

SpendMend Announces Investment from Morgan Stanley Capital Partners

MSCP makes significant investment in healthcare industry's premier provider of cost-cycle solutions.

Grand Rapids, MI - SpendMend, a leading provider of tech-enabled solutions to optimize the cost-cycle for the healthcare industry, announced today that investment funds managed by Morgan Stanley Capital Partners ("MSCP") have acquired a controlling interest in SpendMend. MSCP is partnering with the current management team led by CEO Dan Geelhoed and President Rob Heminger, who will continue to lead the business, as well as Sheridan Capital Partners, who will retain a minority stake in the Company.

SpendMend is a leading provider of tech-enabled solutions to optimize the cost-cycle for the healthcare industry. The Company serves more than a third of the top 100 health systems and is a market leader in profit recovery services utilizing its tech-enabled platform to generate cost savings for hospitals by identifying instances of payment errors and contract non-compliance within their operating expenses. SpendMend has grown into one of the largest platforms in the industry through strong organic growth as well as strategic M&A, completing four acquisitions since 2017.

Steve Rodgers, Managing Director and Head of Healthcare at MSCP, said: "We are delighted to partner with SpendMend and its best-in-class management team as they continue building a leader in cost-cycle management and compliance management services to hospitals. SpendMend's track record of robust organic growth and its client-centric approach are a testament to what Dan, Rob, and the SpendMend team have built over the years. We look forward to working together to advance SpendMend's market leadership in profit recovery and continue expanding the company through both organic growth and strategic add-on acquisitions."

SpendMend actively expanded their suite of solutions beyond Profit Recovery in 2015, to deliver more value to their client base and to address a wider range of issues across the healthcare cost-cycle. The SpendMend suite, today, includes solutions for Profit Recovery, Medical Device Warranty Tracking, Pharmacy Optimization, 340B Compliance & Optimization, Contract Compliance, Sales & Use Tax, and more. The investment from MSCP enables SpendMend to further refine and expand their solution set for the healthcare industry.

Dan Geelhoed, CEO of SpendMend, said, “We are thrilled to announce our partnership with MSCP. Since our founding, our goal has been to help improve patient care with the value we deliver through our innovative cost-cycle solutions. Our partnership with MSCP will help us to drive a greater impact.”

Rob Heminger, President of SpendMend, added, “The Healthcare Industry continues to be challenged to find cost savings, risk avoidance and operational efficiencies within their ecosystem. Partnering with MSCP allows SpendMend to advance our answer to that challenge as we expand our offerings wider and deeper across the cost-cycle.”

Harris Williams served as a financial advisor and DLA Piper LLP served as legal counsel to MSCP. Evercore served as a financial advisor to SpendMend. Kirkland & Ellis LLP and Miller Johnson served as legal counsel to SpendMend.

About SpendMend

SpendMend helps leading healthcare organizations nationwide discover the full impact of financial leakage upon their organization. As the healthcare expert in audit recovery and spend visibility, SpendMend has perfected the process of holistically analyzing complex spend data to help an organization shed light upon ubiquitous and pesky financial leakage. SpendMend helps recover financial leakage and partners with clients to identify control gaps harboring financial leakage and improve spend visibility. For more information, please visit the Company’s website www.spendmend.com

About Morgan Stanley Capital Partners

Morgan Stanley Capital Partners, part of Morgan Stanley Investment Management, is a leading middle-market private equity platform that has invested capital in a broad spectrum of industries for over three decades. Morgan Stanley Capital Partners focuses on privately negotiated equity and equity-related investments primarily in North America and seeks to create value in portfolio companies primarily in a series of subsectors in the business services, consumer, healthcare, education and industrials markets with an emphasis on driving significant organic and acquisition growth through an operationally focused approach. For further information about Morgan Stanley Capital Partners, please visit www.morganstanley.com/im/capitalpartners.

About Morgan Stanley Investment Management

Morgan Stanley Investment Management, together with its investment advisory affiliates, has more than 767 investment professionals around the world and \$1.6 trillion in assets under management or supervision as of December 31, 2021. Morgan

Stanley Investment Management strives to provide outstanding long-term investment performance, service and a comprehensive suite of investment management solutions to a diverse client base, which includes governments, institutions, corporations and individuals worldwide. For further information about Morgan Stanley Investment Management, please visit www.morganstanley.com/im.

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