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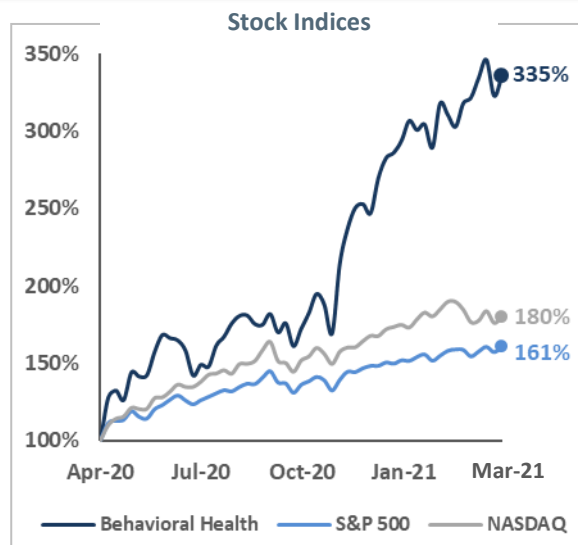
**HEALTHCARE SERVICES
SECTOR UPDATE
1Q21**

April 2021

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BCA Market Commentary & Stock Indices Relative Performance

- Many Americans continue to struggle with mental health as the pandemic enters its second year. Anxiety, depression and loneliness are up significantly. Most adults have had at least one adverse mental health condition, according to the American Medical Association.
- Mental health professionals have only recently adjusted to surging demand. According to The American Psychological Association, the number of patients has increased 30% since the beginning of the pandemic.
- In-home and outpatient treatment settings should see continued growth and commercial adoption. Many providers now see telehealth as a permanent offering.



Select M&A Transactions

Date	Target	Investor	Target Business Description	TEV (\$M)
2/4/21	SMG Health	Morneau Shepell	Provider of corporate and mental health solutions.	N/A
2/5/21	Bridges Autism	Proud Moments ABA	Provider of ABA and other behavioral health services.	N/A
2/8/21	MindSpace Wellbeing	Numinus	Provider of traditional psychology services.	N/A
3/2/21	Harbor Psychologist	Community Psychiatry Management	Provider of psychiatric and psychological services.	N/A

Select Public Trading Multiples

(\$M, except share prices)

Company	Ticker	Stock Price 3/31/21	% of 52-Week		TEV	TEV / Revenue		TEV / EBITDA	
			High	Low		LTM	NTM	LTM	NTM
Acadia Healthcare	ACHC	\$56.40	92%	373%	\$8,303	4.0x	3.7x	17.2x	16.2x
Universal Health Services	UHS	\$134.53	94%	162%	14,421	1.2x	1.2x	7.5x	7.5x
Average						2.6x	2.4x	12.3x	11.8x
Median						2.6x	2.4x	12.3x	11.8x

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses. Data per SEC filings and PitchBook.

Brentwood Capital Advisors

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Representative Transactions

Sell-Side

Sell-Side Advisory to

Recapitalization

Recapitalization Led by

Sell-Side

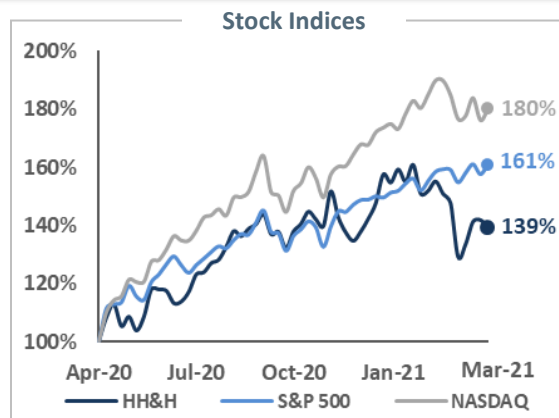
Sell-Side Advisory to

Recapitalization

Recapitalization Led by

BCA Market Commentary & Stock Indices Relative Performance

- 1Q21 was another active M&A quarter for the post-acute sector. Notable transactions in 1Q21 include:
 - HCA Healthcare (NYSE: HCA) acquired 80% of Brookdale Senior Living's (NYSE: BKD) hospice, home health and outpatient therapy business for \$400 million. The unit HCA acquired is Brookdale Health Care Services, which operates 57 home health agencies, 22 hospice agencies and 84 outpatient therapy locations. HCA, the largest health system in the U.S., has stated that it plans to aggressively grow this business unit, which has the potential to change home health & hospice industry dynamics.
 - BrightSpring Health Services acquired Abode Hospice and Home Health for \$775 million. With its roughly \$6 billion in revenue, BrightSpring represents another major entrant into the home health & hospice sector. Similar to HCA, BrightSpring has potential to shift industry dynamics.



Select M&A and Financing Transactions

Date	Target	Acquiror	Target Business Description	TEV (\$M)	TEV Multiple	
					Revenue	EBITDA
2/25/21	Brookdale Senior Living (Home Health Business)	HCA Healthcare	Home health and outpatient therapy provider in 26 states.	\$500	N/A	20.0x
2/17/21	Abode Healthcare	BrightSpring	Home health and hospice provider in 12 states.	\$775	N/A	16.0x
2/16/21	Physmed Home Health Care, Serene Care Hospice	Charter Health	Home health and hospice providers in NE.	N/A	N/A	N/A
1/26/21	Valeo Home Healthcare	Grant Avenue	Home health and hospice provider in UT.	N/A	N/A	N/A
1/21/21	Interim Healthcare of San Diego	Caring Brands	Home health provider in CA.	N/A	N/A	N/A
1/19/21	Bridgeway Health	Reliant at Home	Home health provider in TX.	N/A	N/A	N/A
1/19/21	Sacred Heart Home Health Care	Pennant Group	Home health services in AZ.	N/A	N/A	N/A
1/15/21	ViaQuest	Council Capital	Home health, hospice, disability and mental health services.	Confidential		
1/11/21	The Adaptive Group	Help at Home	Home health, hospice and private duty provider.	N/A	N/A	N/A
1/5/21	Companion Hospice (CA division)	Bristol Hospice	Home health and hospice provider in Southern CA.	N/A	N/A	N/A
1/4/21	Secure Home Care, Traditions Home Care	Traditions Health	Home health providers in OK.	N/A	N/A	N/A
1/4/21	Grace Hospice & Palliative Care, Heritage Hospice	Traditions Health	Hospice providers in LA.	N/A	N/A	N/A

Select Public Trading Multiples

(\$M, except share prices)		Stock Price		% of 52-Week		TEV / Revenue		TEV / EBITDA	
Company	Ticker	3/31/21	High	Low	TEV	LTM	NTM	LTM	NTM
Addus HomeCare	ADUS	\$104.59	81%	167%	\$1,602	2.1x	1.8x	20.8x	17.8x
Amedisys	AMED	\$264.79	81%	160%	9,034	4.4x	3.6x	31.0x	24.2x
LHC Group	LHCG	\$191.21	81%	164%	5,834	2.8x	2.4x	20.9x	18.0x
Chemed	CHE	\$459.82	82%	117%	7,513	3.9x	3.4x	21.9x	16.2x
Pennant Group	PNTG	\$45.80	66%	368%	1,703	5.0x	3.5x	61.3x	31.7x
Average						3.6x	3.0x	31.2x	21.6x
Median						3.9x	3.4x	21.9x	18.0x

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses. Data per SEC filings and PitchBook.

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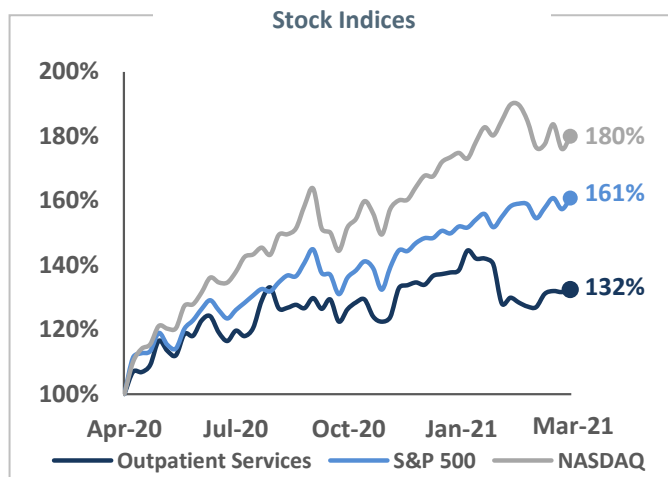
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Representative Transactions



BCA Market Commentary & Stock Indices Relative Performance

- The holiday and January spike in virus cases depressed normalized procedure and surgery volumes. Hospitals were full of COVID-19 cases, and ER volumes declined by 15-20%. 2Q-3Q21 should see more typical procedure mix across the healthcare marketplace.
- Many providers have realized the benefits of telehealth in helping them reach additional patients.
- M&A is expected to rebound in 2H21 as volumes normalize.



Select M&A Transactions

Date	Target	Acquiror	Target Business Description	TEV (\$M)	TEV Multiple	
					EBITDA	Revenue
3/2/21	RestorixHealth	American Medical Technologies	Provider of wound care treatment.	N/A	N/A	N/A
2/22/21	ATI Physical Therapy merged with	Fortress Value Acquisition Corp.	Operator of physical therapy clinics.	\$345	N/A	N/A
2/17/21	Total Access Urgent Care	ICV Partners	Provider of urgent care services.	N/A	N/A	N/A
1/26/21	American Renal Associates	Nautic Partners	Provider of outpatient dialysis services.	\$853	8.1x	1.1x
1/16/21	Rancho Family Medical Group	LightBay	Provider of family medical services.	N/A	N/A	N/A
1/13/21	Global Nephrology Solutions	Audax Private Equity Group	Nephrology practice management services.	\$375	12.5x	N/A
1/8/21	Prospira PainCare merged with	National Spine & Pain Centers	Interventional pain management clinics.	N/A	N/A	N/A
1/6/21	AbsoluteCARE	Kinderhook	Operator of medical care facilities.	N/A	N/A	N/A
1/6/21	Peak Dental Services	Varsity Healthcare Partners	A dental services organization in Colorado.	N/A	N/A	N/A
1/5/21	Women's Care Enterprises	BC Partners	Provider of women's health services.	N/A	N/A	N/A

Select Public Trading Multiples

(\$M, except share prices)										
Company	Ticker	Stock Price 3/31/21	% of 52-Week		TEV	TEV / Revenue		TEV / EBITDA		
			High	Low		LTM	NTM	LTM	NTM	
DaVita	DVA	\$107.77	86%	167%	19,354	1.7x	1.7x	8.6x	8.1x	
Encompass Health	EHC	\$81.90	93%	139%	11,493	2.5x	2.1x	12.4x	11.0x	
Fresenius	FRE	\$44.52	83%	125%	53,940	1.3x	1.2x	6.1x	5.9x	
U.S. Physical Therapy	USPH	\$104.10	72%	193%	1,414	3.3x	2.8x	18.9x	15.4x	
Select Medical	SEM	\$34.10	91%	286%	8,346	1.5x	1.4x	10.5x	8.2x	
Surgery Partners Inc.	SGRY	\$44.26	98%	932%	5,038	2.7x	2.1x	14.5x	10.4x	
Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses and excludes non-controlling interest.						Average	2.2x	1.9x	11.8x	9.8x
Data per SEC filings and PitchBook.						Median	2.1x	1.9x	11.4x	9.3x

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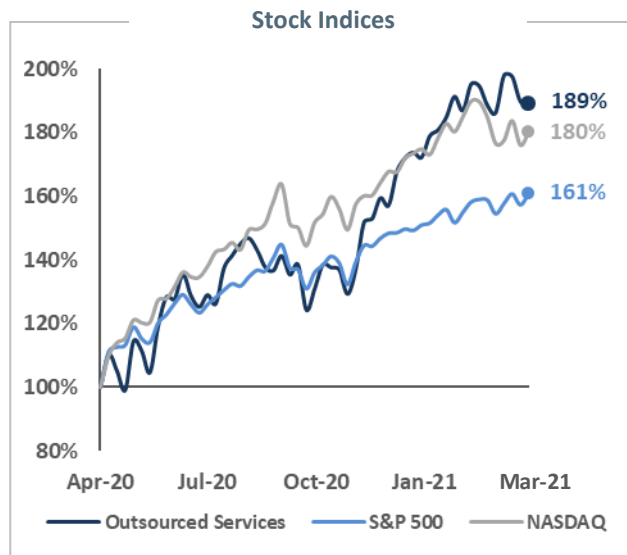
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Representative Transactions



BCA Market Commentary & Stock Indices Relative Performance

- The COVID-19 spikes in 4Q20 created enormous challenges for hospitals and the healthcare workforce. Many providers were working 12-16 hour shifts with limited resources and extended provider-to-patient ratios.
- Most Americans will be able to receive the COVID-19 vaccine by the end of June 2021.
- The surprise billing legislation passed in December 2020 will bring some relief to patients and remove uncertainty for providers.
- Healthcare providers with scale are pivoting to the customary IPO and the SPAC markets as exit options. Agiliti Health, a provider of outsourced medical equipment management services to hospitals, filed an IPO in March 2021.



Select M&A Transactions

Date	Target	Acquiror	Target Business Description	TEV (\$M)
3/19/21	Northfield Medical	Agiliti Health	Provider of medical instrument maintenance services.	\$475
3/15/21	HealthPRO Heritage	Wellspring Capital Management	Provider of contract therapy services.	N/A
3/5/21	U.S. Nursing	Cornell Capital, Trilantic North America	Provider of nurse staffing services.	N/A
3/5/21	US Acute Care Solutions	Apollo Global Management	Provider of integrated acute care services.	\$470 ⁽¹⁾
3/2/21	RestorixHealth	Americal Medical Technologies	Operator of comprehensive wound care centers.	N/A
2/10/21	CareAccess MSO	Cimarron Healthcare Capital	Value-based risk contract management services.	N/A
2/9/21	Oak Tree Anesthesia	CRH Medical Coporation	Provider of anesthesiology services.	N/A
2/8/21	CRH Medical	WELL Health Technologies	Provider of anesthesiology services.	\$293
2/8/21	trustaff	Cornell Capital, Trilantic North America	Provider of healthcare staffing services.	N/A
2/2/21	Intermountain Anesthesia	National Partners in Helathcare	Provider of anesthesiology services.	N/A

(1) Apollo Global Management committed to invest up to \$470 million of preferred equity in US Acute Care Solutions

Select Public Trading Multiples

(\$M, except share prices)		Stock Price	% of 52-Week		TEV / Revenue			TEV / EBITDA	
Company	Ticker	3/31/21	High	Low	TEV	LTM	NTM	LTM	NTM
MedNax	MD	\$25.47	87%	272%	\$3,543	2.0x	1.9x	12.7x	11.5x
Healthcare Services Group	HCSG	\$28.03	78%	140%	1,902	1.1x	1.1x	14.6x	13.7x
AMN Healthcare	AMN	\$73.70	91%	201%	4,453	1.8x	1.7x	12.6x	11.8x
Cross Country Healthcare	CCRN	\$12.49	91%	278%	523	0.6x	0.6x	15.4x	10.9x
ASGN	ASGN	\$95.44	93%	317%	5,980	1.5x	1.3x	12.2x	11.0x
					Average	1.4x	1.3x	13.5x	11.8x
					Median	1.5x	1.3x	12.7x	11.5x

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses.
Data per SEC filings and PitchBook.

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