

## ASX ANNOUNCEMENT

24 July, 2018

### 1300SMILES to acquire Noosa Practice

1300SMILES confirms the acquisition below has been completed.

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1300SMILES Ltd, a leader in dental services delivery and management in Australia, has entered into an agreement to acquire a long-established, multi-chair dental practice in Noosa, Queensland.

Noosa is located on the Sunshine Coast about 95km North of Brisbane and is considered one of Australia's most fashionable resort towns, home to more than 50,000 people. Noosa Council's economic plan includes innovative growth in smart industry sectors, expanding business communities and 'smart workforces'. The practice provides affordable dental services to the Sunshine Coast and Noosa community and is conveniently located in a popular retail and commercial hub.

1300SMILES Managing Director, Dr Daryl Holmes, said that "The acquisition reinforces our focus on the Northern Brisbane to Sunshine Coast geographic and economic growth corridor, creating increased scale and scope for 1300SMILES. This exciting acquisition complements our recently opened (21<sup>st</sup> May'18), brand new (greenfield) 9-chair Practice at Morayfield, Northern Brisbane, within the massive, fast-growing and expanding 14,000 sqm Morayfield Health Hub facility. The acquisition is a great fit for us, and we expect it will contribute to solid returns for shareholders over the months and years ahead."

Completion is expected to occur by the end of June/early July, 2018 subject to the satisfaction of customary conditions precedent and finalizing due diligence.

"Following completion, we look forward to welcoming the very experienced dentists and staff to the 1300SMILES group, and further growing and expanding the Practice through quality care and management." said Dr Holmes.

The new acquisition will complement 1300SMILES' most recent purchases in Queensland, including Buderim, Maleny, Gladstone, Roma and Ingham, Morayfield greenfield opened 21<sup>st</sup> May'18, and bringing the total practices acquired/opened by 1300SMILES this past 12 months to nine (9), a pleasing and significant increase for FY'18.

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).

Any enquires to Dr Daryl Holmes at 1300SMILES Ltd on 0418 451 220 or [md@1300smiles.com.au](mailto:md@1300smiles.com.au)

**By order of the Board**  
**Patrick Wyatt**  
**Company Secretary**

## **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.1300smiles.com.au/careers](http://www.1300smiles.com.au/careers).

