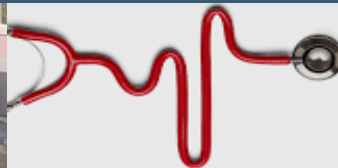


The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

Market Overview

Indices Performance (% change)

	December 2022	LTM		December 2022	LTM
S&P 500	(5.9%)	(19.6%)	DJIA	(4.2%)	(9.5%)
Nasdaq	(8.7%)	(33.5%)	Russell 3000	(6.0%)	(20.5%)

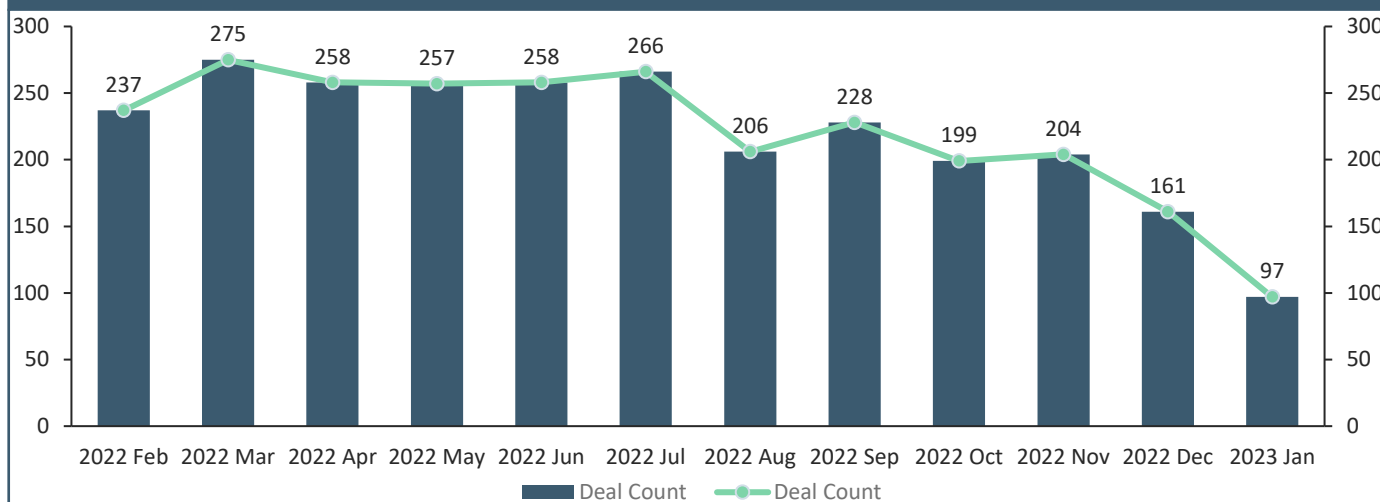
Source: Federal Reserve; Bank of St. Louis

Healthcare Provider Market Overview

Largest Healthcare Services Providers Movers and Losers (largest % change)

	December 2022	LTM		December 2022	LTM
Dentsply Sirona	5.2%	(42.9%)	Brookdale Senior Living	(13.3%)	(47.1%)
DaVita	1.3%	(34.4%)	Acadia Healthcare	(7.6%)	35.6%
Select Medical Holdings	1.0%	(15.5%)	U.S. Physical Therapy	(6.2%)	(15.2%)
			National Healthcare	(3.5%)	(12.4%)
			Surgery Partners	(1.6%)	(47.8%)

Healthcare Services Deal Count (LTM)



Healthcare Industry Contacts

Tom Denison

(312) 369-9181

thomas.denison@thechicagocorp.com

Phil Clarke

(312) 283-0803

philip.clarke@thechicagocorp.com

Dave West

(312) 848-6558

david.west@thechicagocorp.com

Andrew Witik

(312) 283-0829

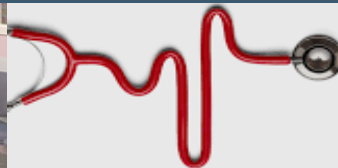
andrew.witik@thechicagocorp.com

Nolan Bertog

(312) 283-0809

nolan.bertog@thechicagocorp.com

The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

Publicly Traded Company Performance: Healthcare Services

(\$ in millions, except per share data)

Company	Ticker	Share Price 12/31/2022	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Debt/EBITDA
						TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY21 P/E	Gross	EBIT	EBITDA	
Dentsply Sirona	XRAY	\$31.84	54.2%	\$6,843	\$8,563	2.1x	NA	NA	NA	29.4x	54.8%	(21.1%)	(12.9%)	(3.3x)
DaVita	DVA	\$74.67	59.8%	\$6,728	\$19,863	1.7x	9.1x	13.6x	10.9x	13.0x	29.7%	12.6%	18.7%	5.3x
Henry Schein	HSIC	\$79.87	86.2%	\$10,826	\$13,288	1.1x	12.1x	15.2x	17.4x	17.7x	30.2%	6.9%	8.7%	1.2x
Envista Holdings	NVST	\$33.67	64.7%	\$5,490	\$6,502	2.5x	14.8x	23.2x	29.0x	23.5x	56.7%	10.9%	17.1%	2.3x
Acadia Healthcare	ACHC	\$82.32	91.6%	\$7,489	\$9,029	3.6x	16.0x	20.1x	26.7x	30.8x	42.8%	17.7%	22.3%	2.6x
The Ensign Group	ENSG	\$94.61	97.1%	\$5,249	\$6,405	2.2x	18.7x	22.7x	25.2x	24.8x	17.4%	9.7%	11.8%	3.4x
Surgery Partners	SGRY	\$27.86	43.6%	\$3,416	\$8,058	3.3x	17.0x	22.0x	NA	NA	22.0%	15.0%	19.4%	7.1x
Select Medical Holdings	SEM	\$24.83	80.6%	\$3,153	\$8,337	1.3x	13.2x	19.5x	18.0x	9.2x	11.4%	6.8%	10.0%	7.8x
U.S. Physical Therapy	USPH	\$81.03	61.6%	\$1,054	\$1,429	2.6x	16.6x	19.8x	27.1x	40.3x	20.6%	13.3%	15.9%	2.6x
National Healthcare	ASE NHC	\$59.50	79.0%	\$913	\$874	0.8x	11.3x	23.7x	28.9x	7.0x	NA	3.4%	7.1%	(0.6x)
Brookdale Senior Living	BKD	\$2.73	35.9%	\$510	\$5,228	1.9x	23.5x	NA	NA	NA	18.8%	(4.5%)	8.3%	21.2x
Mean				\$3,112	\$5,623	2.3x	16.6x	21.3x	25.2x	22.4x	22.2%	8.8%	13.5%	6.3x
Median				\$3,153	\$6,405	2.2x	16.6x	21.1x	26.7x	24.8x	19.7%	9.7%	11.8%	3.4x
High				\$7,489	\$9,029	3.6x	23.5x	23.7x	28.9x	40.3x	42.8%	17.7%	22.3%	21.2x
Low				\$510	\$874	0.8x	11.3x	19.5x	18.0x	7.0x	11.4%	-4.5%	7.1%	(0.6x)

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

M&A, Capital Raising, and Industry News: Behavioral Health

❖ BehaVR, OxfordVR Raise \$13M for Newly Merged Behavioral Health Company

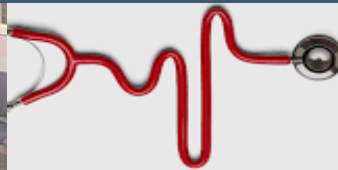
December 13, 2022 – Behavioral health-focused virtual reality companies BehaVR and OxfordVR have merged, the pair announced. The joint Company will operate under the BehaVR name. The deal was supported by a \$13 million Series B funding round led by Optum Ventures and Oxford Science Enterprises. Accenture Ventures, Confluent Health, Chrysalis Ventures and Thornton Capital also participated. Following this merger, more and more behavioral health providers and innovators are turning to the VR space for new therapies. In addition to physical health conditions, the Company is also looking to expand into anxiety and depression as well.

❖ A Year After Acorn Sale, PE Firm MBF Buys ABA Provider Austin Connect to Wellness

December 14, 2022 – Middle-market private equity firm MBF Healthcare Partners (“MBF”) announced its acquisition of autism provider Austin Connect to Wellness. Austin Connect brings with it six facilities across Austin and Houston, Texas. It currently works with major insurance providers including UnitedHealthcare, Cigna, Aetna, Blue Cross Blue Shield of Texas and Magellan. MBF isn’t the only private equity investor to take an active interest in behavioral health. In fact, private equity deals made up more than 60% of all behavioral health transactions in the first three quarters of 2022, according to data from The Braff Group. A number of private equity firms including KKR, Shore Capital and Health Enterprise Partners have placed bets on the autism space.



The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

M&A, Capital Raising, and Industry News: Senior Living

❖ Pine Park Health Acquires Senior-Focused Medical Group

December 12, 2022 – Pine Park Health has acquired Geriatric Specialty Care of Nevada, deepening its connection in Nevada, according to a LinkedIn post by Pine Park Chief Commercial Officer Dan O’Neill. O’Neill told Senior Housing news via email that the addition of Geriatric Specialty Care brings the Pine Park portfolio of on-site primary care locations to more than 120 across Arizona, California and Nevada.

❖ Ascent Living Expands Colorado Presence

December 12, 2022 – Ascent Living Communities announced it added a senior living community in Colorado, deepening its footprint in its home state. With the addition, Ascent will be the owner/operator of the property in partnership with the developer, Dillin Corp. For Ascent, Roaring Park is the Company’s fourth senior living community. The community — called Roaring Fork — is a senior living community based in Glenwood Springs, Colorado with 60 assisted living units and 24 memory care suites.

❖ Lument Facilitates \$6M Acquisition Loan

December 20, 2022 – Lument announced it closed a \$6.1 million proprietary bridge loan to facilitate the acquisition of two assisted living communities by Innovation Senior Living. The communities — called Savannah Court of Lake Wales and Savannah Court of Haines City — are located in Florida and total 90 units between them. Lument’s Casey Moore, Connor Girdley and Chris Mauger led the transaction

❖ Former Merrill Leader Pettit and Son Launch Firm Focused on Active Adult, Senior Living Opportunities

December 23, 2022 – Bill Pettit, a senior living veteran, is branching out with his son to found a new senior housing consulting and investment firm known as Black Dog Capital Advisors. At the moment, a major focus for Black Dog will be to complete its fundraising and focus on capital deployment into value-add assets, while picking attractive active adult sites for development in 2024 and 2025.

M&A, Capital Raising, and Industry News: Dental

❖ USOSM Lands \$125M Credit Expansion

December 6, 2022 – U.S. Oral Surgery Management has completed a funding round resulting in a \$125 million credit expansion. "This additional capital will fund our continued growth in 2023 and carry us well into 2024," USOSM President and CEO Richard Hall said. "The credit markets are particularly difficult right now, given the state of the economy. Only companies with well-established track records and exceptional performance will have access to capital at reasonable terms." The DSO is a specialty management services company that exclusively serves oral and maxillofacial surgeons. USOSM is backed by private equity firm Oak Hill Capital and has a network of more than 160 practices in 24 states.

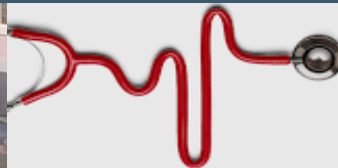
❖ MB2 Dental Expands in Four States

December 14, 2022 – Carrollton, Texas-based MB2 Dental recently added practices in four states. The dental partnership organization's new affiliations include Covaney & Covaney DDS in Newport News, Virginia, Cornerstone Dental Health in Quincy, Illinois, Borengasser Family Dental in Fort Smith, Arkansas, and Lancaster (Ohio) Pediatric Dentistry. MB2 Dental has more than 500 practices nationwide.

❖ Premier Care Dental Management Marks Best Year Yet, Plans Further Growth in 2023

December 28, 2022 – New Hyde Park, N.Y.-based Premier Care Dental Management is celebrating its best year yet with the accomplishment of several goals in 2022. The DSO added 41 practices and expanded into New Hampshire, Rhode Island and Massachusetts. Premier Care Dental Management, which owns the Dental365 brand, has also doubled its size over the last two years. The Company said it plans to expand into three more states in 2023 and add another 50 practices.

The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

M&A, Capital Raising, and Industry News: Veterinary

❖ Pet Wants Wraps Up 2022 With 20 New Units Added and a 30% Increase in Systemwide Revenue

December 13, 2022 – Pet Wants, the only national provider of pet food freshly delivered to customers, has established itself as a one-of-a-kind brand in the booming pet food market. With an unparalleled offering, Pet Wants aims to improve the nutrition, health, vitality and well-being of pets throughout North America. Now, more and more savvy entrepreneurs are joining the Pet Wants' network as franchisees recognize the strength of the brand's innovative business model, unique consumer offering and simplified operations. Pet Wants is wrapping up 2022 with 20 new franchise units signed and an impressive 30% increase in systemwide revenue.

❖ Dr. Kelly's Responds to North Phoenix's Overwhelming Demand for Affordable Pet Care

December 19, 2022 – Due to overwhelming demand, Dr. Kelly's Surgical Unit, a convenient veterinary clinic that offers specialized pet care at a fraction of the price of traditional vets, will open a new brick-and-mortar location in North Phoenix in January 2023 to expand their footprint to 6 locations. Currently, the business provides services all over the Phoenix and Tucson metropolitan areas, focusing on low-cost surgical operations including dental work, spays and neuters, mass and tumor removals, bladder stones, and other procedures. The clinic has expanded by 60% in 2022, 50% in 2021, and 160% in the previous three years. The Company plans to add 2-3 more locations in 2023.

M&A, Capital Raising, and Industry News: Physical Therapy

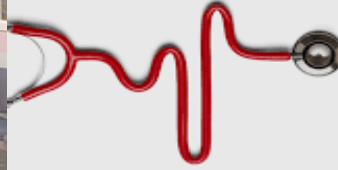
❖ Foothills Opens 28th Location in Rapidly Growing Queen Creek, AZ

December 7, 2022 – Phoenix Metro-based Physical Therapy Company, Foothills Sports Medicine Physical Therapy opened its 28th location in Queen Creek on December 5, 2022. The clinic offers free rapid pain assessments to anyone concerned with an injury and curious if physical therapy should be used during recovery. Over the last 21 years, Foothill has helped more than 500,000 patients get out of pain and back to feeling the way they were before they were injured. Foothills now has 28 clinics conveniently located throughout the Valley.

❖ Therapy For Life in Houston Expands Services and Relocates State-of-the-Art Facility on Post Oak

December 20, 2022 – Therapy of Life in Houston is excited to announce that they are expanding to a new, state-of-the-art location to accommodate the growing demand for their services in the Houston area. The new location, which is over 21,000 sq. ft., will allow the therapists at Therapy of Life to provide a wider range of services to their clients, while maintaining the high quality of care that they are known for.

The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

The Chicago Corporation Overview

- Highly regarded investment bank with a long, distinguished history.
- Focused on middle market private companies owned by families and entrepreneurs with revenue up to \$250 million.
- Over 35 experienced professionals with broad industry experience.
- Providing traditional investment banking services as well as broader financial advisory services to assist clients facing issues of growth, capital structure, ownership transition, shareholder value and liquidity.
- All we do is advise clients on corporate finance matters. We don't trade or underwrite securities, provide wealth management services, or engage in principal investing.

Why the Chicago Corporation?

Extensive Healthcare
Services Deal Experience

Trusted Advisors to Business
Owners

Two Managing Directors on
Every Engagement

Seasoned Bankers with
200+Years of Combined
Experience

Best-in-Class Unbiased
Advice

Exceptional Transaction
Execution



Managing Directors

Tom Denison

(312) 369-9181

thomas.denison@thechicagocorp.com

Phil Clarke

(312) 283-0803

philip.clarke@thechicagocorp.com

Dave West

(312) 848-6558

david.west@thechicagocorp.com

G. Stanley Cutter

(312) 283-0804

stan.cutter@thechicagocorp.com

Fred Floberg

(312) 283-0802

fred.floberg@thechicagocorp.com

Diane Selph

(312) 283-0828

diane.selph@thechicagocorp.com

The Waiting Room is a monthly newsletter published by The Chicago Corporation. To subscribe, please visit, www.thechicagocorp.com.

Information contained in this publication is based on data obtained from sources we deem to be reliable, however, it is not guaranteed as to accuracy and does not purport to be complete. Nothing contained in this publication is intended to be a recommendation of a specific security or company nor is any of the information contained herein intended to constitute an analysis of any company or security reasonably sufficient to form the basis for any investment decision. Nothing contained in this publication constitutes an offer to buy or sell or the solicitation of an offer to buy or sell any security. Officers or employees of affiliates of The Chicago Corporation, or members of their families, may have a beneficial interest in the securities of a specific company mentioned in this publication and may purchase or sell such securities in the open market or otherwise.

Sources include beckersdental.com, bhbusiness.com, prweb.com, seniorhousingnews.com, PitchBook and various publicly available news publications.

Additional information is available upon request.