

SCHEME OF ARRANGEMENT MEETING MATERIALS

- The High Court has granted initial orders for Abano to proceed with the Scheme of Arrangement.
- Abano has released the Scheme Meeting materials, including the Independent Adviser's report and Notice of Meeting in relation to the Scheme proposal.
- The Scheme price of \$4.75 per Abano share is within the Independent Adviser's valuation range of \$4.70 to \$5.50.
- The Abano Board strongly encourages shareholders to vote, and unanimously recommends that shareholders vote in favour of the Scheme, absent a superior proposal.¹ Each Abano Director who holds or controls Abano shares intends to vote all of such shares in favour of the Scheme, subject to the same qualification.
- Special Meeting to vote on the Scheme will be held at 11.00am, Wednesday 18 November 2020 at Ellerslie Events Centre, Auckland. Proxy voting closes at 11.00am on Monday 16 November 2020.

Abano Healthcare Group Limited (ABA:NZX) has been granted initial orders from the High Court to proceed with the Scheme of Arrangement proposed by Adams NZ Bidco Limited (Bidco) to acquire 100% of the fully paid shares in Abano Healthcare Group Limited for an unadjusted price of \$4.75 per share (Scheme).

The Scheme Booklet, including the Independent Adviser's report and the Notice of Meeting, has today been released in electronic form and will be uploaded to Abano's website. These materials, together with a Proxy/Voting Form, will be sent to shareholders in the next few days.

The Scheme Meeting will be held at 11.00am on Wednesday 18 November 2020 in the Pakuranga Hunt Room, Ellerslie Events Centre, Auckland, and online at web.lumiagm.com. Details of the virtual and physical meeting are included in the Notice of Meeting section of the Scheme Booklet and information on how to attend online is included in the Virtual Meeting Guide which will be sent to shareholders with the Scheme Booklet.

For the Scheme to be approved:

- 75% or more of the votes cast in each interest class² must be voted in favour of the Scheme; and
- more than 50% of the total number of Abano shares on issue must be voted in favour of the Scheme.

The Abano Board strongly encourages shareholders to vote on the scheme and unanimously recommends that shareholders vote in favour of the Scheme, absent a superior proposal.³ The easiest way for shareholders to vote is to complete the Proxy/Voting form online at www.investorvote.co.nz, or alternatively to return the form to Abano's share registrar, Computershare.

An Independent Adviser's Report has been prepared by Calibre Partners and is included in the Scheme Booklet. Calibre Partners has assessed the value of Abano shares to be within the range of \$4.70 to \$5.50

¹ The Abano Directors do not intend to change their recommendation and/or vote against the Scheme if, prior to the Scheme Meeting, an Adjustment Event results in a reduction such that the Scheme Price falls below the valuation range. However, they do reserve their right to do so if the Independent Adviser's valuation range for the Abano shares changes for any other reason and, after that change, the scheme price is below the valuation range.

² It is currently expected that all shareholders will comprise one interest class. See section 6.1(b) of the Scheme Booklet for more information about what an interest class is.

³ See footnote 1.

per Abano share. The basis for the Independent Adviser's valuation, and the assumptions on which the valuation is based, are set out in the Independent Adviser's Report which forms part of the Scheme Booklet.

In addition to shareholder approval, the Scheme remains conditional on final orders of the High Court and other customary completion conditions.⁴ The Scheme is not conditional on the absence of "material adverse changes".

If shareholders do not approve the Scheme, it is likely Abano will undertake a capital raise of approximately \$30 million to \$60 million to reduce debt and provide greater resilience to further impacts from COVID-19. While the structure and terms of any such issue have not been determined, the capital raising would be undertaken at a discount from current market prices that is comparable to discount levels in other NZX listed company capital raisings in the period since the initial COVID-19 lockdowns in New Zealand and may also include a dilutionary share placement. To mitigate dilution of their existing shareholdings, shareholders would need to subscribe for additional capital in Abano.

If shareholders have any questions about how to vote, or other actions to take, in respect of the Scheme, they are encouraged to seek independent financial, taxation or legal advice.

Key Dates

- Proxy voting closes: 11.00am on 16 November 2020
- Scheme Meeting: 11.00am on 18 November 2020

If the Scheme is approved by shareholders and all outstanding conditions are satisfied:

- Last day of trading in Abano shares: 7 December 2020
- Record date for determining entitlements to Scheme price: 5.00pm on 9 December 2020
- Implementation date and payment to shareholders: 15 December 2020

Attachments: Copies of the initial orders, Scheme Booklet and Virtual Meeting Guide are attached to this announcement.

ENDS

Released on behalf of Abano Healthcare Group Limited by Jackie Ellis tel +64 9 360 8500 or email jackie@ellisandco.co.nz

For more information, visit www.abanohealthcare.co.nz or please call:

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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.

⁴ See section 6.2 of the Scheme Booklet.