

IMPORTANT NOTICE AND DISCLAIMER



This document is a presentation prepared by Pacific Smiles Group Limited (ACN 103 087 449) (**Pacific Smiles**).

Material in this presentation provides general background information about the activities of Pacific Smiles current at the date of this presentation, unless otherwise noted. Information in this presentation remains subject to change without notice. Circumstances may change and the contents of this presentation may become outdated as a result

The information contained in this presentation is a summary only and does not purport to be complete. It should be read in conjunction with Pacific Smiles' other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other offer document under Australian law or the law of any other jurisdiction. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial or tax situation or needs of any particular investor. Readers should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek independent legal, taxation and other professional advice appropriate for their jurisdiction and individual circumstances.

This presentation is not and should not be considered as an offer or recommendation with respect to the subscription for, purchase or sale of any security and neither this document, nor anything in it shall form the basis of any contract or commitment. Accordingly, no action should be taken on the basis of, or in reliance on, this presentation. In particular, this presentation does not

constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. No securities of Pacific Smiles have been, and nor will they be, registered under the Securities Act of 1933 as amended (US Securities Act). Securities in Pacific Smiles may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act and applicable US state securities laws.

Pacific Smiles, its related bodies corporate and any of their respective officers, directors, employees, agents or advisers (Pacific Smiles Parties), do not make any representation or warranty, express or implied, in relation to the accuracy, reliability or completeness of the information contained herein, and to the maximum extent permitted by law disclaim any responsibility and liability flowing from the use of this information by any party. To the maximum extent permitted by law, the Pacific Smiles Parties do not accept any liability to any person, organisation or entity for any loss or damage arising from the use of this presentation or its contents or otherwise arising in connection with it.

Forward looking statements

This document contains certain forward looking statements and comments about expectations about the performance of its businesses. Forward looking statements can generally be identified by the use of forward looking words such as, without limitation, 'expect', 'outlook', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'would', 'believe', 'forecast', 'estimate', 'target' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings or financial position or performance are also forward looking statements.

Forward looking statements involve inherent risks and

uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. Forward looking statements

are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance. Forward looking statements involve known and unknown risks, uncertainty and other factors, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not prove to be correct, which can cause Pacific Smiles' actual results to differ materially from the plans. objectives, expectations, estimates and intentions expressed in such forward looking statements and many of these factors are outside the control of Pacific Smiles. As such, undue reliance should not be placed on any forward looking statement. Past performance is not a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward looking statements, forecast financial information or other forecast. Nothing contained in this presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Pacific Smiles. Pacific Smiles does not undertake any obligation to update or review any forwardlooking statements (other than to the extent required by applicable law)

Pro forma financial information

Pacific Smiles uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards. These measures are referred to as non-IFRS financial information.

Pacific Smiles considers that this non-IFRS financial information is important to assist in evaluating Pacific Smiles' performance. The information is presented to

assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. For a reconciliation of the non-IFRS financial information contained in this presentation to IFRS-compliant comparative information, refer to the Appendices of this presentation.

All dollar values are in Australian dollars (A\$) unless otherwise stated.

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.



AGENDA



- 1. CHAIRMAN'S ADDRESS
- 2. ANNUAL GENERAL MEETING BUSINESS
- 3. MANAGING DIRECTOR'S ADDRESS

OUR TRUE PURPOSE FACTS





We are the major sponsor of three key programs of the Australian Dental Health Foundation which facilitates free dental services to those members of society least able to access dental care.





Approximately
670,000
appointments provided







75% of patients surveyed scored us a 9 OR 10



We've helped approx **27,000**kids smile with the Child
Dental Benefits Schedule

How we've
improved the oral
health of
Australians in the
last 12 months



SUCCESS STORIES



DENTISTS

"I have built my practice over 32 years at Pacific Smiles Greenhills and I am extremely proud to now have the pleasure of my daughter joining me to develop her career as a dentist."

Dr Anne Bailey



EMPLOYEES

"Pacific Smiles has provided me with amazing opportunities over the 14 years I have been with the Company. I started my career as a trainee dental assistant and now hold a senior management position, helping to shape the direction of the Company."

Jess Garside



COMMUNITY

"With a strong commitment to our true purpose of improving the oral health of ALL Australians to world's best, our employees and dentists willingly donate their time to various community programs and organisations to help those most in need."

CEO



6

OUR STRATEGIC FRAMEWORK





STRATEGIC FRAMEWORK IN ACTION





A Perfect Patient Experience

Patient Satisfaction

- Net Promoter Score above 75
- Strong patient rebooking and retention

Private Health Insurance Partners

- Collaborative marketing arrangements
- · Preferential patient benefits
- 10 nib Dental Care Centres



Best in Class Dentists

Dentist Clinical Autonomy

- Practitioner sovereignty in clinical decision making
- Dental Advisory Committee for input to clinical and professional matters, treatments, services, products, equipment and quality

Practitioner Development

- Graduate Mentoring Program
- Regional Dentist Mentors for ongoing dentist development



High Performance Culture & Employees

Leadership and Development

- LEADER professional development course for emerging managers
- Business Excellence course for Centre Managers



Efficient & Effective Operations

Scale Operations

- Group buying power
- Network marketing benefits and partnership programs
- Increased brand awareness

Leverage Business Data

 Business database for data analytics and business intelligence



Expansion & Growth

Multi-State Branded Network

- 70 are branded Pacific Smiles Dental, 10 are branded nib
- Branding consistency to grow awareness, preference and trust
- Everything Dentures acquisition

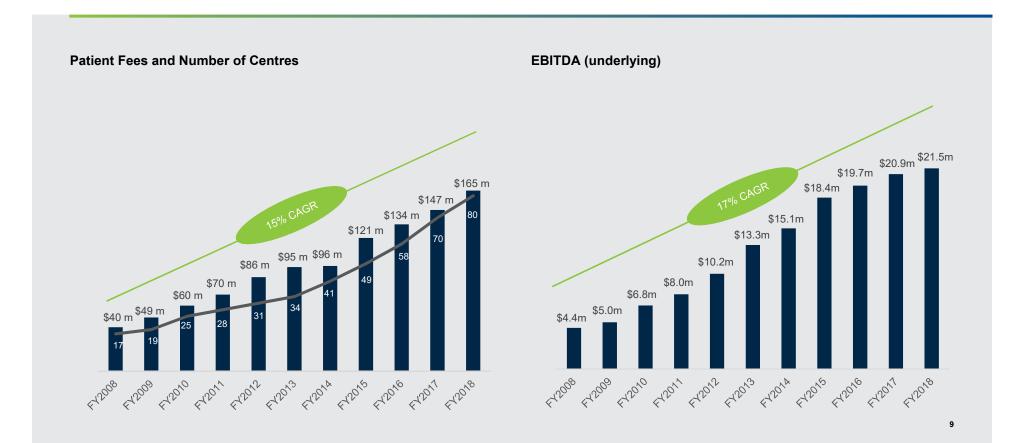
Organic Rollout

- 10+ years of executing greenfield rollout model
- · Proven unit economics
- · Cluster approach

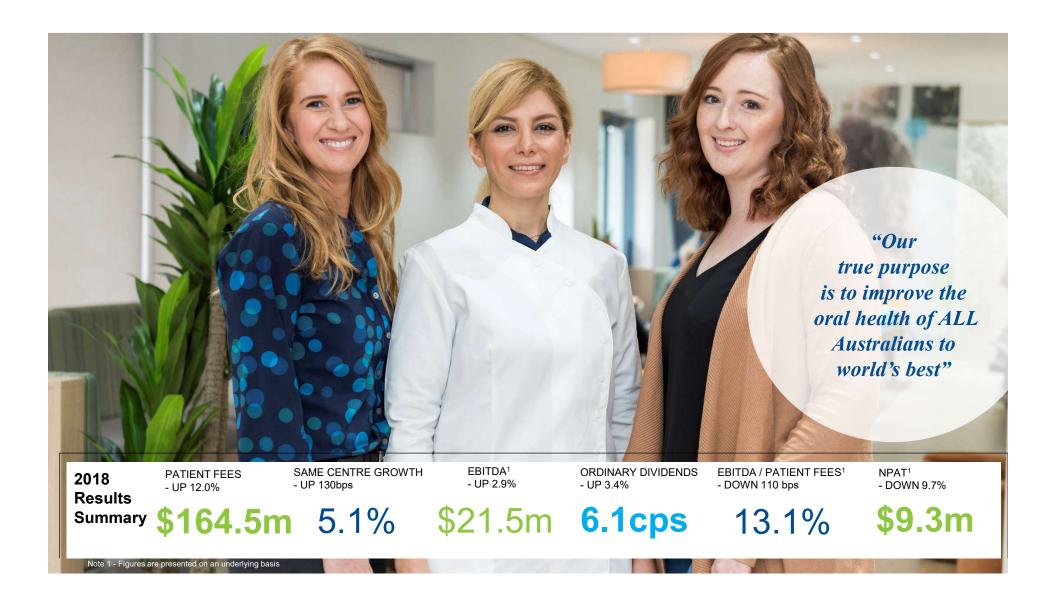
8

GROWTH TRACK RECORD









FY 2018 OPERATIONAL SNAPSHOT



DENTAL CENTRES

80

14% GROWTH ON PCP

ACQUISITION OF EVERYTHING DENTURES AND SCULPT DENTAL LAB NET PROMOTER SCORE

>75

SUCCESSFUL RIGHT-SIZING OF EX-DEP CENTRE IN PARRAMATTA



NEW CENTRES

10



COMMISSIONED CHAIRS

309

12% GROWTH ON PCP

376
DENTISTS
10% GROWTH PCP

DENTIST MENTOR PROGRAMS

1,008
EMPLOYEES



GROWTH STRATEGY





Existing Centres

- Strong 'same centre' patient fee growth as centres mature
- Significant proportion of immature centres
- Capability to commission further surgeries to meet future demand



New Centres

- Targeting at least 10 new centres per annum
- Long term network potential of 250 dental centres



Range of Services

- Additional services to support patient demand
- Increase hours of operation



Margin Expansion

- Increased scale
- New centre ramp up
- Leverage fixed overheads

GROWTH FROM NEW CENTRES

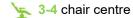


Successful Formula









High foot traffic shopping centre locations

Open shopfronts

7 days per week and extended operating hours

Private health insurer and government programs



Strong local marketing

Aligned, engaged dentists and staff

GROWTH FROM EXISTING CENTRES





STRATEGIC FOCUS AREAS FY 2019





A Perfect Patient Experience

- Enhanced automated treatment plan follow up communication system
- Intra-oral scanner trial
- New website and information hub



Best in Class Dentists

- Expand the structured mentoring programs for graduates
- Regional Clinical Mentors
- Third annual Inspire conference for dentists
- Specialised training and development



High Performance Culture & Employees

- Business Excellence Manager training program
- Frontline customer service training refresher program



Efficient & Effective Operations

- Systemised utilisation planning
- Further leveraging the business database for data analytics and enhanced reporting capability
- Dedicated focus on appointment book management



Expansion & Growth

- Opening at least 10 new dental centres in FY 2019
- Expansion of Everything Dentures and Sculpt Lab
- Dental plan for uninsured patients
- Refresh long term network plan

FY 2019 OUTLOOK



- FY2019 guidance is unchanged
- EBITDA growth for FY 2019 of at least 10% on FY 2018
- **Patient Fee** growth of **10 15%** on FY 2018
- Same Centre Patient Fee growth of > 5% for FY 2019 (tracking at 8.5% YTD up until 16th November 2018)
- Opening at least 10 new dental centres in FY 2019, with 3 centres already opened and 1 new site committed
- Dividend policy pay-out ratio in the range of 70-100% of NPAT for FY 2019

