

Broader Physician Services

Q3 2023

Market Update

Broader physician services remained an active sector throughout Q3-23. The majority of completed transactions in Q2 were by strategic acquirers looking to further expand their geographic footprint and diversify their service offerings, a strategy we have seen a continued focus on.

With the ongoing consolidation trend, Provident expects addon activity to remain elevated. Platform transaction activity has remained subdued over recent quarters as financial sponsors closely monitored macroeconomic conditions. We anticipate a rebound in platform-level transaction activity as markets continue to normalize and Private Equity firms look to deploy high levels of dry powder, likely ramping up in Q4 and into 2024.

Notable Transaction

Aspire Allergy Partners, a provider of Allergy and ENT care found in Colorado, Florida, Texas, New Mexico, and Arizona, which was previously owned by Source Capital, has recently received a significant investment from Centerfield Capital Partners.

Centerfield Capital Partners is a private equity firm based out of Indiana. The firm invests in lower middle market companies and has extensive experience in healthcare and healthcare-related services businesses.

Aspire leverages its network of 58 unique locations to provide high-quality allergy and sinus therapies through 19 certified physicians



Select Transactions

| Month | Acquirer | Target | Sub-Sector | Physicians | Locations | State(s) |
|-----------|--------------------------------|---|----------------|------------|-----------|---|
| September | SCHWEIGER DERMATOLOGY GROUP | allergy & asthma care of new york | ENT | 3 | 3 | New York |
| September | ENT | Totum Health | ENT | 1 | 1 | New York |
| August | Centerfield Capital | | ENT | 19 | 58 | Arizona, Colorado, Florida, New Mexico, Texas |
| August | | | ENT | 4 | 4 | Indiana |
| August | | Carolina Breast Imaging SPECIALISTS.nuc | Women's Health | 3 | 3 | North Carolina |
| July | ATLANTA ALLERGY & ASTHMA | Breathe Better Allergy Asthma & Sinus Center | ENT | 2 | 1 | Georgia |
| July | ENT Partners | southern indiana ENT sinus & allergy | ENT | 2 | 4 | Indiana |

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Sources: SEC Filings, Company Press Releases, and Reports; IBISWorld; Capital IQ; PitchBook ; PHP Estimates and Research. This document has been compiled with publicly available information. P Healthcare Partners. LLC makes no guarantee of its accuracy or completeness. No data or statement should be construed to be a recommendation for the ourchase, sale, or retention of any security.

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