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## **ASX ANNOUNCEMENT**

### **Pacific Smiles Group Limited (ASX: PSQ) – signs Management Services Agreement with HBF**

Pacific Smiles Group (“Pacific Smiles”) has signed an initial 10-year base term Management Services Agreement (MSA) with Western Australian health fund market leader HBF.

Under the agreement HBF will build a minimum of 5 HBF Dental (HBFD) clinics across Western Australia over the next 18 months. Pacific Smiles will be the exclusive operator of these and any additional HBFD clinics rolled out in Western Australia for the term of the MSA.

Pacific Smiles will receive a percentage of revenue from the operations in return for providing comprehensive operational support for the design, construction, and all aspects of the clinics’ day to day operations. HBF will be responsible for funding capital expenditure and in-clinic operating costs. Pacific Smiles does not expect the arrangement to be material to earnings within the first year of operation.

Pacific Smiles will bring significant experience and a strong performance track record to the MSA relationship. A history of attracting experienced and professional dentists to practice within Pacific Smiles’ network, a strong and consistent net promoter score, and quality patient experience were key factors in entering into this MSA from HBF’s perspective.

HBF is the leading health fund in Western Australia where it has over 50% market share. It is Australia’s fifth largest health insurer and the country’s second largest not-for-profit health fund. HBF is committed to improving the health outcomes of its members, which includes providing access to high quality, affordable dental care.

Further to this partnership, HBF and PSG are working towards extending HBF’s Member Plus provider relationship to all dentists who choose to practice with Pacific Smiles in the eastern states, enabling HBF members outside Western Australia to experience the benefits of HBF’s Member Plus arrangements.

Mr Phil McKenzie, Pacific Smiles’ Chief Executive Officer said, “This relationship consolidates Pacific Smiles’ position as the leading organic growth focused dental services organisation in Australia. We see this partnership as a compelling way to provide our services to an entirely new population of patients and dentists, and we are delighted that HBF has placed its trust in us to deliver a high quality dental care experience for their members.”

We enable the dentists who choose to practice with us to do their best work.”

Mr John Van Der Wielen, HBF’s Chief Executive Officer and Managing Director said, “HBF chose Pacific Smiles on the strength of its track record in establishing and operating high quality dental clinics, which deliver excellent customer service and clinical outcomes.”

Authorised for release by the Board of Directors.

For further information, please contact:

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