointments. Doctolib's platform provides management software for practitioners to manage their patients and consultations and an online service for patients to facilitate access to care, enabling healthcare professionals and users to manage and streamline access to healthcare services.

KEY PERSONNEL


Stanislas Niox-Chateau – Co-Founder & CEO
Steve Abou Rjeily – Co-founder & Director of Sales

 2013
  2,300
  €5,800M
 B2C
  Remote Consultation


KEY SHAREHOLDERS*







€105.8M
PRIVATE
PLACEMENT
leaps



DEAL DESCRIPTION

Ada Health raised €105.8m of Series B venture funding in a deal led by Leaps by Bayer. The funding will be used to accelerate the rapid growth of its enterprise offering and strengthen its presence in the United States.

February 10th, 2022 | Berlin

BUSINESS DESCRIPTION

Developer of a virtual health coaching platform designed to allow physicians to work remotely. Ada's platform uses personalized questions about users' health to provide an assessment of their symptoms and offers online video consultations with health professionals, tracking and preventing illnesses, allowing health professionals to maintain an overview of their patients' health status.

KEY PERSONNEL

Daniel Nathrath – Co-Founder & CEO
Dr. Claire Novorol – Co-Founder & Chief Medical Officer
Prof. Dr. Martin Hirsch – Co-founder & Chief Scientific Advisor

 2008
  288
  N.A.(1)
 B2C
  Symptom Checker & Remote Monitoring Solutions

KEY SHAREHOLDERS*








€52.5M
PRIVATE
PLACEMENT
Dermapharm Holding SE



DEAL DESCRIPTION

Wellster Healthtech raised €52.5m of Series B venture funding in a deal led by Dermapharm and Claret Capital Partners. The funds will be used to launch the Femtech healthcare brand across Europe

January 18th, 2022 | Munich

BUSINESS DESCRIPTION

Provider of a telemedical platform intended to offer a new type of access to medical services. Wellster's platform combines telemedicine, drugs, and digital therapies and provides portals for mental health and medical self-tests, thereby empowering patients by making mental health and medical home tests easier and accessible.

KEY PERSONNEL

Sokratis Papafloratos – Founder & CEO
John Dixon – Talent Partner

 2018
  100
  N.A.
 B2C
  Remote Consultation

KEY SHAREHOLDERS*







SELECTED FUNDRAISING DEALS (2/2)

HUMA
€30.9M
PRIVATE
PLACEMENT
AstraZeneca

DEAL DESCRIPTION

Huma raised €30.9m from AstraZeneca. The funds will be used for further expansion in the United States.

March 23rd, 2022 | London

BUSINESS DESCRIPTION

Developer of a mobile application designed to improve every facet of digital health through data. Huma's platform offers a blend of medical expertise and has partnered with several leading healthcare institutes to measure and improve outcomes for diseases like Venous Leg ulcers.

KEY PERSONNEL

Dr. Dan Vahdat – Founder & CEO
Nick Taylor – CFO

2011 196 N.A.

B2C Symptom Checker & Remote Monitoring Solutions

KEY SHAREHOLDERS*



NUVOAIR
€22.0M
PRIVATE
PLACEMENT
AlbionVC hv.

DEAL DESCRIPTION

Nuvoair raised €22.0m of Series A venture funding in a deal led by AlbionVC and Hikma Ventures. The funding will be used to accelerate the expansion of the company's digital care platform in the US and Europe.

June 9th, 2022 | Stockholm

BUSINESS DESCRIPTION

Developer of a respiratory platform designed to assist patients and physicians in preventing clinical deterioration from respiratory exacerbations. Nuvoair's platform combines a personalized asthma management plan with lung function measurement and incorporates air quality and weather data enabling patients to get a warning of excessive lung function decline.

KEY PERSONNEL

Lorenzo Consoli – Founder & CEO
Erik Lystedt – CFO

2015 62 N.A.

B2C Remote Consultation

KEY SHAREHOLDERS*



MILLE FARMACIE
€13.2M
PRIVATE
PLACEMENT
KWE HBM Partners

DEAL DESCRIPTION

Mille Farmacie raised €13.2m of Series A venture funding in a deal led by Kintetsu World Express, and HBM Partners. The funds will be used to continue to expand operations and its business reach, as well as to improve its last mile delivery service and its local pharmacy network.

February 7th, 2022 | Naples

BUSINESS DESCRIPTION

Developer of an online shopping platform intended to offer a wide range of pharmaceutical products. Mille Farmacie's platform helps users to buy pharmaceutical products at a reasonable price from authorized pharmacies and get the products delivered.

KEY PERSONNEL

Nicolo Petrone – Co-Founder & CEO
Mohamed Younes – Co-founder & COO
Alberto Marchetti – Co-founder & CMO

2019 30 N.A.

B2C Remote Pharmacy

KEY SHAREHOLDERS*



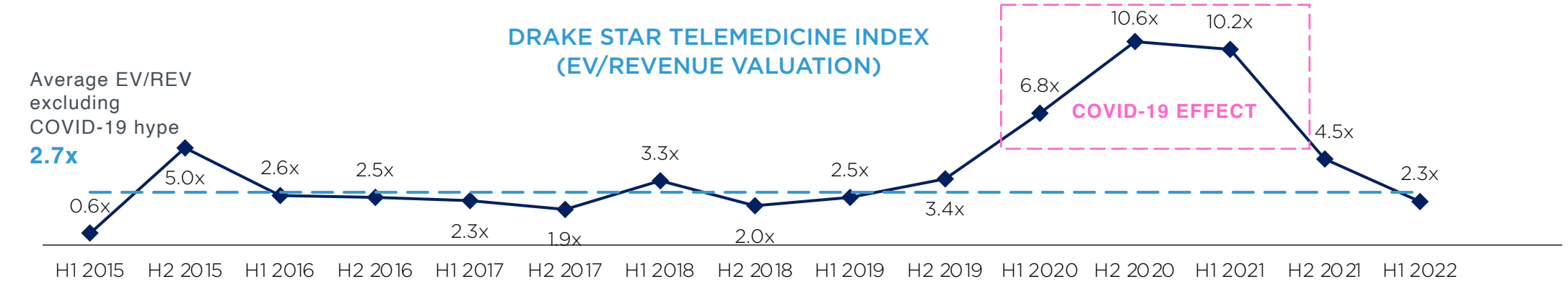
RECALIBRATION OF TELEMEDICINE TRADING MULTIPLES

SECTOR VALUATION

During H1 2022, valuation multiples dropped by -49% compared to January 2022. EV/Revenue multiples of listed companies from the Drake Star Telemedicine Index⁽¹⁾ declined from 4.5x to 2.3x, slightly lower multiple than pre-pandemic level. This is the consequence of a decrease in activity and operational results following the deceleration of the COVID-19 pandemic. In line with a landing telemedicine sector and maturing market, the maximum EV/Revenue multiple declined from a notable 18.7 times to a more coherent 3.1 times, and the maximum EV/EBITDA multiple decreased from 115.4 times to 24.7.

Telemedicine valuation multiples increased significantly when the COVID-19 pandemic was at its peak, with actual demand for telehealth visits in 2020 largely superior to the forecasted one if the pandemic had not happened. Telemedicine substituted traditional medicine by force during the pandemic, which explains the increase in multiples. However, with the easing of measures, people went back to their old habits and often preferred traditional in-person consultations to telemedicine. There is an excess and increasing supply of telemedicine resulting from heavy capital expenditures during the peak of the pandemic compared to the actual decreasing demand. As a result, we observe a market consolidation and a shift to late-stage VC investments. Investors play a waiting game to see what the market is going to be like after the pandemic.

As an example, in France teleconsultations went from 40,000/month in February 2020 to 4,500,000/month in April 2020 in the middle of the first lockdown, which represents an increase of 11,000%. Following the easing of sanitary measures, teleconsultations decreased to 600,000/month in September 2020, before reaching a second peak at 1,300,000/month during the second lockdown in November 2020. A year later, in November 2021, the number of visits stabilized at roughly 700,000/month. When comparing these new numbers to the historical adoption trend of 100,000 teleconsultations in total between January 2019 and February 2020, we observe that the pandemic accelerated the adoption of telemedicine by several years.

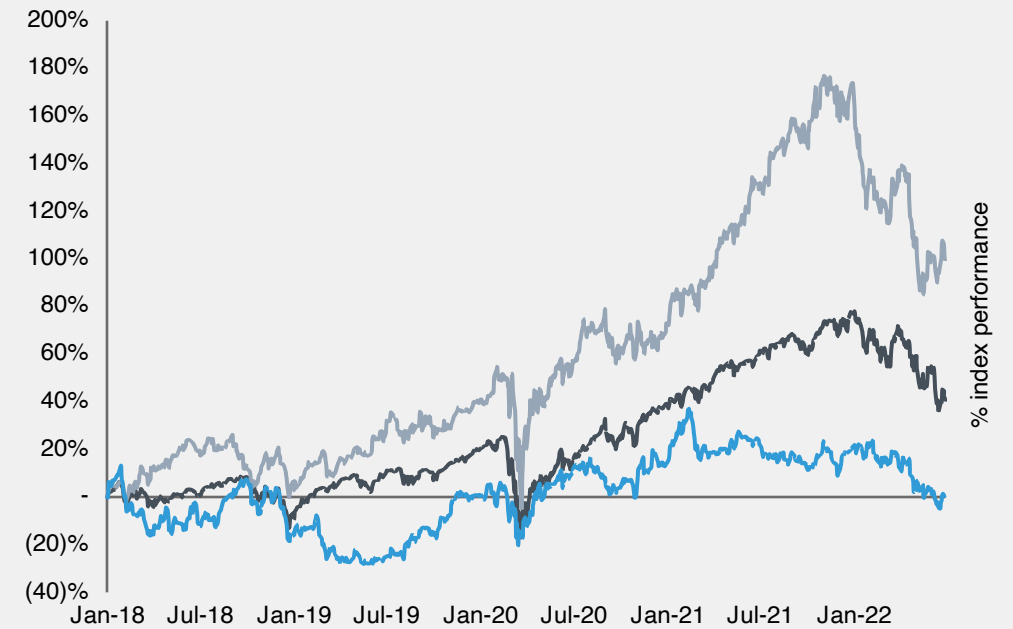
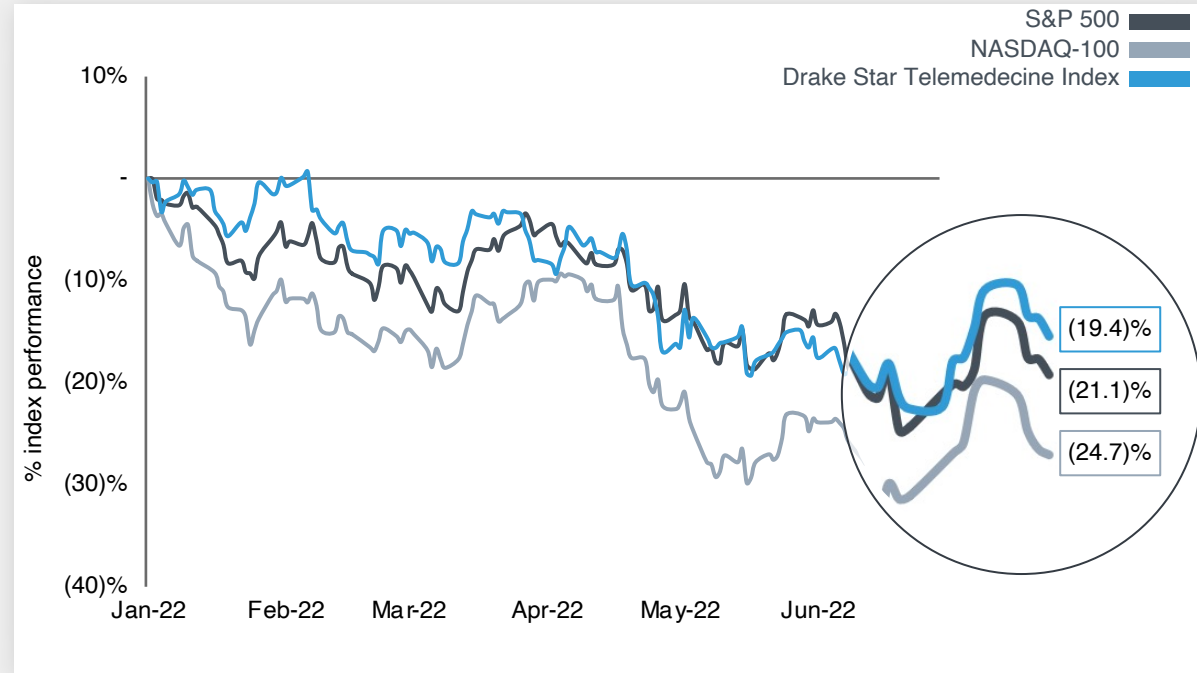


Notes: (1) Drake Star Telemedicine index gathers public telemedicine companies on a global basis, the full list of companies included in the index is available on page 14. There are two changes with the initial Drake Star telemedicine index: (a) the withdrawal of Livongo Health as a consequence of its acquisition per another member of the index, i.e., Teladoc Health and (b) the addition of Babylon Holding which recently got listed through a SPAC.

Source: Pitchbook, Capital IQ, Drake Star proprietary research

RECALIBRATION OF THE TELEMEDICINE INDEX SINCE JANUARY 2022

DRAKE STAR TELEMEDICINE INDEX⁽¹⁾ VS. MAIN INDEXES



KEY HIGHLIGHTS

In H1 2022, the Drake Star Telemedicine index recorded a 19.4% decline. However, it outperformed both the Nasdaq (-24.7%) and S&P 500 (-21.1%) this semester.

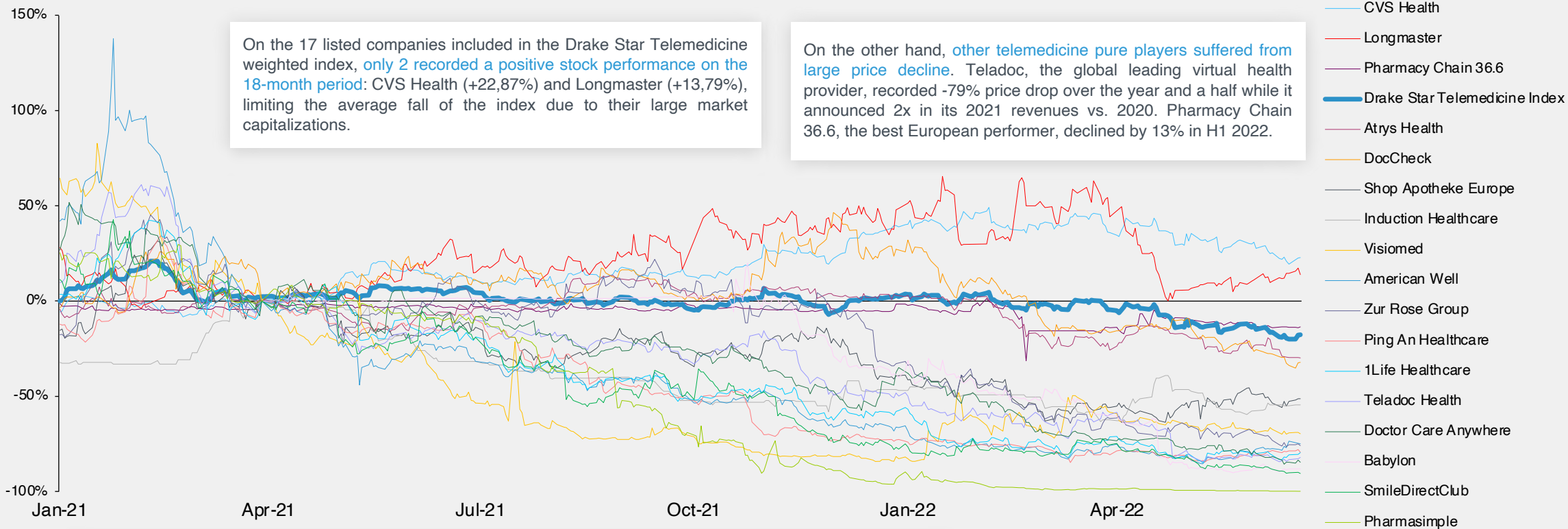
When looking at performances since January 2018, the Drake Star Telemedicine index is underperforming the broader Nasdaq and S&P 500 by a significant margin. The index increased by 2% while Nasdaq and S&P 500 grew by 100% and 40% respectively.

Notes:

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Source: Capital IQ as of June 30th, 2022, index weighted on market cap

SINCE JANUARY 2021, HIGH STANDARD DEVIATION WITH 15 COMPANIES RECORDING A NEGATIVE STOCK PERFORMANCE

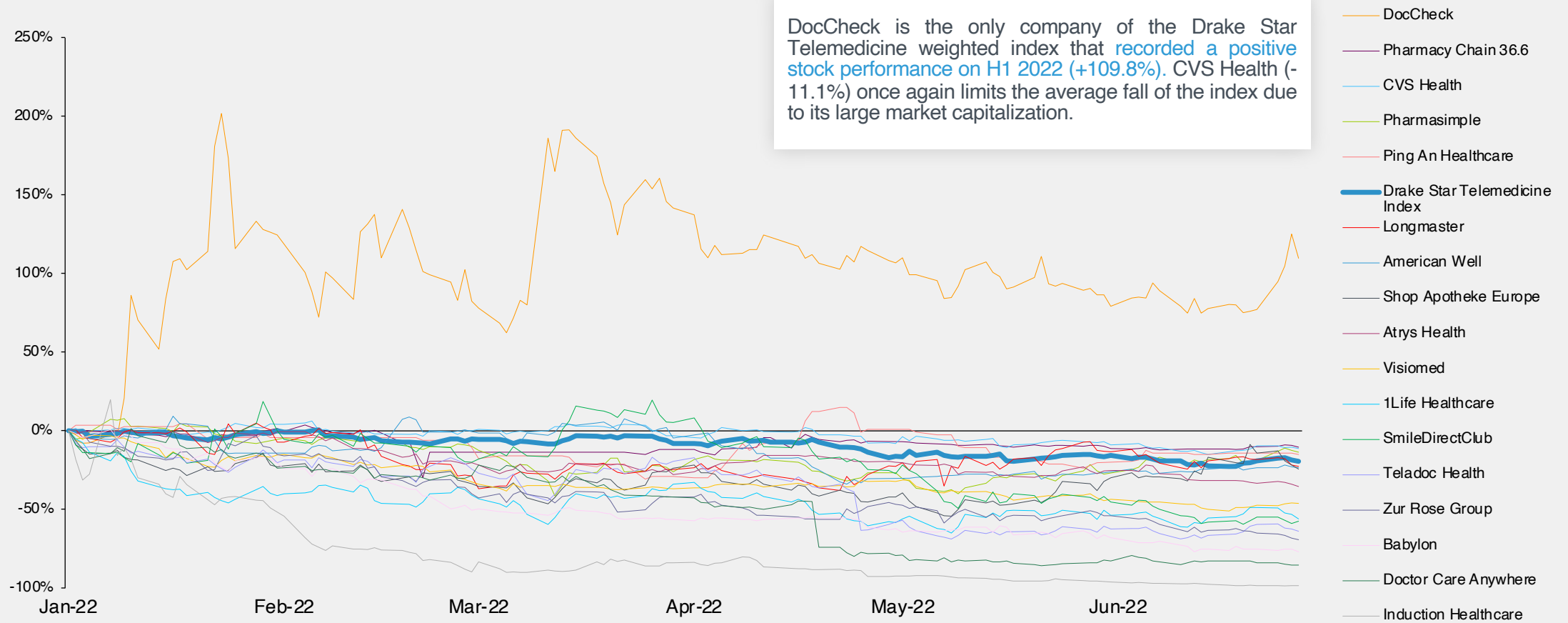


Babylon recorded a -89% decline since its SPAC operation in August 2021. Multiple factors explain this decrease. The company bears **country risk** with 94% of its Q1 2022 revenues coming from the US. Babylon is a foreign firm with no US-experience that entered the market less than 2 years ago. With its stock price fluctuating between 0.98\$ and 2\$ since mid April 2022, Babylon being quoted on NYSE **faces a delisting risk** if the price stays below 1\$ for more than 30 days. The firm offers telemedical care against a fixed monthly fee, but the **service is currently provided by third parties**, billing it to Babylon. As a result, claims from those third parties exceed revenues, which is unusual for a SaaS company. Furthermore, the company plans on integrating its own telemedical care service based on AI in order to reduce costs and be profitable but cannot guarantee that customers would stay for this service or would choose it over the costly telemedical care from third parties.

Notes: (1) Drake Star telemedicine index gathers public telemedicine companies on a global basis, the full list of companies included in the index is available on page 14. There are two changes with the initial Drake Star telemedicine index: (a) the withdrawal of Livongo Health as a consequence of its acquisition per another member of the index, i.e., Teladoc Health and (b) the addition of Babylon Holding which recently got listed through a SPAC. For visual purpose, LifeMD has been withdrawn of the graph but is included in the Drake Star Telemedicine index. This report is published solely for informational purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy any security. The information herein is based on sources we believe to be reliable but is not guaranteed by us and we assume no liability for its use. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice.

Source: Capital IQ as of June 30th, 2022, index weighted on market cap

SINCE JANUARY 2022, ALL INDEX STOCKS IN RETREAT WITH THE EXCEPTION OF DOCCHECK



As of July 2022, Induction Healthcare declined by -98.50% and 8 out of 17 stocks composing the index decreased by -50% or more compared to January 2022.

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Source: Capital IQ as of June 30th, 2022, index weighted on market cap

PUBLICLY LISTED TELEMEDICINE COMPANIES

COMPANY	MARKET CAP	TEV	REVENUE			EBITDA			EBITDA MARGIN			TEV/REVENUE			TEV / EBITDA		
			FY2020	FY2021	FY2022	FY2020	FY2021	FY2022	FY2020	FY2021	FY2022	FY2020	FY2021	FY2022	FY2020	FY2021	FY2022
CVS Health	116 233	178 300	219 015	255 799	295 607	14 622	15 918	18 798	7%	6%	6%	0.8 x	0.7 x	0.6 x	12.2 x	11.2 x	9.5 x
Teladoc Health	5 121	5 855	894	1 787	2 327	(284)	(28)	237	n.m.	n.m.	10%	6.5 x	3.3 x	2.5 x	n.m.	n.m.	24.7 x
Pharmacy Chain 36.6	1 656	2 172	434	514	n.a.	25	27	n.a.	6%	5%	n.a.	5.0 x	4.2 x	n.a.	86.8 x	81.6 x	n.a.
1Life Healthcare	1 455	1 645	311	548	1 033	(44)	(140)	(127)	n.m.	n.m.	n.m.	5.3 x	3.0 x	1.6 x	n.m.	n.m.	n.m.
Shop Apotheke	1 535	1 477	968	1 060	1 249	13	(21)	5	1%	n.m.	0%	1.5 x	1.4 x	1.2 x	115.4 x	n.m.	n.m.
Ping An Healthcare	3 171	1 684	860	1 015	1 079	(76)	(244)	(182)	n.m.	n.m.	n.m.	2.0 x	1.7 x	1.6 x	n.m.	n.m.	n.m.
Zur Rose Group	748	995	1 365	1 665	1 775	(106)	(171)	(94)	n.m.	n.m.	n.m.	0.7 x	0.6 x	0.6 x	n.m.	n.m.	n.m.
Atrys Health	483	633	34	121	207	7	6	48	20%	5%	23%	18.7 x	5.2 x	3.1 x	94.7 x	109.4 x	13.2 x
American Well	1 101	491	201	222	265	(177)	(150)	(188)	n.m.	n.m.	n.m.	2.4 x	2.2 x	1.9 x	n.m.	n.m.	n.m.
Babylon Health	391	403	65	284	1 025	(137)	(214)	(282)	n.m.	n.m.	n.m.	6.2 x	1.4 x	0.4 x	n.m.	n.m.	n.m.
Longmaster	499	470	46	55	n.a.	6	9	n.a.	14%	16%	n.a.	10.2 x	8.5 x	n.a.	75.3 x	55.0 x	n.a.
SmileDirectClub	120	372	497	523	591	(112)	(177)	(72)	n.m.	n.m.	n.m.	0.7 x	0.7 x	0.6 x	n.m.	n.m.	n.m.
DocCheck	87	68	63	86	n.a.	15	18	n.a.	24%	21%	n.a.	1.1 x	0.8 x	n.a.	4.5 x	3.8 x	n.a.
LifeMD	60	41	30	82	128	(47)	(47)	(15)	n.m.	n.m.	n.m.	1.3 x	0.5 x	0.3 x	n.m.	n.m.	n.m.
Induction Healthcare	52	37	0	2	14	(4)	(7)	(0)	n.m.	n.m.	n.m.	n.m.	n.m.	2.6 x	n.m.	n.m.	n.m.
Visiomed Group	48	46	19	7	n.a.	(6)	(3)	n.a.	n.m.	n.m.	n.a.	2.4 x	6.5 x	n.a.	n.m.	n.m.	n.a.
Doctor Care Anywhere	34	15	13	30	42	(15)	(24)	(17)	n.m.	n.m.	n.m.	1.1 x	0.5 x	0.3 x	n.m.	n.m.	n.m.
Pharmasimple	1	8	46	30	n.a.	1	(5)	n.a.	1%	n.m.	n.a.	0.2 x	0.3 x	n.a.	15.1 x	n.m.	n.a.

Notes: Date in Eur m

(1) Drake Star telemedicine index gathers public telemedicine companies on a global basis, the full list of companies included in the index is available on page 14. There are two changes with the initial Drake Star telemedicine index: (a) the withdrawal of Livongo Health as a consequence of its acquisition per another member of the index, i.e., Teladoc Health and (b) the addition of Babylon Holding which recently got listed through a SPAC.

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Source: Capital IQ as of June 30th, 2022

MIN	0.2 x	0.3 x	0.3 x	4.5 x	3.8 x	9.5 x
AVERAGE	3.9 x	2.4 x	1.3 x	57.7 x	52.2 x	15.8 x
MEDIAN	2.0 x	1.4 x	1.2 x	75.3 x	55.0 x	13.2 x
MAX	18.7 x	8.5 x	3.1 x	115.4 x	109.4 x	24.7 x

UPDATED MAPPING OF THE EUROPEAN TELEMEDICINE MARKET

REMOTE CONSULTATION



CLINICIAN SELECTION & E-BOOKING TOOLS



SYMPTOM CHECKER & REMOTE MONITORING SOLUTIONS



SPECIALTY CARE



REMOTE PHARMACY



CONSOLIDATION TRENDS OVER 18 MONTHS IN THE EUROPEAN TELEMEDICINE MARKET

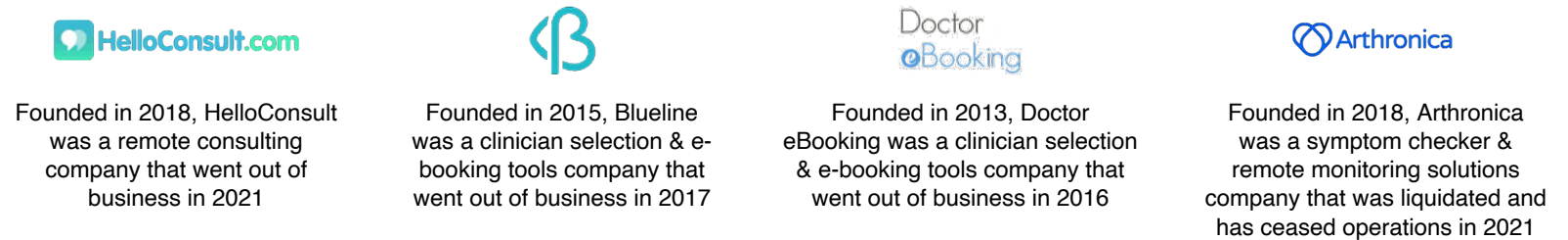
ACQUIRED BY TELEMEDICINE PLAYER



ACQUIRED BY EXTERNAL PLAYER



OUT OF BUSINESS



→ Acquisition flow

A LEADING GLOBAL TECH SPECIALIST INVESTMENT BANK

400+

TRANSACTIONS COMPLETED

70%

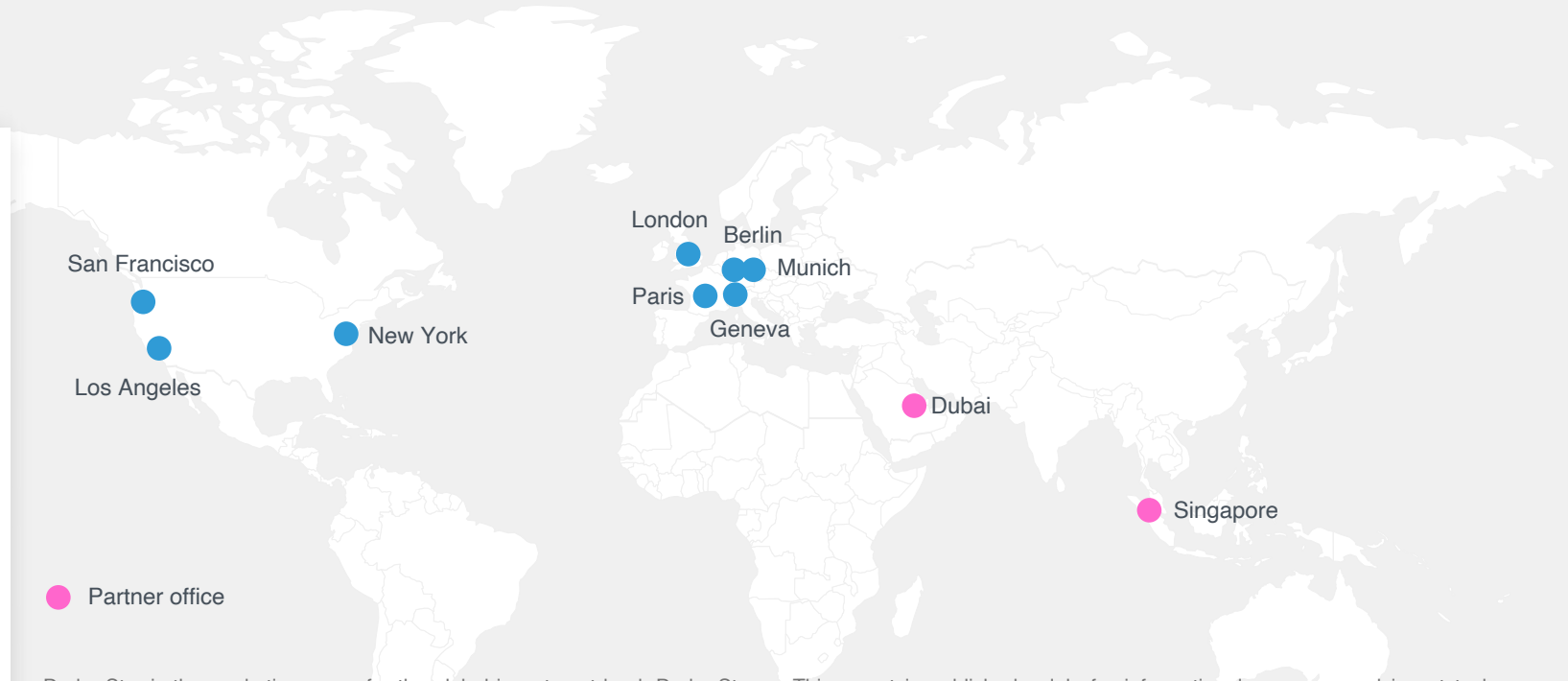
CROSS-BORDER DEALS

125+

BANKERS

10*

OFFICES GLOBALLY



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Citations and sources are available upon request through <https://www.drakestar.com/contact>. Interviews were conducted by Drake Star via email correspondence between February and April 2021.

* Including partner offices

CONTACT



CHRISTOPHE MORVAN 

MANAGING PARTNER | PARIS

+33 1 70 08 76 10
christophe.morvan@drakestar.com



LAWRENCE GIESEN 

PARTNER | PARIS

+33 1 70 08 76 12
lawrence.giesen@drakestar.com