

The Wisdom Tooth:  
A Dental Industry  
Newsletter

Market Overview

Indices Performance (% change)

	March 2022	LTM		March 2022	LTM
S&P 500	3.58%	12.7%	NASDAQ	3.41%	5.49%
Dow Jones Industrial Average	2.32%	4.6%	Russell 3000	3.11%	9.06%

Source: Federal Reserve: Bank of St. Louis

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

	March 2022	LTM		March 2022	LTM
SmileDirectClub	18.3%	(75.3%)	Align Technology	(14.8%)	(20.0%)
Milestone Scientific	11.8%	(59.1%)	Dentsply Sirona	(9.1%)	(22.4%)
Patterson Companies	8.3%	1.0%			
Envista Holdings	1.5%	19.3%			
Henry Schein	0.9%	27.0%			

Publicly Traded Dental Related Company Performance

(\$ in millions, except per share data)

Company	Share Price 03/31/2022	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Deb/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY21 P/E	Gross	EBIT	EBITDA		
Align Technology	ALGN	\$436.00	59.1%	\$34,355	\$33,309	8.4x	29.8x	33.0x	45.0x	71.0x	74.3%	25.5%	28.3%	(0.9x)
Dentsply Sirona	XRAY	\$49.22	70.8%	\$10,708	\$12,660	3.0x	13.2x	20.6x	25.8x	29.4x	55.5%	14.4%	22.6%	2.0x
Henry Schein	HSIC	\$87.19	97.4%	\$11,960	\$14,310	1.2x	13.7x	16.8x	19.6x	17.7x	29.6%	6.9%	8.4%	1.1x
Envista Holdings	NVST	\$48.71	93.6%	\$7,883	\$8,269	3.3x	18.0x	26.8x	32.9x	23.5x	56.9%	12.3%	18.4%	0.8x
SmileDirectClub	SDC	\$2.59	22.0%	\$312	\$542	0.9x	NA	NA	NA	NA	72.1%	(48.8%)	(37.8%)	(2.2x)
Patterson Companies	PDCO	\$32.37	86.6%	\$3,160	\$3,693	0.6x	11.4x	15.3x	18.9x	17.6x	19.4%	3.8%	5.0%	1.6x
Milestone Scientific	MLSS	\$1.52	39.7%	\$104	\$89	8.7x	NA	NA	NA	NA	61.3%	(68.9%)	(68.2%)	2.0x
Mean				\$9,783	\$10,410	3.7x	17.2x	22.5x	28.4x	31.8x	52.7%	(7.8%)	(3.3%)	0.6x
Median				\$7,883	\$8,269	3.0x	13.7x	20.6x	25.8x	23.5x	56.9%	6.9%	8.4%	1.1x
High				\$34,355	\$33,309	8.7x	29.8x	33.0x	45.0x	71.0x	74.3%	25.5%	28.3%	2.0x
Low				\$104	\$89	0.6x	11.4x	15.3x	18.9x	17.6x	19.4%	(68.9%)	(68.2%)	(2.2x)

Source: PitchBook

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

LTM = Last Twelve Months

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## The Wisdom Tooth: A Dental Industry Newsletter

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### Recent Industry News

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#### **Today's Dental Network Expands Pediatric Services Through New Partnership**

March 1, 2022 – Private equity-backed multispecialty dental practice network and support organization Today's Dental Network has partnered with SmileWorks Kids Dentistry, a pediatric dental practice in Sarasota, Florida. The partnership will expand Today's Dental Network's pediatric services, allowing the organization to provide care to more age groups. SmileWorks Kids Dentistry was created by Manav Malik, DMD, to provide care to children ages 1-18. Today's Dental Network serves dental specialists and surgeons throughout Southwest Florida.



#### **Imagen Dental Partners Expands Georgia Footprint**

March 2, 2022 – Imagen Dental Partners has added Macon, Georgia-based Walker Dental Group to its network. The practice is owned by Ash Walker, DMD, and offers general and cosmetic dentistry. Imagen Dental Partners has affiliated practices in Minnesota, Wisconsin, Illinois, Tennessee, South Carolina, Georgia, Arizona and California.



#### **U.S. Endo Partners Adds Michigan Practice**

March 2, 2022 – U.S. Endo Partners has added Shelby Township, Michigan based Orchard Endodontics to its network. Orchard Endodontics is led by Jay Lang, DDS. U.S. Endo Partners is the nation's first endodontics-only specialty service partnership organization. It has more than 60 affiliated practices.



#### **Smile Doctors Adds Texas Office**

March 3, 2022 – Smile Doctors recently opened a new office in Brownwood, Texas. The new orthodontics practice will be led by Charles Hutto, DDS. Smile Doctors has more than 290 locations in 25 states.



#### **U.S. Endo Partners Adds Georgia Practice**

March 4, 2022 – Endo Partners has added Stockbridge, Georgia-based Eagles Pointe Endodontics to its network. Eagles Pointe Endodontics is led by Paul Shepherd, DMD. The practice has two locations in Stockbridge and Fayetteville, Georgia.



#### **Specialty1 Partners Grows Oral Surgery Network**

March 10, 2022 – Specialty1 Partners has partnered with Durham, North Carolina-based Triangle Implant Center, an oral surgery practice. Triangle Implant Center has six locations throughout North Carolina in Cary, Durham, Goldsboro, Greensboro, Mebane and Wilson. Specialty1 Partners has partnerships with more than 139 specialty practices in 13 states.



#### **Thurston Group Merges Three Dental Groups to Form New DSO**

March 23, 2022 – Private equity firm Thurston Group formed a DSO by merging three dental groups based in the Southeast region. Richmond Hill, Georgia based SGA Dental Partners was formed with the merger of Dental Partners of Southwest Georgia, Garner Dental Group and South Georgia Dental Management. The dentist-owned and led DSO has 60 clinic locations in small, rural communities throughout Alabama, Georgia, Louisiana and Mississippi. The partner practices are allowed to keep their clinical autonomy. Thurston Group formed another DSO, Gen4 Dental Partners, in August.



#### **MB2 Dental Adds First North Carolina Practice**

March 28, 2022 – MB2 Dental has added its first practice affiliation in North Carolina, the DSO's 36th state. MB2 Dental added TS Orthodontics in Asheville, North Carolina, to its network. The practice is owned by Tim Scanlan, DDS. MB2 Dental added its 400th practice in February.

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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.