

Market Update

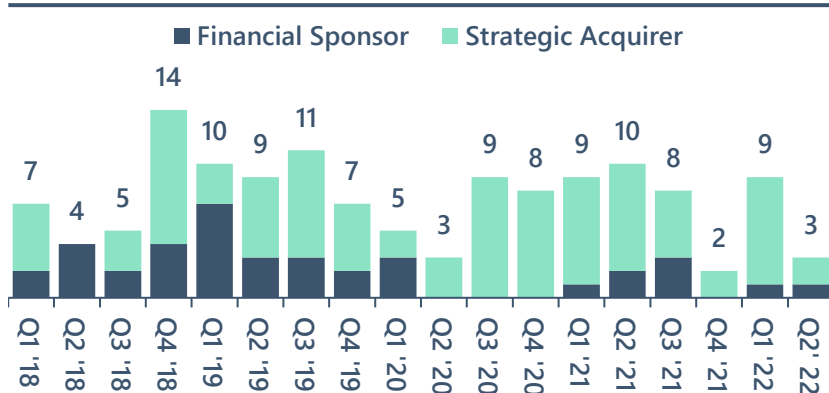
Transaction volume in the autism service space, which was characterized by one platform creation and two add-on investments, slowed as compared to deal volume in Q1-2022. While it appears the accelerated transaction activity in 2018 and 2019 may have normalized, the combination of outsized demand for services and nationwide insurance coverage should fuel growth and outside investment for years to come. Faced with COVID-induced labor and staffing challenges, it appears private equity backed platforms placed less of an emphasis on M&A growth, and instead refocused efforts on maintaining corporate culture, streamlining operations, and enhancing approaches to recruiting and retention. Still, transaction activity should continue to be a meaningful driver of growth in the space, represented by investors looking to bring needed capital and strategic efficiencies to the sector.

For example, Enhanced Healthcare Partners ("EHP") announced its investment in Howard J. Chudler & Associates ("HCA"), a behavioral therapy provider headquartered in Southern California. EHP plans to enhance HCA's corporate infrastructure and strengthen its urgent care services, both to better serve and empower those living with autism services disorders. Furthermore, companies with tangential service lines continue to acquire ABA therapy providers to build integrative care models. In April, Waud Capital Partners-backed Ivy Rehab announced its partnership with Coastal Behavioral Consulting, a pediatric-focused ABA provider in Virginia. The acquisition enhances Ivy Rehab's behavioral care services, who specializes in physical therapy treatment out of 391 clinics.

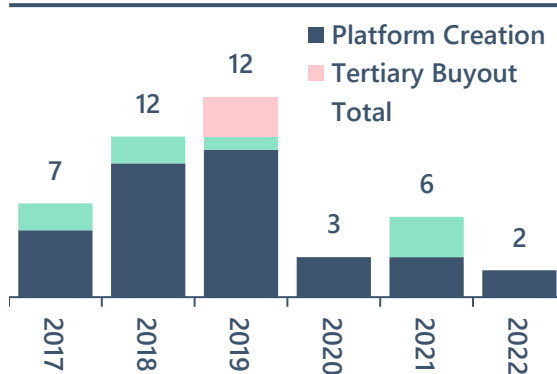
Select Transactions⁽¹⁾

Date	Acquirer	Target	Financial Sponsor
May-22	HealthPRO Heritage	Alternatives ABA	Wellspring Capital Management
May-22	Enhanced Healthcare Partners	Howard J. Chudler & Associates	n/a
Apr-22	Ivy Rehab	Coastal Behavioral Consulting	Waud Capital Partners

Transaction Volume by Acquire Type⁽¹⁾



Platform Transaction Activity⁽¹⁾



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White Paper

[An Update on Investment & Consolidation in Autism Services](#)