



LAWRENCE, EVANS & CO., LLC

Investment Banking • Healthcare Finance • Consulting

PROJECT ANGEL Home Healthcare & Hospice Acquisition Opportunity

Project Angel (“Company”) is a multi-disciplinary skilled home health care and home hospice company. The company has operated more than 20 years, growing across 6 states, 21 home health locations and 3 hospice locations. The Company’s home health segment offers both private duty and skilled services, in addition to hospice services.

Angel has developed a robust corporate infrastructure handling, growth strategies, billing, and compliance, among others; allowing each location to focus on the treatment of patients. During 2018 the Company expects to see accelerated growth in earnings due to the launching of 4 new home health locations during 2017 and planned launch of 1 home health and 1 hospice location during 2018 in addition to the hiring of 8 new market personnel since Jan 1. This structure while it may have hindered EBITDA margins during ramp up will allow for rapid margin expansion as all the administrative and indirect patient infrastructure is in place to support growth.

Revenue expected to see a strong head wind as the new locations and marketing personnel ramp up new and existing locations, resulting in the expected CAGR of 9.3% between 2017 and 2019E. EBITDA saw a decline because of aggressive self-funded organic growth, but we expect to EBITDA margins to improve during 2018 as the new locations fully ramp up and the synergies of the corporate headquarters are realized.

Project Angel - Financial Summary

Period Ending	12/31/2016		12/31/2017		12/31/2018		12/31/2019	
	Co-Prep		Co-Prep		Pro Forma		Pro Forma	
# New Locations	1		4		2		-	
# Locations	18		22		24		24	
Revenue	\$18,940,425	100.0%	\$19,379,044	100.0%	\$23,268,420	100.0%	\$27,008,694	100.0%
Adj. EBITDA	\$2,053,642	10.8%	\$1,516,739	7.8%	\$3,058,420	13.1%	\$3,781,217	14.0%

Management has owned and operated the company for over 20 years, and has grown the company from one location to its current position across 6 states. The owner is looking to stay on and help grow the company post close.

Investment Considerations

- *Diversified locations, spanning 6 states and 24 locations*
- *Deep corporate infrastructure*
- *Positioned well for growth after opening 4 new locations in strategic cities*
- *Focused on larger and some secondary markets*

Upon execution of a confidentiality agreement, a Confidential Information Memorandum will be sent for your review.

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