

ABANO TO COMMENCE OPENING PRACTICES AS RESTRICTIONS EASE

Abano Healthcare Group Limited (NZX: ABA) advises that it will commence opening an increasing number of its Australian dental practices from next Monday 27 April 2020, in response to the Australian Government's announcement that restrictions on some dental procedures will be de-escalated from level 3 to level 2 restrictions. This will allow for a greater range of services to be provided, while still limiting the risk of aerosol generating procedures.

Abano is currently awaiting guidance from the Dental Council of New Zealand and the Ministry of Health on the provision of dental treatment in New Zealand under alert level 3 and alert level 2. Currently, under alert level 4, only emergency dental treatment can be provided; this is being offered by Abano at a small number of its practices.

While restrictions are being eased in Australia, it is expected that constraints will remain in place on a wider range of dental procedures in the short to medium term in both Australia and New Zealand. Once a practice re-opens, labour and support costs will be incurred but practices will not be able to return to full service until all of the restrictions have been removed. Abano will take this into account when considering the timing and re-opening of individual practices in both New Zealand and Australia. Underlying EBITDA and margins will be significantly impacted until all restrictions are lifted and a full recovery to pre-COVID 19 revenue levels is achieved. It is expected that the business will make a full recovery, however clarity cannot be provided on how long this will take.

The Board reiterates its previous advice that guidance is unable to be provided for its financial year ending 31 May 2021 (FY21) or beyond, given the uncertainty around the outlook for the dental industry and Abano's businesses in New Zealand and Australia and the anticipated material adverse affects of COVID-19 on FY20 and FY21 earnings. The company has not provided any additional information or commentary on which FY21 market forecasts are able to be reliably based.

ENDS

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Abano Healthcare Group is listed on the NZX and owns and operates one of the largest dental networks in Australasia, comprising Lumino The Dentists in New Zealand and Maven Dental Group in Australia.