

Q1-2023 Dental Update

Market Update

Provident's DSO industry team attended the ADSO conference in March to discuss sector with investors, dentists, and operators. We found that transaction volume in the rebounded in Q1-2023 as macro market volatility slowed and investors focused on high-quality partnerships. Volume was strong in both large DSO and small practice partnerships.

Private equity investors completed three new platform transactions in Q1, with Dentine, Bluetree, and Mosaic all receiving equity investments. These transactions highlight the increased confidence of investors in the overall market, resilience of healthcare provider businesses in a difficult macro environment, and the increasing availability of debt capital compared to Q4-2022. In addition to these large transactions, strategic partnerships between DSOs and small practices remained highly-active, further supporting the consolidation thesis driving investor interest in established DSOs.

Select Transactions:

Transaction Spotlight

Clairvest recapitalization of Bluetree Dental

In March 2022, investment firm Clairvest completed its partnership with Bluetree Dental. Bluetree provides multi-specialty, pediatric, and orthodontic dental services across six western states.

This transaction reflects the continued interest that middle market investors have in high-quality, differentiated DSOs. The founders remain invested and will continue in their roles with Clairvest's support.



Has been recapitalized by



Month	Target	Investor(s)	Locations	Geography
January			70	9 Western States
January			3	Hawaii
January			2	Wisconsin
March			45+	6 Western States
March			49	CA and WA
March			13	Maryland

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