

## ASX ANNOUNCEMENT

28 April 2016

### Brisbane (Northern) Acquisition

1300SMILES Ltd has today completed the acquisition of Dentalplus, a long-established (15 years), multi-dentist practice in the northern Brisbane suburb of Brendale, Queensland. Located close to the 1300SMILES operation in Strathpine, the Brendale facility will assist the company to capitalise on the significant population growth in the area. Hence this is more a strategic and synergistic acquisition rather than material in its own right (turnover greater than \$1.2m), due to the current size of 1300SMILES and its overall profitability.

Managing Director of 1300SMILES, Dr Daryl Holmes, commented, "I am delighted to welcome husband and wife Drs Tony Franklin and Sandra Jones to the team. Drs Franklin and Jones have a considerable patient base developed over careers spanning 20-30 years and we look forward to expanding that patient base. In particular, we will introduce our preventative Dental Care Plans (\$1-a-day) and our Dental Treatment Payment Plans and Vouchers, allowing more patients to access affordable, planned, quality dental care at this new Practice. These and other initiatives have the potential to provide strong growth for both Dentalplus and 1300SMILES over the coming years."

Dentalplus owner Dr Tony Franklin said that he was excited about joining 1300SMILES. "Sandra and I are thrilled to be associated with the 1300SMILES brand. Given the rapid changes in the dental industry and the ever-growing demand for more accessible and affordable dental care, we are confident and excited about the positive transition and growth to the practice the 1300SMILES brand will bring."

1300SMILES Managing Director, Dr Holmes, was excited about the potential for growth in the practice and in the 1300SMILES network as a whole.

This announcement and further information about 1300SMILES Ltd can be found on the company's web-site [www.1300SMILES.com.au](http://www.1300SMILES.com.au).



On behalf of the Board  
Daryl Holmes  
Managing Director

## **ABOUT 1300SMILES LTD**

### **OVERVIEW OF THE COMPANY'S BUSINESS**

1300SMILES Ltd owns and operates full-service dental facilities at its sites in New South Wales, South Australia, and in the ten major population centres in Queensland. The company continually seeks to expand its presence into other geographical areas throughout Australia. It does so both by establishing its own new operations and by acquiring existing dental practices. The administrative and corporate offices are in Townsville.

1300SMILES enables the delivery of services to patients by providing the use of dental surgeries, practice management and other services to self employed dentists who carry on their own dental practices. The services provided by the company allow the dentists to focus on the delivery of dental services rather than on the administrative aspects of carrying on their businesses. The dentists pay fees to the company for the provision of these services under a Dental Service Agreement with the company. In some circumstances the company also employs qualified dentists.

The dentists who use the company's services range from new graduates to experienced dental professionals. Several dentists who use the company's services have special interests and experience in such areas as endodontics, oral surgery, implants and periodontics and cross-refer work to other dentists who use the company's services.

The company provides comprehensive services in the areas of marketing, administration, billing and collections, and facilities certification and licensing to all participating dentists. The company also provides all support staff, equipment and facilities, and sources all consumable goods using the buying power which derives from such a large group of dental businesses.

### **FUTURE DEVELOPMENTS**

The company's core objective is to continue to increase profits and shareholder returns while providing a rewarding environment for our staff and the dentists using our facilities.

The company aims to achieve a combination of organic growth in its existing locations and the addition of new practice management facilities.

The key drivers for future growth of the company are:

- Increasing profits by attracting more dentists to our existing facilities and expanding those facilities which are already at full capacity;
- Assisting dentists who already practice within the 1300SMILES system to increase their turnover and income through benchmarking, training, and mentoring;
- Establishing new practices in existing and new regions (greenfield sites);
- Acquiring substantial existing practices where we can do so on favourable terms; and
- Managing dental facilities owned by others.

### **DENTIST ENQUIRIES**

Owners of dental practices who are interested in unlocking the goodwill value of their businesses (or freeing themselves from all the management hassles) are invited to contact Dr. Daryl Holmes, Managing Director, on +61 (7) 4720 1300 or [md@1300SMILES.com.au](mailto:md@1300SMILES.com.au).

Qualified dentists who wish to know more about joining one of our established facilities are encouraged to contact Dr. Holmes directly or email [dentalcareers@1300smiles.com.au](mailto:dentalcareers@1300smiles.com.au) or visit our website [www.dentalcareersaustralia.com.au](http://www.dentalcareersaustralia.com.au).