

## **ABANO ANNOUNCES SALE OF ASCOT RADIOLOGY TO CLINICAL PARTNERS**

Abano Healthcare Group Limited (NZX:ABA) advises that it has entered into an agreement to sell its 71% shareholding in Ascot Radiology to its radiologist shareholders for a total consideration of \$17.0 million.

The sale will provide a one-off gain of approximately \$2.1 million after costs which will be reported in Abano's FY18 full year results. Settlement is expected to occur on 27 February 2018, subject to usual conditions requiring change of control consents for material contracts and leases.

The sale will see the completion of Abano's transition from a multi-discipline healthcare provider to a single focus dental group. Abano is the second largest private dental provider in Australasia, through its Lumino the Dentists network in New Zealand and Maven Dental Group in Australia.

This divestment will allow the company to continue its rapid growth in the dental sector and focus on building its share of the \$11 billion revenue trans-Tasman dental market.

CEO of Abano, Richard Keys said: "Ascot Radiology is a high quality specialist provider in the Auckland region with a strong reputation. It has been a small but solid contributor to the Abano Group for over 12 years. We are delighted that it will be returning to the ownership of our radiologist shareholder partners, some of whom have been in partnership with us since we first invested in the business in 2005.

"We believe the \$11-billion revenue trans-Tasman dental market offers the most growth and scale opportunity for Abano and our shareholders and it has been our primary focus for a number of years.

"There is growing acceptance and popularity of the corporate model amongst dentists and, combined with our dental group's positive reputation and workplace culture, this has seen the number and size of practices in our acquisition pipeline increase. Proceeds from the sale will be used to fund the continuing growth of our dental group, particularly in Australia as we build our share of the market.

"We believe that our ongoing investment into the dental sector will continue to add value and generate increasing returns for our shareholders."

### **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.