

Specialty

Gastroenterology

Focus

Q2 2021 Acquisition Activity and Outlook

Gastroenterology Acquisition Activity Remains High in Q2 2021 – Major Opportunity for Selling Physicians

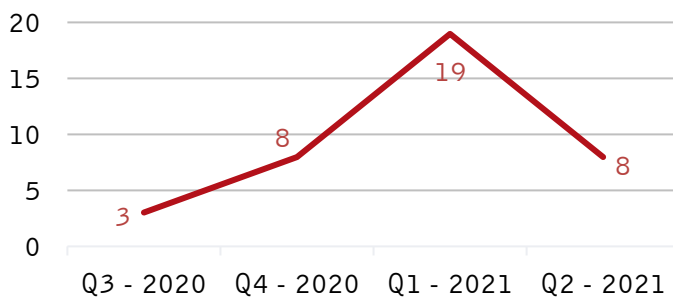
The second quarter of 2021 delivered eight gastroenterology practice acquisitions, coming down from the flurry of activity in Q1. Still, gastroenterology remains one of the most active and attractive PPM investment opportunities. Notably, in April, Capital Digestive Care announced a significant transaction with Gastrointestinal & Liver Specialists of Tidewater (GLST) in Southeastern Virginia. GLST includes thirty-four physicians that serve eight gastroenterology locations in the region. Another significant event was the recapitalization of Gastro Health in May. OMERS, the defined benefit pension plan for municipal employees in the Province of Ontario, Canada, acquired Gastro Health from Audax Private Equity, who invested in 2016.

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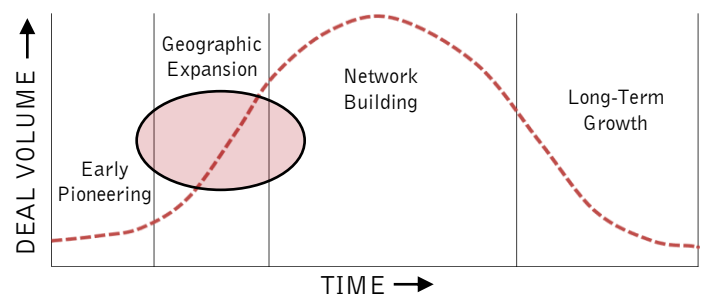
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While the summer months of Q3 often experience a seasonal decrease in M&A activity, we expect an uptick in Gastroenterology practice closings in the final three months of the year. With a potential capital gains increase on the horizon, both buyers and sellers will work hard to close deals in 2021.

12-Month Quarterly Acquisition Trend



PE Consolidation Lifecycle Positioning



Notable Deals in the Q2 2021

Buyer	Practice	State	MDs	Date
Capital Digestive Care	Gastrointestinal & Liver Specialists of Tidewater	VA	34	4/13/21
Gastro Care Partners	Gastroenterology Associates of Wyoming	WY	9	4/16/21
One GI	Gastroenterology Health Partners	KY	16	4/22/21
United Digestive	East Atlanta Gastroenterology Associates	GA	4	5/4/21
Gastro Health	Gastroenterology & Hepatology Associates	VA	2	6/1/21
GI Alliance	Colorado Gastroenterology	CO	4	6/24/21

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