ILLUSTRATIVE FICTIONAL EXAMPLE · INTRODUCTORY FINANCING TEASER

July 30, 2026

Harbor Dental Group

healthcare services · Southeast US

> Harbor Dental is a multi-site dental services platform with 47 locations across Florida, Georgia, and the Carolinas, focused on family and pediatric care with a growing orthodontic specialty practice.

$75M	$50M	$42M	$11.8M	4.2x
TRANSACTION SIZE	DEBT REQUEST	LTM REVENUE	LTM EBITDA	GROSS LEVERAGE

OPPORTUNITY OVERVIEW

SITUATION	Acquisition Financing · Anchorage Healthcare Partners
TRANSACTION RATIONALE	Active M&A pipeline with 8 LOIs out, sponsor wants flexible capital structure for ongoing roll-up

CREDIT PROFILE

EBITDA MARGIN	28%
REVENUE TRAJECTORY	Growing
REVENUE PROFILE	80% recurring patient visits, 15% insurance reimbursements, 5% specialty referrals
YEARS OPERATING	Not provided

INITIAL UNDERWRITING CONSIDERATIONS

- Customer concentration: Top 5 insurance contracts represent 35% of revenue; no single patient relationship exceeds 0.3%
- Cyclicality: Mildly recession-resistant; dental visits tend to defer in downturns but not collapse
- Working capital: Negative working capital cycle typical for dental practices; insurance receivables collect within 30-45…
- Asset support: Approximately $14M of dental equipment, mostly fully depreciated
- Real estate: Owns 12 of 47 locations; remaining are leased with 5-7 year terms
- Subordinated debt: None outstanding

PROCESS CONTEXT

- Management continuity: Yes
- Management equity: Founder retains 15% equity post-close, CFO holds 3% rollover
- Process context: Two other lenders shortlisted; sponsor prefers a healthcare-services lender

PROPOSED FINANCING

STRUCTURE	Unitranche
USE OF PROCEEDS	$45M acquisition financing for 8 add-on practices, $5M working capital and integration
OWNERSHIP	PE Backed
SPONSOR	Anchorage Healthcare Partners
TARGET PRICING	11.5–12.5%
TARGET CLOSE	60-75 days

PRO FORMA CAPITALIZATION

EQUITY CONTRIBUTION	$25M
NEW DEBT	$50M
GROSS LEVERAGE	4.2x
NET LEVERAGE	3.9x
CASH ON HAND	$3.2M
EXISTING DEBT	$8M senior bank debt at SOFR+325, $2M owner seller note at 6%
DEBT COMPOSITION	$50M unitranche from incoming lender, $2M existing seller note rolled forward, $3M revolver capacity

ITEMS FOR LENDER DISCUSSION

- Covenant, reporting, and documentation package.
- Amortization, call protection, and final economics.
- Hold level, syndication expectations, and approval process.

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