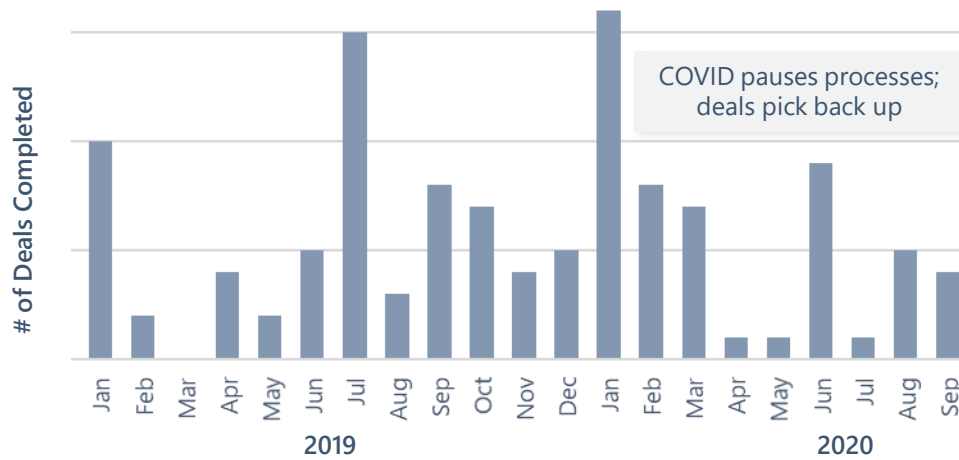


# Q3-2020 Ophthalmology Update

## Market Update



## PHP Completed Transaction



The rebound in transaction volume within the eye care sector has moved almost in lockstep with the way practices have rebounded from the early effects of the pandemic. Most deal processes were put on hold in the early months of the pandemic with only two deal closings in April and May. Since June, there have been over 20 deals that have closed in addition to a considerable backlog of transactions likely to close in Q4 of 2020 or Q1 of 2021. Provident expects this pent-up demand for deal making to continue to drive activity within the sector.

At the same time, valuations for high quality practices remain at elevated levels and have showed very little signs of softening. With over 30 platforms backed by private equity, there is still plenty of competition for deals which has kept multiples on the high end of historical valuations. Although Provident observed more deferred payment structures in the early months of the pandemic, that trend has seemed to subside in recent months as more proposals that have come in have had very little to no deferred consideration. Due to the sector’s proven resilience, Provident expects many firms to double down their efforts in eye care, compounding deal activity within the sector.

## Select Transactions:

\* Provident served as exclusive advisor to Retina Health Center in its transaction with US Eye

Month	Acquirer	Target	Target – Number of:		
			Locations	Providers	State(s)
Sep	US Eye	Carolina Eyecare Physicians	9	17	SC
Sep	Omni Ophthalmic Consultants	Eye Care Northwest	1	2	NJ
Sep	EyeCare Partners	Corrective Eye Center	3	4	OH
Sep	EyeSouth Partners	Medical Center Ophthalmology Associates	7	14	TX
Aug	US Eye	Retina Health Center*	2	3	FL
Aug	AEG Vision	Eyes of the World	2	4	CO
Aug	EyeSouth Partners	Retina Associates of Middle GA	3	2	GA
Jul	ReFocus Eye	OptiCare	3	8	CT

## Provident Industry Coverage Team

**Eric Major**  
*Director*  
 emajor@providenthp.com  
 (617) 226-4212

**Steven Grassa, CFA**  
*Sr. Associate*  
 sgrassa@providenthp.com  
 (617) 226-4213

## Upcoming White Paper

Members of the Provident Healthcare Partners vision care coverage team are publishing an updated ophthalmology white paper to be released in mid to late October.