

Dental Services

Q4 2023

Market Update

The dental services market remained consistent in Q4-2023 compared to Q3. Well-capitalized strategic DSOs are continuing to rapidly acquire standalone practices and investment into specialty dental groups remains active.

Due to the ongoing pressures of increased wages, debt costs, and competition for acquisitions, some DSOs utilizing a traditional roll-up strategy are shifting their focus to operational initiatives to support profitability and growth. As some of these DSOs begin to explore the market, many dental investors are similarly showing preference to groups capable of driving significant growth beyond solely M&A.

Despite the tailwinds facing dental groups, investors have maintained a strong thesis in the sector and premium DSOs are still receiving significant interest at premium valuations.

Provident Transaction

Provident advised Parkview Dental Partners, a portfolio company of Parkstone Growth Partners, in its partnership with Cathay Capital in October 2023.

Parkview is DSO that currently supports 22 dental practices in SW Florida. The Company's strong leadership team and position in a valuable market have driven significant growth through both organic and M&A initiatives.

Provident led a robust M&A process which resulted in significant optionality for Parkview ownership, and ultimately led to the ideal partnership with a highly-qualified investor under favorable transaction terms.


PARKVIEW
DENTAL PARTNERS

A portfolio company of


PARKSTONE
GROWTH PARTNERS

Has been recapitalized by


CATHAYCAPITAL

October 2023

Select Transactions

Month	Acquirer	Target	Locations	Geography
December	 U.S. Oral Surgery Management	8 Practices across 7 States	9	National
December	 Persistence Capital Partners		9	Canada
November	 HealthEdge INVESTMENT PARTNERS	 MOUNTAIN STATE ORAL & FACIAL SURGERY	12	Mid-Atlantic
October	 TRISPAN	 smartarches DENTAL IMPLANTS	8	Mid-Atlantic
October	 PARK DENTAL PARTNERS	 Park Dental  THE DENTAL SPECIALISTS	86	Midwest

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