



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 Group's announcement on 11 August 2010, the Company has further utilised a total of S\$1.20 million as shareholder loans to Q & M Dental Group (Malaysia) Sdn Bhd and its subsidiaries in Singapore. These loans were used to finance the Group's investments in Malaysia and Singapore, setting up of Q & M Dental Centre at Orchard Road area, as well as for general working capital of the Group.

As at 25 January 2011, the Company has utilised an aggregate of approximately S\$10.70 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, renovation cost	S\$2.0 million
(ii) Setting up of Q & M Dental Centre at Orchard Road area	
- Renovation cost, purchase of dental equipment and rental deposit	S\$0.35 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 investments in the PRC	S\$2.9 million
- Consideration for investment in Singapore	S\$0.05 million
- Consideration for investment in Malaysia	S\$0.44 million
- Working capital of Q & M Dental Group (China) Pte Ltd	S\$1.0 million
- General working capital requirements	S\$1.86 million
Total proceeds utilised as at 25 January 2011	S\$10.70 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
25 January 2011

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

Media and Investor Relations Contact :

Octant Consulting • tel (65) 6220 2842
Herman Phua • mobile 9664 7582 • email herman@octant.com.sg
Lisa Heng • mobile 9090 9887 • email lisa@octant.com.sg