



STRICTLY PRIVATE AND CONFIDENTIAL

Investor presentation – Q2 2021
September 9, 2021

Max Dorthé Ladow, VD
Sofi Eriksson, CFO

Strengthened margins, increased revenue and new acquisition

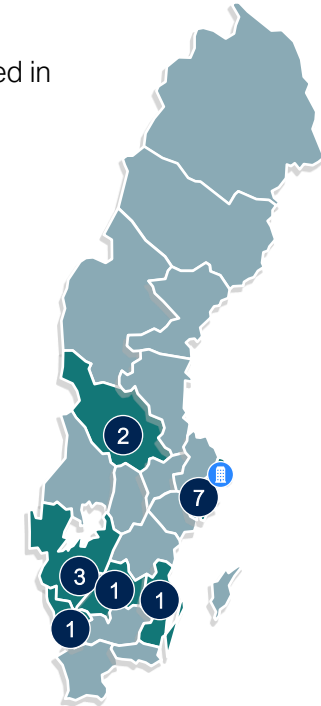
Significant events during and after Q2 2021

- **M&A:**
 - During Q2, Dentalum acquired:
 - Tareqs Klinik in Kalmar region
 - Solna Dental and Solna Dental Arenatandläkarna:
 - After Q2, Dentalum acquired:
 - Dentalakademin - a leading dental clinic in Northern Europe within implant and soft tissue surgery
 - Further increased the M&A pipeline
- **Organisation:**
 - Strengthened the board of directors with experienced entrepreneur Mikael Lönn
 - Recruited a Chief Dental Officer and a Marketing Manager to support our clinics' digital marketing activities
 - Developing Dentalum Insight Hub in line with our operational model to utilize synergies
- **Covid-19:**
 - Patient inflow increased in line with a larger share of the population being vaccinated
- **Financing:**
 - Dentalum listed bond on Nasdaq Stockholm, first trading day August 17, 2021

Fifteen clinics located in six regions of Sweden

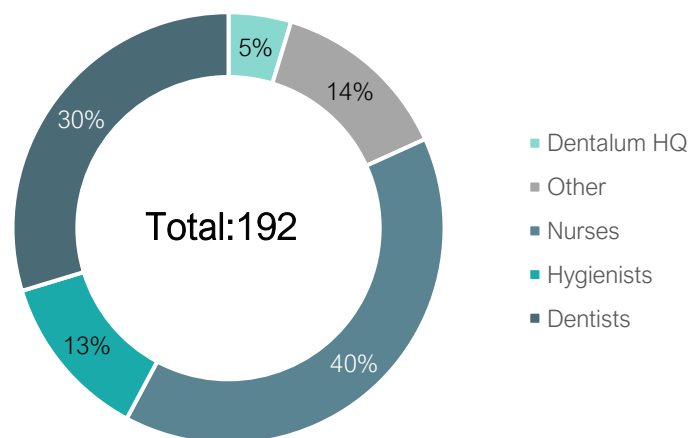
Dentalum is one of Sweden's fastest growing DSO with fifteen clinics located in six regions:

- ❖ Dalarna, 2 clinics
- ❖ Stockholm, 7 clinics
- ❖ Jönköping, 1 clinic
- ❖ Västra Götaland, 3 clinics
- ❖ Halland, 1 clinic
- ❖ Kalmar, 1 clinic



Employees and treatment rooms per clinic

Employees



Treatment rooms

85

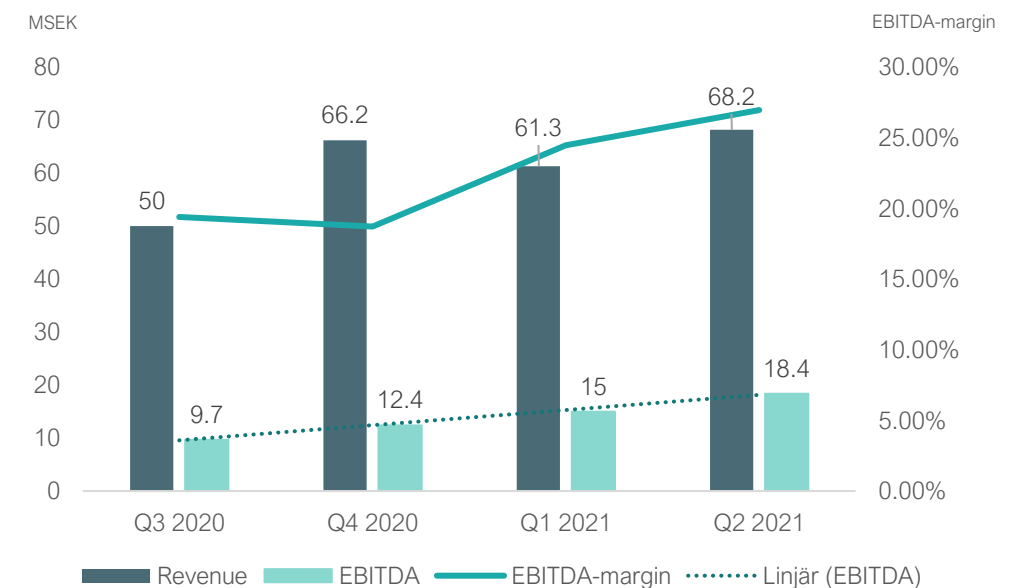
Total number of treatment rooms

5.3

Treatment rooms per clinic on average

Breakdown of LTM06/21

Breaking down LTM06/21 on a quarterly basis, Dentalum has shown a steady positive trend with strengthened profitability and increased EBITDA.



Dentalum Financial update – Q2 2021

Highlights during the second quarter

- **Continued to deliver on our growth strategy, completing 3 acquisitions in June 2021**
 - Further strengthening our presence in the Stockholm region through the acquisitions of Solna Dental and Arenatandläkarna, with combined annual revenues of SEK 32 million and 22 employees
 - Expanded into Kalmar region through the acquisition of Tareqs klinik with annual revenues of SEK 15 million and five employees.
- **General recovery in patient inflow and clinics revenues and EBITDA in the second quarter**
 - Organic growth in net revenues PF current 15 clinics 11% Q2 vs Q1 2021 and 18.7% vs. Q2 2020
 - PF clinics EBITDA increased by 22% in Q2 vs Q1 2021, and by 5.8% versus Q2 2020
- **In April, Dentalum Operation published Annual Report 2020 at IFRS quality standard**
 - Consolidating 12 clinics, of which 11 were acquired during the last nine months of FY 2020
- **Q2 2021 Statutory report, consolidating 15 clinics consolidated - compared to 4 clinics in the same quarter 2020**
 - Operating revenues increased to SEK 58.2 million (8.9)
 - EBITDA reached SEK 12.7 million (0.6)
 - Cash flows from operations amounted to SEK 12.6 million (0.8)
 - Total Assets of SEK 496.9 million (76)

Events after the reporting period

- **Prospectus published regarding admission to trading on the corporate bond list of NASDAQ Stockholm**
 - Approved by the SFSA
 - First day of trading at Nasdaq was August 17
- **Signed additional Share Purchase Agreements to acquire 3 clinics:**
 - Dentalakademin - a leading dental clinic in Northern Europe within implant and soft tissue surgery
 - Two more clinics to be disclosed tomorrow
 - Transactions expected to close during the third quarter of 2021

Financial Overview of Interim statutory report Q2 2021

Dentalum Operations AB (publ) Q2 2021, unaudited, consolidated

Summary of Income Statement and Cash flow

- Q2 and H1, statutory PnL items include 12 clinics for the complete periods and additional 3 clinics acquired as from June
 - Operating revenues increased to 58.2m in Q2 and 107.9m H1
 - EBITDA reached 12.7m in Q2, incl. Parent expenses of 4.2m
 - Net financial expense 7.6m - coupon, financing fees, IFRS adj.
 - Net cash flow of -64m incl. proceeds for Q2 acquisitions and deferred purchase price related to previous acquisitions

(SEK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenues	58.2	8.9	107.9	10.3
Operating expenses	-45.5	-8.3	-85.5	-10.3
Direct expenses	--9.3	--1.1	-17.9	-1.2
Other external	-8.6	-2.3	-15.5	2.7
Personnel expenses	-27.6	-4.9	-52.2	6.4
EBITDA	12.7	0.6	22.3	0.02
Net financial items	-7.6	-0.2	-14.3	-0.2
Earnings before tax	-0.8	-0.1	-5.2	-0.5
Income tax (positive)	0.4	-	1.4	-
Net Earnings	-0.4	-0.1	-3.8	-0.5
Net Cash Flow	-64.0	5.8	-70.9	9.1
CF from operations	12.6	0.8	19.1	0.6
CF Investing activities	-62.9	-34.3	-74.4	-34.8
CF from financing	-13.7	39.2	-15.7	43.4

Summary Consolidated Balance sheet

- 15 clinics consolidated as per the Q2 2021 (4 clinics Q2 2020)
 - Total Assets increased to SEK 496.9m (76)
 - Main increase in fixed assets as a result of 11 acquisitions executed
 - Cash balances of 110.5m of which 66m from subsidiaries
 - Equity increased to 101.5m (41.1m), of which equity contributions in Q2 amounts to 17.6m
 - NIBD, incl. IFRS lease liabilities, increased to 210.2m (9.4)
 - ND as per bond T&C incl. net of deferred PP, earn-outs, reinvestments

(SEK million)	Q2 2021	Q2 2020	FY 2020
Total Assets	496.9	76.0	493.8
Fixed assets	361.6	59.8	296.8
Current assets (excl. Cash)	24.7	3.1	15.6
Cash and cash equivalents	110.5	13.1	181.4
of which on escrow account	21.2	-	94.8
Equity	101.5	41.1	87.7
LT interest-bearing debt	300.3	-	299.1
Lease liabilities (IFRS)	19.9	2.0	19.3
Current liabilities, excl. Lease liab	38.3	10.2	48.0
- NIBD 1) / Net Cash	-210.2	-9.4	-137.6
Net Debt as per Bond T&C 2)	225.3	N/A	172.3

1) Net interest-bearing debt as per financial statement, incl. reclassification of Lease contracts

2) Net Debt as per Bond Terms and Conditions, incl. deferred purchase price, provisions for earn-outs, net of reinvestment

Dentalum Investor report – Pro forma basis¹⁾

Clinics EBITDA demonstrated a recovery in both net sales and EBITDA in the second quarter of 2021, as well as on an LTM basis.

Clinics Pro forma LTM 06/2021

¹⁾ Pro forma LTM based on 15 clinics financials, included as if part of Dentalum during the full LTM period



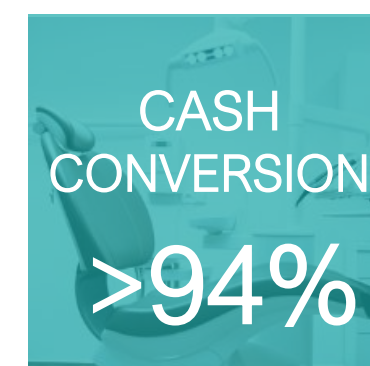
• Including other income of 2.5 million



• SEK 56, Group EBITDA incl. IFRS adjustments and HQ expenses

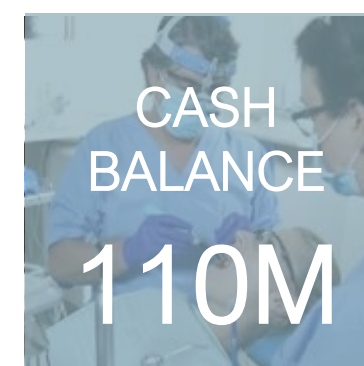


• EBITDA as a % of net sales



• Operating CF as % of clinics EBITDA

Dentalum Consolidation as per June 30, 2021



• 321m incl. accrued interest and reclassification of Leases (IFRS16)

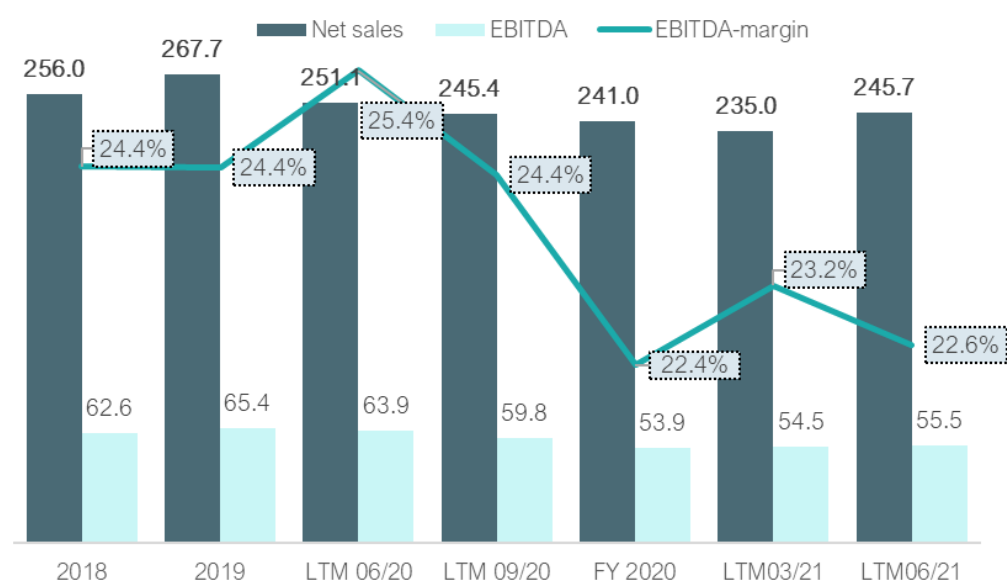
LTM 06/2021 – pro forma historic financials now including 15 clinics compared to 12 clinics in the investor reports of Q1 2021 and Q4 2020

- Clinics profitability reached 22.6% on an LTM06/21 basis, where the clinics acquired in the second quarter of 2021, positively contributed to the EBITDA margin.
- Net sales, on an LTM basis, increased to 245.7 million, corresponding to a growth of 4.6% compared to the period LTM03/21, but a decrease of 2% versus the same period in 2020. (251m LTM06/20). Total income reached 248 million, including other operating income.
- Clinics EBITDA, reached 55.5 million, an increase by 1.7% compared to LTM03/21, but a decrease of 13% vs the same period prior year (63.9).
- The reason for the decline in revenues and EBITDA compared to the LTM06 period in 2020, is the inclusion of the second half of 2019, not affected by the Covid-19 pandemic, whereas all twelve months of LTM06/21, are affected, although to a lesser extend in Q2 than in Q1.

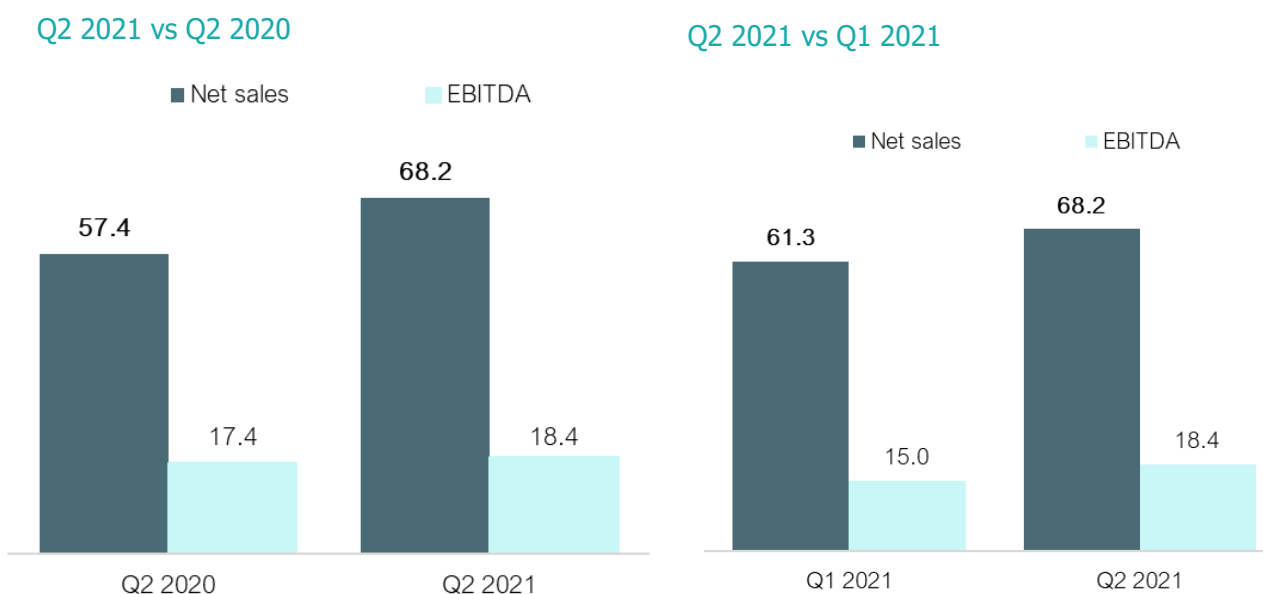
Financial update – Pro forma 15 clinics development – Q2 2021

Recovery in net sales and EBITDA in Q2. Clinics profitability increased to 27% in Q2 compared to 24.5% in Q1.

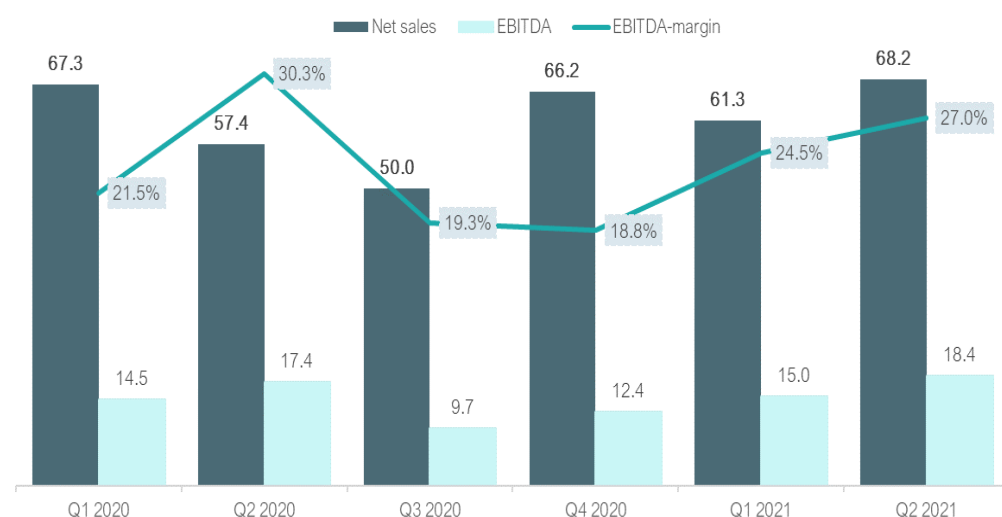
LTM pro forma development Clinics Net revenues and EBITDA



Q2 pro forma Clinics Net revenues and EBITDA



Quarterly pro forma development Clinics Net revenues and EBITDA



Q4 EBITDA includes a one off write-down of receivables as condition precedent prior to an acquisition

Comments to pro forma financials Q2 and LTM06/21

Dentalum's clinics demonstrated a recovery in both net sales and EBITDA in the second quarter of 2021, as well as on an LTM basis.

- Clinics profitability reached 27% in the second quarter and 22.6% on an LTM06/21 basis, where the clinics acquired in the second quarter of 2021, positively contributed to the increase in margin. (Excluding these three acquisitions, profitability would have been 25% in Q2 and 20.4% LTM06/21).
- Organic growth in net sales was 18.7%, compared to the same quarter in 2020, reaching 68.2 million (57.4). EBITDA increased to 18.4 million (17.4), corresponding to an organic growth of 5.8%

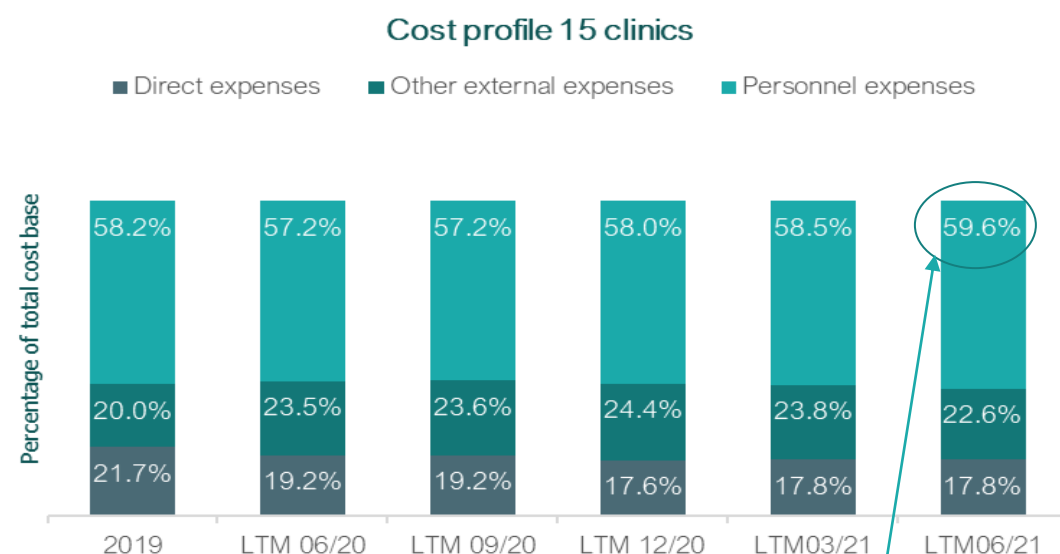
LTM06 – positive direction as roll-out of vaccination programs have accelerated.

- Net sales, on an LTM basis, increased to 245.7 million, corresponding to a growth of 4.6% compared to the period LTM03/21, but a decrease of 2% versus the same period in 2020. (251m LTM06/20).
- On a pro forma consolidated basis, clinics EBITDA, reached 55.5 million, an increase by 1.7% compared to LTM03/21, but a decrease of 13% vs the same period prior year (63.9).
- Compared to the LTM06 period in 2020, the decline in revenues and EBITDA is related to the inclusion of the second half of 2019, not affected by the Covid-19 pandemic, whereas all twelve months of LTM06/21, are affected, although to a lesser extend in Q2 than in Q1.

Financial update – Cost base pro forma 15 clinics development LTM basis

Expense management and increase in net sales, have had a positive impact on clinics operating expenses, as a percentage of net sales

Total cost break-down - % of total costs

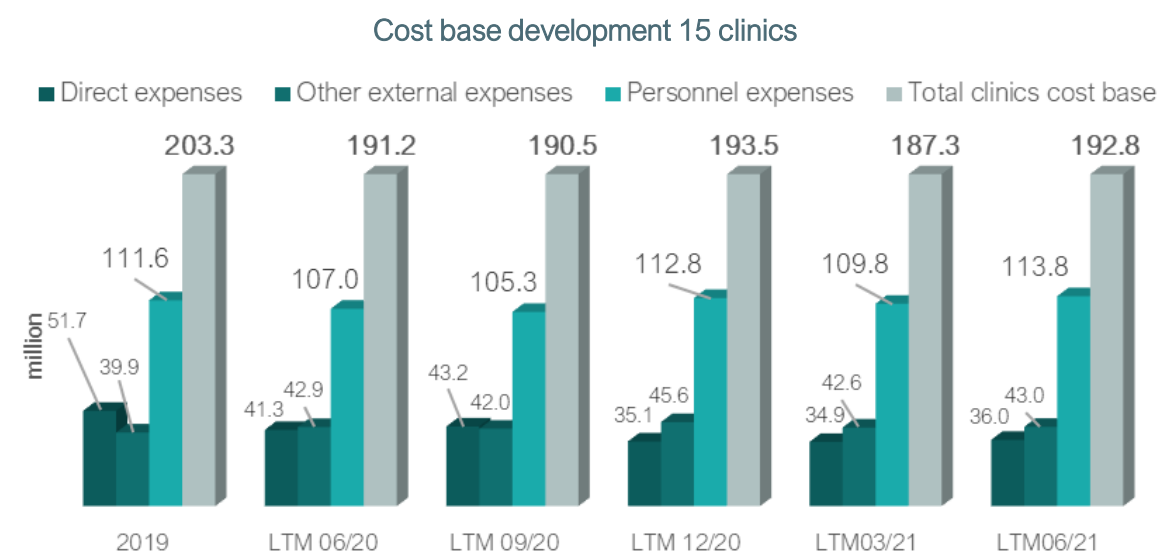


Comments

Personnel - our most valuable resource, represents the largest part of the cost base

- The relative cost break-down of total costs are in line with previous periods with personnel costs representing the largest cost category.
- However, the relative cost break-down has improved somewhat where expenses for personnel has increased as a percentage of total cost base and other external expenses has decreased compared to the same period last year.
 - The relative cost for other external expenses, has decreased to 22.6% compared to 23.5% in the same period last year
 - Personnel expenses has increased to 59.6% compared to 57.2% of three clinics total cost base.

Development of costs (SEK million)



Comments

Expense management had a positive impact on operating expenses as a percentage of net sales

- In absolute terms, clinics operating expenses have increased in the second quarter, which is in line with the increase in revenues, meeting the increasing patient inflow with additional personnel and dental care consultants..
- LTM 06/2021 total expenses amounted to 192.8 million, an increase of 0.8% vs. the same period prior year (191.2).
- Direct expenses of 36 million decreased by 13% vs the same period last year (41.3). As a percentage of net sales, direct expenses decreased to 14.6% in LTM06/21 vs 16.5% in the same period last year. Compared to Q2 2020, direct expenses increased to 10.3 million (9.2), as the clinics had hold back on purchases during the pandemic last year.
- Other external expenses, including fixed costs as rental of premises, insurances etc. of 43 million is in line with the same period last year.
- Personnel expenses increased by 6% to 113.8 million (107) compared the same period last year, which is related to increase in personnel to meet the pent-up demand for dental services.
- Other external expenses increased slightly in Q2 vs Q1, which is due to accrual effects between quarters in the clinics acquired in Q2.

High cash conversion and limited recurring capex in clinics

Cash conversion in the clinics continues to be at high levels, reaching 94% in LTM06/2021

Clinics pro forma operating cash flow overview¹

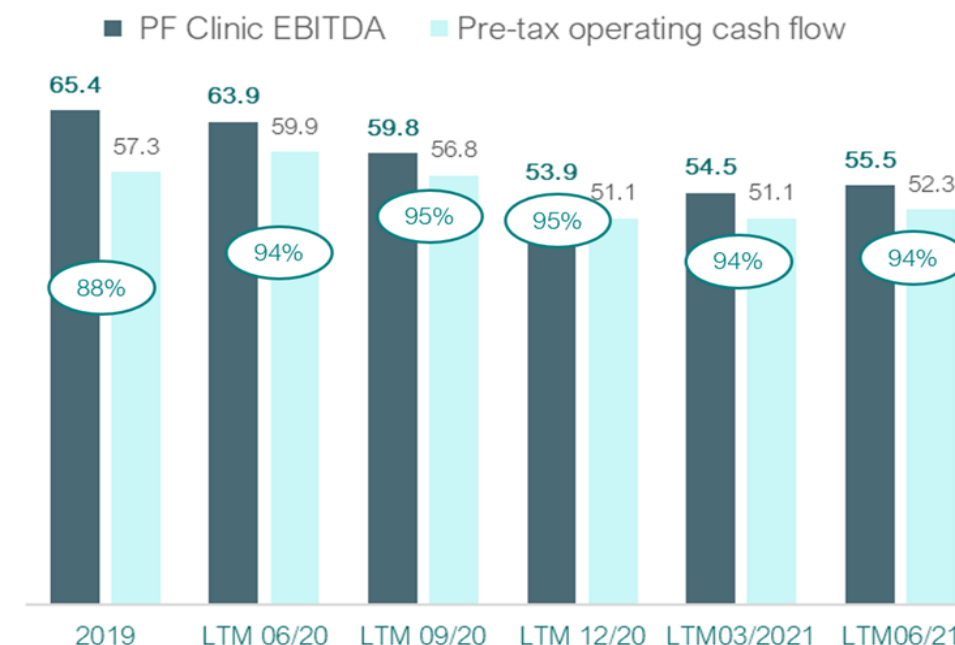
SEKm	2019	LTM 06/20	LTM 09/20	LTM 12/20	LTM03/2021	LTM06/21
<i>Operating cash flow from:</i>						
PF Clinic EBITDA	65.4	63.9	59.8	53.9	54.5	55.5
Δ Inventory	-1.7	-1.8	-1.7	-3.0	-3.1	-3.0
Δ Accounts receivable	1.6	1.6	0.6	1.6	0.9	1.7
Δ Other receivables	0.1	-0.1	1.1	0.4	1.1	1.5
Δ Prepayments and accrued income	-0.3	0.3	-0.9	-0.9	-1.6	-1.8
Δ Current assets	-0.3	0.0	-0.9	-1.9	-2.6	-1.5
Δ Advance payments from customers	-0.5	-0.5	-0.5	-0.3	-0.3	0.3
Δ Accounts payable	-0.3	-3.0	0.3	-0.7	3.0	3.1
Δ Other payables	1.6	2.7	0.6	0.0	-1.8	-2.1
Δ Prepaid expenses and accrued liabilities	0.6	1.1	1.4	1.7	-0.4	-0.7
Δ Current liabilities	1.5	0.3	1.8	0.8	0.6	0.6
Δ Other cash flow items	0.5	0.6	-	-	-	-
Δ Adj. working capital	1.7	0.8	1.0	-1.1	-2.0	-0.9
Capex ²	-9.8	-4.8	-3.9	-1.6	-1.4	-2.3
Pre-tax operating cash flow	57.3	59.9	56.8	51.1	51.1	52.3
<i>Cash conversion</i>	<i>88%</i>	<i>94%</i>	<i>95%</i>	<i>95%</i>	<i>94%</i>	<i>94%</i>

1) PF 15 clinics – not including parent company activities
2) Capex computed as change in gross value of fixed assets

SEKm	Q2 2020	Q2 2021
<i>Operating cash flow from:</i>		
PF Clinic EBITDA	17.2	18.4
Δ Inventory	-0.1	0.1
Δ Accounts receivable	-1.2	-0.4
Δ Other receivables	-0.5	-0.1
Δ Prepayments and accrued income	0.0	-0.3
Δ Current assets	-1.8	-0.6
Δ Advance payments from customers	0.0	0.6
Δ Accounts payable	0.8	0.8
Δ Other payables	1.3	1.0
Δ Prepaid expenses and accrued liabilities	1.7	1.4
Δ Current liabilities	3.8	3.8
Δ Other cash flow items	-	-
Δ Adj. working capital	2.1	3.2
Capex ²	-0.2	-1.1
Pre-tax operating cash flow	19.1	20.5
<i>Cash conversion</i>	<i>111.1%</i>	<i>111.6%</i>

(Pro forma historic quarterly cash flow, including the acquisitions closed during the second quarter, may fluctuate, since the accounting in clinics, prior to Dentalum acquisitions, is cash based, i.e. not recording accruals and change in inventory on a quarterly basis. As from integration to Dentalum's accounting standards, complete monthly financial statements are produced)

Cash conversion in clinics



Comments

Clinics operating cash flow increased in LTM06/21 in line with the increase in EBITDA

- CF from clinics operations increased to 52.3 million in LTM06/21 compared to 51.1 million LTM03/21. Versus LTM06 last year the decrease is caused by lower EBITDA (LTM06/20 incl. six months of 2019 pre-pandemic)
- On a quarterly basis, operating cash flow increased in Q2 to 20.5 million from 19.3 million in Q2 last year.
- Cash flow from change in net working capital is generally low and was – 0.9 million (+0.8), of which the main impact was increase in inventory in 2021.
- Recurring capital expenditures in the dental sector is normally at around 1.5% of revenues. During the pandemic months, capex has been lower compared to previous years - 0.9% of net sales in LTM06/2021 vs. 1.9% in LTM06/2020.
- Cashflow related to capital expenditures for the period LTM06/2021 amounted to 2.3 million (4.8). However, compared to the periods before the pandemic, capex is still somewhat lower and is expected to increase in the next coming periods.

Financial update – Pro forma Group income statement – incl. 15 clinics

Q2 2021 vs Q2 2020 Group pro forma income statement and KPIs

SEKm	Q2 2020	Q2 2021
Net sales	57.4	68.2
Other operating income	5.0	0.9
Total income	62.5	69.1
Operating Expenses	-45.1	-50.7
Direct expenses	-9.2	-10.3
Other external expenses	-9.9	-10.3
Personnel expenses	-25.9	-30.1
Clinic EBITDA	17.4	18.4
Dentalum Operations expenses	-2.6	-4.2
IFRS adjustments	1.8	1.8
PF Group EBITDA	16.6	16.0

KPIs	Q2 2020	Q2 2021
Change in net sales		18.7%
Change in PF Clinic EBITDA		5.8%
PF Clinic EBITDA-margin	30.3%	27.0%
PF Group EBITDA-margin	28.9%	23.4%
Direct expenses %	16.1%	15.0%
Other external expenses %	17.3%	15.2%
Personnel expenses %	45.1%	44.1%
Dentalum Operations expenses %	4.5%	6.2%

IFRS 16 PF assessment of lease contracts
Dentalum Operations expenses including HQ and M&A transaction costs

Comments Group Q2

- Organic growth in net sales was 18.7%, reaching 68.2 million (57.4).
- EBITDA increased to 18.4 million (17.4), an organic growth of 5.8% vs Q2 prior year.
- Clinics operating expenses ratio, as a percentage of net sales, decreased in all categories, compared to Q2 2020.
- Clinics profitability margin, as a percentage of net sales, reached 27% in the second quarter of 2021 vs 24.5% in the first quarter and 30% in Q2 2020. The acquired three clinics contributed to the increase in profitability to 27% in Q2 compared to 24% for the 12 clinics.
- Including Dentalum Operations overhead expenses, and IFRS adjustments, Group EBITDA margin is 23.4% in Q2 2021, compared to 28.9% in Q2 2020. The decline is in line with forecast, due to establishment of head office functions and M&A activities.

LTM Group pro forma income statement and KPIs

SEKm	2019	LTM 06/20	LTM 09/20	LTM 12/20 3]	LTM03/21	LTM06/21
Net sales	267.7	251.1	245.4	241.0	235.0	245.7
Other operating income	1.0	4.0	4.9	6.4	6.7	2.5
Total income	268.7	255.1	250.3	247.4	241.8	248.3
Operating Expenses	-203.3	-191.2	-190.5	-193.5	-187.3	-192.8
Direct expenses	-51.7	-41.3	-43.2	-35.1	-34.9	-36.0
Other external expenses	-39.9	-42.9	-42.0	-45.6	-42.6	-43.0
Personnel expenses	-111.6	-107.0	-105.3	-112.8	-109.8	-113.8
PF Clinic EBITDA	65.4	63.9	59.8	53.9	54.5	55.5
Dentalum Operations expenses	-0.9	-4.6	-6.0	-8.5	-9.3	-8.9
IFRS adjustments	7.1	7.1	7.1	8.1	10.2	10.1
PF Group EBITDA	71.7	66.4	60.9	53.5	55.4	56.6

KPIs	2019	LTM 06/20	LTM 09/20	LTM 12/20	LTM 03/21	LTM06/21
Change in net sales		-6.2%	-2.3%	-1.8%	-2.5%	4.6%
Change in PF Clinic EBITDA		-2.3%	-6.5%	-9.8%	1.2%	1.7%
PF Clinic EBITDA-margin	24.4%	25.4%	24.4%	22.4%	23.2%	22.6%
PF Group EBITDA-margin	26.8%	26.5%	24.8%	22.2%	23.6%	23.0%
Direct expenses %	19.3%	16.5%	17.6%	14.6%	14.8%	14.6%
Other external expenses %	14.9%	17.1%	17.1%	18.9%	18.1%	17.5%
Personnel expenses %	41.7%	42.6%	42.9%	46.8%	46.7%	46.3%
Dentalum Operations expenses %	0.3%	1.8%	2.4%	3.5%	4.0%	3.6%

IFRS 16 PF assessment of lease contracts
Dentalum Operations expenses including HQ and M&A transaction costs

Comments Group LTM06/21

- Pro forma Group EBITDA LTM 06/21 amounted to 56.6 million (66.4).
- Dentalum Operation expenses, consisting of head office expenses and M&A transaction costs, amounts to 8.9 million in LTM06/20 (4.6).
 - The increase in these expenses over time, relate to M&A expenses and the establishment of the head office functions, which during the full year of 2020 consisted of only four employees (the management team) and increased to seven employees in 2021.
 - Dentalum's strategy is decentralized responsibility to the clinics, and the objective is to keep the central head office organization slim. The only functions that are centralized are Finance and HR, for which certain costs are re-invoiced to the clinics.
- Reclassification of lease contracts (IFRS16) had a positive impact of 10.1 million.

Credit metrics – pro forma update incl. 15 clinics

Leverage decreased in Q2 2021, with positive impact from the three acquisitions closed during the second quarter

Pro forma leverage computations per bond T&Cs

SEKm	LTM06/21
Net sales	245.7
Other operating income	2.5
Total income	248.3
Expenses	-192.8
Direct expenses	-36.0
Other external expenses	-43.0
Personnel expenses	-113.8
PF Clinic EBITDA	55.5
Dentalum Operations expenses	-8.9
IFRS adjustments 2)	10.1
PF Group EBITDA	56.6
Pro forma Gross Debt:	354.2
Interest bearing debt, incl. accrued interest	306.6
IFRS leases	19.9
Liabilities, deferred purchase price	2.0
Provisions for earn-outs	25.7
Total Cash balance	110.5
Escrow	21.2
Non restricted cash	89.3
Net Debt computation	225.3
Gross Debt:	354.2
Reinvestments related to earn-outs	18.4
Cash balance	110.5
Gross Debt / EBITDA	6.26x
Net Leverage	3.98x

Credit metrics / Pro forma ("PF") components	Dec. 31, 2020	March 31, 2021	June 30, 2021
Leverage ratios 1)			
Net Debt / EBITDA	4.45x	4.49x	3.98x
Gross Debt / EBITDA	9.61x	9.43x	6.26x
Cash & cash equivalents	181.4	174.5	110.5
of which on escrow	94.9	88.6	21.2
Gross Debt 2)	372.1	368.0	354.2
Net Debt	172.3	175.1	225.3
PF Group EBITDA	38.7	39.0	56.6
Equity	87.7	84.3	101.5

EBITDA improvement, equity injection and M&A transactions in Q2 - positive impact on pro forma leverage ratios

Comments

- During the second quarter of 2021, Dentalum Operation AB (publ) strengthened its equity position as shareholder contributions of SEK 17.6 million was received in connection with acquisitions which were closed during the period. The acquisitions were financed by cash on balance sheet.
- Financial liabilities, as per June 30, 2021, amounts to 326.5 million (22.5) consisting of bond debt, incl. accrued interest, and 19.9 million of long-term lease liabilities, reclassified as debt as per IFRS16.
- Total Equity amounts to 101.5 million (41.1) which is an increase of 13.8 million during the second quarter. Total shareholder contribution of 114.1 million has been injected since start of in 2019, of which 17.6 million was contributed in 2021.
- Total cash position, amounts to 110.5 million (13.1) of which 89.3 million is non-restricted cash and 21.2 million remains on the escrow account designated for add-on acquisitions and earn-out payments. During the second quarter, 67.4 million of the escrow funds was utilized for financing of the acquisitions and deferred purchase price.
- Pro forma net debt, calculated as per the definition in the Senior Secured Bond Terms & Conditions, amounts to 225.3 million, consists of interest-bearing debt incl. accrued interest of 306.6 million, cash balance of 110.5 million, IFRS16 adjustments for lease liabilities amounting to 19.9 million, and net of provisions for deferred purchase price, earn-outs incl. related shareholder contributions of 9.3 million.
- Net leverage, as per the balance sheet of June 30, 2021, including the pro forma LT1M06/21 EBITDA of the three clinics acquired in Q2, is 3.98x EBITDA, where net debt is 225.3 million and consolidated pro forma Group EBITDA LTM 06/2021 of 56.6 million. The Q2 acquisitions has had a positive impact on leverage, compared to leverage prior to the acquisitions of 4.49x as per Q1 and 4.45x as per Q4, 2020

1) Pro forma credit metrics as per definitions in Bond T&C

2) Leverage ratios include debt as per the definitions in the bond T&Cs, including IFRS reclassification of leases, deferred purchase price/ earn-outs, less re-investments

3) Q4 2021 and Q1 2021 credit metrics including PF EBITDA of 12 clinics., prior to the three acquisitions executed in Q2 2021