

Q2-2022 Gastroenterology Update



Market Update

The Gastroenterology space continued to exhibit high M&A traffic with sustained private equity attention in the second quarter of 2022. Platforms backed by private equity capital such as GI Alliance, Allied Digestive Health, and Gastro Health continue to execute on inorganic growth initiatives and expand into new geographies. All three platforms completed two acquisitions over the course of the quarter and are poised to continue building market share with added locations. Provident expects continued interest for add-on deals, and it is expected that the industry will see another couple secondary transactions over the next 12 months.

Provident Transaction Spotlight:



GI Alliance, a portfolio company of Waud Capital, partnered with Digestive Health Specialists, a Kansas City and Missouri leading provider with 28 physicians. DHS will provide GIA with a strong entry opportunity into the fragmented Kansas and Missouri markets.



Provident also advised Gastroenterology Consultants in its partnership with GI Alliance. The transaction adds nine experienced providers to the GI Alliance team, expanding its presence in the Houston market to 10 total locations.

Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Physicians	Locations	States
May	GI Alliance	Gastroenterology Consultants, PA ¹	9	6	TX
May	GI Alliance	Digestive Health Specialists ¹	28	10	MO
May	Allied Digestive Health	North Shore Gastroenterology	6	1	NY
May	Allied Digestive Health	Digestive Disease Center of New Jersey	5	2	NJ
April	Gastro Health	Goldberg, Rosenstein, Khan & Forman, M.D., P.A.	4	1	MD
April	Gastro Health	Tri-Cities Endoscopy Center, LLC	1	1	WA

(1) Provident served as exclusive financial advisor

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