

Q1-2022 Dental Services Update



Market Update

The DSO market continued to experience significant activity in Q1-2022. Notable transactions include the sale of dentist-owned practices to established DSOs, the formation of new DSOs by private equity investors, and the exits of investor-owned DSOs.

Across these three transaction types, Provident has noted a continued acceleration in specialty dental consolidation. In early 2022, Shore Capital Partners formed a new OMFS-focused DSO, OMS360, and completed a transaction with Community OFS, a multi-state oral surgery practice. Additionally, Blue Sea Capital invested in SIMKO Specialty Dental, which provides Orthodontic and Pediatric DSO services, and Spark Dental Management acquired Children's Dental Health.

While larger platform transactions are becoming more common, the volume of small and mid-sized, dentist-owned practice sales remains high both across general and specialty dental.

Provident expects that the proven success of investment across the DSO spectrum, consistent volume of practice transactions, and investor demand for quality practices will drive continued market activity and valuations.

Significant Transactions

 Has been acquired by A portfolio company of 	 Has been acquired by A portfolio company of
 Has been acquired by To Form 	 Has been acquired by

Select Transactions

Month	Target	Investor(s)	Locations	Geography
January	Children's Dental Health	Spark Dental Management	20	Mid-Atlantic
January	Smile One Services	Gen4 Dental Partners	14	Michigan
January	OMS 360	Shore Capital Partners	n/a	Southeast
January	Community OFS	OMS 360	4	Southeast
February	Long Island Oral, PML Oral, Premier Oral, Westchester Oral	Leading Edge Oral Surgery	13	New York
March	SGA Dental Partners	Thurston Group	60	Southeast
March	SIMKO Specialty Dental	Blue Sea Capital	35	Midwest

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