

DATE

June 02, 2021

SECTORS

Healthcare

DEAL TYPE

M&A Advisory
Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Ciara O'Neill
Managing Director



James Nichols
Managing Director



Justin Holland
Managing Director

DC Advisory advised Palamon Capital Partners on its acquisition of IDH Group



THE CARLYLE GROUP

Background

- Palamon Capital Partners (Palamon) has been a long term investor in IDH Group (IDH), having acquired the business in 2011 in partnership with The Carlyle Group (Carlyle)
- IDH Group offers dental treatments to more than five million patients every year through its network of almost 600 dental practices operating under the {my}dentist brand.
- IDH also owns Dental Directory (now branded DD), one of the UK's largest suppliers of dental and beauty products, which services more than 12,000 dental practices and 6,000 beauty clinics

Process

- DC Advisory (DC) was engaged by Palamon to provide buy-side M&A and debt advice to support them in their acquisition of the remaining shares in IDH
- DC provided strategic and tactical advice throughout the process, drawing on deep domain expertise and relationships with key stakeholders
- The DC team also advised Palamon on all interactions with potential providers of debt

finance, leading commercial negotiations with lenders to secure and document an attractive debt package within a tightly defined timetable

Outcome

- Following a competitive process, the transaction was signed on 28 May 2021
- This commitment reflects Palamon’s confidence in IDH and its position as the largest NHS provider of dental services in the country
- This follow-on investment will be financed through a new partnership funded by Palamon investors with debt provided by one of its largest financing partners, putting in place a solid and stable new capital structure which will support the growth of the business
- The existing executive management team will remain in place to guide IDH through the next stage of its journey, led by Tom Riall, CEO, and Nilesh Pandya, CFO
- The transaction is expected to complete in the third quarter of 2021 following receipt of the necessary regulatory approvals
- This transaction demonstrates the continued strength of DC's market leading Capital Advisory group and deep expertise in multi-site healthcare advisory
- The deal also shows DC’s unparalleled ability to offer strategic advice across industry and capital markets teams with a fully integrated approach, adding fundamental value for clients

“We are delighted to have advised Palamon on its acquisition of IDH Group. The transaction reflects their strong commitment to the business and belief in the management team, and I am sure that together with a new capital structure the Group will deliver on its exciting plans for the future. For DC, this transaction represents another deal in the dental space to further enhance our already market-leading franchise”

James Nichols, Managing Director, DC Advisory UK

"We are proud to have supported Palamon on their acquisition of IDH Group. The renewed partnership with the management team at IDH backed by a new capital structure facilitates the business’ exciting growth ambitions. This transaction demonstrates DC’s capital markets

advisory expertise, delivering a bespoke solution within a defined timetable."

Ciara O'Neill, Managing Director, DC Advisory UK

"On behalf of the entire team at Palamon, I would like to thank Ciara, James and Justin and their team for their incredibly valuable advice and support throughout a long and complex process. Their in-depth knowledge of the sector and the insight that brings, together with strong relationships with key stakeholders and first-rate financing execution capabilities, were enormously influential in helping us to be able to make a compelling partnership proposition to Tom, Nilesh and their team. We look forward to working with DC Advisory again soon"

Fabio Massimo Giuseppetti, Partner, Palamon Capital Partners