

**HEALTHCARE**

# **HEALTHCARE SOFTWARE DEALS SNAPSHOT**

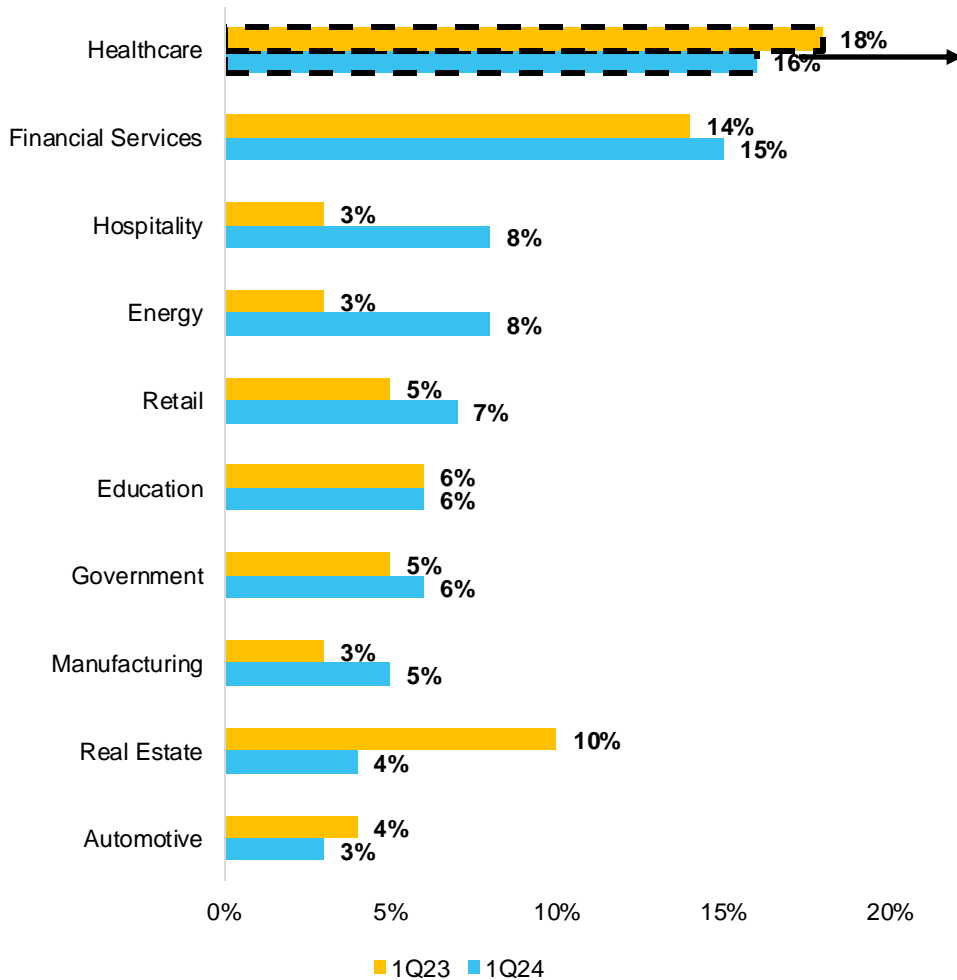
**DIGITISATION OF THE NHS AND SOCIAL CARE SECTOR CONTINUES TO DRIVE SIGNIFICANT LEVELS OF M&A. INVESTORS CONTINUE TO TURN TO BUY & BUILD STRATEGIES TO PLUG PRODUCT GAPS AND ACHIEVE SCALE AT PACE.**

**COOPER PARRY  
DEALS**

# HEALTHCARE SOFTWARE

HEALTHTECH TRANSACTIONS CONTINUE TO DOMINATE THE SOFTWARE M&A LANDSCAPE WITH A SET OF CORE FUNDAMENTAL ATTRactions

Top 10 SaaS M&A verticals as % of vertical deals



## Fundamental attractions of Healthcare SaaS

### Recurring revenue with long-term contracts

By their very subscripitive nature, most SaaS models produce high levels of recurring revenue. Healthcare SaaS often has the added advantage of a largely public sector customer base with long-term contracts underpinned by stable financing

### Sticky customer base

In slow-to-adopt Healthcare settings, once implemented, it can be challenging to displace software due to implementation costs, switching barriers and associated operational challenges (e.g. staff training & infrastructure)

### Barriers to scale

Investment in people, technology and processes can be hard for new entrants to the market to replicate. Scaling quickly requires expertise and often a VC/PE partner with experience growing SaaS businesses at scale

### Increasing adoption & demand

Software adoption is growing across Healthcare settings with a range of drivers (e.g. staffing challenges, government funding & policy initiatives and the role software has in improving care quality and outcomes)

### Platform opportunities

Parts of the market remain nascent and fragmented, providing opportunities to plug product gaps and consolidate. This in turn can support cross-sell into customers for other products

### Recession-resilient end market

The Healthcare market is robust and SaaS providers can rely on a stable customer base

# NOTABLE PRIVATE EQUITY PLATFORMS

HEALTH AND SOCIAL CARE SOFTWARE IS AN ACTIVE SECTOR FOR PRIVATE EQUITY WITH SIGNIFICANT GROWTH OPPORTUNITIES THROUGH EXECUTION OF BUY AND BUILD STRATEGIES



## SEP-21 Cow Corner Invests in PCS

- Person Centred Software is a market leader in care management software and provider of the UK's most widely used care management systems
- The company received investment from Cow Corner in September 2021, and has made a number of acquisitions. Recent deals include:

June 2024



February 2024



December 2023



## APR-24 Log my Care raises further funding

- Log My Care is a developer of care management software designed to improve coordination and communication in homes. The company's software specialises in digitising paper records.
- The company has gone through various early stage growth funding rounds with the latest in April 2024 raising £3m from existing investor Mercia Ventures

No acquisitions to date

# RECENT M&A

**BOLT-ON ACQUISITIONS FOR PLATFORMS ARE PROMINENT IN THE MARKET AS INVESTORS LOOK TO CREATE SCALE AND UNLOCK GROWTH**



## **MAY-24 PCS acquires Karelnn**

- Karelnn is a digital care technology company specialising in developing highly innovative platforms for the NHS, transforming care outcomes and operational efficiencies
- Acquiring Karelnn enhances PCS' digital care management platform which is currently used by over 6,000 care providers across the UK. Operational synergistic opportunities exist with a combination of strengths to drive interoperability in digitising shared care records



## **JUN-24 August-backed One Touch acquires OnePlan**

- One Plan is a developer of cloud-based software intended to serve domiciliary, residential and assisted living care markets. The company's software accurately tracks and manages the day-to-day operations of care businesses to create a holistic solution
- Following August Equity's investment in 2022, OneTouch Health acquired OnePlan in line with the group's growth strategy of expanding its comprehensive range of product offerings to providers of all sizes across the care market, while continuously advancing its technologies and enhancing customer experiences.



## **JUL-24 RLDatix acquires Carebeans**

- Carebeans is a UK-based digital care planning and management software provider for the social care sector with accredited supplier status to the NHS
- The company was acquired by RLDatix, via its financial sponsors Five Arrows Principal Investments through an LBO. The acquisition brings the company's proficiency in care planning and management into RLDatix's extensive suite of compliance, risk, governance and workforce management solutions



## **SEP-23 Nourish acquires CarePlanner**

- Nourish Care Systems, the leading Digital Social Care records system backed by Livingbridge, expands with acquisition of home care planning software CarePlanner
- The first platform acquisition enables Nourish to expand into person-centred community care by widening its net and delivering care management in the community

# COOPER PARRY CORPORATE FINANCE

TRUSTED ADVISORS WITH A FOCUS ON M&A ADVISORY SERVICES FOR HEALTHCARE SOFTWARE COMPANIES



**NIALL CHANTRILL**  
PARTNER  
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Niall joined Cooper Parry in 2011 and has spent the last 10 years working with entrepreneurial businesses and private equity clients operating across the mid-market.

Niall has a strong focus on working with businesses and entrepreneurs in the Technology B2B software spaces.

Notable deals include:

- Advised the shareholders of Nourish on the MBO backed by Livingbridge
- Sale of Tri.x to August Equity



**LOREN DOCKSEY**  
SENIOR ANALYST  
lorend@cooperparry.com

Loren joined Cooper Parry Corporate Finance in 2020 as an analyst, reviewing behaviour, trends and analysing M&A activity within our sector specialisms.

Loren is a Chartered Accountant and holds a first-class honours degree in Economics from the University of Derby.

Notable deals include:

- Acquisition of mobility devices provider Kingswood Corporation by LDC
- Sale of Tri.x to August Equity
- Live sale of a healthcare services business



## OUR HEALTHTECH DEALS



- Nourish provides digital care planning software to the UK social care sector
- Founded in 2011, Nourish is a cloud-hosted Digital Care Planning Platform supporting care providers and carers in the evidencing, and accessing of care records
- Livingbridge's investment will enable Nourish to further develop its best-in-class platform, continue to innovate in the use data to improve care outcomes



- Tri.x provides subscription based on-line policies and procedures manuals to the UK social care sector and has been part of Birmingham-based Anster Group since it was acquired in 2019
- August is a long-term investor with particular emphasis on businesses with technology-led application

**17 DEALS  
COMPLETED  
IN THE LAST  
18 MONTHS**

**£650m+**

**TOTAL DEAL  
VALUE ADVISED  
ON**

**£40m**

**AVERAGE  
DEAL SIZE**

**84%**

**DEALS  
INVOLVING  
PRIVATE EQUITY**

**5**

**DEALS WITH AN  
INTERNATIONAL  
BUYER**