

Dental Fund

EXTRACTING NEW OPPORTUNITIES

TARGET DISTRIBUTION: 9% annually, paid quarterly
TARGET RAISE: \$120M
TERM: Five (5) years with up to two (2) additional one-year extensions

Fund Concept

Management believes that dental operations are a consistent and stable source of revenue based on historical data from the dental industry. Dentistry has high net margins relative to other industries operating in the healthcare space, which, in management’s opinion, has an ability to convert profits into cash flow. A fund comprised of investments in several well-managed clinics can be an attractive component within a larger portfolio of investments. The dental industry in Canada exhibits a low level of revenue volatility. While patients may curb their demand for elective procedures, such as implants, in response to low discretionary income, many consumers still routinely visit their dentist for annual or semi-annual, need-based procedures, which lowers revenue volatility.¹

The Opportunity

The Canadian dental industry is only 2% corporately owned (as per the Canadian Dental Association), whereas the United States dental industry is 30-40% corporately owned², suggesting that a similar trend of consolidation may occur in Canada. The Dental Fund has taken proven dental practices with a strong track record and consolidated them into one fund.

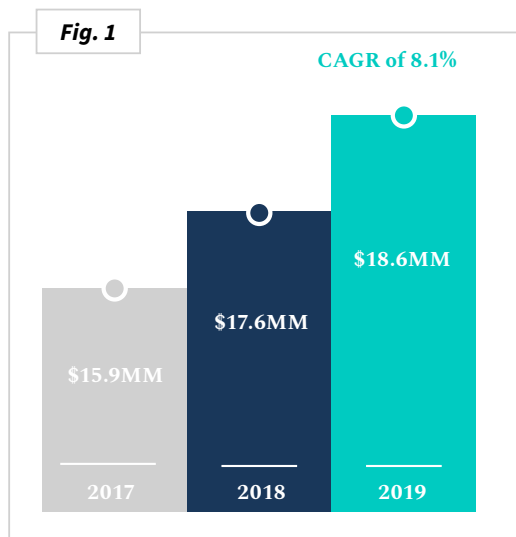
Dentalook Delivers a Proven Model

Newlook Capital has established Newlook Capital Dental Services Trust (the “Fund”), which allows investors to purchase trust units of the Fund. The Fund uses proceeds from the issuance of trust units to purchase 9% secured debentures of Dentalook³. Dentalook uses proceeds from the issuance of debentures to finance the acquisition of dental clinics.

Dentalook is a multi-city, multi-clinic group of practices operating in Saskatchewan and Ontario. Our operating partner, Dr. Said Mazahreh, DDS (“Dr. Sam”) has experience growing and acquiring practices. Dentalook currently has 12 clinics.

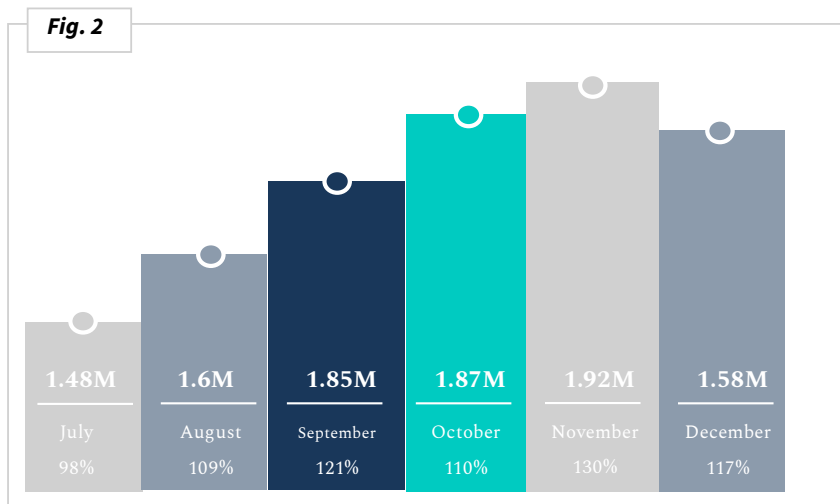
Management

The clinics owned by Dentalook are all established dental practices that have, on average, greater than 20 years of operating history. Collectively, the clinics had over 30,000 patients as at December 31, 2019. In 2019, the aggregate revenue of the clinics (including the period in 2019 prior to acquisition by Dentalook) was approximately \$17.4 million.⁴



TOTAL PRODUCTION REVENUE ACROSS THE PORTFOLIO

Dentalook currently owns and operates 12 practices in Saskatchewan and Ontario. Total production revenue across the portfolio has a compound annual growth rate of 8.1% for the previous three years. (See Figure 1)⁵



PRODUCTION RAMP-UP POST COVID-19 SHUTDOWN

Figure 2 displays the production ramp-up in the first six months of reopening following the shutdown as a result of COVID-19. The reopening protocols required extensive training for staff and the incremental addition of services (such as hygiene and dental procedures being offered).

Management



Elroy Gust (CEO)

Elroy has over 20 years of experience in M&A and has completed over 25 transactions, totaling over \$200 million.



Abbas Osman (CIO)

Abbas has approximately 20 years of experience in M&A and has participated in over 100 transactions. Previously, Abbas was the Group Investment Manager of the Abudawood Group global investment office.



Tony Diab (CFO)

Prior to joining Newlook Capital, Tony worked in public accounting for over nine years specializing in advisory, audit and international tax for both private and public corporations.



Gavin Treanor (VP Sales)

Gavin has 15 years of experience in commodity M&A and has been involved in over \$400 million in structured finance deals. He is an Aerospace Engineer.



Oliver Blum (Managing Director)

Oliver joined Newlook Capital in 2018 as the Fund Manager for Fund II. He has an Honours BA in History and Economics from Queen's University and an MBA from Harvard University.



Hass Keshavji (General Counsel)

Hass has over 10 years of experience in M&A. Hass articulated and practiced in the Business Law Group at McCarthy Tétrault LLP from 2010-2017.



Dentalook Locations

REGINA, SK	TORONTO, ON
FORT QU'APPELLE, SK	NORTH BAY, ON
KENORA, ON	WEYBURN, SK
NIPAWIN, SK	ASSINIBOIA, SK
MEADOW LAKE, SK	YORKTON, SK
NORTH BATTLEFORD, SK (2)	

Risks

For a complete list of risks associated with this investment, including, but not limited to, investment risks, general economic risks, disease outbreak risks, business risks and industry risks, please refer to Item 8 – *Risk Factors* of the Offering Memorandum.

Redemptions Limitations

Please note that there is no guarantee that the redemption price will be the same as the purchase price. Redemption notes may be given for notices in excess of the aggregate quarterly cash limit of \$50,000, and redemption notes are not eligible to be held in exempt plans under the Income Tax Act. For more information, please refer to Item 2.7.1 *Declaration of Trust* – Redemption of Trust Units of the Offering Memorandum.

Period of time between the issuance and redemption	Series A	Series B	Series F
< 1 year	92.0%	89.0%	95.0%
1 year < 2 years	93.6%	91.0%	97.0%
2 years < 3 years	95.2%	93.0%	99.0%
3 years < 4 years	96.8%	95.0%	100.0%
4 years < 5 years	98.4%	97.0%	100%
5 years and greater	100%	100%	100%

Notes:

- Source: IBISWorld Industry Report 62121CA Dentists in Canada, Aging teeth: The burgeoning elderly population will spur industry demand (August 2018).
- Canadian Dental Association. Economic Realities of Practice. <https://www.cda-adc.ca/en/services/internationallytrained/economic/> (Accessed on May 28, 2020).
- "Dentalook" means 2663065 Ontario Inc. (o/a Dentalook Management Co).
- The revenue amounts gives effect to the acquisitions of all of the acquired clinics as if such acquisitions occurred at the beginning of 2017 and is derived from unaudited financial statements prepared by previous management of Dentalook as well as unaudited financial statements prepared by previous management of the acquired clinics. This revenue amount excludes Gateway Dental which was acquired in 2020. Past performance is not indicative of future results.
- This revenue amount gives effect to the acquisitions of all of the clinics as if such acquisitions occurred at the beginning of 2019 and is derived from unaudited financial statements prepared by management of Dentalook as well as unaudited financial statements prepared by previous management of the clinics.
- For illustration purposes only. The performance of the clinics during the reopening stage is not indicative of future results.

An offering memorandum dated May 28, 2020 (the "Offering Memorandum") containing important information relating to the securities described in this document has or will be filed with the securities regulatory authorities in each of the jurisdictions where a distribution has occurred or will occur pursuant to the Offering Memorandum. A copy of the Offering Memorandum is required to be delivered to you at the same time or before you sign the agreement to purchase the securities described in this document pursuant to the Offering Memorandum. This document does not provide disclosure of all information required for an investor to make an informed investment decision. Investors should read the entire Offering Memorandum of Newlook Capital Dental Services Trust, including, but not limited to the sections relating to: "Forward-Looking Information", "Risk Factors" and "Investor's Rights", before making an investment decision.