



ABN 27 621 105 824
ACN 621 105 824

ASX Announcement 3 August 2020

Smiles Inclusive Limited: Notice of calling of general meeting under 249F

Smiles Inclusive Limited (ASX:**SIL** or **Company**) has received a notice from Phi Long Investment Pty Ltd (**Phi Long**), CDentist Pty Ltd (**CDentist**), Philip Makepeace (**Makepeace**), Arthur Mark Walsh (**Walsh**) and Makepeace Nominees Pty Ltd as trustee of the Makepeace Superfund Account (**Makepeace Nominees**) (**Requisitioning Shareholders**) indicating that they hold more than 5% of the votes that may be cast at a general meeting of the Company and that they intend to call and arrange to hold a general meeting of the Company in accordance with section 249F of the *Corporations Act 2001* (Cth) (**Act**) (**Notice**).

The Notice states an intention to move resolutions under section 203D(2) of the Act to remove each of directors of the Company, and to remove any person appointed as a director on and from 3 August 2020 until the commencement of the general meeting (**Resolutions**). The Requisitioning Shareholders do not propose alternative directors in the Notice.

The Notice also encloses:

1. substantial shareholder notices for the Requisitioning Shareholders and Dr Joao Camacho (**Camacho**). Camacho appears to be an associate of the Requisitioning Shareholders but not a shareholder of the Company; and
2. an exclusivity, confidentiality and standstill deed between the Requisitioning Shareholders and Camacho which includes:
 - a. an obligation that Phi Long, CDentist and their related parties do not sell their shareholdings, other than to Makepeace, Walsh, Makepeace Nominees or Camacho, prior to 31 December 2020;
 - b. an obligation on Makepeace, Walsh, Makepeace Nominees and Camacho to use best endeavours to call a general meeting to propose the Resolutions; and
 - c. a power of attorney purporting to allow Makepeace, Walsh and Camacho to vote shares held by Phi Long and CDentist.

Prior to receipt of the Notice, the Company was in advanced discussions with financiers (including senior lenders and a professional underwriter) to reduce debt and recapitalise the Company.

The Company notes that Camacho, Makepeace and Walsh and the other Requisitioning Shareholders have not put forward any plan to improve the Company's balance sheet or appoint new directors.

The Company is continuing to work with potential financiers and advisors and will update the market in due course.

This announcement has been approved for release by the Board.

For further information please contact:

David Usasz, Chairman