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Vision Care Overview

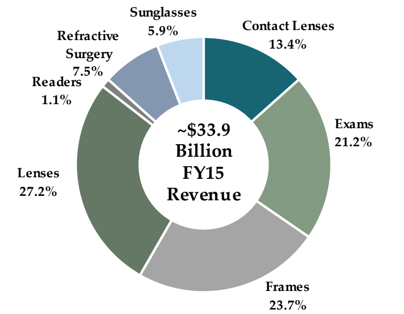
Investor Interest is Growing

Vision care comprises the fields of optometry, ophthalmology, refractive surgery, corrective eyewear manufacturing and sales, medical devices and pharmaceutical products. Optometrists and ophthalmologists are the most prominent industry participants, and each of the service providers has a different outlook in the coming years.

The Patient Protection and Affordable Care Act brought with it key recognition for the vision care field in the form of the Harkin Amendment, which prohibits health plans from discriminating against care providers, and the inclusion of vision care coverage as an essential health benefit for pediatric patients. These regulatory tailwinds are supplemented by an aging population that is living longer. An increasing prevalence of eye disease among adults and a stagnant supply of ophthalmologists brings with it headwinds to those vision care providers purely focused on medical and surgical eyecare. On the contrary, the supply of optometrists is expected to meet or exceed demand for their services.

The interesting dynamics of vision care are further compounded by an ever-expanding base of investors seeking to scale vision businesses and integrate service offerings across the eye care spectrum. AMB believes that vision care will experience impressive transaction activity in coming years.

Fragmented Industry Revenue



Numerous opportunities exist across the spectrum of vision care for value creation through integration and consolidation. Consumers are willing to spend more to preserve their vision health, and legislators are taking note of the importance of an aging population's needs.

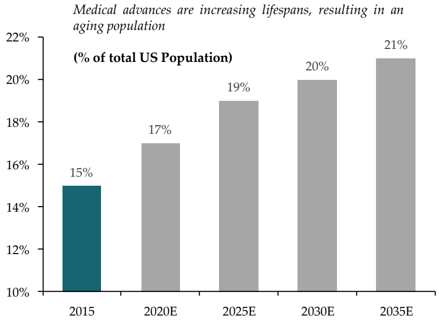
Financial Sponsors are Building Platforms in Vision Care

- 2014: Blue Point Capital Partners → Hilco Vision
- 2014: Audax Group → Vision Group Holdings
- April 2015: FFL Partners → Clarkson Eyecare
- August 2015: Altas Partners → myeyedr.
- July 2016: TPG → bvi Beaver Visitec
- February 2017: Sterling Partners → Grand Rapids Ophthalmology
- February 2017: Waud Capital → Minnesota Eye Consultants, P.A.
- April 2017: H.I.G. Capital → Barnet·Dulaney·Perkins Eye Center; Southwestern Eye Center
- May 2017: Harvest Partners → esp
- July 2017: Centre Partners → Chesapeake Eye Care and Laser Center

Additional Factors Fueling Demand for Vision Care Services

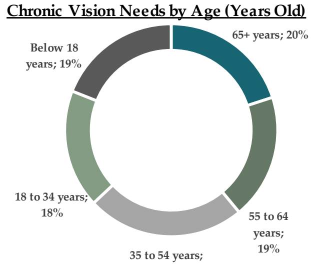
Aging Population (Age 65+)

Medical advances are increasing lifespans, resulting in an aging population

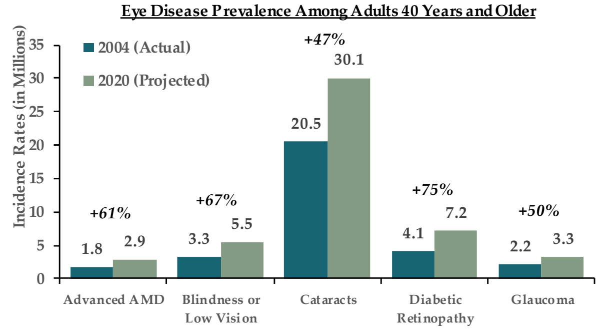


Chronic Vision Care Needs are Large and Growing

Chronic Vision Needs by Age (Years Old)



Eye Disease Prevalence Among Adults 40 Years and Older

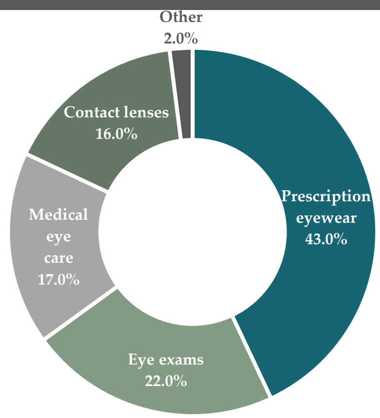


Sources: S&P Capital IQ, IBIS World, AMB research and publicly available data

Optometry Summary

$14.9B	Industry revenue in 2015	65%	US population needing vision correction
~40,000	Optometrists in the US	57%	Optometrists employed at independent practices

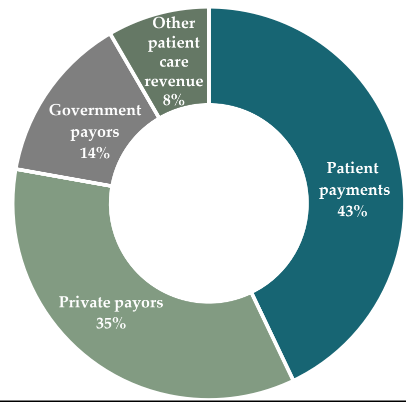
Goods and Services Segmentation



Key Tailwinds

- Rising disposable incomes
- Increasing population aged 65 years and older, who are also living longer
- Rising prevalence of recurring ocular conditions
- Insurance coverage expansion due to the Patient Protection and Affordable Care Act ("ACA") and other legislative efforts
- Technological advances that are improving access and affordability
- Diversified reimbursement risk

Revenue Sources



Ophthalmology Summary

22%	5 year US volume growth
4.5%	Expected global revenue CAGR 2015-2020E
151 mm	US vision correction procedures from 2010 to 2015
16.6%	Population above 40 expected to develop cataracts
19,200	Practicing ophthalmologists in the US

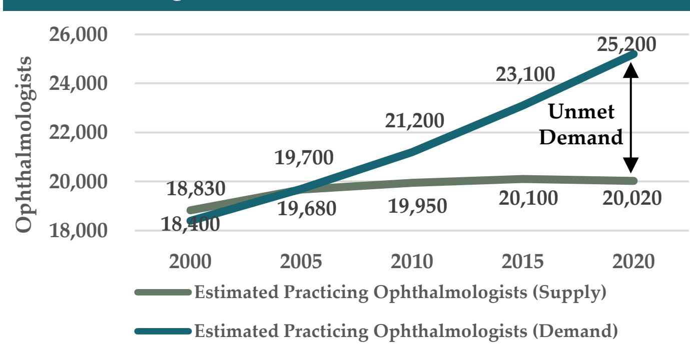
Summary & Market Characteristics

- Ophthalmology practices are highly fragmented, and the overall growth of practitioners in the space is essentially flat (2015-2020E CAGR of -0.8%)
- Narrowing networks and growth of ACOs both lead to a highly complex and nuanced operating environment
- Two of the *Top 20* diseases from a total cost for CMS are treated by ophthalmologists: cataracts and glaucoma
- No clear leader exists on the services side; there is incredibly high fragmentation and, as a result, significant opportunities to consolidate within

Key Tailwinds

- Demographic shift towards a large number of individuals aged 65 years and over whom constitute a significant portion of the patient population that has eye disease.
  - 1 in 6 people over age 40 or over 30.1 million Americans are expected to have cataracts by FY20E (47% growth from 2004)
- Availability of new drugs and devices expands service offerings and increases accessibility of care
- Protected scope of practice for refractive surgery, plastic surgery, and other advanced medical eye care treatments make ophthalmologists inherently valuable as a participant in integrated, coordinated care

Significant Unmet Demand Exists



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