



smiles<sup>®</sup>  
inclusive

# GENERAL MEETING PRESENTATION

22 MAY 2019



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# OVERVIEW OF RESOLUTIONS

- Resolutions requisitioned by entities associated with Mr Mike Timoney and Mr David Herlihy:
  - Resolution 1: Removal of Director – Ms Tracy Penn
  - Resolution 2: Removal of Director – Mr David Usasz
  - Resolution 3: Removal of additional Directors
  - Resolution 4: Election of Director – Mr Joao Manuel De Oliveira Camacho
- Resolutions requisitioned by entities associated with Poltick Pty Ltd and joint venture partner and shareholder, Mr Jonathan Hamilton:
  - Resolution 5: Removal of Director – Mr David Herlihy
  - Resolution 6: Removal of Director – Mr Mike Timoney

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# CHAIRMAN'S ADDRESS

# FREQUENTLY ASKED QUESTIONS

- **Q: What will happen if shareholders vote to remove all directors (other than Mr Peter Evans)?**

*This is very unlikely based on preliminary proxy results. However, the board will promptly take steps to ensure sufficient, appropriate directors are appointed if that occurs and shareholders will have the opportunity to confirm the appointments at the next annual general meeting.*

- **Q: In what circumstances would director, Mr Peter Evans, resign?**

*Mr Evans has indicated he will resign if Mr Mike Timoney and Mr David Herlihy remain directors after today's meeting, and all other directors are removed. If the outcome is different (e.g. Mr Timoney or Mr Herlihy remain as a director), Mr Evans will consider the appropriate course of action. If Mr Evans does resign, this will be announced immediately to ASX.*

- **Q: Why are shareholders not voting at today's meeting on the appointment of additional directors nominated by entities associated with Mr Mike Timoney and Mr David Herlihy?**

*The Independent Committee received advice that the nominations were not received by the cut-off time prescribed by the ASX Listing Rules.*

*Mr Timoney and Mr Herlihy can appoint these directors themselves if they gain control of the board at this meeting (and they have indicated that they would do so). A person may only be appointed as a director if they have consented to act, and do not withdraw that consent.*

# FREQUENTLY ASKED QUESTIONS CONT.

- **Q: Should there be a dentist on the board?**

*The Independent Committee has made it clear in the notice of meeting that the company is open to the appointment of a dentist or dentists to the board. There are a range of dentists who support and report to the board, and the Company's CEO Tony McCormack has had very significant and positive engagement with the Company's joint venture partners.*

*However, the current focus needs to be the delivery of the company's turnaround strategy, both for the board and senior executives.*

*Any new director appointments are a matter for the board to consider in the period following this meeting. A dentist may be appointed if this is determined to be in the best interests of the company at the relevant time.*

- **Q: Will this meeting resolve the uncertainty?**

*Smiles and its key stakeholders firmly consider that today's meeting should end the uncertainty regarding board structure.*

*Many shareholders, staff, joint venture partners and other stakeholders have expressed significant frustration regarding the successive shareholder requisitions and public spectacle.*

*All directors have indicated in advance of today's meeting that they will accept the results of the meeting and move forward constructively. They do not consider that further meetings in advance of the next AGM would be in the best interests of the company or its shareholders.*

- **Q: What happens next?**

*Today, shareholders are asked to vote on resolutions to determine the composition of the board.*

*Whatever the outcome of the meeting, directors and other personnel will need to be firmly focused on the company's operational and financial performance.*

**Mr Mike Timoney and Mr David Herlihy** have confirmed their commitment to 'positive change' if they remain directors following the meeting. However, the detail of any separate strategy to deliver change has not been communicated to the other directors, or key stakeholders.

**The other directors** confirm their support of the strategies being developed and implemented by CEO, Mr Tony McCormack. A detailed turnaround plan has been shared with the company's joint venture partners, financiers and other key stakeholders. This is being undertaken as a collaborative process, and Mr McCormack and the Company's executive team look forward to working with all stakeholders to improve the Company's performance.

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# BUSINESS OF MEETING

# RESOLUTION 1: REMOVAL OF DIRECTOR – MS TRACY PENN

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Ms Tracy Penn be removed as a director of Smiles Inclusive Limited with effect from the end of the general meeting of Smiles Inclusive Limited at which this resolution is passed."*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	119	780	12	3
Number of votes cast	22,300,960	26,489,007	2,447,481	402,917
% of valid available votes	43.52%	51.70%	4.78%	



## RESOLUTION 2: REMOVAL OF DIRECTOR – MR DAVID USASZ

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr David Usasz be removed as a director of Smiles Inclusive Limited with effect from the end of the general meeting of Smiles Inclusive Limited at which this resolution is passed."*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	116	782	12	4
Number of votes cast	21,605,960	27,178,602	2,447,481	408,322
% of valid available votes	42.17%	53.05%	4.78%	

## RESOLUTION 3: REMOVAL OF ADDITIONAL DIRECTORS

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), any person appointed as a director of Smiles Inclusive Limited on and from 25 March 2019 until the commencement of the general meeting at which this resolution is passed be removed as director of Smiles Inclusive Limited with effect from the end of the general meeting of Smiles Inclusive Limited at which this resolution is passed."*

**Note:** *No additional directors have been appointed in advance of the meeting.*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	105	772	26	11
Number of votes cast	20,771,430	25,688,848	5,027,091	152,996
% of valid available votes	40.34%	49.89%	9.76%	

## RESOLUTION 4: ELECTION OF DIRECTOR – MR JOAO MANUEL DE OLIVEIRA CAMACHO

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*"That Mr Joao Manuel De Oliveira Camacho, having consented to act, be appointed a director of Smiles Inclusive Limited with effect from the end of the general meeting of Smiles Inclusive Limited at which this resolution is passed."*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	115	776	14	8
Number of votes cast	23,298,695	25,304,401	2,867,481	149,788
% of valid available votes	45.27%	49.16%	5.57%	

## RESOLUTION 5: REMOVAL OF DIRECTOR – MR DAVID HERLIHY

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr David Herlihy be removed as director of the Company with effect from the close of the general meeting of the Company at which this resolution is passed.”*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	800	100	11	3
Number of votes cast	28,289,556	15,837,070	2,436,739	5,077,000
% of valid available votes	60.75%	34.01%	5.23%	

## RESOLUTION 6: REMOVAL OF DIRECTOR – MR MIKE TIMONEY

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, pursuant to section 203D of the Corporations Act 2001 (Cth) and for all other purposes, Mr Mike Timoney be removed as director of the Company with effect from the close of the general meeting of the Company at which this resolution is passed.”*

	Proxies received as at 4pm on 20 May 2019			
	For	Against	Open	Abstention
Number of shareholders	794	103	12	5
Number of votes cast	27,841,556	16,266,070	2,446,739	5,086,000
% of valid available votes	59.80%	34.94%	5.26%	

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# POLL

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# RESULTS