

Q3-2021 Dental Services Update



Market Update

The dental services market remained highly-active in Q3-2021, with additional successful investor exits and continued specialty transaction activity. In August 2021, three investor-backed dental platforms completed transactions to new investors – Dental365, DECA Dental, and Affordable Care. All three transactions generated strong returns for the exiting investors and dentist-owners, further substantiating the attractive valuation environment for professionalized, scaled, and growing platforms and investors' interest in the dental services industry.

Large DSO transactions are expected to continue in the near-term at similar valuation multiples, which will drive increased interest from investors looking to partner with dentist-led DSOs and participate in the dental services market. In July, HealthEdge Investment Partners acquired Today's Dental Network to form a new DSO platform, and other recently-formed platform proved their ability to execute on additional acquisitions.

Provident has also noted an increased focus on specialty care, highlighted by multiple oral surgery, endodontics, orthodontics, prosthodontics, and mobile/onsite transactions, led by both new investors and established DSOs.

Provident Deal Spotlight



Maryland Oral Surgery Associates (MOSA), the leading oral surgery provider in Maryland with 15 surgeons and 8 locations, has partnered with Beacon Oral Specialists, a portfolio company of Blue Sea Capital.

Provident advised MOSA's surgeon-owners in their transaction with Beacon, which allowed MOSA to join a growing platform and provided Beacon additional density in the mid-Atlantic. Provident also represented Atlanta OFS in the initial transaction to form the Beacon Oral Specialists platform.

Select Transactions

Month	Target	Investor(s)	Locations	Geography
July	Today's Dental Network	HealthEdge Investment Partners	17	Florida
July	HENRY	Onsite Dental	Onsite & Mobile	Eastern US
July	Clareo Dental Network	Walter Capital Partners	10	Canada
July	Luma Dentistry	Redwood Dental	8	Alabama
July	Red Rocks Endodontics	Dental Care Alliance	2	Colorado
July	Rose Dental Group	Apex Dental Partners	4	Texas
August	Dental365	The Jordan Company	70	NY, CT, NJ
August	DECA Dental Group	The Blackstone Group	100	TX, FL, WA
August	Affordable Dentures	Harvest Partners	400	42 States
September	Maryland Oral Surgery Associates	Beacon Oral Specialists	8	Maryland

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