

Q4-2022 Oncology Services Update

Market Update

Deal volume in the oncology practice management space remained healthy despite rising interest rates and uncertainty on the macroeconomic environment. Strategic acquirers, both public and private equity-equity backed, continue to lead transaction volume, represented by three add-on acquisitions. Key players such as The Oncology Institute and The US Oncology Network remain acquisitive, primarily due to strong balance sheets and existing debt facilities. Hospitals also showed continued interest in community-based oncology practices, most recently evidenced by Roper St. Francis' acquisition of Charleston Oncology.

Looking ahead to 2023, the oncology practice management market remains ripe for consolidation due to several factors, such as market fragmentation, rising cancer case counts, and an increasing demand for oncologists. While recent transaction activity shows a decrease in new platform investments and a focus on add-on acquisitions for existing strategic acquirers, the sector still yields an opportunity for additional investment.

Select Transactions:

Month	Acquirer	Target	Deal Description
December		<i>Intercommunity Oncology of Chino Hills</i>	The Oncology Institute ("TOI"), a five-state provider of community-based oncology services, acquired the Chino, California practice of Dr. Labib Hashimi, Intercommunity Oncology of Chino Hills; the acquisition expands TOI's market presence across California
November			Roper St. Francis Healthcare, a not-for-profit hospital based in Charleston, South Carolina, acquired Charleston Oncology, a community-based oncology practice with 11 physicians and three locations
October			The US Oncology Network, a provider of community-based oncology services, acquired Sarah Cannon Research Institute, an operator of a cancer research center
October	Public Markets (NASDAQ) <i>Pending</i>		American Oncology Network, a Florida-based network of community oncology practices, announced its plans to merge with Digital Transformation Opportunities, via a SPAC transaction that is expected to close in 2023
October		<i>Broward Oncology Associates</i>	The Oncology Institute also acquired Broward Oncology Associates, a Fort Lauderdale-based oncology practice; the acquisition marks TOI's entrance into the South Florida market

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