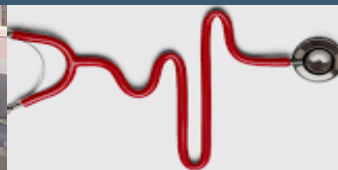


The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

Market Overview

Indices Performance (% change)

	<u>June 2023</u>	<u>LTM</u>		<u>June 2023</u>	<u>LTM</u>
S&P 500	6.5%	9.3%	DJIA	4.6%	5.8%
Nasdaq	6.6%	16.2%	Russell 2000	7.9%	1.3%

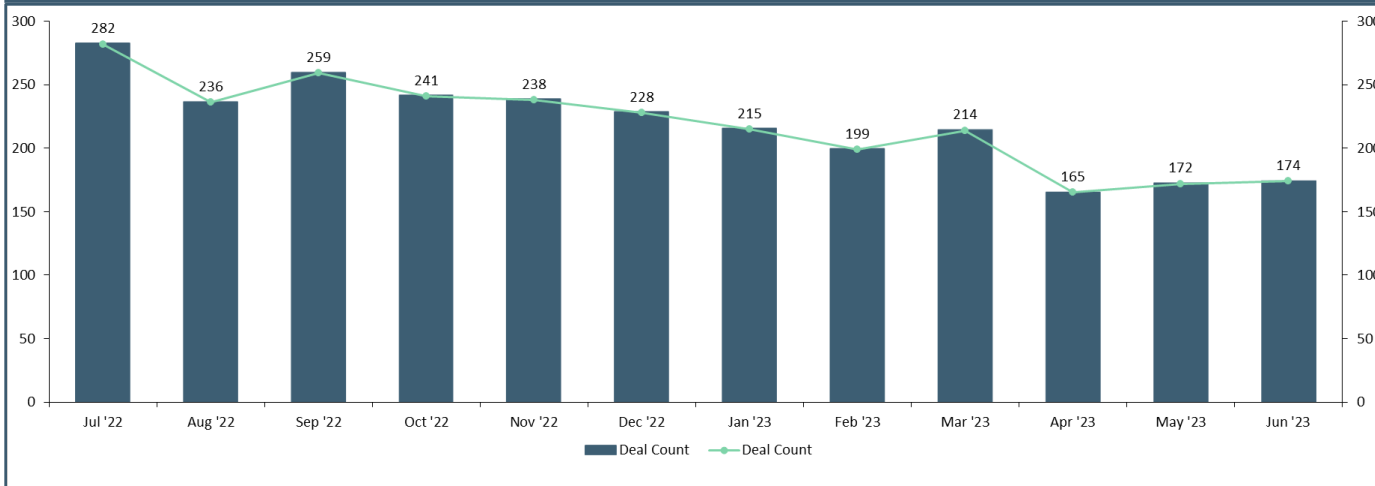
Source: Federal Reserve; Bank of St. Louis

Healthcare Provider Market Overview

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

	<u>June 2023</u>	<u>LTM</u>		<u>June 2023</u>	<u>LTM</u>
Brookdale Senior Living	22.3%	(6.8%)	National Healthcare	1.8%	(12.8%)
Surgery Partners	20.0%	43.8%	Envista Holdings	6.1%	(13.5%)
U.S. Physical Therapy	18.8%	8.1%	DaVita	7.3%	20.9%
Select Medical Holdings	16.4%	26.6%	The Ensign Group	7.7%	26.1%
Acadia Healthcare	12.8%	11.3%	Henry Schein	9.7%	5.2%

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

Andrew Witik

(312) 283-0829

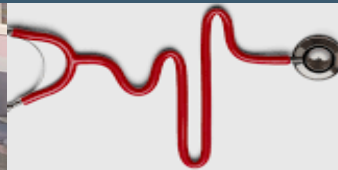
andrew.witik@thechicagocorp.com

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 06/30/2023	% 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	CY23 P/E	Gross	EBIT	EBITDA	
Henry Schein	HSC	\$81.10	90.4%	\$10,624	\$13,382	1.1x	15.1x	19.7x	23.0x	17.4x	30.5%	5.4%	7.1%	1.7x
Dentsply Sirona	XRAY	\$40.02	92.6%	\$8,503	\$10,484	2.7x	NA	NA	NA	NA	54.1%	(28.1%)	(19.7%)	(2.6x)
DaVita	DVA	\$100.47	97.5%	\$9,113	\$21,848	1.9x	10.7x	16.8x	19.1x	10.9x	29.3%	11.2%	17.5%	5.5x
Acadia Healthcare	ACHC	\$79.64	88.6%	\$7,330	\$8,919	3.3x	15.5x	19.6x	26.1x	26.7x	42.5%	16.8%	21.3%	2.6x
Envista Holdings	NVST	\$33.84	78.2%	\$5,540	\$6,489	2.5x	13.8x	21.4x	28.2x	29.0x	57.1%	11.8%	18.3%	2.0x
The Ensign Group	ENSG	\$95.46	93.4%	\$5,344	\$6,905	2.2x	18.4x	22.3x	23.2x	25.2x	16.9%	9.7%	11.7%	4.2x
Surgery Partners	SGRY	\$44.99	98.3%	\$5,690	\$9,672	3.7x	23.5x	33.2x	NA	NA	22.4%	11.2%	15.8%	6.4x
Select Medical Holdings	SEM	\$31.86	98.2%	\$4,050	\$9,353	1.5x	13.6x	19.5x	22.4x	18.0x	12.3%	7.5%	10.7%	7.3x
U.S. Physical Therapy	USPH	\$121.39	92.3%	\$1,788	\$2,221	3.9x	29.2x	36.2x	56.5x	27.1x	20.4%	10.8%	13.4%	3.5x
National Healthcare	ASE: NHC	\$61.82	85.6%	\$947	\$903	0.8x	15.2x	48.1x	50.7x	28.9x	36.5%	1.6%	5.4%	(0.8x)
Brookdale Senior Living	BKD	\$4.22	76.9%	\$794	\$5,221	1.9x	13.6x	174.2x	NA	NA	20.3%	1.1%	13.6%	11.5x
Mean				\$3,451	\$5,823	2.3x	18.2x	50.7x	36.2x	25.6x	26.5%	7.7%	12.7%	4.9x
Median				\$4,050	\$6,489	2.2x	15.2x	33.2x	28.2x	27.1x	20.4%	9.7%	13.4%	4.2x
High				\$5,690	\$9,672	3.9x	29.2x	174.2x	56.5x	29.0x	57.1%	11.8%	18.3%	11.5x
Low				\$794	\$903	0.8x	13.6x	19.5x	22.4x	18.0x	12.3%	1.1%	5.4%	(0.8x)

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

❖ TPG Capital Makes ‘Significant Investment’ in Banyan Treatment Centers

June 2, 2023 – Private equity firm TPG Capital made a “significant investment” in mental health and substance use disorder provider Banyan Treatment Centers. Banyan Treatment Centers has over 20 facilities across Massachusetts, Pennsylvania, Delaware, Illinois, Florida, Texas, California and Alaska. Its services include detox, residential, partial hospitalization, intensive outpatient and telehealth services. The new infusion of capital, made through TPG Capital’s Rise Fund, is expected to help Banyan grow its geographical footprint, capacity and treatment offerings.

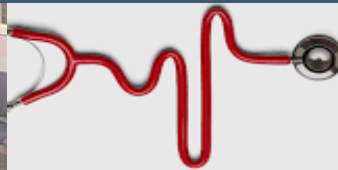
❖ PE-Backed Harmony Health Group Scoops Up Former Delphi Facilities

June 20, 2023 – Private equity-backed Harmony Health Group acquired three facilities that were formerly part of Delphi Behavioral Health Group’s network. Charlotte, North Carolina-based Harmony Health Group operates 13 treatment centers throughout Florida, North Carolina, Tennessee, New Jersey and Massachusetts. Services at those facilities include treatment for mental health and substance-use disorders as well as dual-diagnosis care. The newly acquired facilities – located in New Jersey and Massachusetts – were part of Delphi’s Serenity at Summit brand.

❖ Private Equity Firm Comvest Partners Buys Your Behavioral Health

June 27, 2023 – Florida-based private equity firm Comvest Partners acquired mental health and substance use disorder (“SUD”) provider Your Behavioral Health. Your Behavioral Health provides services to adults and teens across 17 locations in Southern California. Its services include psychiatric care, mental health treatment, SUD treatment and sober living. The provider offers clinical inpatient, outpatient and residential treatment programs, and its brands include Neuro Wellness Spa, Clear Recovery Center and New Life House. Comvest’s acquisition is expected to help the provider invest in “key technologies,” and additional outpatient and telehealth services. The Company’s Co-founders – CEO Mike Joly and Chief Medical Doctor Dr. Martha Koo – will continue to lead Your Behavioral Health following the acquisition.

The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

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

❖ Transactions: Transactions & Financings: Proveer Buys Vitality Community

June 14, 2023 – Proveer Senior Living acquired an Alabama-based senior living community, marking its fifth community in the state and second in the Mobile market. The community is a 90-unit community with 70 AL units and 20 memory care units. It was previously marketed as Vitality Living Regency but has been rebranded as Proveer at Port City.

❖ Optum to Acquire Amedisys in \$3.3B Deal That Could Help Shape Senior Living's Future

June 26, 2023 – UnitedHealth Group's Optum arm is buying Amedisys Inc. in a transaction totaling about \$101 per share, or about \$3.3 billion. The all-cash deal follows and supersedes a previous offer to acquire Amedisys from home infusion company Option Care Health for \$3.6 billion funded by a combination of cash and shares. Baton Rouge, Louisiana-based Amedisys provides home health, hospice and higher-acuity care services across 522 locations. With the deal, Optum is likely to be the largest home health provider in the United States in part thanks to the acquisition of home health player and Brookdale service provider LHC Group last year for \$5.4 billion.

❖ Transactions & Financings: HDG Starts Management of Two Communities

June 30, 2023 – Health Dimensions Group provided management services in addition to day-to-day operational oversight to two senior living communities in the northern Midwest. The communities – Stoney River of Marshfield, Wisconsin and Stoney River of Ramsey, Minnesota – are assisted living and memory care communities. Both communities offer residents studio and one-bedroom apartment options.

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

❖ Premier Care Dental Management Expands in New Jersey

June 5, 2023 – New Hyde Park, New York-based Premier Care Dental Management expanded into its 11th county in New Jersey. The DSO affiliated with Integrity Dental of Sparta, its 117th practice. Integrity Dental of Sparta is led by Jeffrey Panicucci, DMD, and Christopher Ouimette, DMD. Premier Care Dental Management also added Distinctive Dental Arts in Teaneck, New Jersey. The DSO now supports practices in Massachusetts, Rhode Island, New York, Connecticut, New Jersey and New Hampshire.

❖ Pacific Dental Services Opened Four De Novo Locations in May

June 12, 2023 – Irvine, California-based Pacific Dental Dental Services added four de novo practices to its network in May. The DSO opened Dentists of West Henderson in Henderson, Nevada; Mt. Juliet Modern Dentistry in Mount Juliet, Tennessee; Laveen Arizona 1st Family Medicine; and Trenton Dental Group in Clarksville, Tennessee. With the practice openings, Pacific Dental Services now has 940 total locations.

❖ Three Dental Groups Adding Practices in Michigan

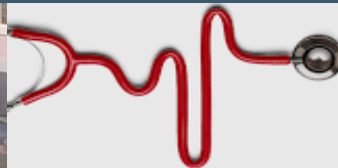
June 23, 2023 – Sacramento, California-based Straine Dental Management added practices in Michigan and two other states. Scottsdale, Arizona-based Imagen Dental Partners partnered with Advanced Dental Concepts in Auburn Hills, which is led by Gregory Okoniewski, DDS. Southlake, Texas-based Allied OMS added Oral Surgery Associates, which has offices in Grand Rapids and Grandville.

❖ Sonrava Health Acquires 24 Dental Offices in Three States

June 26, 2023 – Sonrava Health, a multispecialty health and wellness company, recently acquired 24 dental practices in three states. The Company purchased general dentistry and orthodontic offices from Pure Dental Brands in Arizona, Florida and Pennsylvania. Sonrava Health now supports 588 offices in 21 states. Its dental brands include Western Dental, Western Dental Kids, Brident Dental & Orthodontics, Vital Smiles, Mid-Atlantic Dental Partners, DentalWorks and Perfect Teeth.



The Waiting Room



A Specialty
Healthcare Services
Provider Newsletter

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

❖ U.S. Physical Therapy Acquires Four-Clinic PT Practice

June 1, 2023 – Houston-based U.S. Physical Therapy, a national operator of outpatient physical therapy clinics and provider of industrial injury prevention services, acquired an unnamed physical therapy practice with four clinics. USPH and its local partners together acquired a 75% equity interest in the practice for \$3.1 million, with the current practice owners retaining a 25% equity interest. The business currently generates approximately \$2.6 million in annual revenues and approximately 27,000 annual visits.

❖ Athletico Physical Therapy Opens in Parma, Ohio

June 16, 2023 – Athletico Physical Therapy opened a new location in Parma, Ohio. In addition to in-clinic treatment at Parma, Athletico is expanding access to care by offering virtual appointments. Patients have the option to have their condition assessed and treated virtually by a licensed physical therapist through a secure online video chat. With the recent acquisition of Pivot Physical Therapy, Athletico operates more than 900 locations in 24 states and the District of Columbia.

❖ Orthopedic & Sports Physical Therapy Adds Kentucky Practice

June 26, 2023 – Orthopedic & Sports Physical Therapy announced its partnership with Versailles Physical Therapy and Hand Clinic, a therapist-owned physical therapy practice located in Versailles, Kentucky. The partnership is an exciting opportunity for both companies to expand their reach and provide even more comprehensive care to patients throughout the region.

❖ OneStep and Mt. Sinai Partner to Advance Remote Physical Therapy

June 28, 2023 – OneStep, an all-in-one digital care platform that captures real-life mobility data from any smartphone, has formed a partnership with the Mount Sinai Health System. This collaboration has now progressed to a more comprehensive study of the efficacy of remote physical therapy programs.

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

❖ PetWellClinic Strengthens Presence in Arizona With New Five-Unit Deal

June 6, 2023 – PetWellClinic, one of America's fastest-growing veterinary pet-wellness franchise brands, announced a new deal to bring five locations to Tucson, Arizona. The brand's entrance into the Tucson market comes soon after the state's first PetWellClinic opened in the Phoenix area. The latest deal comes at the hands of Dr. Julia Hennagir and James Beard, an animal-loving, husband-wife team with a deep history of entrepreneurship in Tucson.

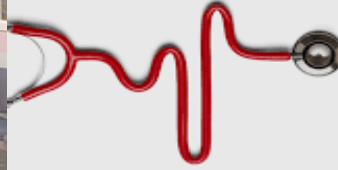
❖ Roo Surpasses 4,000 Veterinary Professionals as CEO Chooses New Leader to Scale the Platform to the Next Level

June 8, 2023 – Roo, the leading marketplace for veterinary staffing solutions, has surpassed over 4,000 hospitals, veterinarians and veterinary technicians utilizing Roo for their staffing needs, and earning steady wages on a full-time or part-time basis. This achievement firmly establishes its position as a key player in the industry. As Roo gains significant traction, it also announces the appointment of Danny Leffel as its new Chief Executive Officer. Lisa Hu, who co-founded Roo and has been serving as the CEO since 2019, will transition into the role of Strategic Advisor. The transition follows a significant milestone for Roo.

❖ NGD Joins Veterinary MedTech Leader Movora

June 26, 2023 – In August, 2022, Movora acquired New Generation Devices (“NGD”). Founded in 2001, NGD offers a selected range of veterinary orthopedic implants to veterinary clinics across the United States with focus on implants for ruptured cruciate ligaments and fracture plates. Today, NGD continues to be an innovator in veterinary MedTech, placing animal welfare at the heart of what they do. In 2023, Movora is fully integrating NGD operations into Movora facilities.

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

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, Globalpetindustry.com, PitchBook, Prweb.com, Seniorhousingnews.com and various publicly available news publications.

Additional information is available upon request.

Securities transactions conducted through TCC Securities LLC, an affiliated company, registered Broker / Dealer and Member of FINRA / SIPC.



THE CHICAGO CORPORATION®