



{my}dentist<sup>®</sup>  
helping the nation smile

**ANNUAL REVIEW** FY2022

CROWN

NECK

ROOT



|                                       |   |
|---------------------------------------|---|
| Chief Executive's Review              | 3 |
| Gender diversity                      | 5 |
| Summary of financial performance      | 6 |
| Executive Team and Board of Directors | 8 |

# CONTENTS



**TOM RIALL**  
Chief Executive Officer

During the 2022 financial year, our teams have continued to work tirelessly to ensure that more patients get access to the high-quality affordable care they need and that clinicians are supported to deliver the dentistry that is right for them.

Since the pandemic, dentistry has changed like never before: more patients want access to affordable dental care, a growing number of clinicians are looking to find a better balance between their NHS and private work, and new technologies are revolutionising how dentistry is delivered.

This has provided unique opportunities and, at {my}dentist, we are determined to seize them, doing dentistry differently so that patients can get access to outstanding care when they need it. To do this, we have launched a three-year plan that rests on five key priorities.

First and foremost, we want to continue delivering industry-leading care to the 5 million patients who depend on us. Thanks to the hard work

of our teams, 94% of our patients would recommend us to a loved one, we have some of the best patient satisfaction scores in the industry, and we have repeatedly won awards for having some of the best health and safety standards in the industry.

We think the best way to improve patient care is to continue attracting the very best practice teams, and we can only do that by making {my}dentist a truly great place to work. This is our second priority. More than anything, being a great place to practise means ensuring that clinicians can deliver the dentistry that is right for them and always feel like there is someone in their corner.

We have already increased the size of our clinical support team so it is the largest in the industry, we've doubled the number of intra oral scanners across our practices, we've increased both the training and the pay on offer for our frontline practice teams and we have continued to expand our leading {my}dentist Academy to ensure that all of our teams can develop the careers that they want.

But we're also going further and investing directly in our practices to ensure every part of our network is a great place for clinicians to work and for patients to get treatment. This is our third priority – investing for the future – and between 2022 and 2025 we are set to invest more than £70 million in our network of practices across the UK. In many cases, this will involve merging and relocating smaller practices that are no longer fit for purpose and developing multi-surgery, state-of-the-art facilities in outstanding locations. Meanwhile, we are also investing £10 million to improve the look and feel of more than half of our existing practices – replacing 500 old chairs, purchasing 1,500 new handpieces, and rolling out yet more intra-oral scanners.

We've already completed much of this work and the results have been overwhelming: we have significantly improved our clinical recruitment and retention figures, as well as attracting record numbers of new patients who are receiving affordable private treatments with us. And this is our





fourth priority: continuing to support more patients to get access to the affordable private care they need.

There are now more private patients at {my} dentist than at any other time, with 250,000 additional new patients starting affordable private treatments with us in just the last 12 months. A further 80,000 patients have enquired about starting more advanced or specialist treatments with us, such as clear aligners and implants, and we know demand for our services continues to rise.

As a result of all of this, the average hourly earnings of a {my} dentist clinician are set to grow by more than 10% this year.

And that is our fifth and final priority, supporting clinicians to maximise their productivity. That's why we've been working on initiatives to improve smart diaries, making sure clinicians have access to the coaching and support they need and we're using tools like our clinical information summary, along with regular conversations with our clinical support team, so that they can be informed about the activity they are delivering and be empowered to make decisions about their careers.

We have ambitious plans for the future and they ultimately come down to one thing: we are determined to do whatever

it takes to build our practices around our practice teams, because it is only through them that we can support our patients. And this is precisely what our investment plans are focussed on.

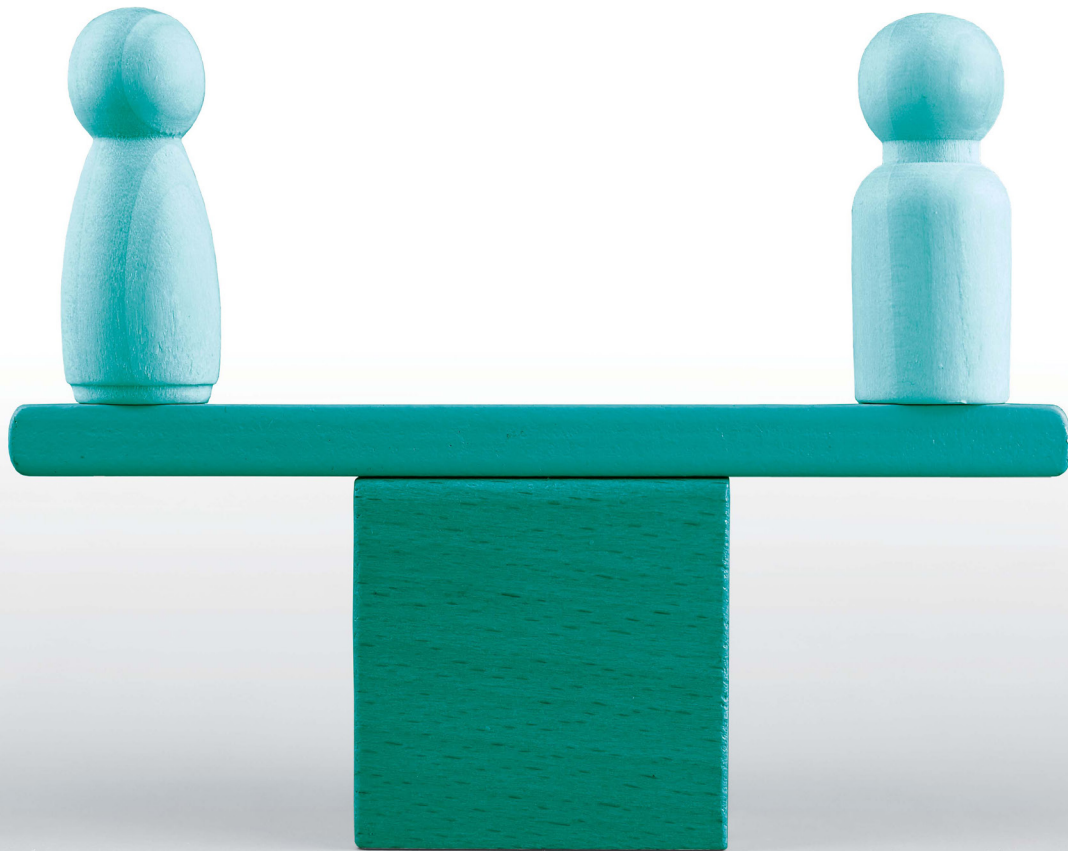
During the last financial year, we sold our supplies and logistics business. DD, formerly branded Dental Directory, releasing further investment to continue developing our plans. We're only part way through the journey we have started, but we have ended the financial year in strong position and, as we move into a period of new ownership with Palamon Capital Partners, we have the stability and security to continue building on our past success.

As we look to the future, I am confident that we have the right plan, the right team in place and access to the right investment to transform not just {my} dentist, but how dentistry is delivered in this country altogether.



# GENDER DIVERSITY

## information



Gender of directors and employees  
as at 31-03-22

|                     | Female       | Male       | Total        |
|---------------------|--------------|------------|--------------|
| Exec                | 3            | 4          | 7            |
| Functional Director | 5            | 12         | 17           |
| Director of Region  | 2            | 3          | 5            |
| Head of Department  | 6            | 6          | 12           |
| Senior Manager      | 12           | 9          | 21           |
| Other               | 5,917        | 375        | 6,292        |
| <b>Total</b>        | <b>5,945</b> | <b>409</b> | <b>6,354</b> |

Age ranges by gender

| Age range    | Female       | Male       | Total        |
|--------------|--------------|------------|--------------|
| under 20     | 187          | 12         | 199          |
| 20-29        | 1,942        | 129        | 2,071        |
| 30-39        | 1,728        | 118        | 1,846        |
| 40-49        | 1,002        | 88         | 1,090        |
| 50-59        | 744          | 46         | 790          |
| 60 and over  | 342          | 16         | 358          |
| <b>Total</b> | <b>5,945</b> | <b>409</b> | <b>6,354</b> |

# Summary of financial performance

In the table opposite you will find a summary of the group's financial performance together with the Key Performance Indicators (KPIs), both financial and non-financial.

These KPIs are fundamental to the business and focus on the drivers of value that will inform and enable the management team to achieve the group's business plans, strategic aims and objectives.

The results for the year ended 31 March 2022 ("FY2022") in both the DD division and in {my}dentist continued to be significantly affected by the Covid-19 outbreak and consequent restrictions placed on operations. The results for the year demonstrate the challenges faced by the group during the year however they also indicate the resilient nature of the business and the potential that exists for future growth in underlying financial results. The growth in EBITDA before non-underlying items achieved in FY2022 was driven by the significant growth in DD from new product sales in the beauty sector and the development of private dentistry within {my}dentist.

Following the acquisition of Carlyle's shareholding in the group by Palamon Capital Partners and management, and a review of the strategic options open to the group, the Board made the decision to seek new ownership for the DD business. The DD group of businesses was sold in June 2022 to an affiliate of Sun European Partners LLP.

## FINANCIAL KPIs

| Year ended 31 March                                 | 2021  |           | 2022   |           |
|---|-------|-----------|--------|-----------|
|   | £m    | % revenue | £m     | % revenue |
| NHS revenue   | 347.5 | 61.8      | 352.2  | 50.1      |
| Private revenue                                     | 78.2  | 13.9      | 167.8  | 23.9      |
| Non dental practice revenue**                       | 136.8 | 24.3      | 182.4  | 26.0      |
| Total revenue                                       | 562.6 | 100.0     | 702.4  | 100.0     |
| Gross profit  | 233.6 | 42.9      | 294.1  | 41.9      |
| EBITDA before non-underlying items                  | 55.0  | 12.7      | 78.8   | 11.2      |
| Operating loss                                      | (8.7) | (4.5)     | (11.4) | (1.6)     |
| Net bank and bond debt                              | 568.7 |           | 490.4  |           |
| Cash generated from operations                      | 83.6  |           | 108.0  |           |
| Cash generated from operations net of interest paid | 42.5  |           | 71.1   |           |

\*The group's key profit performance indicator is earnings before interest, tax, depreciation, amortisation and non-underlying items less rental and other property charges ("EBITDA before non-underlying items").

\*\*After elimination of intra-group sales.

EBITDA before non-underlying items of £78.8 million was split between the continuing {my}dentist dental practices (£67.2 million) and the DD division (£11.6 million). Operating loss of £11.4 million was split between the loss in continuing operations of £14.8 million and an operating profit in DD of £3.3 million. Net bank and bond debt includes a Subordinated PIK facility of £120 million and £7.2 million of cash held by DD. The £120 million facility was repaid in June 2022 from the proceeds arising from the sale of DD.

# Financial REPORTING

The group reported its financial performance to bondholders through the quarterly publication of financial statements during the year ended 31 March 2021 and up until the refinancing of the bond debt in August 2021. The Chief Executive Officer and Chief Financial Officer held quarterly conference calls with investors including a Q&A session. Management also met with investors where requested.

Following the refinancing of the bond debt, the group provides regular monthly updates on performance to the financing syndicate, in line with the terms of the debt.

The new debt package has an ongoing covenant requirement for the amount of senior debt in relation to the level of EBITDA before non-underlying items.

The group prepared its financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). A more detailed review of our financial performance, as well as the principal risks and uncertainties of the group, are set out in the statutory accounts of Turnstone Equityco 1 Limited, the holding company for (my)dentist and DD, and are available on our website: [www.mydentist.co.uk](http://www.mydentist.co.uk)



| Year ended 31 March                            | 2021  | 2022  |
|--|-------|-------|
| Number of practices                            | 593   | 583   |
| Employees*                                     | 6,848 | 7,005 |
| Net debt to EBITDA before non-underlying items | 10.33 | 6.22  |

\* Average monthly number of employees – excludes self-employed clinicians.

\* Certain KPIs have not been reported for 2022 due to the impact of the Covid pandemic. More information on the impact of the Covid pandemic on the group is provided in the statutory accounts of Turnstone Equityco 1 Limited.

**Management defines net debt as all external bank and bond debt, and therefore this excludes any shareholder loan notes and preference shares; the closing net external bank and bond debt as of 31 March 2022 was as follows:**

## EXTERNAL BANK AND BOND DEBT

| Year ended 31 March                       | 2021<br>£m   | 2022<br>£m   |
|---|--------------|--------------|
| Senior secured fixed rate notes           | 275.0        | -            |
| Floating rate notes                       | 150.0        | -            |
| Second lien notes                         | 130.0        | -            |
| Unitranche                                | -            | 400.0        |
| Subordinated PIK facility                 | -            | 120.0        |
| Revolving Credit Facility (RCF)           | 30.0         | 25.0         |
| Less cash at bank                         | (11.7)       | (39.1)       |
| <b>Total</b>                              | <b>573.3</b> | <b>505.9</b> |
| Less unamortised issue costs and discount | (4.6)        | (15.5)       |
|   | <b>568.7</b> | <b>490.4</b> |

The external debt outstanding at 31 March 2021 was refinanced on 16 August 2021 following the change in control of the Group. The debt was repaid in full through the issue of a new £400m Unitranche facility, £120m subordinated loan and £50m new SSRFC. As part of the transaction, the shareholder loan notes and preference shares were also restructured.

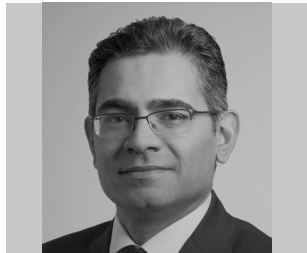
The subordinated loan was repaid in June 2022 including accrued interest. The revolving credit facility was repaid in July 2022, however remains available for use if required.



**TOM RIALL**  
Chief Executive Officer

Tom Riall joined {my}dentist as Chief Executive Officer in 2017. Before this, he was Chief Executive Officer of Priory Group, Europe's largest independent provider of mental health services, a role he held between April 2013 and December 2016. During this time, he led Priory through its successful sale by Advent International to Acadia Healthcare Services. Prior to this, Tom spent eight years at Serco Group, firstly as CEO of their UK Government Division and, latterly, running their Global Services Division, headquartered in Mumbai, India.

Tom has completed the Advanced Management Programme at Harvard Business School, he holds an MBA from the City University Business School and he has a BA from Durham University. He is also the Non-Executive Chair of Kingsbridge Healthcare Group, a private equity backed specialist hospital group based in Ireland, a role that he has held since August 2019.



**NILESH PANDYA**  
Deputy Chief Executive

Nilesh Pandya has two decades of experience as the Chief Financial Officer for private-equity backed growth businesses. He has extensive experience in acquisitions, secondary buy outs, equity and debt financing, public market bond listing and refinancing, cost management, treasury and tax.

He was most recently CFO of International Car Wash Group Limited, a company owned by TDR Capital, which he led through a successful sale to Roark Capital Group, and, before that, he played a pivotal role for Investcorp Technology Partners in the growth and sale of Skrill Holdings to CVC.

Prior to this, Nilesh was Financial Controller of M&S Foods, an Executive at HSBC Investment Bank where he advised on IPOs, mergers and acquisitions, and he began his career at KPMG. Nilesh is a member of the Institute of Chartered Accountants of England and Wales and holds a Bachelor's degree in Politics, Philosophy and Economics from Oxford University. He lives in Buckinghamshire with his wife and two children.



**RICHARD STORAH**  
Chief Financial Officer

Richard Storah has over two decades of experience in senior finance roles across a range of industries in private equity, Plc and privately backed businesses. He joined {my}dentist in January 2019 and prior to that, held leadership roles at businesses including Brambles, Trinity Mirror, Guardian Media Group, CoStar and Reuters.

Richard began his career at KPMG and is a member of the Institute of Chartered Accountants of England and Wales. He holds a Master's degree in Chemistry from Oxford University.



**WILL SMITH**  
Chief Operating Officer

Will Smith has over two decades of experience in operational leadership and transformational change roles across a range of industries. He joined {my}dentist in July 2018 and prior to that held leadership roles at Circle Health and Argos.

Will has spent a large part of his career transforming or creating businesses within the retail and healthcare sector. Within Circle he developed their musculoskeletal integrated care business which pioneered new levels of preventative measures for patients.

Will has a keen interest in architectural design and property development.



**DR NYREE WHITLEY**  
Chief Clinical Officer

Dr Nyree Whitley has more than 20 years' experience of clinical practice and has been Chief Clinical Officer since October 2017. Before this, she was a regional Clinical Director for the previous 18 months. Nyree qualified from Guy's Hospital in 1996 and, since then, has held posts in primary and secondary dental care.

She is a Postgraduate Dental Tutor for the Welsh Deanery, a Clinical Reviewer for the National Clinical Assessment Service (NCAS), a Local Dental Advisor for Dental Protection and is still a practicing dentist.





**TOM MUIR**  
Director of Corporate Affairs

Tom recently joined {my}dentist in 2017 from the Priory Group, the leading provider of behavioural care in the UK, where he was Group Director of Corporate Affairs.

Previously, he was Head of Communications for Circle Health Limited, Europe's largest employee co-owned hospital group, and before that, he was Senior Political Advisor for the Conservative Party.

He graduated with a First Class degree in History from Cambridge University.



**JEREMY PERKIN**  
Director of Group Finance

Jeremy Perkin joined {my}dentist in December 2008 as Financial Controller of the legacy IDH business. Prior to this, Jeremy held a series of roles with KPMG LLP including the role of Senior Manager in Audit. He has a degree in Economics and Politics from the University of Bath and is a member of the Institute of Chartered Accountants in England and Wales.



**REENA VIRDEE**  
Director of Strategy and M&A

Reena Virdee joined {my}dentist in September 2021, having worked extensively in UK and European healthcare markets over the past 10 years.

Most recently, Reena was the Director of Strategy and M&A for Schoen Clinic, one of the Europe's leading mental health and hospital groups. Prior to this, she spent 7 years at PwC in their Healthcare Transactions Services team. Here she managed and delivered over 80 strategic engagements, both M&A transactions and corporate strategy projects, across the health and social care landscape. She worked with the market's leading providers and on the largest transactions, advising private equity, sovereign wealth funds, corporates and private offices investing in the sector.

Reena graduated with a First Class degree in Biochemistry from Oxford University.



**STEPHEN ROSEBY**  
General Counsel and  
Company Secretary

Stephen is a qualified solicitor and experienced company secretary who joined {my}dentist in January 2020 from Advanced Medical Solutions plc, a multinational AIM-listed medical device developer, manufacturer and distributor, where he was Head of Legal.

After originally qualifying as a corporate M&A lawyer and working in private practice for almost ten years at Brabners LLP, an independent Top 100 law firm, Stephen has worked in-house ever since, utilising his M&A background to complete multiple international and UK acquisitions and disposals alongside managing a fully integrated legal function to deliver commercial and solutions-focussed advice.

# Shareholder REPRESENTATIVE



**KEVIN BEESTON**  
Chairman

Kevin Beeston is an experienced chairman of both public and private companies. He has been Senior Independent Director of FTSE 100 utility Severn Trent plc since 2016 and is also Chairman of Elysium Healthcare Limited (for BC Partners).

He was previously a Non-Executive Director of the FA Premier League and was Chairman of FTSE 100 UK developer and homebuilder Taylor Wimpey plc from 2010 to 2020. He was Chairman of Serco Group plc until 2010 during a 25-year career with the Company, including the roles of Executive Chairman from 2002 and previously Chief Executive and also Chief Financial Officer. On leaving Serco the business had developed from a small private business into a FTSE 100 constituent with revenues and market cap of c.£5bn.

Kevin was previously Chairman of the CBI's Public Services Strategy Board (2006-2009), promoting the role business has in transforming the UK's public services and also served on the TUC's Commission on Vulnerable Employment.



**FABIO MASSIMO GIUSEPPE**  
Senior Partner, Palamon Capital Partners

Fabio Massimo Giuseppetti is a Senior Partner at Palamon Capital Partners, a pan-European private equity firm headquartered in London. Since joining Palamon in 2003 he has served on the board of a wide range of investee companies, including in the healthcare, technology, and consumer space.

Before joining Palamon he was with the Bancroft Group in Paris, where he was Senior Investment Officer of the private equity practice. He previously held executive roles in various financial institutions, including GE Capital and Chase Manhattan Bank.

Mr. Giuseppetti graduated from LUISS University in Rome with an Economics degree and received an MBA from The Stern School of Business, New York University. He is an Associate Fellow of Green Templeton College, University of Oxford.



**AQIB KADAR**  
Director, Palamon Capital Partners

Aqib Kadar is a Director at Palamon Capital Partners, a pan-European private equity firm headquartered in London. He joined Palamon in 2018 from PricewaterhouseCoopers where he was a Director working in M&A Tax and currently serves on the board of Simplify.

During his 13 years at PwC, Mr. Kadar supported numerous private equity firms, infrastructure funds, sovereign wealth funds, and listed groups with structuring and due diligence on complex transactions, including acquisitions, disposals, refinancings, and reorganisations.

He holds an ACA from the ICAEW and graduated from the University of Cambridge with an MA and MSci in Chemistry.





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