

Dentalcorp Reports Second Quarter 2024 Results

Record Revenues and Adjusted EBITDA combine to deliver sustained margin expansion and double-digit free cash flow growth

Second Quarter 2024 Highlights

- Revenue of \$399.8 million, an increase of 8.6% over the second quarter of 2023, with Same Practice Revenue Growth¹ of 2.0%.
- Adjusted EBITDA¹ of \$73.9 million, an increase of 10.3% compared to the same period in 2023; Adjusted EBITDA Margin¹ of 18.5%, an increase of 0.3% compared to the same period in 2023.
- Adjusted Net Income¹ of \$22.5 million, and Adjusted Free Cash Flow¹ of \$40.7 million, an increase of 21.1% compared to the same period in 2023.
- Net debt to PF Adjusted EBITDA after rent of 4.1x, a decrease of 0.2x from the first quarter of 2024.
- Acquired 9 new practices in the quarter, expected to generate \$6.2 million in PF Adjusted EBITDA after rent¹ at 6.6x, representing multiples 3% lower than the same period in 2023.

Third Quarter 2024 Outlook

- Revenue and Same Practice Revenue Growth¹ for the third quarter of 2024 are estimated to increase by 8% to 10% (\$363.9M to \$370.6M) and 3.5% to 4.5%, respectively, over the third quarter of 2023.
- Adjusted EBITDA Margin¹ for the third quarter of 2024 is estimated to be materially consistent with the third quarter of 2023.

⁽¹⁾ Non-IFRS financial measure, non-IFRS ratio, or supplementary financial measure. For comprehensive definitions and quantitative reconciliations, please refer to the “Non-IFRS and Other Financial Measures” section within this news release.

TORONTO--(BUSINESS WIRE)--August 8, 2024--Dentalcorp Holdings Ltd. (“Dentalcorp” or the “Company”) (TSX: DNTL), Canada’s largest and one of North America’s fastest growing networks of dental practices, today announced its financial and operating results for the second quarter ended June 30, 2024. All financial figures are in Canadian dollars unless otherwise indicated.

“Our teams across the country delivered another outstanding quarter of results, with revenue and Adjusted EBITDA growth of approximately 9% and 10%, respectively, over the second quarter of 2023. We continued to realize operating leverage in the business, with our Adjusted EBITDA Margin expanding 0.3% over the second quarter of 2023 and sequentially for the fourth quarter in a row,” said Graham Rosenberg, CEO and Chairman of Dentalcorp.

“In the second quarter, we generated record revenues of \$399.8 million and Adjusted Free Cash Flow of \$40.7 million, a 21.1% increase compared to the second quarter of 2023. This led to an

accelerated pace of deleveraging, with leverage levels down for the third consecutive quarter to 4.1x, a reduction of 0.3x from the second quarter of 2023,” Rosenberg added.

“We self-funded our acquisition program for the fifth consecutive quarter and deployed approximately \$41 million into nine accretive acquisitions, which are expected to generate PF Adjusted EBITDA after rent of \$6.2 million,” Rosenberg continued.

With regard to the federal government’s Canadian Dental Care Plan (“CDCP”), Nate Tchaplia, President and Chief Financial Officer, noted “on May 1, 2024, we began providing care to eligible patients under the CDCP. To date, we have treated over 20,000 CDCP patients and are pleased with the program’s progression.”

“The CDCP is significantly increasing access to dental care for Canadians, aligning with our patient-first approach. Over the short to medium term, we continue to expect the CDCP to have a neutral to slightly positive impact on our business,” Tchaplia added.

“Consistent with our previous outlook, we expect to see SPRG continue to increase in the second half of 2024 to 4%+. Overall, we remain on track to meet our full-year targets for Adjusted EBITDA Margin expansion, acquisition pacing, Adjusted Free Cash Flow Per Share growth, and balance sheet deleveraging. Finally, we anticipate reducing our borrowing costs by 50 basis points before year-end,” Rosenberg concluded.

Financial and Operating Results for the Second Quarter Ended June 30, 2024:

- Revenue of \$399.8 million, representing an increase of 8.6% compared to the second quarter of 2023, driven in part by Same Practice Revenue Growth¹ of 2.0%.
- Adjusted EBITDA¹ of \$73.9 million, a 10.3% increase over the second quarter of 2023, with Adjusted EBITDA Margin¹ of 18.5%.
- Adjusted Net Income¹ for the quarter was \$22.5 million, a decrease of 36.6% from the second quarter of 2023.
- Adjusted Free Cash Flow¹ for the quarter was \$40.7 million, a 21.1% increase over the second quarter of 2023.
- Acquired 9 practices expected to contribute \$6.2 million in PF Adjusted EBITDA after rent¹.

⁽¹⁾ Non-IFRS financial measure, non-IFRS ratio, or supplementary financial measure. For comprehensive definitions and quantitative reconciliations, please refer to the “Non-IFRS and Other Financial Measures” section within this news release.

Consolidated Financial Results

	Three months ended June 30,	
	2024	2023
	(expressed in millions of dollars)	
Revenue	399.8	368.3
Cost of revenue	207.7	193.1

Gross profit	192.1	175.2
Selling, general and administrative expenses	122.0	121.4
Depreciation and amortization	51.1	50.5
Share-based compensation	3.6	2.1
Foreign exchange (gain) loss	(0.1)	0.6
Net finance costs	21.8	23.0
Change in fair value of derivative instruments	3.9	(21.1)
Change in fair value of contingent consideration	1.5	1.3
Change in fair value of preferred shares	(0.1)	4.1
Loss on disposal of dental practices	2.3	1.2
Share of associate losses	—	0.1
Loss before income taxes	(13.9)	(8.0)
Income tax recovery	(2.0)	(0.7)
Net loss and comprehensive loss	(11.9)	(7.3)

Other Metrics

Adjusted EBITDA ^(a)	73.9	67.0
Adjusted net income ^(a)	22.5	35.5

(a) Non-IFRS financial measure, non-IFRS ratio or supplementary financial measure. See the “Non-IFRS and Other Financial Measures” section of this release for definitions and quantitative reconciliations.

Conference Call Notification

The Company will hold a conference call to provide a business update on Thursday, August 8, 2024, at 8:30 a.m. ET. A question-and-answer session will follow the business update.

LIVE CONFERENCE CALL DETAILS

DATE:	Thursday, August 8, 2024
TIME:	8:30 a.m. ET
WEBCAST:	https://events.q4inc.com/attendee/631570400
DIAL-IN NUMBERS:	1 (888) 660-6396 or 1 (929) 203-0889
CONFERENCE ID:	9097710
REPLAY	Available for two weeks after the call
DIAL-IN NUMBERS:	1 (800) 770-2030 or 1 (647) 362-9199
CONFERENCE ID:	9097710

Non-IFRS and Other Financial Measures

As appropriate, we supplement our results of operations determined in accordance with IFRS with certain non-IFRS and other financial measures that we believe are useful to investors, lenders, and others in assessing our performance and which highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. These non-IFRS and other financial measures are described and reconciled to the closest applicable IFRS measure in further detail below. Our management also uses non-IFRS and other financial measures for purposes of comparison to prior periods, to prepare annual operating budgets, for the development of future projections and earnings growth prospects, to measure the profitability of

ongoing operations and in analyzing our financial condition, business performance and trends, including the operating performance of the business after taking into consideration the acquisitions of dental practices, and to determine components of employee compensation. As such, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective, including how we evaluate our financial performance and how we manage our capital structure. We also believe that securities analysts, investors, and other interested parties frequently use these non-IFRS and other financial measures and industry metrics in the evaluation of issuers. These non-IFRS and other financial measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and may include or exclude certain items as compared to similar IFRS measures, and such measures may not be comparable to similarly titled measures reported by other companies. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. For further information on non-IFRS and other financial measures, including the most directly comparable IFRS measures, composition of the measures, a description of how we use these measures, an explanation of how these measures are useful to investors and applicable reconciliations, refer to the "Non-IFRS and Other Financial Measures", "Non-IFRS Financial Measures", "Non-IFRS Ratios" and "Certain Supplementary Financial Measures" sections of management's discussion and analysis of operations for the three months ended June 30, 2024 (the "MD&A"), which is available on the Company's profile on SEDAR+ at www.sedarplus.ca.

EBITDA

"EBITDA" means, for the applicable period, net loss and comprehensive loss plus (a) net finance costs, (b) income tax recovery, and (c) depreciation and amortization. Management does not use EBITDA as a financial performance metric, but we present EBITDA to assist investors in understanding the mathematical development of Adjusted EBITDA. The most comparable IFRS measure to EBITDA is Net loss and comprehensive loss, for which a reconciliation is provided below.

	Three months ended June 30,	
	2024	2023
	(expressed in millions of dollars)	
Net loss and comprehensive loss	(11.9)	(7.3)
<i>Adjustments:</i>		
Net finance costs	21.8	23.0
Income tax recovery	(2.0)	(0.7)
Depreciation and amortization	51.1	50.5
EBITDA	59.0	65.5

Adjusted EBITDA

"Adjusted EBITDA" is calculated by adding to EBITDA certain expenses, costs, charges or benefits incurred in such period which in management's view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including: (a) net impact of unrealized foreign exchange gains and losses on non-cash

balances, change in fair value of derivative instruments, and share of associate losses; (b) share-based compensation; (c) external acquisition expenses; (d) change in fair value of contingent consideration; (e) change in fair value of preferred shares; (f) strategic review costs; (g) other corporate costs; (h) loss on disposal of dental practices; and (i) short-term benefits. Adjusted EBITDA is a supplemental measure used by management and other users of our financial statements to assess the financial performance of our business without regard to the effects of interest, depreciation and amortization costs, expenses that are not considered reflective of underlying business performance, and other expenses that are expected to be one-time or non-recurring. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis from period to period and to provide for a more complete understanding of factors and trends affecting our business. The most comparable IFRS measure to Adjusted EBITDA is Net loss and comprehensive loss.

Adjusted EBITDA Margin

“Adjusted EBITDA Margin” means Adjusted EBITDA divided by revenue. We use Adjusted EBITDA Margin to facilitate a comparison of our operating performance on a consistent basis from period to period and to provide for a more complete understanding of factors and trends affecting our business.

	Three months ended June 30,	
	2024	2023
	(expressed in millions of dollars)	
EBITDA	59.0	65.5
<i>Add:</i>		
Net impact of unrealized foreign exchange gains or losses on non-cash balances, change in fair value of derivative instruments, and share of associate losses ^(a)	3.9	(21.0)
Share-based compensation	3.6	2.1
External acquisition expenses ^(b)	0.8	1.9
Change in fair value of contingent consideration ^(c)	1.5	1.3
Change in fair value of preferred shares ^(d)	(0.1)	4.1
Strategic review costs ^(e)	—	6.1
Other corporate costs ^(f)	2.4	5.8
Loss on disposal of dental practices ^(g)	2.3	1.2
Short-term benefits ^(h)	0.5	—
Adjusted EBITDA	73.9	67.0
Adjusted EBITDA Margin	18.5%	18.2%

(a) Represents the sum of (i) unrealized foreign exchange gains or losses on non-cash balances, (ii) change in fair value of derivative instruments and (iii) share of associate losses.

(b) Represents professional fees and other expenses paid to third parties related to practice acquisitions. These costs are excluded as they are incurred in connection with each practice acquisition and are not related to the underlying business operations of the Company.

(c) On acquisition, and at each subsequent reporting date, obligations under earn-out arrangements are measured at fair value with the changes in fair value recognized in the condensed interim consolidated statements of loss and comprehensive loss.

(d) The Management Preferred Shares are classified as a financial asset at fair value through profit or loss (“FVTPL”). During the three months ended June 30, 2024, the Company recognized a gain on change in fair

value of preferred shares of \$0.1 million in the condensed interim consolidated statements of loss and comprehensive loss.

- (e) Represents costs related to the strategic review process and other costs incurred by the Company to evaluate strategic alternatives to unlock shareholder value.
- (f) Represents costs related to implementation of new corporate technology systems, the undertaking of vendor consolidations, termination benefits and other costs of restructuring, and implementation of the Canadian Federal government's Canadian Dental Care Plan.
- (g) Represents the loss on disposal of dental practices that were disposed of during the three months ended June 30, 2024 and 2023.
- (h) Represents short-term benefits that were paid to the CEO during the three months ended June 30, 2024 in contemplation of the CEO continuing to facilitate the leadership changes that were announced in June 2024, assist with related transition matters, and otherwise assist the Board to develop a long-term plan intended to position the Company to drive sustained value for its practices, patients and shareholders.

Adjusted Free Cash Flow

“Adjusted free cash flow” is calculated by adding or subtracting from cash flow from operating activities: (a) external acquisition expenses; (b) strategic review costs; (c) other corporate costs; (d) short-term benefits; (e) repayment of principal on leases; (f) maintenance capital expenditure; and (g) changes in working capital. We use Adjusted free cash flow to facilitate a comparison of our operating performance on a consistent basis from period to period, to provide for a more complete understanding of factors and trends affecting our business, and to determine components of employee compensation. The most comparable IFRS measure to Adjusted free cash flow is cash flow from operating activities, for which a reconciliation is provided below.

	Three months ended June 30,	
	2024	2023
	(expressed in millions of dollars)	
Cash flow from operating activities	52.5	40.5
<i>Adjustments:</i>		
External acquisition expenses ^(a)	0.8	1.9
Strategic review costs ^(b)	—	6.1
Other corporate costs ^(c)	2.4	5.8
Short-term benefits ^(d)	0.5	—
	56.2	54.3
<i>Deduct:</i>		
Repayment of principal on leases	(6.6)	(6.5)
Maintenance capital expenditure	(4.3)	(5.0)
Changes in working capital ^(e)	(4.6)	(9.2)
Adjusted free cash flow	40.7	33.6

- (a) Represents professional fees and other expenses paid to third parties related to practice acquisitions. These costs are excluded as they are incurred in connection with each practice acquisition and are not related to the underlying business operations of the Company.
- (b) Represents costs related to the strategic review process and other costs incurred by the Company to evaluate strategic alternatives to unlock shareholder value.
- (c) Represents costs related to implementation of new corporate technology systems, the undertaking of vendor consolidations, termination benefits and other costs of restructuring, and implementation of the Canadian Federal government's Canadian Dental Care Plan (“CDCP”).

- (d) Represents short-term benefits that were paid to the CEO during the three months ended June 30, 2024 in contemplation of the CEO continuing to facilitate the leadership changes that were announced in June 2024 (refer to ‘Recent Company Developments’), assist with related transition matters, and otherwise assist the Board to develop a long-term plan intended to position the Company to drive sustained value for its practices, patients and shareholders.
- (e) Represents the change in non-cash working capital items for the period.

Adjusted Net Income

“Adjusted net income” is calculated by adding to Net loss and comprehensive loss certain expenses, costs, charges or benefits incurred in such period which in management’s view are either not indicative of underlying business performance or impact the ability to assess the operating performance of our business, including: (a) amortization of intangible assets; (b) share-based compensation; (c) change in fair value of contingent consideration; (d) change in fair value of preferred shares; (e) external acquisition expenses; (f) strategic review costs; (g) other corporate costs; (h) loss on disposal of dental practices; (i) short-term benefits; and (j) the tax impact of the above. We use Adjusted net income to facilitate a comparison of our operating performance on a consistent basis from period to period and to provide for a more complete understanding of factors and trends affecting our business. The most comparable IFRS measure to Adjusted net income is Net loss and comprehensive loss, for which a reconciliation is provided below.

	Three months ended June 30,	
	2024	2023
	(expressed in millions of dollars)	
Net loss and comprehensive loss	(11.9)	(7.3)
<i>Adjustments:</i>		
Amortization of intangible assets	27.0	25.8
Share-based compensation	3.6	2.1
Change in fair value of contingent consideration ^(a)	1.5	1.3
Change in fair value of preferred shares ^(b)	(0.1)	4.1
External acquisition expenses ^(c)	0.8	1.9
Strategic review costs ^(d)	—	6.1
Other corporate costs ^(e)	2.4	5.8
Loss on disposal of dental practices ^(f)	2.3	1.2
Short-term benefits ^(g)	0.5	—
	26.1	41.0
Estimated tax impact of the above	(3.6)	(5.5)
Adjusted net income	22.5	35.5

- (a) On acquisition, and at each subsequent reporting date, obligations under earn-out arrangements are measured at fair value with the changes in fair value recognized in the condensed interim consolidated statements of loss and comprehensive loss.
- (b) The Management Preferred Shares are classified as a financial asset at FVTPL. During the three months ended June 30, 2024, the Company recognized a gain on change in fair value of preferred shares of \$0.1 million in the condensed interim consolidated statements of loss and comprehensive loss (three months ended June 30, 2023 - a loss of \$4.1 million).

- (c) Represents professional fees and other expenses paid to third parties related to practice acquisitions. These costs are excluded as they are incurred in connection with each practice acquisition and are not related to the underlying business operations of the Company.
- (d) Represents costs related to the strategic review process and other costs incurred by the Company to evaluate strategic alternatives to unlock shareholder value.
- (e) Represents costs related to implementation of new corporate technology systems, the undertaking of vendor consolidations, termination benefits and other costs of restructuring, and implementation of the Canadian Federal government's Canadian Dental Care Plan ("CDCP").
- (f) Represents the loss on disposal of dental practices that were disposed of during the three months ended June 30, 2024 and 2023.
- (g) Represents short-term benefits that were paid to the CEO during the three months ended June 30, 2024 in contemplation of the CEO continuing to facilitate the leadership changes that were announced in June 2024, assist with related transition matters, and otherwise assist the Board to develop a long-term plan intended to position the Company to drive sustained value for its practices, patients and shareholders.

PF Revenue

"PF Revenue" in respect of a period means revenue for that period plus the Company's estimate of the additional revenue that it would have recorded if it had acquired each of the dental practices that it acquired during that period on the first day of that period, calculated in accordance with the methodology described in the reconciliation table in "Reconciliation of Non-IFRS Measures". Given the highly acquisitive nature of our business, management believes PF Revenue is more reflective of our operating performance. We use PF Revenue to determine components of employee compensation. The most comparable IFRS measure to PF Revenue is revenue, for which a reconciliation is provided in the table below.

	Twelve months ended June 30, 2024
	(expressed in millions of dollars)
Revenue	1,471.3
Add:	
Acquisition adjustment ^(a)	51.5
PF Revenue	1,522.8

- (a) The Company regularly acquires dental practices and estimates that if it had acquired each of the practices that it acquired during the last twelve months ended June 30, 2024, it would have recorded additional revenue of \$51.5 million. These estimates are based on the amount of revenue budgeted by the Company to be earned by the relevant practices at the time of their acquisition by Dentalcorp. There can be no assurance that if the Company had acquired these practices on the first day of the applicable fiscal period, they would have actually generated such budgeted revenue, nor is this estimate indicative of future results.

PF Adjusted EBITDA

"PF Adjusted EBITDA" in respect of a period means Adjusted EBITDA for that period plus the Company's estimate of the additional Adjusted EBITDA that it would have recorded if it had acquired each of the dental practices that it acquired during that period on the first day of that period, calculated in accordance with the methodology described in the reconciliation table below. Both creditors and the Company use PF Adjusted EBITDA to assess our borrowing

capacity, which management believes, given the highly acquisitive nature of our business, is more reflective of our operating performance. We also use PF Adjusted EBITDA to determine components of employee compensation. The most comparable IFRS measure to PF Adjusted EBITDA is Net loss and comprehensive loss.

PF Adjusted EBITDA Margin

“PF Adjusted EBITDA Margin” means PF Adjusted EBITDA divided by PF Revenue. Both creditors and the Company use PF Adjusted EBITDA Margin to assess our borrowing capacity, which management believes, given the highly acquisitive nature of our business, is more reflective of our operating performance.

	Twelve months ended June 30, 2024
	(expressed in millions of dollars)
Adjusted EBITDA	269.6
Add:	
Acquisition adjustment ^(a)	13.4
PF Adjusted EBITDA	283.0
PF Adjusted EBITDA Margin	18.6%

(a) The Company regularly acquires dental practices and estimates that if it had acquired each of the practices that it acquired during the last twelve months ended June 30, 2024, it would have recorded additional Adjusted EBITDA of \$13.4 million. These estimates are based on the amount of Practice-Level EBITDA budgeted by the Company to be earned by the relevant practices at the time of their acquisition by Dentalcorp. There can be no assurance that if the Company had acquired these practices on the first day of the applicable fiscal period, they would have actually generated such budgeted Practice-Level EBITDA, nor is this estimate indicative of future results.

PF Adjusted EBITDA after rent

“PF Adjusted EBITDA after rent” in respect of a period means PF Adjusted EBITDA less interest and principal repayments on leases and lease interest and principal repayments on acquisitions. Both creditors and the Company use PF Adjusted EBITDA after rent to assess our borrowing capacity, which management believes, given the highly acquisitive nature of our business, is more reflective of our operating performance. The most comparable IFRS measure to PF Adjusted EBITDA after rent is Net loss and comprehensive loss.

Net debt / PF Adjusted EBITDA after rent Ratio

“Net debt / PF Adjusted EBITDA after rent Ratio” means non-current borrowings *divided by* PF Adjusted EBITDA after rent. We use Net debt / PF Adjusted EBITDA after rent Ratio to assess our borrowing capacity.

Same Practice Revenue Growth

“Same Practice Revenue Growth” in respect of a period means the percentage change in revenue derived from Established Practices in that period as compared to revenue from the same dental practices in the corresponding period in the immediately prior year.

About Forward-Looking Information

This release includes forward-looking information and forward-looking statements within the meaning of applicable Canadian securities legislation, including the *Securities Act* (Ontario). Forward-looking information includes, but is not limited to, statements about the Company’s objectives and strategies to achieve those objectives, our financial outlook, and about the Company’s beliefs, plans, expectations, anticipations, estimates, or intentions. Forward-looking information includes words like could, expect, may, anticipate, assume, believe, intend, estimate, plan, project, guidance, outlook, target, and similar expressions suggesting future outcomes or events.

Our forward-looking information includes, but is not limited to, the information and statements under “Outlook” relating to our goals for the third quarter of 2024 for Revenue, Same Practice Revenue Growth, Adjusted EBITDA Margin, PF Adjusted EBITDA after rent attributable to practices acquired in 2024, as well as our medium-term expectations regarding Same Practice Revenue Growth and Net Debt / PF Adjusted EBITDA after rent Ratio. Such forward-looking information relating to these metrics are not projections; they are goals based on the Company’s current strategies and may be considered forward-looking information under applicable securities laws and subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management.

The purpose of disclosing such forward-looking information is to provide investors with more information concerning the financial results that the Company currently believes are achievable based on the assumptions below. Readers are cautioned that the information may not be appropriate for other purposes. While these targets are based on underlying assumptions that management believes are reasonable in the circumstances, readers are cautioned that actual results may vary materially from those described above.

Forward-looking statements are necessarily based upon management’s perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management as of the date on which the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Forward-looking information is based on many factors and assumptions including, but not limited to, the following assumptions for the third quarter of 2024, the implementation of the CDCP, the enrollment of patients in the CDCP, the remainder of fiscal 2024 and the medium-term, as applicable: the Company’s business, operations and capital structure continuing as currently maintained, that the Company’s acquisition program continues without any re-deployment of capital of the Company, the Company’s ability to realize pricing increases, an increase in patient visit volumes in the third quarter of 2024, the impact of the investments the Company has made in its marketing and talent teams and the upgrades to its core

information technology systems; the Company's ability to continue to make and integrate acquisitions at attractive valuations including a reduction in acquisition purchase multiples as compared to prior periods, the impact of corporate investments made in fiscal 2022 and 2023 on the Company's operations, including the Company's corporate infrastructure and technology stack and new Human Resource Information system and ERP system, the expansion of service offerings and frequency of patient visits which contribute to optimal patient care, the Company's ability to mitigate anticipated supply chain disruptions, geopolitical risks, inflationary pressures and labour shortages, expand service offerings and generate cash flow, no changes in the competitive environment or legal or regulatory developments affecting our business; and visits by patients to our Practices at the same rate as current visits.

Actual results and the timing of events may differ materially from those anticipated in the forward-looking information as a result of known and unknown risk factors, many of which are beyond the control of the Company, and could cause actual results to differ materially from the forward-looking statements. Such risks include, but are not limited to, the Company's potential inability to successfully execute its growth strategy and complete additional acquisitions; its dependence on the integration and success of its acquired dental practices; the potential adverse effect of acquisitions on its operations; its dependence on the parties with which the Company has contractual arrangements and obligations; changes in relevant laws, governmental regulations and policy and the costs incurred in the course of complying with such changes; competition in the dental industry; increases in operating costs; the risk of difficulty complying with public company reporting obligations; and the risk of a failure in internal controls and other factors described herein under "Risk Factors" and in "Risk Factors" in the AIF and the Annual MD&A. Accordingly, we warn readers to exercise caution when considering statements containing forward-looking information and caution them that it would be unreasonable to rely on such statements as creating legal rights regarding the Company's future results or plans. We are under no obligation (and we expressly disclaim any such obligation) to update or alter any statements containing forward-looking information or the factors or assumptions underlying them, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. All of the forward-looking information in this release is qualified by the cautionary statements herein.

About Dentalcorp

Dentalcorp is Canada's largest and one of North America's fastest growing networks of dental practices, committed to advancing the overall well-being of Canadians by delivering the best clinical outcomes and unforgettable experiences. Dentalcorp acquires leading dental practices, uniting its network in a common goal: to be Canada's most trusted healthcare network. Leveraging its industry-leading technology, know-how and scale, Dentalcorp offers professionals the unique opportunity to retain their clinical autonomy while unlocking their potential for future growth. To learn more, visit dentalcorp.ca.

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