

The Wisdom Tooth:
A Dental Industry
Newsletter

Market Overview

Indices Performance (% change)

	February 2024	LTM		February 2024	LTM
S&P 500	5.2%	29.0%	DJIA	2.2%	19.4%
Nasdaq	6.1%	41.4%	Russell 2000	5.5%	8.2%

Source: Federal Reserve: Bank of St. Louis

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

	February 2024	LTM		February 2024	LTM
Milestone Scientific	23.2%	(9.9%)	Envista Holdings	(12.1%)	(46.5%)
Align Technology	13.1%	(2.0%)	Patterson Companies	(9.3%)	0.3%
Henry Schein	2.2%	(1.6%)	Dentsply Sirona	(6.0%)	(12.5%)

Publicly Traded Dental Related Company Performance

(\$ in millions, except per share data)

Company	Share Price 02/29/2024	% 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		
Align Technology	ALGN	\$302.42	73.2%	\$22,713	\$21,867	5.7x	28.5x	35.0x	52.1x	58.1x	70.1%	16.2%	19.8%	(1.1x)
Henry Schein	HSIC	\$76.47	89.2%	\$9,827	\$13,895	1.1x	16.2x	22.7x	24.2x	22.4x	31.3%	5.0%	7.0%	3.0x
Dentsply Sirona	XRAY	\$32.68	75.6%	\$6,924	\$8,890	2.2x	35.7x	NA	NA	NA	52.6%	(2.4%)	6.3%	7.9x
Envista Holdings	NVST	\$20.65	50.5%	\$3,543	\$4,256	1.7x	24.9x	500.7x	NA	22.3x	56.1%	0.3%	6.7%	4.2x
Patterson Companies	PDCO	\$27.09	78.5%	\$2,427	\$3,199	0.5x	8.3x	10.7x	13.3x	14.5x	21.3%	4.5%	5.9%	2.0x
Milestone Scientific	MLSS	\$0.70	52.1%	\$54	\$49	5.0x	NA	NA	NA	NA	64.9%	(72.8%)	(71.3%)	0.6x
Mean				\$7,581	\$8,693	2.7x	22.7x	142.3x	29.9x	29.3x	49.4%	(8.2%)	(4.3%)	2.8x
Median				\$5,233	\$6,573	2.0x	24.9x	28.9x	24.2x	22.3x	54.4%	2.4%	6.5%	2.5x
High				\$22,713	\$21,867	5.7x	35.7x	500.7x	52.1x	58.1x	70.1%	16.2%	19.8%	7.9x
Low				\$54	\$49	0.5x	8.3x	10.7x	13.3x	14.5x	21.3%	(72.8%)	(71.3%)	(1.1x)

Source: PitchBook

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

LTM = Last Twelve Months

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Recent Industry News



Southern Orthodontic Partners Makes First Chicago-area Expansion

February 2, 2024 – Nashville, TN-based Southern Orthodontic Partners added its first practice in the Chicago area. The specialty DSO partnered with Petty & Bielik Orthodontics in Oak Lawn, IL, led by William Petty, DDS, and Kathryn Bielik, DDS, according to a Feb. 1 news release from the Company. Southern Orthodontic Partners will look to continue expansion in and around Chicago with additional partnerships in 2024.



Dental Care Alliance Continues Northeast Expansion with Connecticut Practice

February 5, 2024 – Sarasota, FL-based Dental Care Alliance partnered with a Connecticut dental practice. The DSO partnered with the Offices of John G. Fatse, DMD, a single-location general practice located in Monroe, CT, according to a Feb. 5 news release. The practice offers services including cosmetic, general and restorative dentistry, as well as dental implants, bone grafting, gum contouring, veneers, laser treatment, full-mouth restorations and TMJ treatment.



Imagen Dental Partners adds Florida Practice

February 9, 2024 – Scottsdale, AZ-based Imagen Dental Partners added a Florida practice to expand its network. The DSO partnered with Stickney Dental in Ocala, FL, led by Peter Stickney, DMD, and Robin Stickney, DMD, according to a Jan. 18 news release from Imagen Dental Partners. The practice offers dental services including dental implants, veneers, crowns and bridges, Invisalign treatment, root canal therapy, and dental emergencies, according to its website. Imagen Dental Partners supports practices across 15 states.




SPP Dental Partners adds California office

February 13, 2024 – Salt Lake City-based SPP Dental Partners recently expanded its network in California. The organization partnered with Allegra Dental in Tustin, CA, according to a Feb. 9 LinkedIn post. Allegra Dental is led by Kashif Ahmed, DMD. SPP Dental Partners most recently added its first Nevada office. It also supports practices in Washington.



Five Point Dental Specialists gets Investments from Tecum Capital, Hilltop Opportunity Partners

February 13, 2024 – Fort Worth, Texas-based Five Point Dental Specialists recently received investments from Tecum Capital and Hilltop Opportunity Partners. Both investment firms focus on lower middle market businesses. Their investments will support Five Point Dental Specialists' growth, according to a Feb. 12 news release. Five Point Dental Specialists supports practices specializing in orthodontics, oral surgery, pediatric dentistry and endodontics.



Dental365 Partners with New York Practice

February 20, 2024 – New Hyde Park, NY-based Dental365 added a practice in Huntington, NY to its network. The DSO partnered with Beth Weinstein, DDS, and her practice on Long Island, according to a Feb. 20 news release shared with Becker's.



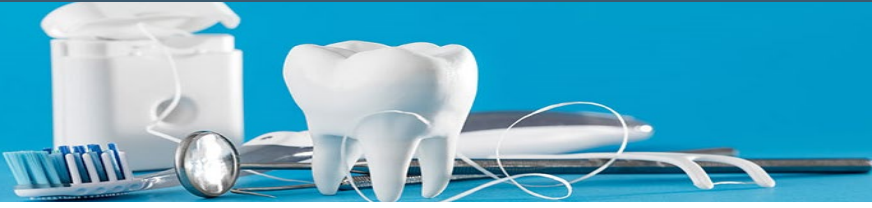
Main Street Capital Invests \$12.8M into Midwestern DSO

February 20, 2024 – Houston-based Main Street Capital Corporation completed a portfolio investment in a DSO based in the Midwestern U.S. Main Street Capital partnered with the DSO's founder and a private investment group to complete the \$12.8 million investment, according to a Feb. 20 news release from Main Street. The \$12.8 million will facilitate the recapitalization of the DSO and is a combination of first lien, senior secured debt and a direct equity investment.



Leading Edge Oral Surgery Acquires New York Practice

February 27, 2024 – Leading Edge Oral Surgery, an oral surgery group under Dental365's network, recently acquired Eastern Long Island Oral Surgery in Center Moriches, NY. Eastern Long Island Oral Surgery is led by Stephen Sokoloff, DDS, according to a Feb. 26 news release.



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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, entrepreneurs and private equity firms 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.