



**Pacific Smiles Group Limited
2017 Annual General Meeting
Chairman's Script**

Chairman:

I am honoured to address you as Chairman of Pacific Smiles Group at our 2017 Annual General Meeting. Pacific Smiles Group continues to lead the way with a branded network approach to the Australian dental services industry.

I will commence by drawing your attention to our True Purpose - to improve the oral health of ALL Australians to world's best. For all of us at Pacific Smiles, this is an aligning and non-negotiable cultural value, driving our commitment to superior service and care in the delivery of an exceptional patient experience.

Many Australians are still seeing a dentist either sporadically or not at all. We believe there is a compelling opportunity to make high quality preventive dentistry more accessible for all Australians and this guides our vision for the next 5 years and beyond.

In FY2017 our commitment to our True Purpose was underpinned by some impressive service and treatment statistics. With approximately 600,000 appointments provided across our network in FY17, our staff and dentists are making a real difference.

Another key to our success is our strong competitive advantage. There are six key factors.

Number 1 – our multi-state branded network allows us to build awareness and trust with both practitioners and patients across the markets in which we operate. .

Number 2 – our successful organic roll-out has been continuously refined over the last 10 years and we have developed in areas ranging from site selection to dentist engagement and localised marketing. Combined with the efficiency benefits of cluster-based growth, our roll-out sets us apart from our competition.

Number 3 – the scale of operations provide us with purchasing power and marketing benefits as well as the ability to invest in technology and systems to support our dental centres.



Number 4 – patient satisfaction levels are very high and operate with strong focus on patient rebooking and retention rates.

Number 5 – clinical sovereignty for dentists is paramount and unwavering. This is part of the appeal of Pacific Smiles to dentists, as is the Dental Advisory Committee, which provides input to professional and clinical decisions relevant to the dentists.

Number 6 – We have strong relationships with private health insurers, who are a critical part of the dental ecosystem. Patient attraction is enhanced through collaborative marketing arrangements with nib and Medibank/ahm and we operate 8 nib branded dental centres. Our dentists also have preferred provider arrangements with other health funds.

Our success is evident from the growth we have seen from FY08 to today. We have grown the number of dental centres from 17 to 70 by 30 June 2017 and 72 as of today, with patient fees stepping up in every year.

The EBITDA has shown a similar pattern of growth every year, with an EBITDA of \$20.9m for FY17 and a compound annual growth over the 9 years from FY08 to FY17 of 19%.

On behalf of the Board I would like to thank our shareholders for their ongoing support.

I will now hand over to John Gibbs, Pacific Smiles' CEO and MD to discuss business performance in more detail.