

# The Waiting Room



A Specialty  
Healthcare Services  
Provider Newsletter

## Market Overview

### Indices Performance (% change)

	<u>December 2023</u>	<u>LTM</u>		<u>December 2023</u>	<u>LTM</u>
S&P 500	4.3%	(4.3%)	DJIA	6.4%	(3.1%)
Nasdaq	4.5%	(9.3%)	Russell 2000	12.4%	(20.6%)

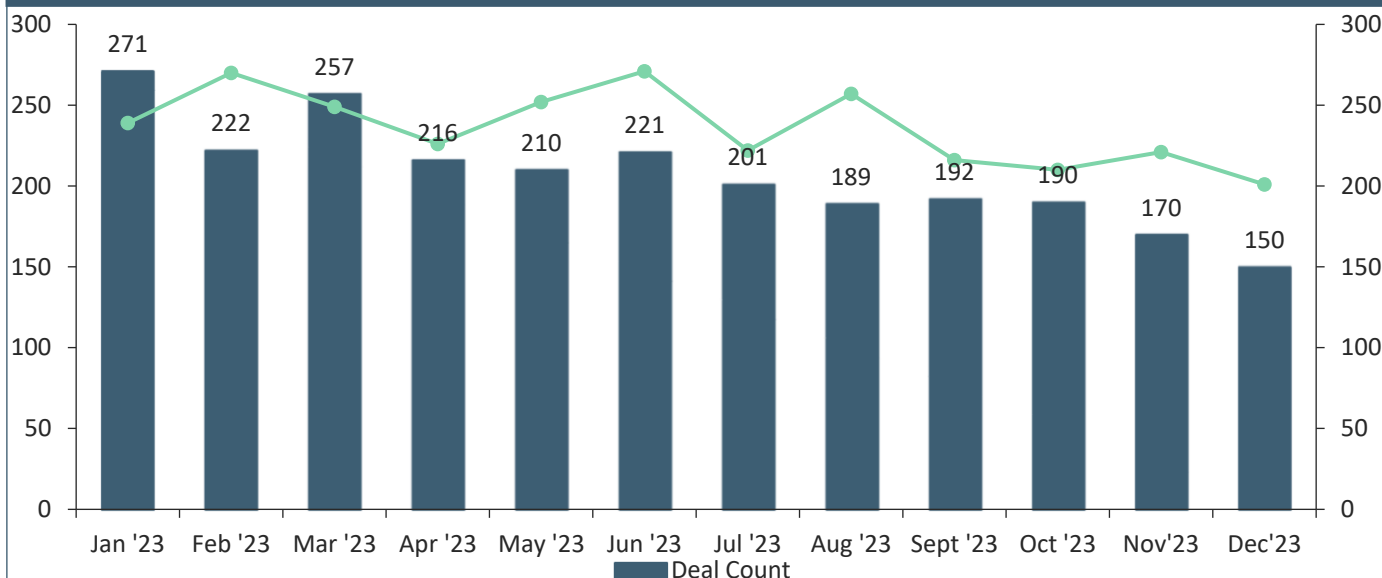
Source: Federal Reserve; Bank of St. Louis

## Healthcare Provider Market Overview

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

	<u>December 2023</u>	<u>LTM</u>		<u>December 2023</u>	<u>LTM</u>
National Healthcare	20.7%	36.0%	Surgery Partners	(2.3%)	(40.1%)
Henry Schein	13.5%	(2.3%)			
Dentsply Sirona	12.1%	(36.2%)			
Brookdale Senior Living	9.8%	12.8%			
U.S. Physical Therapy	9.5%	(2.5%)			

### Healthcare Services Deal Count (LTM)



## Healthcare Industry Contacts

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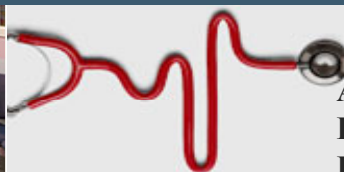
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## Publicly Traded Company Performance: Healthcare Services

*(\$ in millions, except per share data)*

Company	Ticker	Share Price 12/31/2023	% 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	
DaVita	DVA	\$104.76	89.6%	\$9,570	\$21,863	1.8x	10.0x	15.2x	16.4x	10.9x	30.6%	12.1%	18.3%	4.9x
Henry Schein	HSIC	\$75.71	84.4%	\$9,838	\$13,409	1.1x	15.3x	20.8x	22.4x	17.4x	31.0%	5.1%	6.9%	2.4x
Acadia Healthcare	ACHC	\$77.76	90.0%	\$7,171	\$8,677	3.0x	45.5x	136.0x	NA	26.7x	96.3%	2.2%	6.7%	7.4x
Dentsply Sirona	XRAY	\$35.59	82.3%	\$7,540	\$9,350	2.4x	49.2x	NA	NA	NA	52.9%	(3.7%)	4.8%	9.5x
The Ensign Group	ENSG	\$112.21	97.5%	\$6,335	\$7,745	2.2x	19.5x	23.7x	25.9x	25.2x	16.2%	9.2%	11.2%	3.5x
Surgery Partners	SGRY	\$31.99	69.9%	\$4,047	\$8,104	3.0x	18.5x	25.3x	NA	NA	23.5%	11.8%	16.1%	6.3x
Envista Holdings	NVST	\$24.06	55.6%	\$4,124	\$4,938	1.9x	10.6x	16.5x	22.3x	29.0x	57.0%	11.6%	18.0%	1.8x
Select Medical Holdings	SEM	\$23.50	70.1%	\$3,013	\$8,240	1.3x	10.9x	15.0x	13.3x	18.0x	13.6%	8.4%	11.5%	6.5x
U.S. Physical Therapy	USPH	\$93.14	75.0%	\$1,396	\$1,685	2.8x	22.0x	27.6x	54.8x	27.1x	20.1%	10.2%	12.8%	1.5x
National Healthcare	ASE:NHC	\$92.42	94.1%	\$1,416	\$1,310	1.2x	13.2x	22.5x	31.8x	28.9x	37.3%	4.8%	8.5%	(1.2x)
Brookdale Senior Living	BKD	\$5.82	95.3%	\$1,096	\$5,561	1.9x	12.5x	60.1x	NA	NA	23.0%	3.1%	15.0%	10.1x
<b>Mean</b>				\$3,061	\$5,369	2.0x	15.3x	27.2x	29.6x	25.6x	27.2%	8.4%	13.3%	4.1x
<b>Median</b>				\$3,013	\$5,561	1.9x	13.2x	23.7x	25.9x	27.1x	23.0%	9.2%	12.8%	3.5x
<b>High</b>				\$6,335	\$8,240	3.0x	22.0x	60.1x	54.8x	29.0x	57.0%	11.8%	18.0%	10.1x
<b>Low</b>				\$1,096	\$1,310	1.2x	10.6x	15.0x	13.3x	18.0x	13.6%	3.1%	8.5%	(1.2x)

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

### ❖ Behavioral Health Treatment Center Merges with B2B Telehealth Company, Lands \$7M Round

December 5, 2023 – Behavioral health companies Integrative Life Network LLC and Integrative Health Centers Inc. have merged, rebranding as Peregrine Health. The fusion of the two Nashville, Tennessee-based behavioral health companies creates a company with direct-to-consumer and business-to-business service lines. Each was founded and led by Ryan Chapman, who will lead the combined company as CEO, according to a news release. The acquisition coincides with a new \$7 million funding round led by Atlanta-based venture firm BIP Ventures. Previous investors in the progenitor companies that participated in the latest round include Martin Ventures, Chapman Capital and FCA Venture Partners.

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

### ❖ Chelsea Senior Living Opens Community in Washington Township, New Jersey

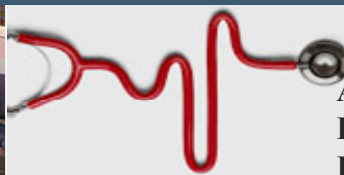
December 7, 2023 – Chelsea Senior Living has opened The Chelsea at Washington Township, an assisted living and memory care community in Washington Township, a suburb of Philadelphia. Capitol Seniors Housing is the property owner. The number of units was not disclosed. This will be Chelsea’s second community in Bergen County, 18th in New Jersey and 23rd overall. Chelsea and CSH are working together on their next community in the New York City suburb of West Orange, New Jersey, projected to open in 2025. Chelsea also opened its Fair Lawn, New Jersey community this year. Trammell Crow Company (TCC) is the owner of that property.

### ❖ Retirement Unlimited Acquires Brandywine Living, Creating 59-Community Operator

December 20, 2023 – Senior living operator Retirement Unlimited, Inc. (RUI) is acquiring Brandywine Living, a move that brings its total to 59 communities under management. Current RUI CEO William Fralin and President Doris-Ellie Sullivan are slated to keep their titles with the new company. With the move, RUI is deepening its presence in the Northeast and Mid-Atlantic regions with new communities in New Jersey, Connecticut, Delaware, Maryland, New York and Pennsylvania.



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

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### ❖ Heritage Dental Group Adds Three-Office Texas Practice

December 5, 2023 – Dallas-based DSO Heritage Dental Group recently added Peak Dental to its network. Peak Dental has three locations in Austin and Cibolo, Texas. Heritage Dental Group announced the affiliation in a Dec. 4 LinkedIn post.

### ❖ Aspen Dental Opens 14th California Office

December 8, 2023 – Chicago-based Aspen Dental recently opened an office in San Luis Obispo, CA. The opening marks the DSO's 14th office in the state, according to a Dec. 8 LinkedIn post from Regional Operations Manager Alex Kidd. Aspen Dental is a subsidiary of The Aspen Group, which supports more than 1,160 dental practices in the U.S.

### ❖ Guardian Dentistry Partners Adds South Carolina Practice

December 14, 2023 – Miami-based Guardian Dentistry Partners recently added a South Carolina practice to its network. Fort Mill, SC-based Mundo Dentistry & Orthodontics affiliated with the DSO, according to a Dec. 14 LinkedIn post. The practice is led by Matthew Howell, DDS, and Blakeney Sitton, DMD. Guardian Dentistry Partners supports practices in 11 states and Washington, D.C.

### ❖ Imagen Dental Partners Expands in Ohio

December 15, 2023 – Scottsdale, AZ-based Imagen Dental Partners recently added an Ohio practice to its network. Augusto Fojas, DDS, affiliated his Westerville, Ohio-based office with the dental partnership organization, according to a Dec. 14 web post. Imagen Dental Partners has expanded its footprint in several states this year, including California, Illinois, Indiana, Michigan, Minnesota, Ohio, Oregon and Wisconsin. The organization supports practices in 15 states.

### ❖ Imagen Dental Partners Adds Florida Practice

December 28, 2023 – Scottsdale, AZ-based Imagen Dental Partners recently added a Florida practice to its network. The dental partnership organization added Westchase Esthetic Family Dentistry in Tampa, FL. The practice is led by Juliet Bulnes-Newton, DMD. Imagen Dental Partners expanded its footprint in several states this year, including California, Illinois, Indiana, Michigan, Minnesota, Ohio, Oregon and Wisconsin. The organization supports practices in 15 states.

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

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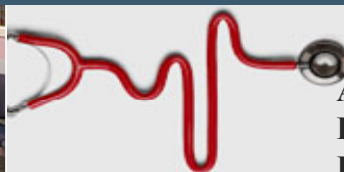
### ❖ Pets Are Loving Support Adds Three Board Members

December 7, 2023 – Pets Are Loving Support, Inc. (PALS), an Atlanta-based non-profit that enables pets to remain at home with seriously ill, disabled and people over the age of 65, has added three new members to its board of directors for two-year terms: Amy Cureton, Keith Barnes and Tommy Burkhalter.

### ❖ Chewy to Open First Veterinary Practice in Florida

December 19, 2023 – Chewy has launched its first pet health practice called “Chewy Vet Care,” offering routine appointments, urgent care and surgery. It is expected to launch in South Florida in early 2024 and then expand to other states. The company told investors it plans to open between four and eight new practices by the end of next year.

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## The Chicago Corporation Overview

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- 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.

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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



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