

## Veterinarian Services

Q2 2023

### Market Update

Despite tightened lending markets, the veterinary space continues to demonstrate strong consolidation activity entering Q3 2023. Outside of the recent platform transaction involving Pieper Veterinary and Chicago Pacific Founders, Q2 M&A activity was highlighted by the acquisitions of single-site care centers. Smaller provider groups nationwide were the primary add-on targets of PE-backed consolidators, notably Veterinary Practice Partners and AmeriVet Veterinary Partners.

Looking ahead to the back-half of 2023, Provident anticipates an increase in transaction activity. The continued need for PE-backed platforms to expand provider headcount via acquisition, coupled with an expected easing of the lending environment, should create a more robust consolidation environment.

### Notable Transaction

In April 2023, Chicago Pacific Founders announced its acquisition of Pieper Veterinary. The CT- based group consists of 60+ vets & six locations. Pieper offers general, specialty, and emergency care services across its footprint.

The acquisition provides Pieper with access to capital to fuel its expansion across the Northeast by completing add-on acquisitions, adding new providers, and expanding its clinic count. Pieper will focus on acquiring east coast practices with a similar service offering including general veterinary, emergency & urgent, and specialty care.



### Select Transactions

Month	Acquirer	Target	Deal Description
June			AEA-backed AmeriVet, one of the ten largest vet platforms, announced its acquisition of Lifetime Animal Center. This marks AmeriVet's geographic expansion into Missouri, paving the way for continued consolidation in the Midwest.
May		Undisclosed	TeleVet, a provider of telemedicine services for vets, completed its \$33.5M Series B fundraise, its third round capital raise, bringing TeleVet's post-money valuation to \$131M.
April / May			Caring Hands & Toro Park Animal Hospital represent 2 of 5 add-on investments for Veterinary Practice Partners in Q2 following its recent investment from Ares Capital in Q1 to help finance further add-ons.
April		IPO	Inspire Veterinary Partners, a VA-based vet platform, announced it will undergo an IPO, targeting a \$4M-\$6M raise, marking an alternate approach to the typical PE playbook utilized by prior vet platforms.

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