

The Wisdom Tooth:
A Dental Industry
Newsletter

Publicly Traded Dental Related Company Performance

(\$ in millions, except per share data)

Company	Share Price 11/30/2020	% 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	CY18 P/E	Gross	EBIT	EBITDA		
Align Technology	ALGN	\$481.29	94.9%	\$37,950	\$37,421	16.4x	92.4x	119.0x	21.9x	54.7x	71.0%	13.8%	17.7%	(1.3x)
Dentsply Sirona	XRAY	\$50.89	83.6%	\$11,122	\$12,184	3.6x	38.4x	NA	NA	NA	50.3%	(0.2%)	9.4%	3.3x
Henry Schein	HSC	\$64.31	86.9%	\$9,182	\$10,976	1.1x	14.9x	20.1x	15.8x	30.4x	28.7%	5.7%	7.7%	1.2x
Envista Holdings	NVST	\$29.73	89.3%	\$4,746	\$6,001	2.6x	28.8x	405.5x	NA	NA	51.1%	0.7%	7.9%	7.0x
SmileDirectClub	SDC	\$12.30	79.2%	\$4,749	\$4,773	7.1x	NA	NA	NA	NA	68.4%	(45.7%)	(38.2%)	(0.3x)
Patterson Companies	PDCO	\$27.76	91.4%	\$2,675	\$3,360	0.6x	NA	NA	NA	13.3x	21.5%	(10.3%)	(8.8%)	(1.4x)
Milestone Scientific	MLSS	\$1.68	55.2%	\$107	\$93	16.9x	NA	NA	NA	NA	67.7%	(167.1%)	(162.5%)	1.5x
Mean				\$10,076	\$10,687	6.9x	43.6x	181.5x	18.8x	32.8x	51.2%	(29.0%)	(23.8%)	1.4x
Median				\$4,749	\$6,001	3.6x	33.6x	119.0x	18.8x	30.4x	51.1%	(0.2%)	7.7%	1.2x
High				\$37,950	\$37,421	16.9x	92.4x	405.5x	21.9x	54.7x	71.0%	13.8%	17.7%	7.0x
Low				\$107	\$93	0.6x	14.9x	20.1x	15.8x	13.3x	21.5%	(167.1%)	(162.5%)	(1.4x)

Source: PitchBook

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

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

	November 2020	LTM		November 2020	LTM
SmileDirectClub	38.2%	23.4%	None		
Align Technology	13.0%	73.5%			
Envista Holdings	12.5%	5.7%			
Patterson Companies	11.6%	42.7%			
Milestone Scientific	9.1%	27.3%			

Recent Industry News



Delta Dental Plans Association Names New CEO

November 2, 2020 - Delta Dental Plans Association named James “Wells” Hutchison as its new president and CEO. Mr. Hutchison, who is succeeding Steven Olson, will begin his new position December 1. He currently serves as the association's general counsel. During his 15 years working with the Delta Dental system, Mr. Hutchison has fostered critical relationships, rolled out market-focused programs and gained industry expertise across various operating areas. Mr. Hutchison holds a bachelor's degree from Evanston, Illinois-based Northwestern University and a Juris Doctor from New York City-based New York University School of Law.



Candid Hires ‘Legend in the Dental World’ to Launch Workflow-simplifying Product

November 5, 2020 - Candid, a New York City-based teledentistry company that delivers clear aligners to patients, welcomed dental industry veteran Brian Ganey as senior vice president of sales. Mr. Ganey will lead the sales and development of Candid Pro, a product that optimizes clear aligner workflow for dental professionals and was debuted among select partners in August. He has held several leadership roles in the dental industry, including vice president of oral health at IT company Carbon and director of mid-markets at dental device company Align Technology.

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Pacific Dental Services Expands to 23rd State

November 10, 2020 - Irvine, California-based Pacific Dental Services has opened its first supported practice in Maryland, the 23rd state the DSO has reached. The new PDS-supported practice, Dentists of Silver Spring (Maryland), is led by owner dentist Chessia Thomas, DDS.



Western Dental Adds 235th California Office

November 11, 2020 - Orange, California-based DSO Western Dental & Orthodontics acquired Ontario, California-based Salwan Dental Group. The office — which offers general dentistry, orthodontics, oral surgery, periodontics and dental implants — brought the total number of Western Dental offices in the state to 235. The DSO serves 326 affiliated offices across California, Texas, Arizona, Nevada and Alabama. Salwan Dental Group was founded by Ranjeev Salwan, DDS, who serves as the office's managing dentist. He also serves as the president of the Punjabi Dental Society, which offers continuing education seminars to dental professionals throughout California.



5 Midwest Dental Organizations 1st in US to Publicly Report Quality Indicators

November 12, 2020 - Five Midwestern dental practices have started publicly reporting oral health quality measures, the first U.S. dental practices to do so. Milwaukee-based ForwardDental, Marshfield, Wisconsin-based Clinic Health System, Milwaukee-based Dental Associates, Bloomington, Minnesota-based HealthPartners and Milwaukee-based Children's Wisconsin are all now reporting quality measures to the Wisconsin Collaborative for Healthcare Quality reporting website. The five organizations are also founding members of the WCHQ Oral Health Collaborative. The first publicly reported measures are risk assessment in children, ongoing care in adults with periodontitis and topical fluoride application in high-risk children. The WCHQ analyzes the quality measures from data submitted by the dental organizations. The WCHQ Oral Health Collaborative aims to use its next set of metrics to help dentists better manage patients with chronic medical conditions.



Aspen Dental Opens 41st Texas Practice

November 13, 2020 - Chicago-based Aspen Dental has opened its 41st Texas dental practice. The practice is led by Bryan Vargas, DDS, who earned his degree from the New York University College of Dentistry in New York City. Dr. Vargas and his team will provide services ranging from preventive care and general dentistry to dentures and restoration. Aspen Dental includes more than 850 offices across 42 states. The DSO's independent practice owners supported 5.5 million patient visits in 2019.



Aspen Dental Management to Acquire ClearChoice

November 16, 2020 - Chicago-based Aspen Dental Management will acquire ClearChoice Management Services, which provides practice support services to the national network of ClearChoice Dental Implant Centers. With more than 60 locations, ClearChoice Dental Implant Centers provides fixed, full arch dental restorations for patients with missing or failing dentition. Aspen Dental Management is a leading DSO offering essential business services to consumer healthcare brands, including more than 850 Aspen Dental-branded offices and more than 45 WellNow Urgent Care offices in New York and Illinois. The acquisition is expected to close by the end of 2020.



Smile Brands Adds Multilocation Houston Practice

November 17, 2020 - Irvine, California-based Smile Brands partnered with Houston-based Southern Dental Associates, marking the DSO's eighth addition to its affiliated practice network since the pandemic began. Smile Brands will provide the practice with administrative support, including assistance with purchasing, accounting, IT, marketing and facilities management. Thirteen general dentists and specialists work for the seven-location practice to provide comprehensive dental care. Under the partnership, all existing staff will retain their roles and the practice will keep operating under its Southern Dental Associates name.



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Dental365 Discloses ‘Big Plans for Growth in New Jersey’

November 17, 2020 - New Hyde Park, New York-based Dental365 plans to add several New Jersey dental practices to its network of affiliates by the end of 2020. Dental365 would not disclose which practices will soon join the DSO, but several New Jersey practices are in talks to join the network in December. The additions should make dental care easier for northern New Jersey residents who previously visited the DSO's New York City practices. Dental365 has nearly doubled in size each year since its 2014 opening.



SmileDirectClub Partners with Michigan DSO

November 19, 2020 - SmileDirectClub added Bloomfield Hills, Michigan-based DSO Unified Smiles to its partner network. Through the partnership, Unified Smiles patients will receive access to SmileDirectClub's clear aligner therapy. SmileDirectClub said each step of a patient's clear aligner journey will be directed and monitored by a licensed dentist or orthodontist through its teledentistry platform. The Nashville, Tennessee-based company launched its partner network in January, and it has since grown to include more than 1,000 offices throughout the country.



University of Connecticut School of Dental Medicine Taps New Dean

November 24, 2020 – Steven Lepowsky, DDS, was appointed to a five-year term as the dean of the Farmington-based University of Connecticut School of Dental Medicine. Before the November 23 announcement, Dr. Lepowsky served as the school's interim dean and as a professor in its general dentistry division. Prior to that, he was the school's senior associate dean for education and patient care. At UConn, Dr. Lepowsky expanded patient care programs, grew the general dentistry residency program, revised curricula to give students earlier opportunities for clinical experience and developed community initiatives. Dr. Lepowsky received his DDS from New York City-based Columbia University School of Dental and Oral Surgery completed his residency in general dentistry at New York City-based Booth Memorial Medical Center. He is a member of the American Dental Education Association and the American Dental Association, where he serves on its council on dental education and licensure. He is also the chair of the Connecticut State Dental Association's ethics council.



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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.

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Two Managing Directors on Every Engagement

Trusted Advisors to Business Owners

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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.