

Q & M DENTAL GROUP (SINGAPORE) LIMITED
Registration No: 200800507R

CLARIFICATION ANNOUNCEMENT

The Board of Directors (the "**Board**") of Q & M Dental Group (Singapore) Limited (the "**Company**") refers to the attached article 'Q & M opens new dental centre-cum-training facility even as Berlin bourse beckons' published in The Edge Singapore on 21 December 2009 (the "**Article**") which relates to the opening of its new dental centre at City Square Mall (the "**Dental Centre**"). Please refer to our press release dated 15 December 2009 released via SGXNET for further details on the Dental Centre.

It is stated in the opening paragraph of the Article that when fully operational, the Dental Centre is expected to increase the group's earnings by at least 50%. Barring unforeseen circumstances, the Company expects the Dental Centre to break-even in two to three years and this is reported in the last paragraph of the Article. As such, and to avoid any confusion, the Company wishes to reiterate that the Dental Centre is not expected to contribute earnings to the group in the next two to three years.

As reported in the Article, the Company expects the Dental Centre to contribute between \$2 million to \$2.5 million yearly to the group's earnings when it is fully operational (the "**Dental Centre Projected Earnings**"). This estimate is derived from applying the current profit margins of the group to the projected annual turnover from the Dental Centre, taking into account the current economic and social situation given the current business climate in Singapore, and barring unforeseen circumstances. The Company wishes to clarify that the expected 50% increase in group earnings due to the Dental Centre Projected Earnings is measured against the group's audited profit before tax from continuing operations for the financial year ended 31 December 2008 of \$4.118 million, as disclosed in the Prospectus. The Company is not giving a profit forecast using the Dental Centre Projected Earnings.

On Behalf of the Board

Dr Ng Chin Siau
Executive Director
29 December 2009

The initial public offering of the Company's shares was sponsored by Collins Stewart Pte. Limited.