



Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration No. 200800507R)

Announcement

Update on Use of Proceeds from Initial Public Offering ("IPO")

The Board of Directors of Q & M Dental Group (Singapore) Limited (the "Company" and together with its subsidiaries, the "Group") wishes to provide an update on the use of the gross proceeds of approximately S\$20 million raised from the Company's IPO on 26 November 2009.

Further to the announcements on 2 August 2010, the Company has utilised S\$2.9 million as consideration for its joint ventures in Aiyashi and Dan De dental clinics in The People's Republic of China (PRC). The Company has also extended an intercompany loan of S\$0.8 million to its subsidiary, Q & M Dental Group (China) Pte Ltd (QDGC) to finance QDGC's general working capital needs. QDGC is an investment holding company that was set up to execute the Group's plans of expanding its private dental healthcare services into the PRC.

In addition, the Company utilised approximately S\$0.2 million in relation to the set up of a new dental centre in Orchard Road area in Singapore.

As at 10 August 2010, the Company has utilised an aggregate of approximately S\$9.5 million of the gross proceeds raised from the IPO for the following purposes:

(i) Setting up of Q & M Dental Centre at City Square Mall	
- Purchase of dental equipment	S\$1.4 million
- Renovation	S\$0.6 million
(ii) Setting up of new Q & M Dental Centre at Orchard Road area	
- Renovation (progressive payment)	S\$0.2 million
(iii) IPO expenses	
Professional fees and expenses in relation to the IPO	S\$1.0 million
Repayment of inter-company loans for the purpose of professional fees and expenses in relation to the IPO	S\$1.1 million
(iv) To fund new dental clinics, acquisitions, joint ventures, and/or strategic alliances and for general working purposes	
- Consideration for Aiyashi and Dan De dental clinics in the PRC	S\$2.9 million
- Working capital of QDGC	S\$0.8 million
- General working capital requirements	S\$1.5 million
Total proceeds utilised as at 10 August 2010	S\$9.5 million

The Company will continue to make periodic announcements on the utilisation of the balance of the gross proceeds from the IPO as and when such proceeds are materially disbursed.

On Behalf of the Board

Dr Ng Chin Siau
Chief Executive Officer
11 August 2010

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

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