

PT Market Update – July 14, 2023

Overview: The PT Market update is a monthly post that will provide practice owners with information regarding M&A activity within the PT market from the lens of the practice owner. The numbers reported below are posted publicly via press release or where I have been provided permission to release the information. There are deals closing that are not publicly released and therefore not recorded in the report.

Executive Summary: June 2023 saw 2 transactions close vs. 7 last year. June is also the end of the second quarter for most companies. With the July 4th holiday immediately following, it is highly likely that late June closings will be reported mid-July and we may see a revision in our report for August. It is not unusual to see a little slowdown during the summer months due to holidays and vacations. And it is important to note that not all buyers publicly announce transactions and none of those transactions are reported here.

Year to date 2023, the market is averaging 3.7 transactions a month. Quarter over quarter, Q2 2023 exceeded Q1. (12 transactions in Q2 vs. 10 transactions in Q1).

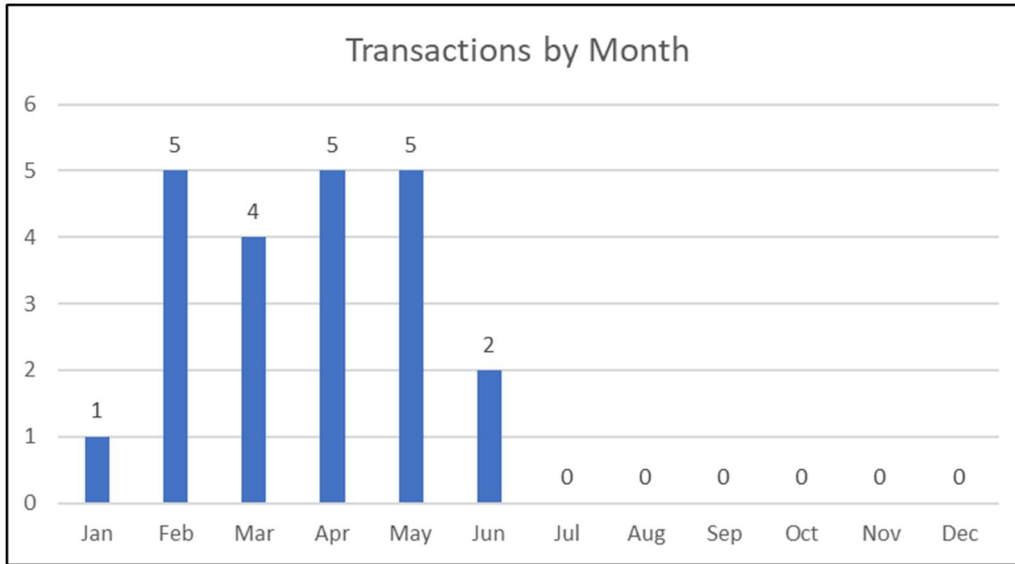
Smaller transactions are continuing to outpace last year's totals. 55% of the transactions so far this year had 3 or fewer locations vs. 34% in 2022.

Currently, we are on pace for about 44 transactions in 2023, consistent with an average year of 40- 50 transactions. If interest rates and market conditions continue to stabilize, it would not be surprising to see the pace pick up in the second half of the year. There is no shortage of interest for buyers and new buyers continue to enter the market.

In today's market, finding the right buyer for your exit strategy is more important than ever. To maximize success on an exit, practice owners will need to pay close attention to their fundamentals...manage your EBITDA, develop your staff, and execute on a well-designed exit plan.

Through June 30, 2023:

- In June, 2 practices were sold. We are still on pace for an average number of transactions in 2023.



- 55% of transactions consist of 3 or fewer locations.

# Locations	# Transactions	% of Transactions
One	8	36%
Two	3	14%
Three	1	5%
Four	1	5%
Five	2	9%
Six	1	5%
Seven +	6	27%
	22	100%

- States with the most transactions:

State	# Transactions
NJ	4
NY	3
TX	3
not announced	3
LA	2
MN	1
NY, MD, MA, CT	1
PA	1
OH	1
KY	1
VA	1

- The following page lists all publicly released transactions in 2023.



PTPS&C

PT'S HELPING PT'S BUY OR SELL PRACTICES

Buyer	Seller	State	Date	# Clinics
Access PT	Cardin and Miller PT	PA	4/5/2023	3
Access PT	The PT Experience	NY	4/5/2023	2
AOSMI	Advanced PMR	NJ	3/14/2023	5
APT Healthcare	Not announced	Not announced	4/5/2023	6
Confluent	Motion PT	NY, MD, MA, CT	2/1/2023	59
Confluent	Groshan & Associates	MD	4/27/2023	1
Confluent	Injury Management Services	LA	5/22/2023	2
Confluent	Tri-State PT	LA	6/21/2023	2
Confluent	Versailles PT and Hand Clinic	KY	6/27/2023	1
Cypress Health Partners	Sports PT of New York	NY	1/4/2023	1
Cypress Health Partners	MVPT Physical Therapy	NY	2/9/2023	1
Empower	Spectrum PT Consultants	TX	3/7/2023	7
Jag-One	Wayne PT	NJ	5/15/2023	1
H2	Physical Therapy Today of Lubbock	TX	5/8/2023	8
Ivy	Excel PT	NJ	2/10/2023	24
Ivy	Sora Therapy of Minnesota	MN	2/17/2023	5
Ivy	Louisa PT	VA	5/11/2023	1
Main Street Therapy Partners	Sternen PT	OH	4/11/2023	1
PRN	Medical City	TX	3/31/2023	24
Select (Joint Venture)	AtlanticCare	NJ	2/15/2023	13
USPh	Not announced	Not Announced	3/1/2023	1
USPh	Not announced	Not Announced	5/31/2023	4