

ASX ANNOUNCEMENT

26th June 2018

1300SMILES opens new flagship Practice in Morayfield, Queensland

1300SMILES is pleased to announce it has officially opened its brand new, greenfield, state-of-the-art dental practice, in Morayfield, Queensland (**1300SMILES Practice**).

The 1300SMILES Practice has been purposely built to offer a nine chair / room facility, with the ability to upscale and grow with dental services demand, as well as having scope to utilise some of these rooms for allied health, NDIS, and other related health services in the short-medium term, until required for dental services.



The 1300SMILES Practice is strategically located within the expansive, new, privately funded, comprehensive medical and allied centre, known as the **Health Hub Morayfield**, which was previously a 2-storey 14,000sqm Bunnings Centre. See images below.

The \$100 million **Health Hub Morayfield** works on a patient-centered model of care and operates under a multidisciplinary and integrated approach designed to meet the overall health needs of the entire Morayfield, Caboolture and northern Brisbane area.

1300SMILES' Managing Director, Dr Daryl Holmes, said "I firmly believe this type of comprehensive, one-stop health centre is the future of healthcare in Australia and will help take a load of our public system."

In addition to the 1300SMILES Practice, the **Health Hub Morayfield** aims to provide the local community with access to over 90 medical general practitioners and specialists, a state-of-the-art Minor Accident, Emergency and Illness Centre (with ambulance bays), a Mum and Bub Hub, as well as QML Pathology, X-ray and Diagnostic Imaging facility, Blue Care, Open Minds, USC (University of the Sunshine Coast) clinical trials facility, iHear

Hearing Clinic, Pharmacy and many more expected to come, including optometry, renal dialysis, a coffee shop/café, day-surgery hospital services. Once the **Health Hub Morayfield** is fully operational, it is expected that more than 3000 patients a day will receive health care treatment / services through its various facilities.



“It is very exciting to be part of such an amazing and innovative medical, dental and overall healthcare delivery concept, and we look forward to leveraging the synergies now and in future, through this and other such facilities. ‘*Making Health Happen*’ is what we are focused on and about delivering throughout Queensland and Australia,” said Dr Holmes.

“Since our initial, soft opening some 4-5 weeks back, on-time and on-budget, we have been pleasantly surprised at the steady and increasing patient demand for our dental services, and the support and cross-referrals from the large and busy Medical Centre (which opened six (6) months ago) immediately adjacent to us within the **Health Hub Morayfield** has been amazing – we are most grateful!”

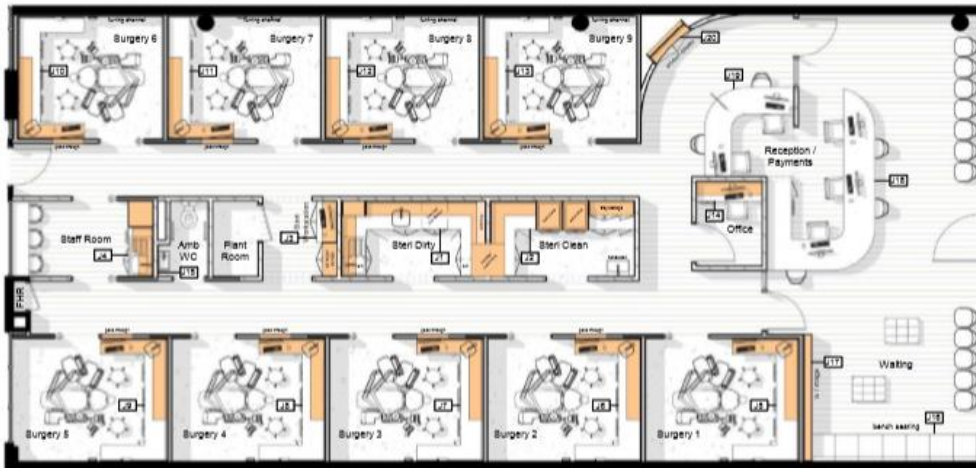
Located halfway between Brisbane and Noosa, the 1300SMILES Practice at Morayfield connects the other 1300SMILES Brisbane practices with its Sunshine Coast practices, building, infilling and strengthening the Company’s footprint in this fast-growing SEQ region.

“The new 1300SMILES Practice at Morayfield complements 1300SMILES’ most recent acquisitions in Queensland, including Buderim, Maleny, Gladstone, Roma and Ingham, and, subject to completion of the recently announced Noosa acquisition (which remains subject to contractual preconditions), would bring the total number of practices acquired or opened by 1300SMILES this past 12 months to nine, representing a 37% increase in the overall number of Practices, a very pleasing and significant increase indeed”, said Dr Holmes.

This announcement and further information about 1300SMILES Ltd can be found on the company’s web-site www.1300SMILES.com.au.

Any enquires to Dr Daryl Holmes at 1300SMILES Ltd on 0418 451 220 or md@1300smiles.com.au

By order of the Board
Gina Bozinovski
Company Secretary



1300SMILES Morayfield Practice Floor Plan



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.

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 or visit our website www.1300smiles.com.au/careers.

