

The Wisdom Tooth:
A Dental Industry
Newsletter

Market Overview

Indices Performance (% change)

	February 2022	LTM		February 2022	LTM
S&P 500	(2.4%)	12.5%	NASDAQ	(4.5%)	(0.7%)
Dow Jones Industrial Average	(3.0%)	8.8%	Russell 3000	(4.0%)	(1.2%)

Source: Federal Reserve: Bank of St. Louis

Largest Dental Movers and Losers (largest % changes in the month of February)

	February 2022	LTM		February 2022	LTM
Henry Schein	14.7%	33.8%	SmileDirectClub	(14.5%)	(81.1%)
Envista Holdings	11.0%	21.6%			
Milestone Scientific	5.4%	(52.1%)			
Patterson Companies	4.2%	(5.9%)			
Align Technology	3.3%	(5.8%)			

Publicly Traded Dental Related Company Performance

(\$ in millions, except per share data)

Company	Share Price 02/28/2022	% 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	CY19 P/E	Gross	EBIT	EBITDA		
Align Technology	ALGN	\$511.46	69.4%	\$40,301	\$39,255	9.9x	35.1x	38.9x	52.8x	53.6x	74.3%	25.5%	28.3%	(0.9x)
Dentsply Sirona	XRAY	\$54.14	77.9%	\$11,835	\$13,739	3.2x	14.2x	22.1x	28.3x	80.8x	55.1%	14.2%	22.4%	2.0x
Henry Schein	HSIC	\$86.38	98.7%	\$11,849	\$14,199	1.1x	13.6x	16.7x	19.4x	20.0x	29.6%	6.9%	8.4%	1.1x
Envista Holdings	NVST	\$48.00	96.2%	\$7,768	\$8,154	3.3x	17.7x	26.4x	32.4x	19.6x	56.9%	12.3%	18.4%	0.8x
Smile DirectClub	SDC	\$2.19	17.8%	\$261	\$492	0.8x	NA	NA	NA	NA	73.9%	(33.6%)	(23.7%)	(2.8x)
Patterson Companies	PDCO	\$29.90	80.0%	\$2,915	\$3,470	0.5x	11.3x	15.3x	18.3x	37.3x	19.3%	3.6%	4.8%	1.8x
Milestone Scientific	MLSS	\$1.36	28.0%	\$92	\$78	8.1x	NA	NA	NA	NA	61.6%	(70.1%)	(69.1%)	2.1x
Mean				\$10,717	\$11,341	3.9x	18.4x	23.9x	30.3x	42.3x	52.9%	(5.9%)	(1.5%)	0.6x
Median				\$7,768	\$8,154	3.2x	14.2x	22.1x	28.3x	37.3x	56.9%	6.9%	8.4%	1.1x
High				\$40,301	\$39,255	9.9x	35.1x	38.9x	52.8x	80.8x	74.3%	25.5%	28.3%	2.1x
Low				\$92	\$78	0.5x	11.3x	15.3x	18.3x	19.6x	19.3%	(70.1%)	(69.1%)	(2.8x)

Source: PitchBook

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

LTM = Last Twelve Months

Dental Industry Contacts

Tom Denison
(312) 283-0819

thomas.denison@thechicagocorp.com

Phil Clarke
(312) 283-0803

philip.clarke@thechicagocorp.com

Dave West
(312) 283-0841

david.west@thechicagocorp.com

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Recent Industry News



Pacific Dental Services Extends Partnership with Envista, Adds Clear Aligners

February 1, 2022 – Pacific Dental Services, has extended its partnership with Envista and expanded it to include Spark clear aligners. The two companies have previously partnered on adding imaging and implant services at Pacific Dental Services' supported practices nationwide. In January, Pacific Dental Services added Envista's DTX Studio Clinic software platform to its practices.



Private Equity Firm Dives into Oral Surgery with Seven-Practice Organization

February 2, 2022 – OMS360 offers business development, finance, marketing, recruiting, benefits and administration for oral surgery practices. After two recent partnerships with Kentucky Center for Oral and Maxillofacial Surgery and Community Oral Facial Surgery, the organization now has seven oral and maxillofacial surgery practices throughout Kentucky, Alabama and Georgia.



Imagen Dental Partners Expands Footprint in California

February 3, 2022 – Imagen Dental Partners has expanded its California footprint with the addition of Mendelovitz DDS to its network. Led by Phil Mendelovitz, DDS, the practice is located on the campus of UCLA Medical Center in Los Angeles. Services include cleanings, oral surgery, implants and cosmetic fillings.



Five New York Dental Practices Merge to Form Oral Surgery Group

February 9, 2022 – Five oral surgery practices in the New York City metropolitan area have merged and rebranded as a 12-office oral surgery group, Leading Edge Oral Surgery. The five practices include Long Island Oral & Maxillofacial Surgery Associates, Premier Care Oral & Maxillofacial Surgery, PML Oral & Implant Surgery, Leading Edge Oral Surgery and Westchester Oral & Maxillofacial Associates.



Smile Brands Partners with 14-Practice Dental Group

February 9, 2022 – Smile Brands has added G's Dental Studio to its portfolio of nearly 700 affiliated practices. G's Dental Studio was founded by Aleksandar Gavrilov, DDS, and Hristina Kiprovska-Gavrilov, DDS, in 2011. It has 14 locations throughout Cedar Park and Leander, Texas. Smile Brands will provide G's Dental with administrative support such as payroll, purchasing and accounting.



Vista Verde Dental Partners Enters Florida with Specialty Practice Partnership

February 14, 2022 – Vista Verde Dental Partners is opening a Britely Dentures + Implants Studio in Florida. Britely Dentures has locations in Arizona, Minnesota and Wisconsin. John Pasicznyk, DDS, will open the new location in Bonita Springs, Florida, with the support of Vista Verde. The DPO has plans to open ten additional locations within the next 12 months.



Sage Dental Expands Florida Footprint with Five-Practice Acquisition

February 23, 2022 – Sage Dental has entered the Tampa and St. Petersburg markets with its acquisition of five practices in Florida. The acquisitions include two Cornerstone Dental Group offices in Tampa and St. Petersburg, Deerfield Dental Group in Deerfield Beach, Horizon One Dental in Fort Myers and Gary Selby, DDS, in Brandon. The deals bring Sage Dental up to 76 locations in Florida and Georgia.



39-Practice Dental Partnership Organization Expands Idaho Footprint

February 28, 2022 – Salt Dental Collective has entered the Boise, Idaho, market with the addition of four practices to its network, its first deal of 2022. The practices include Idaho Kids Dentistry and Orthodontics, Dentistry for Children, Howell Orthodontics and Orthodontics at BridgeTower. This is the dental partnership organization's largest deal to date, bringing in eight doctors, 11 practice locations and more than 80 team members.

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Overview of the Chicago Corporation

- 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?

Deep Dental & Healthcare
Experience

Two Managing Directors on
Every Engagement

Trusted Advisors to Business
Owners

Seasoned Bankers with
200+ Years of Combined
Experience

Best-in-Class Unbiased
Advice

Exceptional Transaction
Execution



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

Additional information is available upon request.