

ABANO 2018 ANNUAL MEETING

9 OCTOBER 2018



ABANO: A LEADING DENTAL PROVIDER

Our goal is to be the leading oral healthcare provider in Australasia.

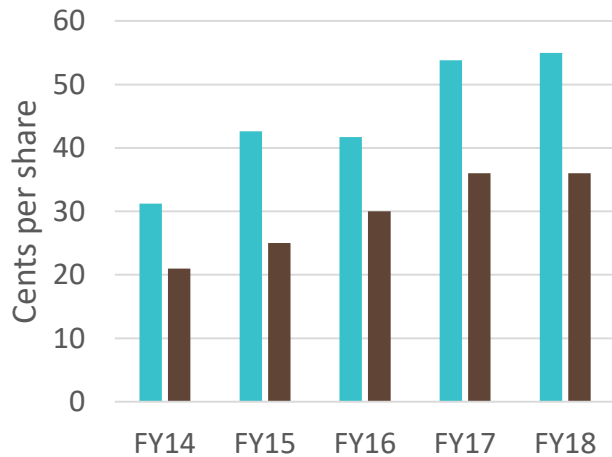
Our Business Model:

- Focus on private, fee for service, dental market
- Organic and acquisition growth of our dental networks
- Investing to create a long term, sustainable business and scalable infrastructure
- Adding value and building the capability of our people
- Working in partnership with our people.
- This will deliver increasing value for our shareholders.



FY18 RECORD EARNINGS RESULTS

Dividend and Underlying EPS



■ Weighted Average Underlying Earnings Per Share

■ Dividend Per Share



FINAL DIVIDEND OF 20 CENTS PER SHARE

Full year partially imputed dividend of 36 cents per share paid on increased number of shares following capital raise in 2017; equal to 68% of underlying NPAT

GOVERNANCE



TREVOR JANES
INDEPENDENT CHAIRMAN



PIP DUNPHY
INCOMING INDEPENDENT
CHAIRMAN



MURRAY BOYTE
INDEPENDENT DIRECTOR
AUSTRALIA-BASED



DR GINNI MANSBERG
INDEPENDENT DIRECTOR
AUSTRALIA-BASED



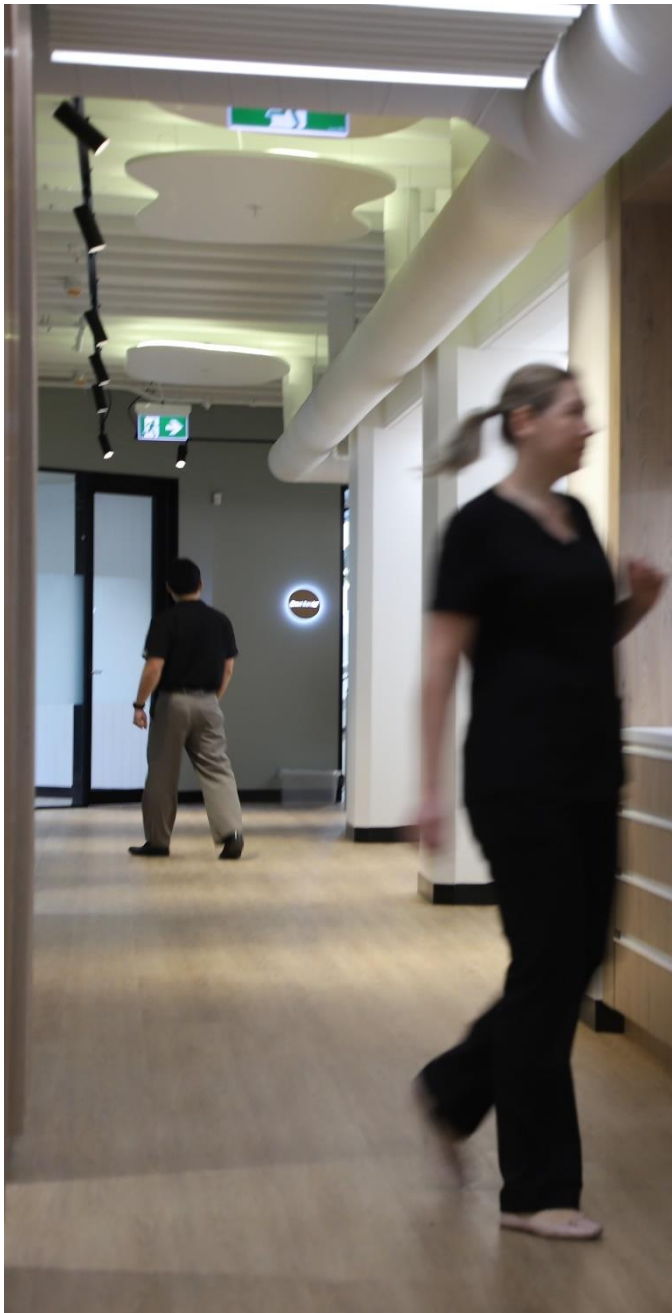
DR TRACEY BATTEN
INDEPENDENT DIRECTOR



DANNY CHAN
INDEPENDENT DIRECTOR



TED VAN ARKEL
RETIRING AT THE 2018 ANNUAL MEETING



CEO'S ADDRESS

OUR VISION: TO BE THE **LEADING** ORAL HEALTHCARE PROVIDER IN AUSTRALASIA

ENHANCE THE PATIENT
EXPERIENCE



AN ENGAGED AND
CAPABLE ORGANISATION



OPERATIONAL AND
CLINICAL EXCELLENCE



GENERATE
PROFITABLE GROWTH



PURPOSE

**"Happy, healthy
patients for life."**

VALUES



- We take the time to care
- We respect each other
- We play as a team
- We only bring our best

FY18 FINANCIAL SNAPSHOT

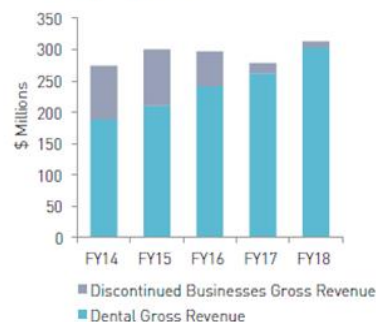
RECORD EARNINGS RESULT

RECORD RESULTS DRIVEN BY DENTAL GROWTH AND IMPROVING SAME PRACTICE PERFORMANCE

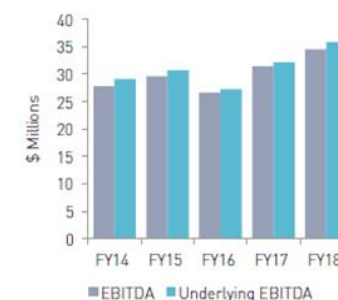
Gross Revenue	\$312.7m	+12.2%
Revenue	\$259.5m	+11.1%
Underlying EBITDA	\$35.8m	+11.6%
EBITDA	\$34.5m	+10.0%
Underlying NPAT	\$13.6m	+17.7%
NPAT	\$12.6m	+15.8%

*Percentage change based on FY18 financial statements.

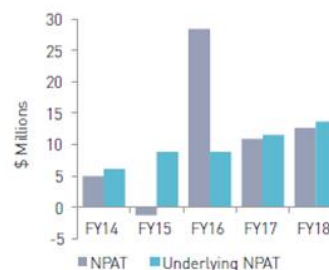
GROSS REVENUE



EBITDA AND UNDERLYING EBITDA



NPAT AND UNDERLYING NPAT



DIVIDEND AND UNDERLYING EPS



FY18 HIGHLIGHTS AND KEY EVENTS

COMPLETED TRANSITION TO SOLE FOCUS ON DENTAL MARKET

MOVE TO SOLE FOCUS ON DENTAL

Sale of 71% shareholding in radiology business for \$2.1m gain on sale

GREW OUR DENTAL NETWORKS

Grew trans-Tasman dental network to 225 practices. Acquired 19 dental practices which are expected to generate \$40.3m in annualised gross revenue. Opened leading edge greenfield practice in Rangiora

CONTINUED INVESTMENT INTO THE BUSINESS

Patient Experience; People And Organisation; Operational And Clinical Excellence; Profitable Growth; Technology

STRENGTHENED BALANCE SHEET

Successful \$35 million 1 for 5 fully underwritten renounceable rights offer

GOVERNANCE

Dr Tracey Batten appointed to the Board as Independent Director

RESOLUTION ON TAKEOVER COSTS

High Court rules in favour of Abano regarding recovery of takeover defence costs. Sell down by Healthcare Partners of their entire shareholding in Abano.

More information on gross revenue, EBITDA, Underlying EBITDA and Underlying NPAT, which are non-GAAP financial measures, is available at www.abano.co.nz/underlyingearnings. Definitions of financial terms are included in the glossary at the end of this presentation.

NETWORK GROWTH

Trans-Tasman network of 231 practices generating \$330m-plus in annualised gross revenue

Revenue Market Share Lumino in New Zealand: ~15%
 Revenue Market Share Maven in Australia: <2%

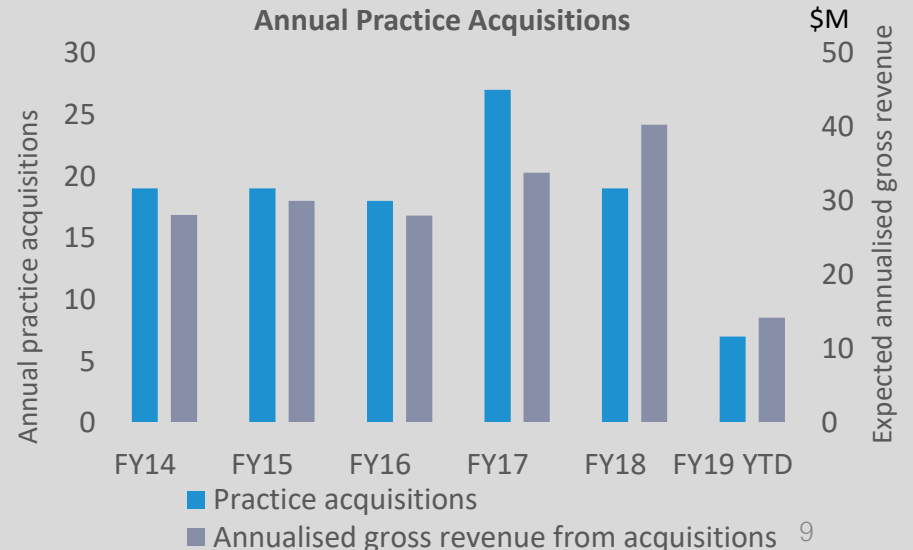
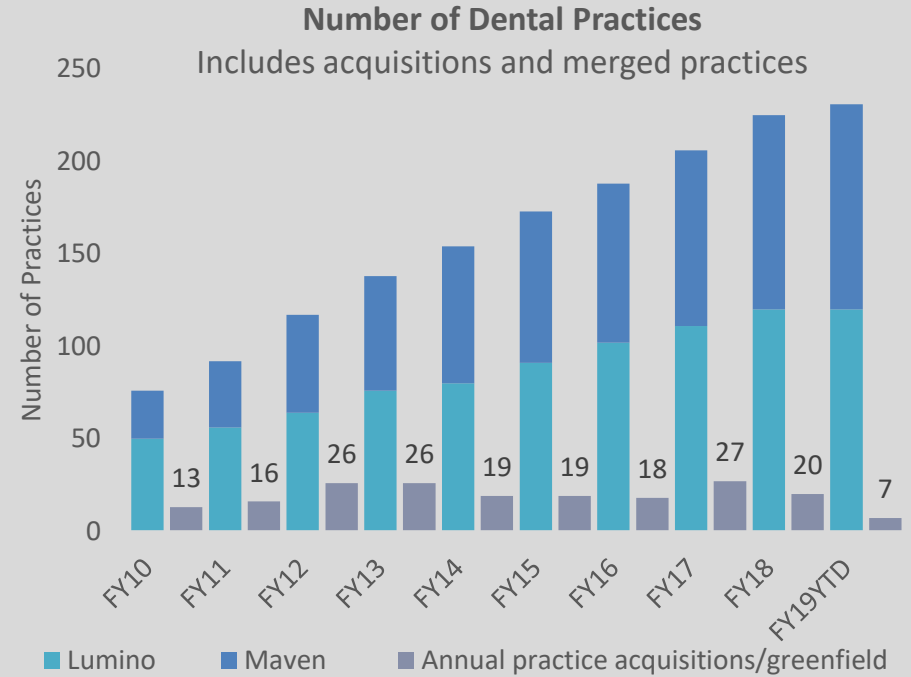
Acquisitions

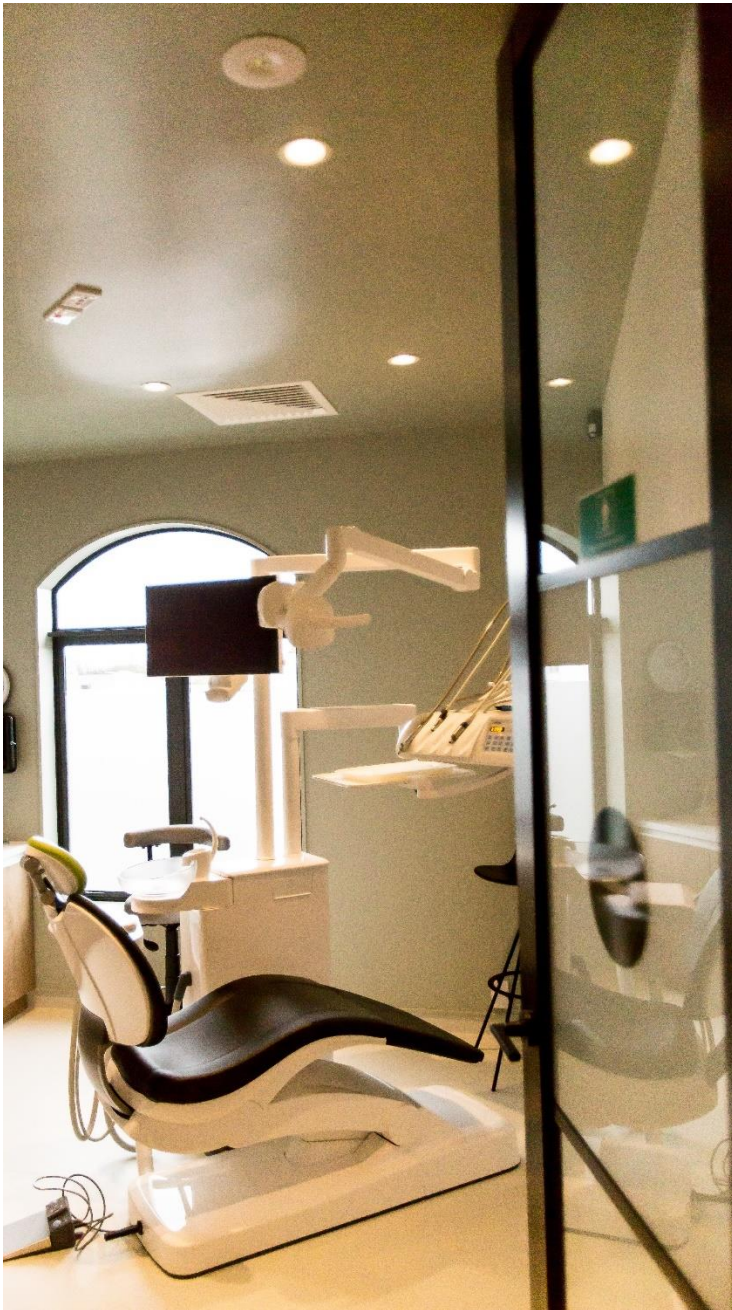
FY18:

- Acquired fewer but larger and more profitable practices in FY18
- Acquisition of 19 practices (8 Lumino and 11 Maven) which are expected to generate approximately \$40.3 million in annualised gross revenue (A\$27.6m and NZ\$10.3m)
- Opened new Lumino leading edge greenfield practice in Rangiora

FY19 to date:

Acquired six Australian practices and one NZ practice (which was immediately merged) expected to provide \$14.2 million in annualised gross revenue.





OUR STRATEGY INVESTING IN DENTAL

THE OPPORTUNITY IN DENTAL

\$11-BILLION REVENUE TRANS-TASMAN DENTAL MARKET



Trans-Tasman dental market is worth approx.

NZ\$11 billion

Australia: A\$9.4b NZ: \$0.8b

Growing Acceptance And Popularity Of The Corporate Dental Model

More dentists are choosing to join a corporate dental group

Corporate consolidators comprise less than 10% of the market

~9,000

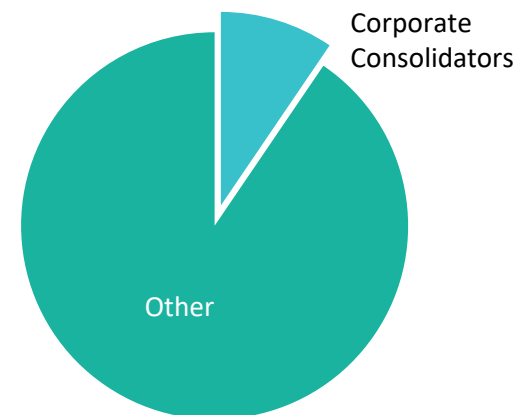
Private Dental Practices

Huge pool of practices for acquisition and ongoing expansion of Abano's dental networks on both sides of the Tasman



Changing workforce: Increase in supply of new graduates; More female dentists; Preference for flexible working conditions offered by a dental corporate

Trans-Tasman Market Ownership



Predominantly privately funded: Minimal reliance on Government funded contracts; Payment from patients or their health insurance



Long Term Growth Trend: Better oral health and retention of natural teeth; More Services on offer; Increasing Demand for Cosmetic Services

OUR STRENGTHS

OUR STRENGTHS

Established, long term business

Large trans-Tasman group delivering benefits of scale

Investment in infrastructure for growth

Focus on private patients

Focus on clinical excellence

Mid to high end service

Nationwide branded networks

Culture and calibre of clinicians

Investment into our people

230+ practices
2,300+ people
2 strong brands

More than 1.2M
patient visits
annually

More than 900
dentists,
specialists and
clinicians

Innovative
marketing and
finance offers

NZ \$330M+
annualised gross
revenue

High customer
satisfaction

OUR VISION

TO BE THE LEADING ORAL HEALTHCARE PROVIDER IN AUSTRALASIA



ENHANCE THE PATIENT EXPERIENCE



AN ENGAGED AND CAPABLE ORGANISATION



OPERATIONAL AND CLINICAL EXCELLENCE



GENERATE PROFITABLE GROWTH



ENHANCE THE PATIENT EXPERIENCE

Engage through a variety of channels and ensure ease of patient interaction

Invest into brands and marketing

Deliver an exemplary patient experience

Generate high levels of patient satisfaction

Leverage insightful patient and business data analytics



KEY INITIATIVES FOR FY19:

- Use of data analytics and CRM to better target and communicate with patients
- Rollout of the Lumino Dental Plan after successful pilot in FY18 – currently more than 12,000 patients
- Developing software to ensure ease of use and allow scalability of Dental Plan across the trans-Tasman group
- Continued rollout of Online Booking across NZ and Australia
- Continue to rebrand practices in Australia to Maven Dental Group
- Rollout of NPS across all Maven-branded practices.

NEW ADVERTISING CAMPAIGN



ENGAGED AND CAPABLE ORGANISATION

Foster a culture of pride, patient care and clinical excellence

Provide access to training, mentoring and career development

Attract and retain high performing people

Create world class work places

Generate high levels of employee engagement



KEY INITIATIVES FOR FY19:

- Recruitment of Learning & Development Manager
- Optimise recruitment function to ensure an appropriate pipeline and pool of dentists to meet our needs
- Programme of training and development opportunities
- MDG Connect and Lumi-Network regional meetings for training and collaboration
- Increasing use of webinars as a training tool
- Use of clinical dashboards to identify training opportunities
- Practice Partnering scheme for individual, high performing Lead Dentists
- Support for our communities through Lumino Day, Maven Day and other initiatives

OPERATIONAL AND CLINICAL EXCELLENCE

Develop a clinical framework, systems and processes that support clinical excellence

Invest in modern clinical technology

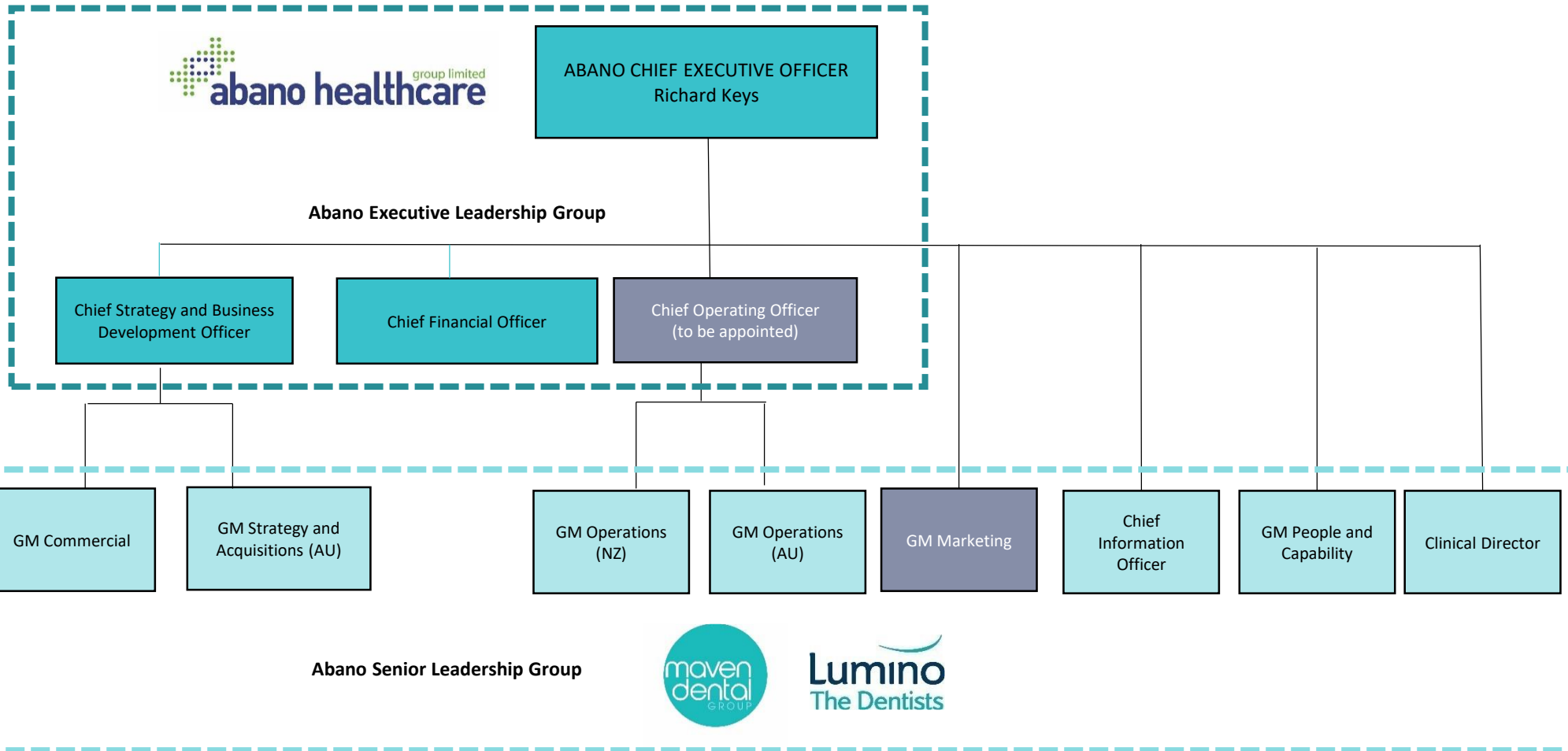
Continually improve business processes, systems and operating efficiencies



KEY INITIATIVES FOR FY19:

- Better data analysis for clinical best practice
- Continue to enhance the digital dashboards in individual practices to improve clinical reporting and practice management
- Development of new systems to improve the patient experience, following FY18 review of patient engagement
- Establish trans-Tasman leadership team
- Continue to strengthen the trans-Tasman leadership team with appointment of group Chief Operating Officer
- Strengthen the clinical support team with appointment of clinical advisors to support the Clinical Director and Clinical Advisory Boards
- Continue to invest in digitising the clinical process, to deliver faster, better care

TRANS-TASMAN LEADERSHIP TEAM



GENERATE PROFITABLE GROWTH

Network expansion primarily through acquisition, plus selective greenfield development

Organic growth from existing businesses

Deliver improving Underlying EBITDA and Underlying NPAT

Focus on improving margins and managing costs

Deliver improving shareholder returns



KEY INITIATIVES FOR FY19 :

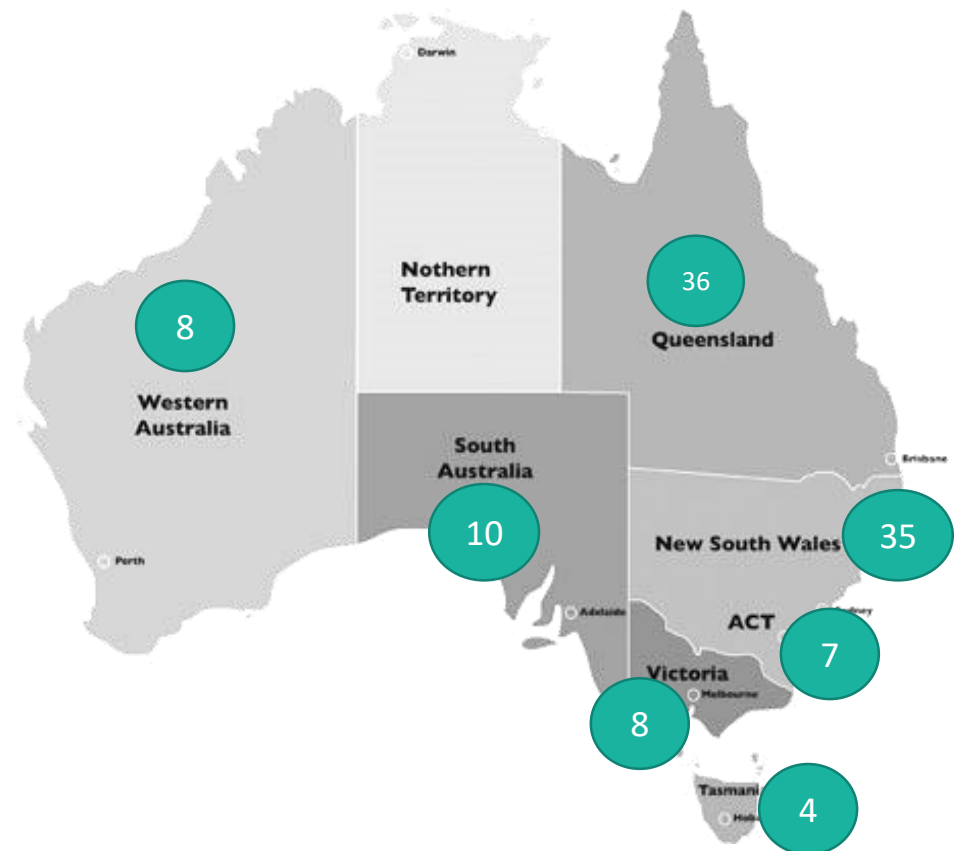
- Continue to expand by acquisition and targeted greenfield development
- Focused on generating improvement in same practice gross revenue over both networks
- Investment into creating a strong and sustainable infrastructure to support our growth, particularly into People, Learning & Development and Technology
- Deliver an improved result and value for shareholders

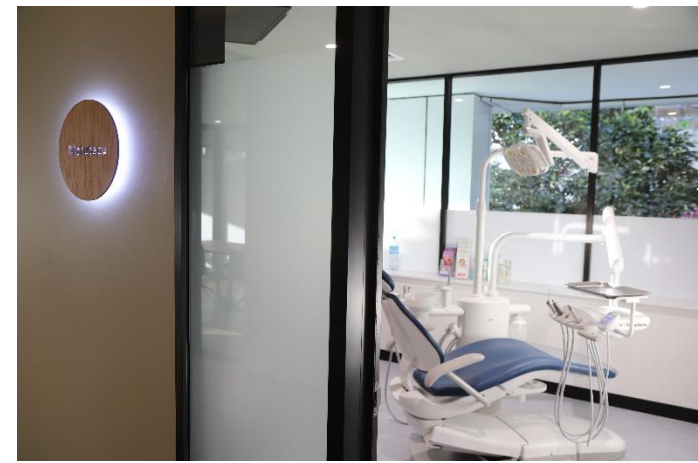
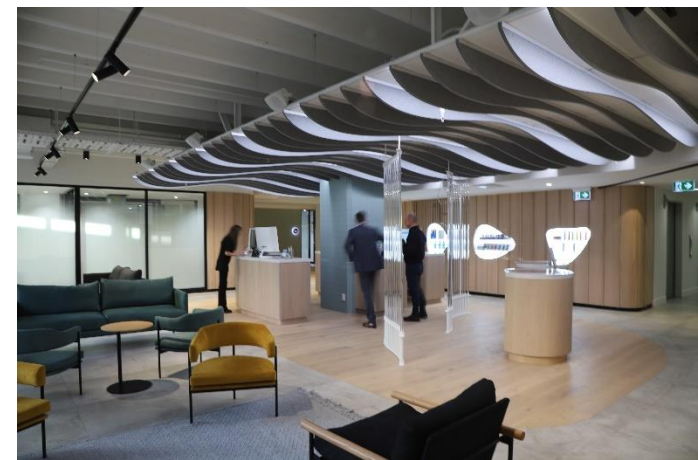
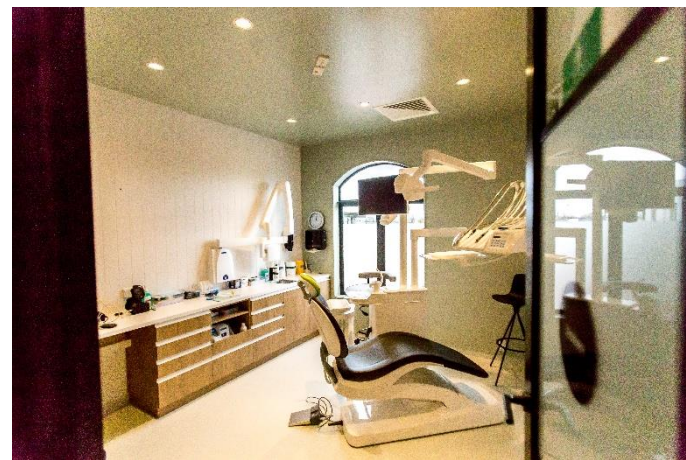
GROWTH STRATEGY

The opportunity for Abano to continue its acquisition growth strategy is significant

- Largest opportunity is the Australian dental market which is approximately 12x bigger than NZ
- Growing acceptance of the corporate model amongst dentists
- With Abano's positive reputation and workplace culture, we are benefiting from an increase in the number and size of practices in our acquisition pipeline
- Opportunity exists to continue to build our networks, mainly in Australia in states where we are under-represented, particularly Victoria and NSW

Maven in Australia: 111 Practices as at 30 Sept 2018
Market Size: Approx. ~8,000 Private Dental Practices





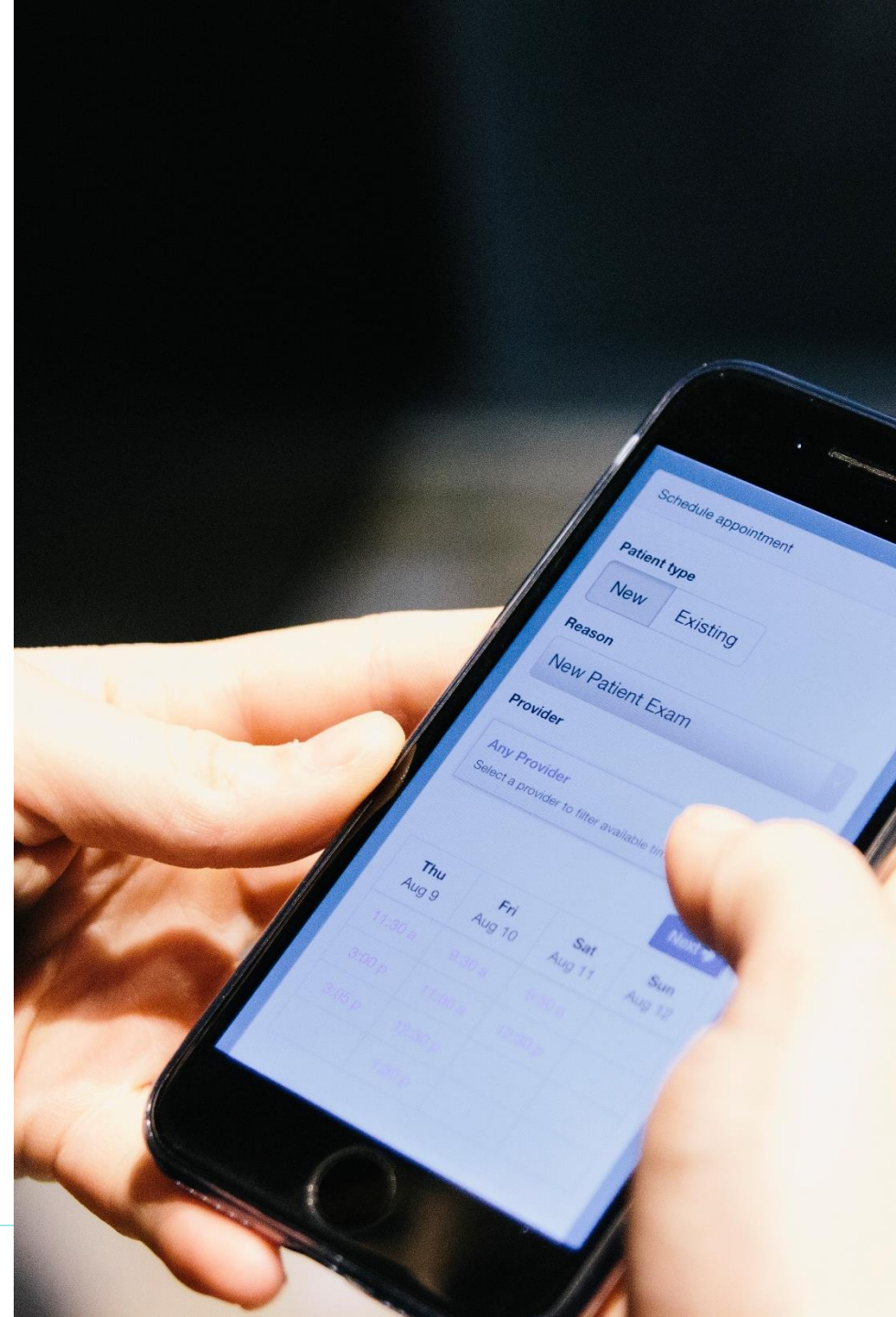
LEVERAGING TECHNOLOGY

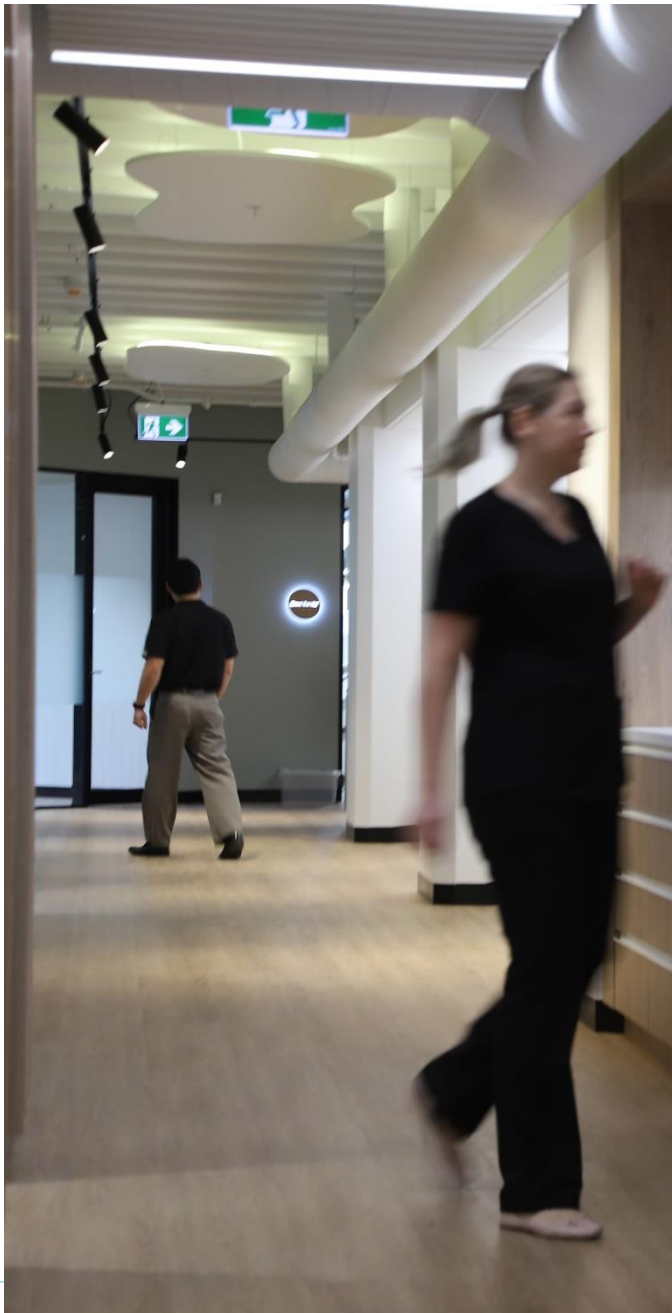
- Ability to use data analytics to improve performance at dentist, practice and group level
- Clinical dashboards for individual practices and dentists
- Ongoing investment into digital marketing and patient communication
- Making it easier for patients to transact with us – Online Bookings
- Continue to trial and acquire new clinical equipment
- Greater use of network data and indepth analysis to drive operational improvements, training and clinical best practice



FIRST QUARTER TRADING UPDATE AND OUTLOOK

- New Zealand network continues to deliver same store growth
- Australian economy remains challenging, particularly outside of the mining sector
- Focus on driving same store growth in Australia: Increased focus on recruitment, marketing and finance offers to deliver new and existing patient visits
- Several large, more profitable practice acquisitions in the pipeline – will be some of the larger practices in the trans-Tasman group
- Continuing support from bank for acquisition strategy, with increased debt facilities recently negotiated





SHAREHOLDER DISCUSSION



RESOLUTIONS

RESOLUTIONS

RESOLUTION 1: To record the reappointment of PricewaterhouseCoopers as auditor of the Company and to authorise the Directors to fix the auditor's remuneration.

RESOLUTION 2 : That Dr Ginni Mansberg, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.

RESOLUTION 3: That Dr Tracey Batten, who was appointed as a Director by the Board during the year, be elected as a Director of the Company.

RESOLUTION 4: To authorise an increase in the total amount of remuneration payable per annum to non-executive Directors from \$663,000 to \$697,100 (an increase of \$34,100 or 5.1%), to be paid and allocated to the non-executive Directors as the Board considers appropriate.

PROXIES

PROXIES			
RESOLUTION	FOR	AGAINST	PROXY DISCRETION
Auditor's remuneration	9,535,756 98.13%	7,495 0.08%	174,168 1.79%
Re-election of Dr Ginni Mansberg	8,609,221 88.60%	912,912 9.40%	194,831 2.01%
Election of Dr Tracey Batten	9,488,584 97.72%	26,381 0.27%	194,831 2.01%
Increase in Directors' remuneration pool	6,680,603 69.35%	2,775,949 28.82%	175,939 1.83%

Total proxies received in respect of 9,717,419 shares representing 37.26% of total shares on issue. Voting on each resolution will be by way of poll.

OTHER BUSINESS

CLOSE OF THE MEETING

Results of the voting will be
released to the NZX

Presentations available online at
www.abano.co.nz



MANAGEMENT

ABANO LEADERSHIP TEAM

Richard Keys	Chief Executive Officer
Rosemary Ferguson	Interim Chief Financial Officer
Andy Tapper	Chief Strategy & Business Development Officer
Peter Radich	Chief Information Officer
Dr Fred Calavassy	Clinical Director
Vanessa Frost	People & Capability
Kerry Dunphy	Marketing
Sophie Harmsworth	Strategy & Acquisitions AUS
Josh Stent	Operations NZ
Chris Williams	Operations AUS
Allan Wong Kam	Commercial NZ/AUS

DENTAL CLINICAL ADVISORY BOARDS

Lumino

Dr Chris Brooks
Dr Andrew Brown (Chair)
Dr Adam Doudney
Dr Werner Eichholz
Dr Ben Harris
Dr Sarah Kelly
Dr Garry Rae

Maven

Dr Michael Barber
Dr Fred Calavassy (Chair)
Dr Mark Cull
Dr Greg Duguid
Dr Angie Lang
Dr Martin Pynor
Dr Ruchira Singhi
Jason Alfrey
Kelly Tandler

A number of clinicians are also involved in the management of the dental group

GLOSSARY

- Revenue excludes any audiology revenues (prior to its sale in FY16), as this was a joint venture and was therefore equity accounted, and only includes Australian dental revenues after the payment of dentists' commissions.
- Gross revenue is reported within the segment note in the Financial Statements and includes audiology revenues (prior to its sale in FY16) and all dental revenues before payment of dentists' commissions.
- Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") is reported within the segment note in the Financial Statements and is Net Profit After Tax ("NPAT") excluding GAAP net finance expenses, fair value adjustments, realised foreign exchange gains/losses, asset impairments, gains/losses arising on sale of businesses, non-controlling interests, tax, depreciation and amortisation costs. Particularly, it excludes profit/losses generated by the Bay Group, in which Abano held a 50% shareholding until its sale in FY16. Due to this being a joint venture, the results for the Bay Group were equity accounted and therefore not included in the consolidated EBITDA.
- Underlying earnings are reported for both NPAT (a GAAP compliant measure) and EBITDA (a non-GAAP financial measure) and exclude gains/losses arising on sale of businesses, IFRS adjustments and impairments, including their tax effect. These are the measures used within the Company to evaluate performance, establish strategic goals and to allocate resources. They also provide the basis of Abano's dividend policy. A reconciliation is provided in this presentation.
- More information on gross revenue and underlying earnings, which are non-GAAP financial measures and are not prepared in accordance with NZ IFRS, is available on the Abano website at www.abano.co.nz/underlyingearnings.
- Net Promoter Score (NPS) : An index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.

DISCLAIMER

This presentation has been prepared by Abano Healthcare Group Limited (“Abano). The information in this presentation is of a general nature only. It is not a complete description of Abano.

This presentation is not a recommendation or offer of financial products for subscription, purchase or sale, or an invitation or solicitation for such offers.

This presentation is not intended as investment, financial or other advice and must not be relied on by any prospective investor. It does not take into account any particular prospective investor’s objectives, financial situation, circumstances or needs, and does not purport to contain all the information that a prospective investor may require. Any person who is considering an investment in Abano securities should obtain independent professional advice prior to making an investment decision, and should make any investment decision having regard to that person’s own objectives, financial situation, circumstances and needs.

Past performance information contained in this presentation should not be relied upon (and is not) an indication of future performance. This presentation may also contain forward looking statements with respect to the financial condition, results of operations and business, and business strategy of Abano. Information about the future, by its nature, involves inherent risks and uncertainties. Accordingly, nothing in this presentation is a promise or representation as to the future or a promise or representation that an transaction or outcome referred to in this presentation will proceed or occur on the basis described in this presentation. Statements or assumptions in this presentation as to future matters may prove to be incorrect.

A number of financial measures are used in this presentation and should not be considered in isolation from, or as a substitute for, the information provided in Abano’s financial statements available at www.abano.co.nz/latestfinancials. This presentation includes non-GAAP financial measures. This information has been included on the basis that Abano management and directors consider that this non-GAAP information assists readers to understand the key drivers of Abano’s performance which are not disclosed as GAAP measures in Abano’s financial statements. More information on certain non-GAAP financial measures used by Abano is available at: www.abano.co.nz/underlyingearnings.

Abano and its related companies and their respective directors, employees and representatives make no representation or warranty of any nature (including as to accuracy or completeness) in respect of this presentation and will have no liability (including for negligence) for any errors in or omissions from, or for any loss (whether foreseeable or not) arising in connection with the use of or reliance on, information in this presentation.

IFRS REPORTING IMPACT ON THE REPORTED RESULTS

RECONCILIATION OF EBITDA TO UNDERLYING EBITDA (\$m)

	2014	2015	2016	2017	2018
EBITDA	27.8	29.6	26.6	31.4	34.5
Add back Acquisition and divestment costs	1.3	1.1	0.6	0.7	1.3
Underlying EBITDA	29.1	30.7	27.2	32.1	35.8

RECONCILIATION TO UNDERLYING EARNINGS (DUE TO CHANGES IN IFRS IN 2010)

	2014	2015	2016	2017	2018
NPAT	4.9	(1.3)	28.4	10.9	12.6
Loss/(Gain) on sale of jointly controlled entity/subsidiary/business	0.2	9.0	(20.3)	-	(2.0)
Impairments	-	-	-	-	1.3
Fair value movements	(0.3)	-	0.1	(0.1)	0.4
Acquisition and divestment costs	1.3	1.1	0.6	0.7	1.3
Underlying NPAT	6.1	8.8	8.8	11.5	13.6