

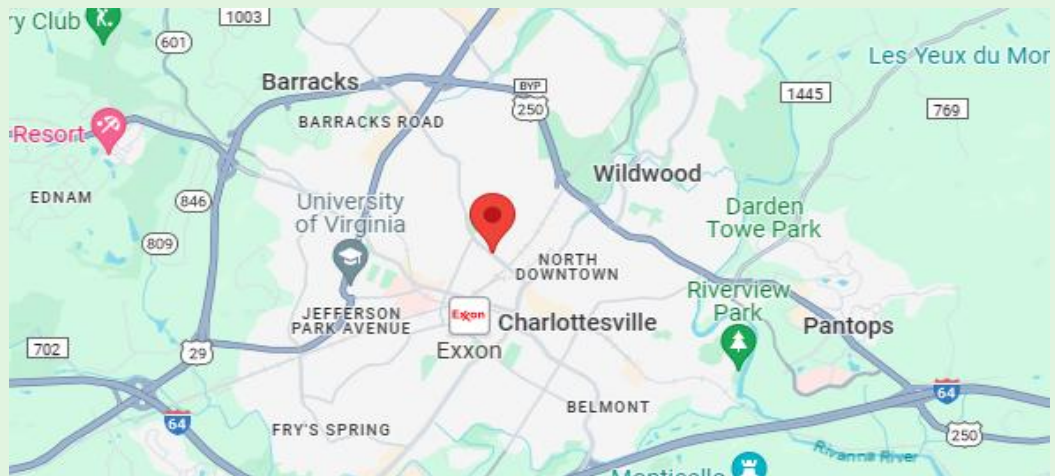


VIRGINIA'S LEADING DENTAL TRANSITION TEAM





DENTAL PRACTICE OVERVIEW



Founded: 2014

Specialty: GP



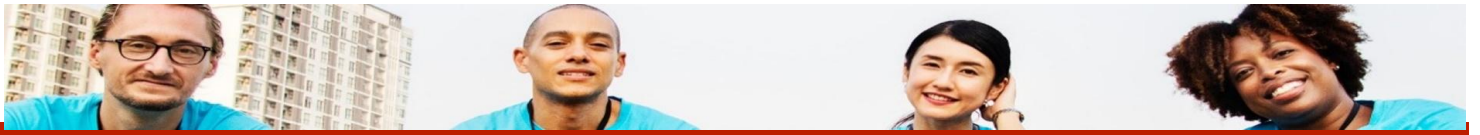


EBITDA AND VALUATION

Period	EBITDA
2020	\$40,926
2021	\$28,891
YTD 4/23 Ann	\$99,400
2022	\$58,969

Valuation Table	
EBITDA Multiple	EBITDA: 2022
4.0x	\$235,878
5.0x	\$294,847
6.0x	\$353,816
7.0x	\$412,786
8.0x	\$471,755
9.0x	\$530,725
10.0x	\$589,694





GENERAL OVERVIEW

Sedation

Nitrous Oxide	No
Conscious Sedation / DOCS	No
IV Sedation	No
Mercury Free	Yes

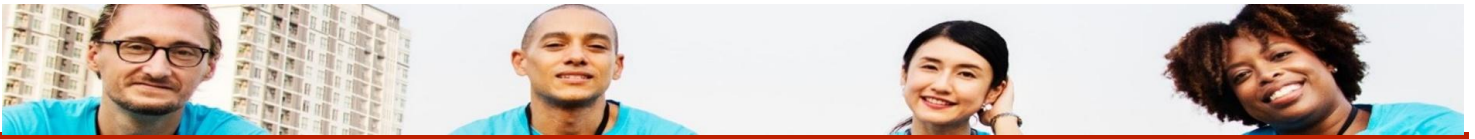
Business Information

Incorporated?	Yes
How Practice Started	Purchased

General

Practice Management System	Eaglesoft		
Recall System	Reminder Dental		
Hours of Operation	Open	Lunch	Close
Monday	8am		4pm
Tuesday	CLOSED		
Wednesday	CLOSED		
Thursday	CLOSED		
Friday	8am		4pm
Saturday	CLOSED		
Sunday	CLOSED		





GENERAL OVERVIEW CONT.

Team Overview

Position	Hired	Expected to Stay	Compensation
Front Office/Dental Assistant	2017	Yes	\$36.00 / hr
Front Office	2023	Yes	\$15.00 / hr





REAL ESTATE

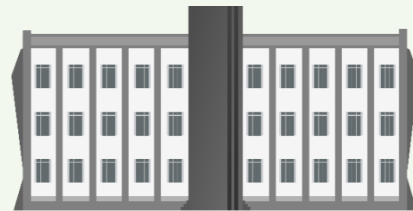


Building

Owned by Practice Owner	No
Parking Spots	40

Current Lease

Term of Lease	5 Years
Initial Date of Lease	6/30/2014
Monthly Rent	3,235
Square Feet	1,250



Operatories by User

Dentist



2

Other Users



2

Available
Plumbed



0

Available
Unplumbed



1

Dentist's dominant hand: **Right**





EQUIPMENT

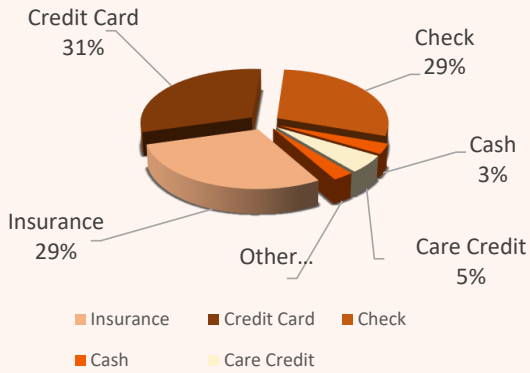
<i>Equipment Type</i>	<i>Make</i>	<i>Model</i>	<i>Age (Years)</i>	<i>Quantity</i>
<i>Dental Chairs</i>	Royal			2
	Adec			1
	MidMark			1
<i>Dental Units</i>	Adec			3
	MidMark			1
<i>Dental Lights</i>	Adec			3
	MidMark			1
<i>X-Ray Sensors</i>	Schick Size 1			1
	Schick Size 2			1
<i>CAD/CAMs</i>				
<i>X-Ray Machines</i>	Progeny			1
	Planmeca Panoramic Xray			1
<i>Scanners</i>	Primescan			1
<i>New Technology</i>	3D Cone Beam Technology			



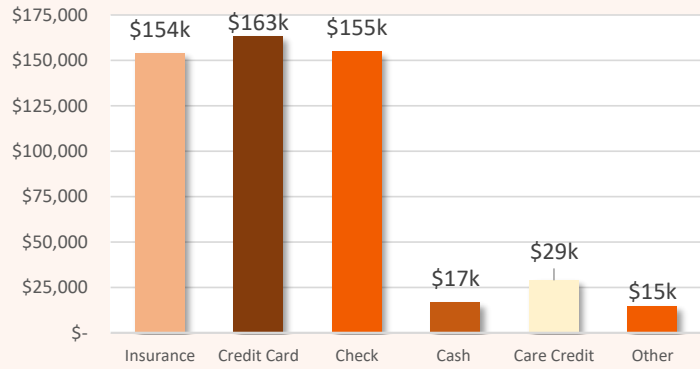


PATIENT INFORMATION

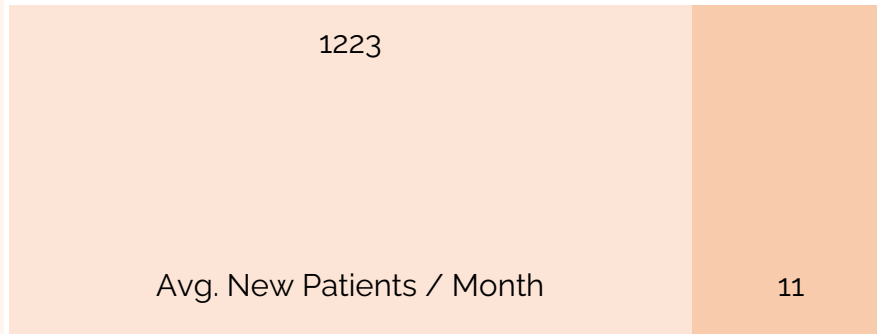
Patient Payments: 2022

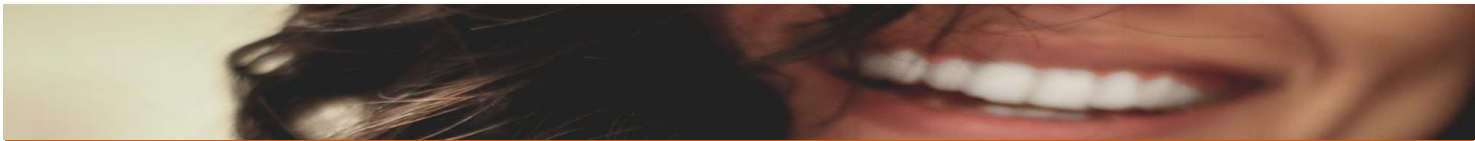


Patient Payments: 2022



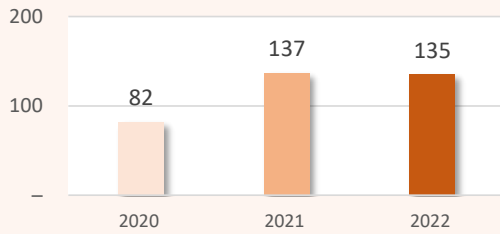
Total Estimated Active Patients



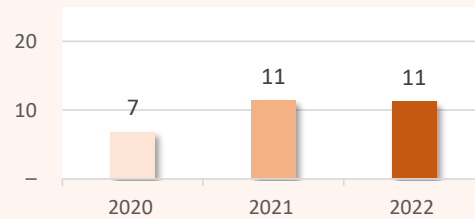


PATIENT INFORMATION CONT.

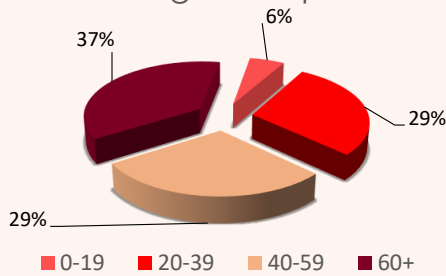
Number of New Patients per Year



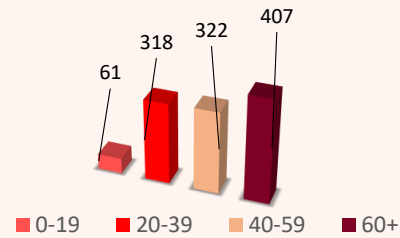
Average New Patients Per Month



Age Group Percentage



Age Group Totals





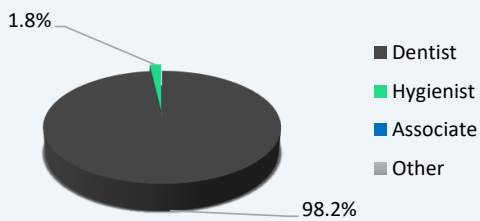
KPIs

Production Data

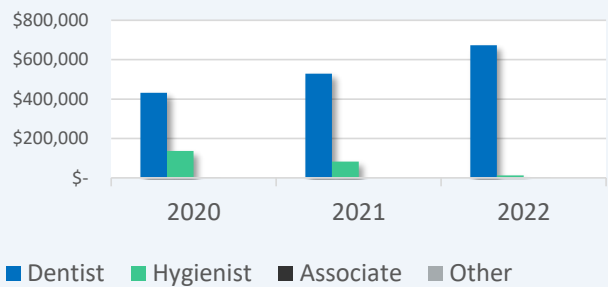
Production from Hygiene: 2022

\$12,301

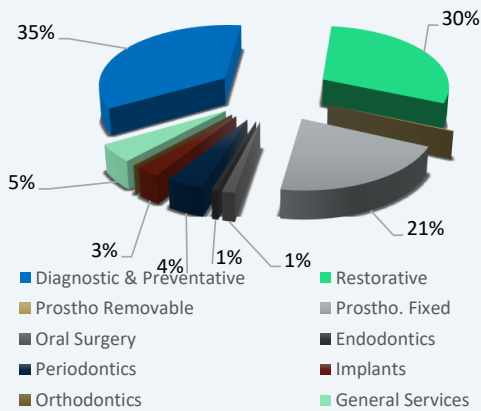
2022 % Production by Provider



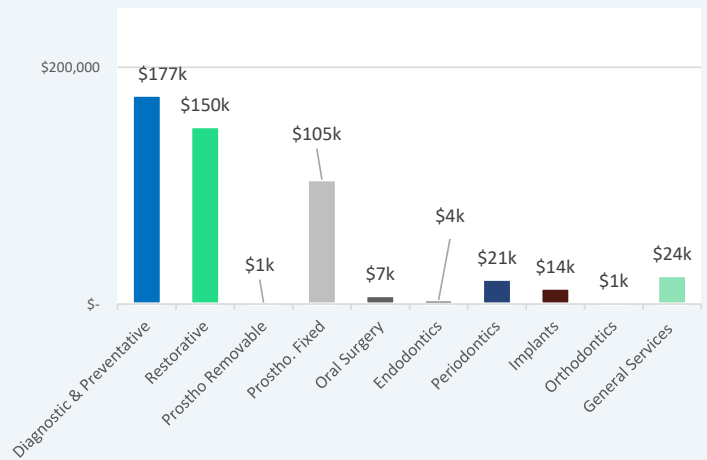
Production Trend



2022 % Production by Procedure

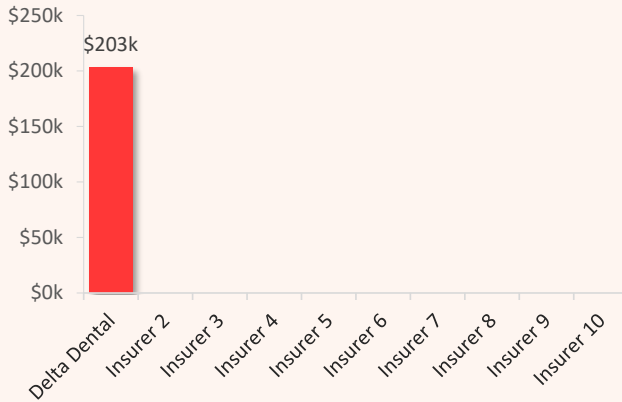


2022 Production by Procedure

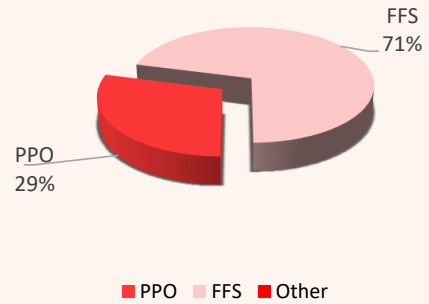


PAYER INFORMATION

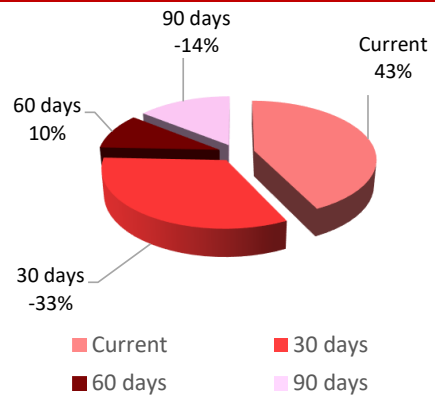
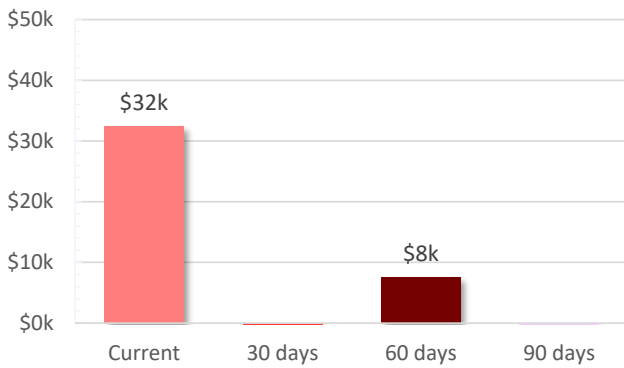
Insurance Companies



Payer Mix



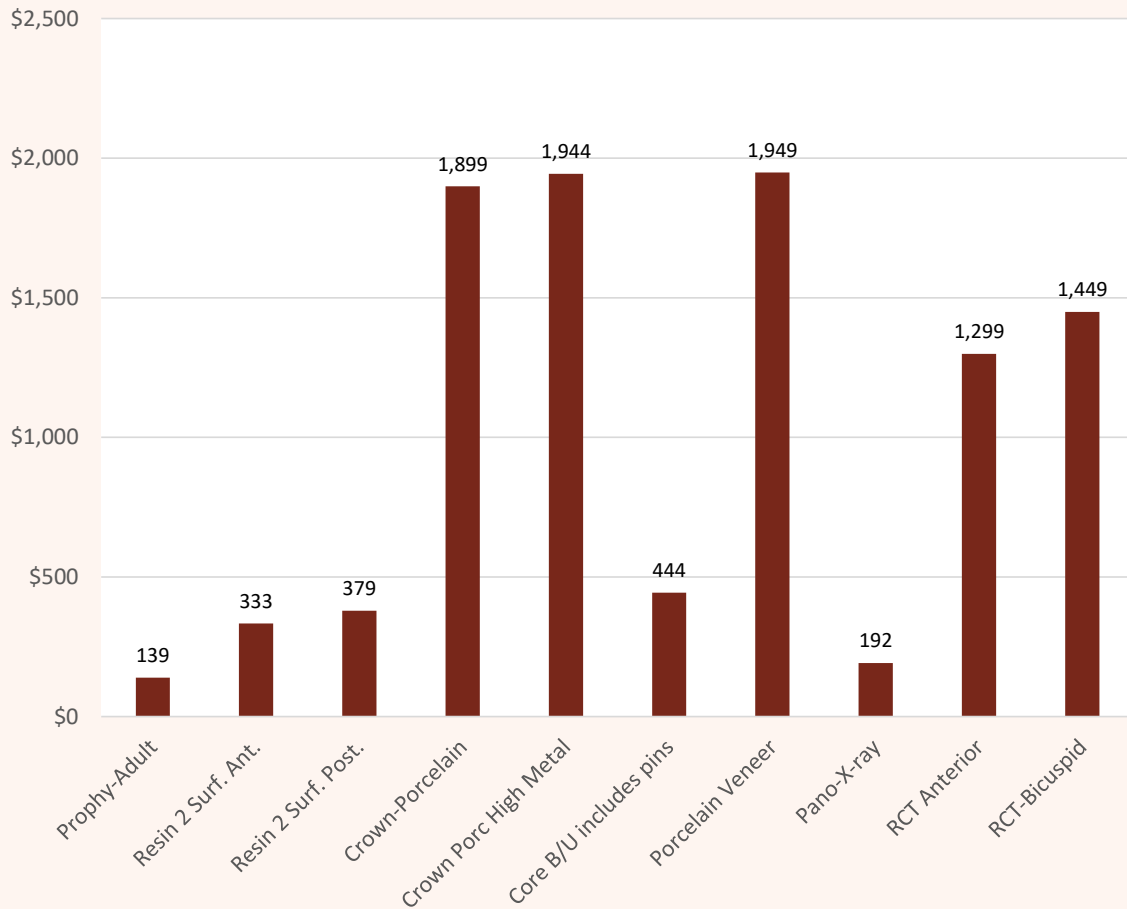
Accounts Receivable



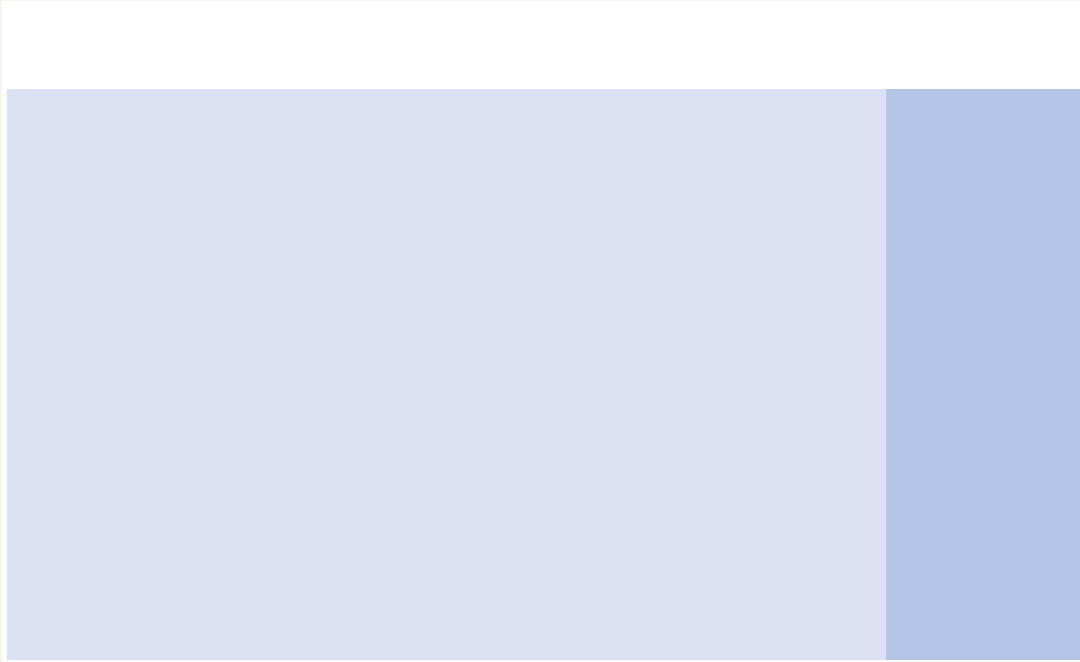


PAYER INFORMATION CONT.

Current Fee Schedule



MISC.



Compliance

	Compliant
	✓
	✓
Lawsuit Free	✓
Better Business Bureau	✓



Historical Income Statement

	2020		2021		2022	
	\$	%	\$	%	\$	%
Revenue						
Owner Doctor 1	455,192	100.2%	459,130	100.5%	526,362	100.2%
Owner Doctor 2	-	-	-	-	-	-
Owner Doctor 3	-	-	-	-	-	-
Owner Doctor 4	-	-	-	-	-	-
Owner Doctor 5	-	-	-	-	-	-
Owner Doctor 6	-	-	-	-	-	-
Associate 1	-	-	-	-	-	-
Associate 2	-	-	-	-	-	-
Associate 3	-	-	-	-	-	-
Associate 4	-	-	-	-	-	-
Hygienist 1	-	-	-	-	-	-
Hygienist 2	-	-	-	-	-	-
Hygienist 3	-	-	-	-	-	-
Hygienist 4	-	-	-	-	-	-
Hygienist 5	-	-	-	-	-	-
Refunds	1,010	0.2%	2,320	0.5%	793	0.2%
Practice Net Collections	454,182	100.0%	456,810	100.0%	525,569	100.0%
<i>Growth Rate</i>				0.6%		15.1%
Expenses						
Total Staff Expense	143,757	31.7%	148,330	32.5%	156,269	29.7%
Officer / Owner Salary	94,895	20.9%	103,219	22.6%	89,808	17.1%
Lab Bills	23,134	5.1%	24,910	5.5%	26,029	5.0%
Dental Supplies	50,971	11.2%	47,870	10.5%	38,208	7.3%
Rent	35,260	7.8%	33,232	7.3%	37,194	7.1%
Repairs & Maintenance	32	0.0%	1,535	0.3%	1,645	0.3%
Marketing & Advertising	540	0.1%	9,380	2.1%	14,722	2.8%
Utilities	16,016	3.5%	18,667	4.1%	24,867	4.7%
Insurance	3,592	0.8%	3,818	0.8%	3,844	0.7%
Taxes, Licenses, and Fees	18,704	4.1%	21,117	4.6%	20,400	3.9%
Auto & Travel	669	0.1%	1,829	0.4%	985	0.2%
Other	32,872	7.2%	33,921	7.4%	37,667	7.2%
Total Overhead	420,442	92.6%	447,828	98.0%	451,638	85.9%



Adjustments

	2020		2021		2022	
	\$	%	\$	%	\$	%
Variable Operating Expenses						
Staff Salaries	(40,830)	(9.0%)	(42,459)	(9.3%)	(42,797)	(8.1%)
Associate Salaries	-	-	-	-	-	-
Office Staff Salaries	-	-	-	-	-	-
Hygienist Salaries	-	-	-	-	-	-
Lab Technician Salaries	-	-	-	-	-	-
Total Salaries	(40,830)	(9.0%)	(42,459)	(9.3%)	(42,797)	(8.1%)
Contract Labor	-	-	-	-	-	-
Staff Insurance	-	-	-	-	-	-
Staff Pension	(3,755)	(0.8%)	(5,370)	(1.2%)	(4,288)	(0.8%)
Staff Fringe Benefits	-	-	-	-	-	-
Staff Payroll Tax	-	-	-	-	-	-
Total Staff Expense	(44,585)	(9.8%)	(47,829)	(10.5%)	(47,085)	(9.0%)
Officer/Owner Salary	41,663	9.2%	34,520	7.6%	68,101	13.0%
Officer/Owner Payroll Tax	-	-	-	-	-	-
Officer/Owner Pension	-	-	-	-	-	-
Officer/Owner Personal Insurance	-	-	-	-	-	-
Laboratory Expense	-	-	-	-	-	-
Clinical Supplies	-	-	-	-	-	-
Office Supplies	(1,000)	(0.2%)	(1,000)	(0.2%)	(1,000)	(0.2%)
Postage	-	-	-	-	-	-
Reserve For Replacement	-	-	-	-	-	-
Payroll Expense	-	-	-	-	-	-
Travel	(263)	(0.1%)	(930)	(0.2%)	(305)	(0.1%)
Other Variable Expenses	-	-	-	-	-	-
Variable Operating Expenses	309,510	68.1%	311,123	68.1%	330,401	62.9%
Fixed Operating Expenses						
Rent	-	-	-	-	-	-
Taxes & Licenses	-	-	-	-	-	-
Building Repairs	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Telephone	(2,595)	(0.6%)	(3,771)	(0.8%)	(4,069)	(0.8%)
Legal & Professional Fees	-	-	-	-	-	-
Practice Insurance	-	-	-	-	-	-
Ad Valorem Tax	-	-	-	-	-	-
Practice Taxes And Licenses	-	-	-	-	-	-
Continuing Education	-	-	-	-	-	-
Business Entertainment	(406)	(0.1%)	(831)	(0.2%)	(680)	(0.1%)
Automobile Expense	-	-	(68)	(0.0%)	-	-



Adjustments (Cont'd)

	2020		2021		2022	
	\$	%	\$	%	\$	%
Fixed Operating Expenses						
Gifts	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Dues & Subscriptions	-	-	-	-	-	-
Bank Charges & Fees	-	-	-	-	-	-
Uniforms & Laundry	-	-	-	-	-	-
Janitorial Service	-	-	-	-	-	-
Security Service	-	-	-	-	-	-
Computer Support	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Equipment Rental & Repair	-	-	-	-	-	-
Other Fixed Expenses	-	-	-	-	-	-
Fixed Operating Expenses	103,746	22.8%	116,796	25.6%	136,199	25.9%
Total Operating Expenses	413,256	91.0%	427,919	93.7%	466,600	88.8%
EBITDA						
EBITDA	40,926	9.0%	28,891	6.3%	58,969	11.2%
<i>Growth Rate</i>			-	(29.4%)		104.1%



Proforma

*Based on 2022

	Base*	Year 1	Year 2	Year 3	Year 4	Year 5
Collections	525,569	683,240	751,564	774,111	797,334	821,254
<i>Growth Rate</i>	-	30.0%	10.0%	3.0%	3.0%	3.0%
Allocation of Collections						
Doctor Collections						
Owner Doctor 1	100.2%	75.0%	75.0%	75.0%	75.0%	75.0%
Owner Doctor 2	-	-	-	-	-	-
Owner Doctor 3	-	-	-	-	-	-
Owner Doctor 4	-	-	-	-	-	-
Owner Doctor 5	-	-	-	-	-	-
Owner Doctor 6	-	-	-	-	-	-
Total Doctor Collections	100.2%	75.0%	75.0%	75.0%	75.0%	75.0%
Associate Collections						
Associate 1	-	-	-	-	-	-
Associate 2	-	-	-	-	-	-
Associate 3	-	-	-	-	-	-
Associate 4	-	-	-	-	-	-
Total Associate Collections	-	-	-	-	-	-
Hygienist Collections						
Hygienist 1	-	25.0%	25.0%	25.0%	25.0%	25.0%
Hygienist 2	-	-	-	-	-	-
Hygienist 3	-	-	-	-	-	-
Hygienist 4	-	-	-	-	-	-
Hygienist 5	-	-	-	-	-	-
Total Hygienist Collections	-	25.0%	25.0%	25.0%	25.0%	25.0%
Total	100.2%	100.0%	100.0%	100.0%	100.0%	100.0%
Income Statement						
Income						
Doctor Collections						
Owner Doctor 1	526,362	512,430	563,673	580,583	598,000	615,940
Owner Doctor 2	-	-	-	-	-	-
Owner Doctor 3	-	-	-	-	-	-
Owner Doctor 4	-	-	-	-	-	-
Owner Doctor 5	-	-	-	-	-	-
Owner Doctor 6	-	-	-	-	-	-
Total Doctor Collections	526,362	512,430	563,673	580,583	598,000	615,940
Associate Collections						
Associate 1	-	-	-	-	-	-
Associate 2	-	-	-	-	-	-
Associate 3	-	-	-	-	-	-
Associate 4	-	-	-	-	-	-
Total Associate Collections	-	-	-	-	-	-
Hygienist Collections						
Hygienist 1	-	170,810	187,891	193,528	199,333	205,313
Hygienist 2	-	-	-	-	-	-



Proforma (Cont'd)

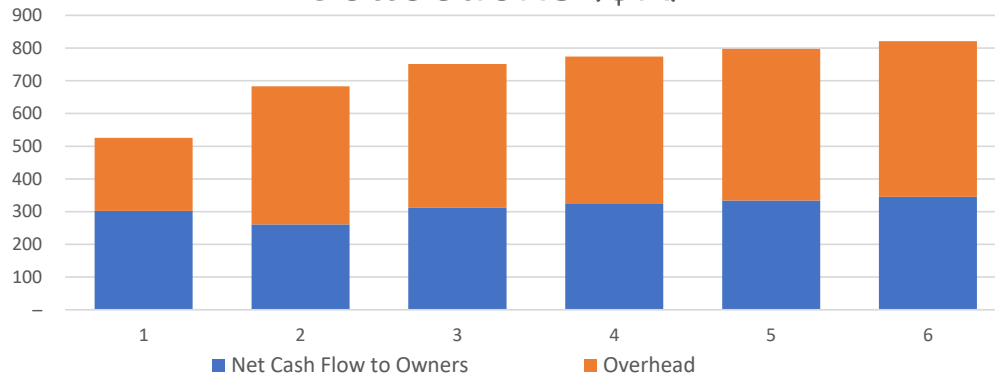
	Base*	Year 1	Year 2	Year 3	Year 4	Year 5
Hygienist 3	-	-	-	-	-	-
Hygienist 4	-	-	-	-	-	-
Hygienist 5	-	-	-	-	-	-
Total Hygienist Collections	-	170,810	187,891	193,528	199,333	205,313
Refunds	793	-	-	-	-	-
Total	525,569	683,240	751,564	774,111	797,334	821,254
Expenses						
Compensation						
Owner Doctor 1	157,909	153,729	169,102	174,175	179,400	184,782
Owner Doctor 2	-	-	-	-	-	-
Owner Doctor 3	-	-	-	-	-	-
Owner Doctor 4	-	-	-	-	-	-
Owner Doctor 5	-	-	-	-	-	-
Owner Doctor 6	-	-	-	-	-	-
Associate 1	-	-	-	-	-	-
Associate 2	-	-	-	-	-	-
Associate 3	-	-	-	-	-	-
Associate 4	-	-	-	-	-	-
Hygienist 1	-	68,324	75,156	77,411	79,733	82,125
Hygienist 2	-	-	-	-	-	-
Hygienist 3	-	-	-	-	-	-
Hygienist 4	-	-	-	-	-	-
Hygienist 5	-	-	-	-	-	-
Total Staff Expense	109,184	112,460	115,833	119,308	122,888	126,574
Dental Supplies	34,696	35,737	36,809	37,913	39,051	40,222
Lab Bills	26,029	26,810	27,614	28,443	29,296	30,175
Rent	37,194	38,310	39,459	40,643	41,862	43,118
Marketing/Advertising	14,722	15,164	15,619	16,087	16,570	17,067
Office Supplies	2,512	2,587	2,665	2,745	2,827	2,912
Miscellaneous	84,354	86,885	89,491	92,176	94,941	97,789
Total Expenses	466,600	540,005	571,748	588,901	606,568	624,765
EBITDA						
Depreciation	357	7,057	7,057	7,057	7,057	7,057
Amortization	33,353	13,173	13,173	13,173	13,173	13,173
EBIT	25,259	123,005	159,585	164,979	170,535	176,258
Net Interest Expense	14,637	19,153	17,757	16,246	14,610	12,838
Net Interest Income	-	-	-	-	-	-
Other Income/ (Expense)	100,269	-	-	-	-	-
Pre Tax Income	110,891	103,852	141,827	148,733	155,925	163,420
Income Taxes	-	-	-	-	-	-
Net Income (Loss)	110,891	103,852	141,827	148,733	155,925	163,420
Entrepreneurial Profit						
Net Income (Loss)	110,891	103,852	141,827	148,733	155,925	163,420
Depreciation	357	7,057	7,057	7,057	7,057	7,057
Amortization	33,353	13,173	13,173	13,173	13,173	13,173
Principal	-	16,809	18,204	19,715	21,351	23,124



Proforma (Cont'd)

	Base*	Year 1	Year 2	Year 3	Year 4	Year 5
Valuation Estimation						
-	-	-	-	-	-	-
0.10	5,897	14,324	17,982	18,521	19,077	19,649
Total Owner Compensation						
Owner Clinical Comp	157,909	153,729	169,102	174,175	179,400	184,782
Tax Impact	-	-	-	-	-	-
Entrepreneurial Profit	144,601	107,274	143,854	149,248	154,804	160,527
Net Cash Flow to Owners	302,510	261,003	312,956	323,423	334,205	345,310
Collections	525,569	683,240	751,564	774,111	797,334	821,254
Net Cash Flow to Owners	302,510	261,003	312,956	323,423	334,205	345,310
Overhead	223,059	422,237	438,608	450,688	463,129	475,944

Collections (\$K)



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