

BRAFF WAS SELLSIDE ADVISOR

DECEMBER 2019

PITTSBURGH, January 6, 2020 - The Stepping Stones Group (Stepping Stones), a leading national provider of therapeutic, behavioral and autism services to children in educational and community settings, today announced the acquisition of STAR of CA, a California based provider of home, community, and school-based Applied Behavioral Analysis (ABA) and mental health services.

The Braff Group originated the transaction and served as the exclusive mergers and acquisitions advisor to STAR of CA.

"The future of autism services is a multidisciplinary model," commented Nancy Weisling, Managing Director of Behavioral Health at The Braff Group who headed up the deal team. "STAR of CA and The Stepping Stones Group is the perfect marriage that will bring ABA and related services under one roof, ensuring the highest quality of care for the individuals and ease of coordination for the families."

STAR of CA will operate as a subsidiary of The Stepping Stones Group. Doug Moes, Ph.D., BCBA-D, Co-Founder, President & Chief Executive Officer of STAR of CA will become President of The Stepping Stones Group Autism Division and will continue to lead STAR of CA (California-based services) and the newly created The Stepping Stones Autism Group (services outside of California) and will report to Tim Murphy, Chief Executive Officer of The Stepping Stones Group.

"As part of our stated strategy, we are excited to join with STAR of CA to accelerate our efforts to increase our footprint in the autism services marketplace. This acquisition further expands our ability to positively impact the lives of children in the home and community setting. Doug Moes and his team have created a leading, scalable organization delivering high-quality autism and mental health services since 2006. We are thrilled to have them lead our autism services efforts at the company," said Tim Murphy, the Chief Executive Officer of The Stepping Stones Group.

"After a long and thoughtful process, I determined that The Stepping Stones Group offered STAR of CA with a unique partnership opportunity. Their national presence, knowledge of educational and managed care systems, robust recruitment capabilities, related service providers, and commitment to excellence provide an exciting platform to help STAR of CA achieve its goal of providing comprehensive multi-disciplinary treatment to best meet the needs of individuals with autism and their families," said Doug Moes, CEO of STAR of CA.

STAR of CA represents The Stepping Stones Group's second acquisition of an autism services provider. In September, The Stepping Stones Group announced its acquisition of New England ABA, a Massachusetts autism services provider. As a result of the STAR of CA transaction, New England ABA will be organized under The Stepping Stones Group Autism Division. Tim Sullivan, New England ABA's Executive Director, will report to Doug Moes.

Stepping Stones is a portfolio company of Five Arrows Capital Partners, the

North American corporate private equity business of Rothschild & Co. Merchant Banking.

"Five Arrows Capital Partners continues to support The Stepping Stones Group's management team stated strategy to expand The Stepping Stones Group's service offerings into the autism sector. The STAR of CA acquisition provides us with a proven platform to expand our efforts," stated Michael Langer, Managing Director of Five Arrows Capital Partners.

About The Stepping Stones Group

The Stepping Stones Group is the leading provider of therapeutic and behavioral health services to children including those with special needs and autism. The company serves over 500 clients and 115,000 students annually across over 30 states. With over 30 years of experience, the team consists of over 2,700 licensed clinicians and special educators dedicated to delivering high-quality therapeutic and behavioral health services. The company is privately held by Five Arrows Capital Partners, the North American corporate private equity business of Rothschild & Co. Merchant Banking. For more information about the company, please visit <https://thestepingstonesgroup.com/>.

About STAR of CA

Founded in 2006, STAR provides psychological and applied behavior analysis (ABA) services to children, adolescents and adults with Autism Spectrum Disorders (ASD), young children at risk for developmental delays, or individuals with emotional and behavioral challenges in home, schools, community and STAR office settings throughout California. For more information on STAR of CA, please visit www.STARofCA.com.

About Five Arrows Capital Partners

Five Arrows Capital Partners (FACP) is the North American corporate private equity business of Rothschild & Co. Merchant Banking (RMB), the investment arm of Rothschild & Co. With offices in London, Paris, Luxembourg, New York and Los Angeles, RMB has over \$12 billion of assets under management. Like RMB's European corporate private equity business, Five Arrows Capital Partners is focused on investing in middle market companies with highly defensible market positions, business models with a proven history of generating attractive returns on invested capital across economic cycles and multiple untapped levers for value creation. Sector focus of FACP is on healthcare; business services; and data, software & technology-enabled services. For more information, please visit <https://www.rothschildandco.com/en/merchant-banking/corporate-private-equity/>.

About The Braff Group

The Braff Group is the leading health care services mergers and acquisitions advisory firm with a team of industry professionals focused exclusively on behavioral health care, including substance use disorder, mental health, autism



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Founded in 1998, The Braff Group has repeatedly been ranked among the top five health care mergers and acquisitions advisory firms.

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