



Women's Health INDUSTRY MARKET UPDATE



ACQUISITIONS
DIVESTITURES
FINANCINGS
RESTRUCTURINGS

Key Statistics ⁽²⁾

\$ \$5B+

of National Institute of Health's spending is allocated for women's health - approx. 10% of the annual budget

1/3

of health issues experienced by women ages 15 to 44 are caused by sexual and reproductive problems

Only 1/4

of women who experience menopausal symptoms seek care

80%

of women's health providers cite their menopause training to be nonexistent

~50%

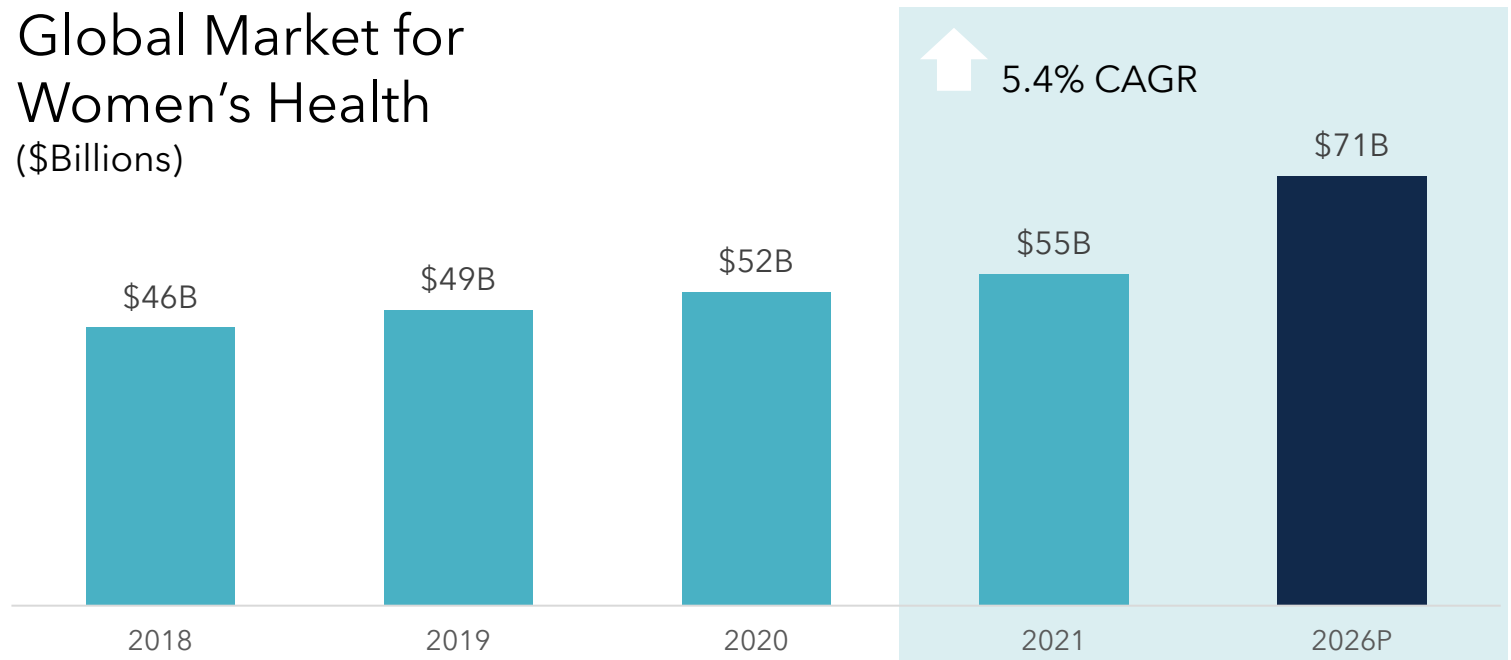
of U.S. counties lack a single OB/GYN and only 16% of OG/GYNs in the U.S. are under 40 years old

Industry Overview

Since the early 1900s, the average life expectancy for American women has risen from about 50 to 82 years and continues to rise due to advancements in technology and broadened understanding of unique healthcare needs. To name a few, women have higher instances of gallstones, migraines, UTIs, autoimmune disorders, mental illnesses, and osteoporosis. Despite women influencing 80% of healthcare spending decisions, women's health has long been considered a niche.

Healthcare providers have significant opportunity to expand capabilities to service maternal health, endometriosis, and menopause related symptoms ⁽¹⁾

Global Market for Women's Health (\$Billions)



(1) McKinsey & Co, Unlocking Opportunities in Women's Healthcare, Feb. 2022; (2) BCC Publishing, Therapeutics for Women's Health, Feb. 2022

Key Trend



Women spend more than one-third of their lives in peri- or post-menopause – 1.2 billion women globally will be in this stage of their lives in 2030. This causes a measurable economic impact - nearly \$1,400 in health care costs per person per year



By 2025, the global “femtech” industry (software and technology addressing women’s biological needs) is expected to grow to \$75B (13.3% CAGR). Nearly 50% of relevant companies are U.S.-based ⁽³⁾



Demand/supply bifurcation



Later age at childbirth (23.7 in 1985 and 26.9 in 2018) is increasing inherent risks and physician oversight



Shortage of OB/GYNs (number of physicians is expected to decline 7% while demand for services is projected to increase 4% by 2030) ⁽⁴⁾



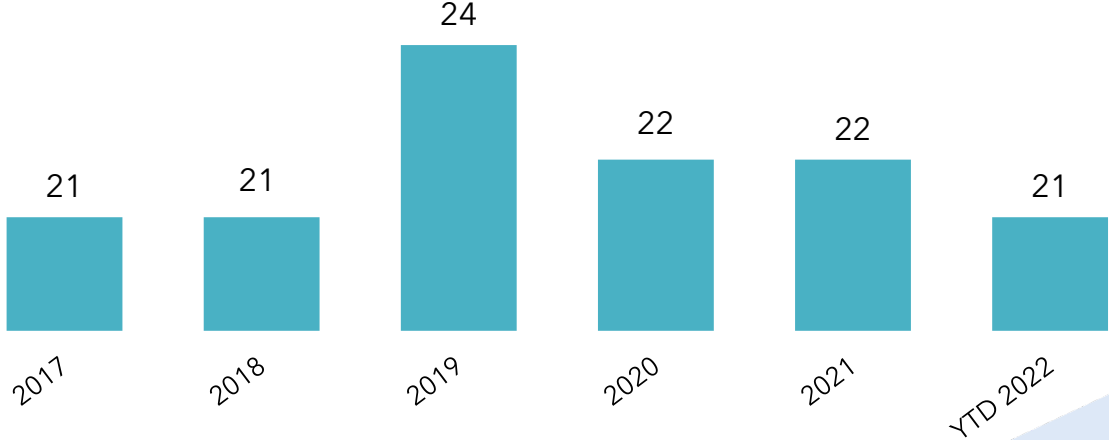
High-cost malpractice insurance reduces margins and increased private insurance coverage broadens accessibility



Aging population stresses healthcare-system capacity - fastest growing cohort of women are those aged over 65 and by 2050 this group will grow by 81% ⁽⁵⁾

(3) McGuireWoods, Transaction and Regulatory Concerns for Women’s Health and Fertility, Aug. 2021; (4) IBIS, Gynecologists & Obstetricians, Jan. 2022; (5) FTI Consulting

U.S. M&A Deal Activity



Increased Investor Interest

Strong demographic trends, increasing clinical development, and accelerating socio-economic drivers suggest rapid growth in women's health services. Other factors supporting this trend include:

- » Over \$1.3 trillion of undeployed capital available
- » Success across a variety of specialties is driving investors to evaluate women's health and ancillary services
- » A highly-fragmented subsector poised for growth due to growing federal and consumer spending driven by an increased awareness regarding women-centric disorders and treatments

M&A Drivers

Owners considering an M&A transaction can put themselves in an attractive position by:

- » Maintaining a strong reputation in their markets resulting in referrals and recurring revenues
- » Utilizing new technologies and ancillary services to diversify revenue deliver comprehensive care
- » Attracting and retaining younger physicians and care-providers

Active Private Equity Groups

Gryphon Investors → Hospitalist Group

Audax Group → Axia Women's Health

Shore Capital Partners → Together Women's Health

Sverica → Women's Health USA

Recent M&A Activity

DATE	TARGET	ACQUIRER
Aug-22	MWM Medical S.C.	Pinnacle Fertility
Aug-22	Alternative Reproductive Resources, Inc.	KBI Services, Inc.
Jul-22	Randy S. Morris, M.D.	Pinnacle Fertility
Dec-21	ORM Fertility	Pinnacle Fertility
Sep-21	Valley Women for Women	Unified Women's Healthcare
Aug-21	West Valley Women's Care	Women's Health USA
Mar-21	Cali. Fertility Partners	Pinnacle Fertility
Feb-21	Together Women's Health	Shore Capital Partners
Jan-21	Care First	Axia Women's Health

Select Transactions

Sell-Side Advisor



BVA
BETTER VISION AHEAD

has been acquired by
VISION INTEGRATED PARTNERS

a portfolio company of



FIRMAMENT

Learn more about the transaction in the case study and view Dr. Britton's Cascade Difference testimonial here.

Sell-Side Advisor



KALAMAZOO
EMERGENCY
ASSOCIATES

was acquired by



American
PHYSICIAN PARTNERS

Learn more about the transaction here.

Sell-Side Advisor



EMS+ EMERGENCY
MEDICINE
SPECIALISTS

has merged with



TEAMHealth.

Learn more about the transaction here.

Sell-Side Advisor



DEGARA

has merged with



American
PHYSICIAN PARTNERS

Learn more about the transaction here.

Financing



PROVIDENCE
GROUP, INC.

has secured senior debt
financing from



Gemino
Healthcare Finance

Learn more about the transaction here.

About Cascade Partners

Cascade Partners is a boutique investment banking firm focused on middle-market businesses in industrials, healthcare, business services and manufacturing. Manufacturing and related business services are passions and specialties at Cascade Partners.

With more than 250 years of combined experience, we work with business owners and shareholders to achieve their objectives and explain the impact and opportunity of their options. Our experience extends beyond just being transaction advisors, too. We have been operators, served on boards and made personal investments in services firms. From buy-side and sell-side advisory services to securing growth financing, restructurings or recapitalizing your business, our expertise and insight goes deeper than the economic factors of a deal.

We recognize and respect the long-term impacts of a transaction on our clients' company, employees, family, wealth and personal lives and are committed not only to creating long-term value for companies but to creating transformative solutions for people.

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