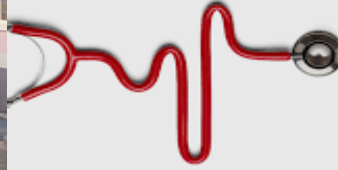


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Market Overview

Indices Performance (% change)

	<u>January 2024</u>	<u>LTM</u>		<u>January 2024</u>	<u>LTM</u>
S&P 500	1.6%	17.6%	DJIA	1.2%	11.9%
Nasdaq	1.0%	28.3%	Russell 2000	(3.9%)	(0.7%)

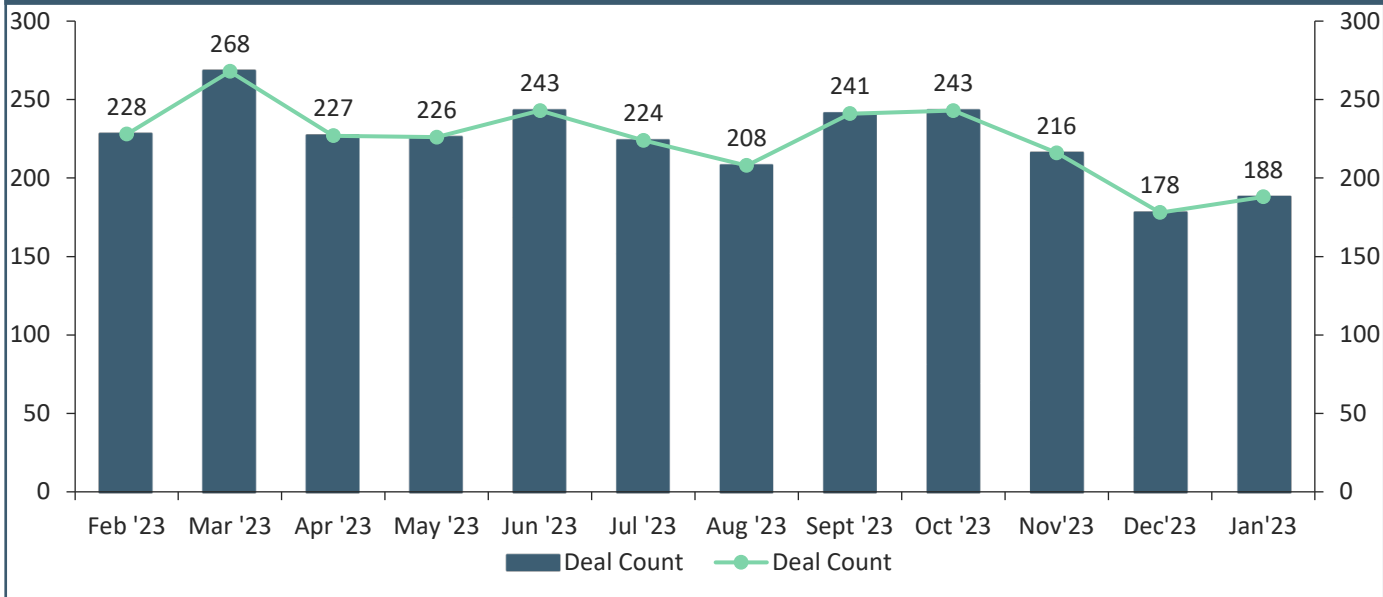
Source: Federal Reserve; Bank of St. Louis

Healthcare Provider Market Overview

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

	<u>January 2024</u>	<u>LTM</u>		<u>January 2024</u>	<u>LTM</u>
Select Medical Holdings	10.6%	(12.5%)	Brookdale Senior Living	(6.0%)	88.0%
Acadia Healthcare	5.6%	(2.3%)	Surgery Partners	(4.1%)	(11.5%)
DaVita	3.2%	27.5%	Dentsply Sirona	(2.4%)	(7.3%)
The Ensign Group	0.9%	20.5%	Envista Holdings	(2.3%)	(40.8%)
National Healthcare	0.7%	50.6%	Henry Schein	(1.1%)	(14.0%)

Healthcare Services Deal Count (LTM)



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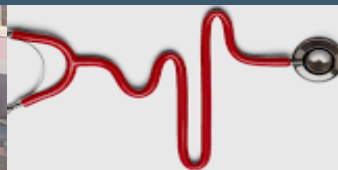
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Publicly Traded Company Performance: Healthcare Services

(\$ in millions, except per share data)

Company	Ticker	Share Price 01/31/2024	% 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	\$108.16	92.5%	\$9,880	\$22,174	1.9x	10.2x	15.4x	16.9x	16.4x	30.6%	12.1%	18.3%	4.9x
Henry Schein	HSIC	\$74.84	83.4%	\$9,725	\$13,296	1.0x	15.1x	20.6x	22.1x	17.4x	31.0%	5.1%	6.9%	2.4x
Acadia Healthcare	ACHC	\$82.14	94.0%	\$7,575	\$9,081	3.2x	47.6x	142.3x	NA	26.7x	96.3%	2.2%	6.7%	7.4x
Dentsply Sirona	XRAY	\$34.75	80.4%	\$7,362	\$9,172	2.3x	48.3x	NA	NA	NA	52.9%	(3.7%)	4.8%	9.5x
The Ensign Group	ENSG	\$113.22	95.3%	\$6,392	\$7,802	2.2x	19.6x	23.9x	26.1x	25.9x	16.2%	9.2%	11.2%	3.5x
Surgery Partners (Brentwood)	SGRY	\$30.69	67.0%	\$3,882	\$7,939	2.9x	18.2x	24.7x	NA	NA	23.5%	11.8%	16.1%	6.3x
Envista Holdings	NVST	\$23.50	54.3%	\$4,028	\$4,842	1.9x	10.4x	16.1x	21.8x	22.3x	57.0%	11.6%	18.0%	1.8x
Select Medical Holdings	SEM	\$25.99	77.6%	\$3,332	\$8,560	1.3x	11.3x	15.6x	14.7x	18.0x	13.6%	8.4%	11.5%	6.5x
U.S. Physical Therapy	USPH	\$92.26	74.3%	\$1,383	\$1,672	2.8x	21.9x	27.4x	54.3x	27.1x	20.1%	10.2%	12.8%	1.5x
National Healthcare	ASENHC	\$93.04	93.1%	\$1,426	\$1,319	1.2x	13.3x	22.6x	32.0x	31.8x	37.3%	4.8%	8.5%	(1.2x)
Brookdale Senior Living	BKD	\$5.47	88.9%	\$1,030	\$5,495	1.9x	12.4x	59.4x	NA	NA	23.0%	3.1%	15.0%	10.1x
Mean				\$3,067	\$5,375	2.0x	15.3x	27.1x	29.8x	25.0x	27.2%	8.4%	13.3%	4.1x
Median				\$3,332	\$5,495	1.9x	13.3x	23.9x	26.1x	25.9x	23.0%	9.2%	12.8%	3.5x
High				\$6,392	\$8,560	2.9x	21.9x	59.4x	54.3x	31.8x	57.0%	11.8%	18.0%	10.1x
Low				\$1,030	\$1,319	1.2x	10.4x	15.6x	14.7x	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

❖ Nonprofit Behavioral Health Operators The Nord Center, LCADA Way to Merge, Form \$45M Organization

January 12, 2024 – Behavioral health operators The Nord Center and The LCADA Way will merge, effective July 1, 2024. The Lorain, Ohio-based nonprofits will form a \$45 million organization that employs about 425 people and operates about a dozen locations, according to a news release. The move attempts to create a “no wrong door approach to behavioral health care and substance use disorder in our community,” Nord Center CEO Don Schiffbauer said in a news release.

❖ Behavioral Health Provider Turnbridge Pursues Sale, Promotes \$15M EBITDA

January 29, 2024 – Behavioral health operator Turnbridge is in talks to sell, touting about \$15 million of EBITDA. Turnbridge, which provides mental health and substance use disorder care, is pursuing a sale of the Company, according to Axios. Investment banking firm Raymond James was hired to lead the sale, sources say.

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

❖ Troubled New York CCRC Set to Change Hands After Bankruptcy

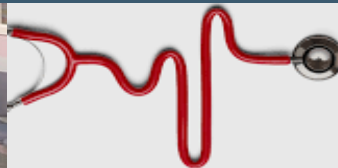
January 2, 2024 – A continuing care retirement community (CCRC) with a history of financial woes is slated to change hands, with senior living company LCS poised to buy it. The community, known as Harborside and previously Amsterdam at Harborside, in March filed for bankruptcy for the third time in nine years, with LCS winning a five-day auction worth \$63 million for the community last fall.

❖ Foundry Commercial Acquires 126-Unit The Village at Keizer Ridge in Keizer, Oregon

January 22, 2024 – Foundry Commercial has purchased The Village at Keizer Ridge, a seniors housing community in Keizer, a northern suburb of the state capital, Salem. With this acquisition, Foundry now owns 30 senior living communities totaling over 1,900 units and operates 57 senior living communities totaling over 3,800 units across the U.S. The Village at Keizer Ridge, which opened in 2016, offers 126 units of assisted living and memory care. Cascadia Senior Living, Foundry’s regional operating partner in the Pacific Northwest, will operate the community following the acquisition.



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

❖ Specialized Dental Partners Adds Three-office Endodontics Practice

January 2, 2024 – Irving, Texas-based Specialized Dental Partners recently added a Texas endodontics practice to its network. The DSO added Vaughn Endodontics, which has three locations in San Antonio, according to a Jan. 1 LinkedIn post. Specialized Dental Partners supports more than 200 practices in 35 states.

❖ Specialty1 Partners Adds California Periodontics Practice

January 5, 2024 – Houston-based Specialty1 Partners expanded its network with the addition of a California practice. The DSO partnered with James S. Minutello, DDS & Regina D. Minutello, DMD, MS, Inc. and Associates Periodontics & Implant Dentistry, located in Corona, CA, according to a Jan. 3 news release from Specialty1 Partners. The Company focuses on partnering with practices specializing in endodontics, oral surgery and periodontics, according to its website.

❖ Aspen Dental to Build 3.5K-square-foot Location in Virginia

January 8, 2024 – Chicago-based Aspen Dental is constructing a new practice location at a shopping center in Culpeper, VA, according to a Jan. 5 report by Culpeper Times. The office will be 3,550 square feet and will share a building with a restaurant. The building was approved by the town planning commission in September. Aspen Dental is one of the largest DSOs in the U.S., supporting more than 1,000 practices across the country, including more than 20 in Virginia.

❖ Rock Dental Brands Adds Affiliates in Four States

January 15, 2024 – Little Rock, AR-based Rock Dental Brands expanded its network with four practice affiliations. The DSO partnered with Cardinal Orthodontics in Ballwin and Rock Hill, MO; Smile Concepts Orthodontics in Apopka, FL; Meade Moore Pediatric Dentistry, in Germantown, TN; and Arkansas Oral & Facial Surgery Center, which has three locations, according to a Jan. 15 news release shared with Becker's. Rock Dental Brands supports more than 100 practices across five states.

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

❖ Gallant Closes \$15 Million Funding Round

January 8, 2024 – Gallant Therapeutics, a developer of stem cell therapies for pets, secured over \$15 million in Series A financing. The near-term focus is on achieving conditional FDA approval for a therapeutic candidate targeting feline chronic gingivostomatitis. “Beyond FCGS, Gallant is advancing a pipeline that targets osteoarthritis, chronic kidney disease and atopic dermatitis,” the Company reported.

❖ Covetrus CVO Expands His Role

January 11, 2024 – Dr. Link Welborn, the chief veterinary officer at Covetrus, is taking on additional responsibilities: creating and leading the Company’s veterinary advisory board, serving on the newly formed product development committee and helping develop “a refined approach to public affairs,” according to the Company. “He will continue as CEO of Veterinary Study Groups, the umbrella organization for the more than 60 Veterinary Management Groups,” Covetrus added.

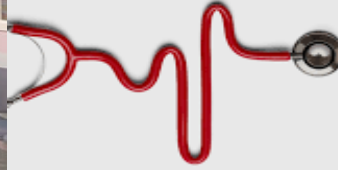
❖ Ceva Hires Senior VP for North America

January 15, 2024 – Ceva Animal Health appointed Brad McCollum as the senior vice president for North America. He previously served as the senior vice president of pet care for Zoetis Inc.’s U.S. business.

❖ Delmarva 2000 Gets a New Owner

January 2024 – MAI Animal Health acquired Delmarva 2000, a supplier of veterinary radiosurgery and dental tools. Terms were not disclosed.

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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.

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Every Engagement

Seasoned Bankers with
200+ Years of Combined
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Execution



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