



ABN 27 621 105 824  
ACN 621 105 824

## ASX announcement

8 April 2020

# Operations Update

## COVID -19

The COVID-19 developments have progressively impacted the SIL's (**Company**) business, with the Board and management working daily to respond. The support office closed to work remotely on 17 March in support of Government requests to minimise transmission of COVID-19.

The business accepted the COVID-19 guidelines of the Australian Dental Association, The Australian Health Protection Principle Committee and Dental Board of Australia, closing all practices to minimise the impacts of COVID-19, to ensure the safety of its staff, dentists and patients. Some practices will open on an "on call" basis to respond to emergency procedures only, for the foreseeable future.

Over the last week SIL has made the required alterations to its operating practices and model to support this approach, which has occurred in consideration of each of its practices and business individually. The majority of SIL's workforce has temporarily stood down, other than to meet the businesses' emergency appointment demand. We anticipate eligible employees will receive the Australian Government's JobKeeper subsidy of \$1,500 per fortnight. Other initiatives underway include negotiations with landlords on deferred rental payments, discussions with major supplier contracts to renegotiate terms and application for federal and state government subsidies.

The Board, Executive, senior management and the majority of support office staff are similarly on stand down with the possibility of the JobKeeper payment being the only remuneration for the foreseeable future whilst some are continuing their duties to support the current operations and prepare for a return to normal trade.

Cash flow is critical at this time and we are urgently seeking financial support from a range of prospective providers including to meet immediate obligations (including payroll and dental commissions for work performed during the past fortnight, which are now overdue). It is not yet known what effect the nature of the stand down and deterioration of trading conditions will have over the short, medium and long term. However, the Company will continue to monitor its operations and continuous disclosure obligations updating the market as required.

This market announcement has been authorised for release to the ASX by the Board.

For further information please contact:

Tony McCormack, Chief Executive Officer

M +61 409 201 577

E [tony.mccormack@totallysmiles.com.au](mailto:tony.mccormack@totallysmiles.com.au)