



Full Year Financial Statement Announcement And Dividend Announcement For The Year Ended 31 December 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

1(a) A Consolidated Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Unaudited Consolidated Statement of Comprehensive Income of our Group for the full year (twelve months) ended 31 December 2015

	Note	Group		
		12 Months ended 31/12/2015 \$'000	12 Months ended 31/12/2014 \$'000	Change %
Revenue				
Dental and Medical Clinics		97,766	84,265	16
Dental Equipment & Supplies Distribution		9,569	9,375	2
Dental Supplies Manufacturing		16,662	6,644	151
Other Items of Income				
Interest Income		387	57	579
Other Gains	1(a)(i)	3,816	1,016	276
Other Items of Expense				
Consumables and Supplies Used in Dental & Medical Clinics		(7,567)	(6,684)	13
Cost of Sales - Dental Equipment & Supplies		(6,315)	(6,664)	(5)
Cost of Dental Supplies Manufacturing		(6,561)	(2,353)	179
Employee Benefits Expense		(63,206)	(54,355)	16
Depreciation and Amortisation Expenses		(3,928)	(2,820)	39
Rental Expense		(10,094)	(8,503)	19
Other Expenses		(10,659)	(7,443)	43
Other Losses	1(a)(ii)	(280)	(237)	18
Finance Costs		(2,745)	(516)	432
Share of Profit from Equity-Accounted Associates		-	2	MN
Profit Before Tax from Continuing Operations		16,845	11,784	43
Income Tax Expense		(2,001)	(1,270)	58
Profit From Continuing Operations, Net of Tax		14,844	10,514	41
Other Comprehensive Income:				
Exchange Differences on Translating Foreign Operations, Net of Tax		(1,093)	206	NM
Other Comprehensive Income for the Year, Net of Tax		(1,093)	206	NM
Total Comprehensive Income for the Year		13,751	10,720	28
Profit attributable to:				
Owners of the Parent, Net of Tax		11,402	8,567	33
Non-Controlling Interests, Net of Tax		3,442	1,947	77
Profit Net of Tax		14,844	10,514	41
Total Comprehensive Income attributable to:				
Owners of the Parent		10,354	8,773	18
Non-Controlling Interests		3,397	1,947	74
Total Comprehensive Income		13,751	10,720	28

NM: Not Meaningful



Notes:

1(a)(i) Other Gains

	12 Months ended	
	31/12/2015	31/12/2014
	\$'000	\$'000
Enhanced Special Employment Credit	513	436
Gain on Disposal of Property, Plant and Equipment	1,823	-
PIC Cash Payout / PIC Bonus	1,110	116
Profit Guarantee Received / Receivable from Vendors / Shareholders	281	339
Gain on Disposal of Subsidiary	-	125
Gain on Asset Held for Sale	89	-
	3,816	1,016

1(a)(ii) Other Losses

	12 Months ended	
	31/12/2015	31/12/2014
	\$'000	\$'000
Plant & Equipment Written Off	158	72
Foreign Exchange Translation Loss	122	149
Loss on Disposal of Plant and Equipment	-	16
	280	237



1(b)(i) A Statement of Financial Position of the Group and the Issuer, together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	\$'000	\$'000	\$'000	\$'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	34,291	37,392	431	372
Investment in Subsidiaries	-	-	47,276	10,465
Investment in Associates	15	15	-	-
Intangible Assets	76,867	35,254	-	-
Other Receivables	235	483	200	130
Other Assets	858	663	156	313
Total Non-Current Assets	112,266	73,807	48,063	11,280
<u>Current Assets</u>				
Inventories	11,185	8,627	-	-
Trade and Other Receivables	22,824	16,309	79,109	61,440
Assets Held For Sale	1,584	3,439	-	-
Other Assets	3,855	2,802	1,335	1,185
Cash and Cash Equivalents	64,876	35,681	35,343	14,692
Total Current Assets	104,324	66,858	115,787	77,317
Total Assets	216,590	140,665	163,850	88,597
EQUITY AND LIABILITIES				
<u>Equity Attributable to Owners of the Parent</u>				
Share Capital	79,363	68,470	79,363	68,470
Retained Earnings	13,464	7,821	930	294
Other Reserves, Total	(702)	346	-	-
Equity Attributable to Owners of the Parent, Total	92,125	76,637	80,293	68,764
Non-Controlling Interests	16,083	8,412	-	-
Total Equity	108,208	85,049	80,293	68,764
<u>Non-Current Liabilities</u>				
Provisions	575	437	-	-
Deferred Tax Liabilities	1,270	823	-	-
Other Financial Liabilities	64,702	28,517	60,000	15,000
Total Non-Current Liabilities	66,547	29,777	60,000	15,000
<u>Current Liabilities</u>				
Income Tax Payable	644	989	8	5
Trade and Other Payables	25,730	21,031	8,549	1,828
Other Financial Liabilities	15,461	3,819	15,000	3,000
Total Current Liabilities	41,835	25,839	23,557	4,833
Total Liabilities	108,382	55,616	83,557	19,833
Total Equity and Liabilities	216,590	140,665	163,850	88,597



1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	<u>As at 31/12/2015</u>	<u>As at 31/12/2014</u>
	\$'000	\$'000
<u>Bank Loans</u>		
Amount repayable within one year	15,163	3,681
Amount repayable after one year	4,596	28,516

The bank loans are secured by legal mortgages of properties, plant and equipment and corporate guarantee from the Company.

	<u>At 31/12/2015</u>	<u>At 31/12/2014</u>
	\$'000	\$'000
<u>Medium Term Note</u>		
Amount repayable within one year	-	-
Amount repayable after one year	60,000	-

On 19 March 2015, the Company issued \$60 million 4.40 per cent. 3 year Medium Term Note ("MTN") pursuant to the \$200 million Multicurrency Medium Term Note Programme.

	<u>At 31/12/2015</u>	<u>At 31/12/2014</u>
	\$'000	\$'000
<u>Finance Leases</u>		
Amount repayable within one year	1	13
Amount repayable after one year	106	1

The finance leases are secured on the plant and equipment under finance leases.

	<u>As at 31/12/2015</u>	<u>As at 31/12/2014</u>
	\$'000	\$'000
<u>Bills Payable</u>		
Amount repayable within one year	297	125
Amount repayable after one year	-	-

The bills payable of the subsidiary are secured or covered by corporate guarantee, joint and severally guaranteed by certain directors, negative pledge and fixed deposit of the subsidiary.



1(c) A consolidated statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	12 Months ended	
	31/12/2015	31/12/2014
	\$'000	\$'000
<u>Cash Flows From Operating Activities</u>		
Profit Before Tax	16,845	11,784
Adjustments for:		
Interest Income	(387)	(57)
Interest Expense	2,745	516
Gain on Disposal of Subsidiary	-	(125)
Gain on Asset Held for Sale	(89)	-
Depreciation of Property, Plant and Equipment and Amortisation Expenses	3,928	2,820
Foreign Currency Translation Reserve	(537)	390
(Gain)/Loss on Disposal of Plant and Equipment, net	(1,665)	88
Provisions	137	111
Share of Profit from Associates	-	(2)
Share Option Expense	-	(20)
Operating Cash Flows Before Changes in Working Capital	20,977	15,505
Cash Pledged for Bank Facilities	37	(37)
Inventories	(2,480)	(2,503)
Trade and Other Receivables	(4,295)	(4,285)
Other Assets	(877)	(1,071)
Trade and Other Payables	120	3,578
Net Cash Flows From Operations Activities Before Interest and Tax	13,482	11,187
Income Taxes Paid	(2,566)	(602)
Net Cash Flows From Operating Activities	10,916	10,585
<u>Cash Flows Used in Investing Activities</u>		
Purchase of Property, Plant and Equipment	(13,544)	(17,325)
Disposal of Subsidiary	-	146
Disposal of Assets Held for Sale	809	-
Disposal of Property, Plant and Equipment	15,009	68
Other Assets	(356)	30
Trade and Other Receivables	(480)	240
Development Costs	(723)	-
Other Receivables, Non-Current	248	(141)
Interest Received	387	57
Acquisition of Subsidiaries (Net of Cash Acquired)	(20,225)	(21,896)
Deferred Consideration for Earlier Acquisition	(1,206)	-
Net Cash Flows Used in Investing Activities	(20,081)	(38,821)
<u>Cash Flows From Financing Activities</u>		
Finance Lease Repayments	(38)	(28)
Share Issue Expenses	(181)	(374)
Share Buy Back Exercise	(611)	-
Exercise of Shares Option	-	263
Bank Loans	2,160	29,700
Bill Payables	172	125
Proceeds from Rights Issue	-	12,977
Proceeds from Medium Term Note	60,000	-
Repayment of Bank Loans	(14,598)	(473)
Interest Paid	(2,745)	(516)
Dividends Paid to Equity Owners	(5,762)	(6,543)
Net Cash Flows From Financing Activities	38,397	35,131
Net Increase in Cash and Cash Equivalents in Continuing operations	29,232	6,895
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance of the Year	35,644	28,749
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance of the Year	64,876	35,644
Cash and Cash Equivalents at End of Year includes the following:		
Cash and Bank Balances	64,876	35,644
Cash and Cash Equivalents at End of Year	64,876	35,644



1(d)(i) A statement (for the issuer and the group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>Total Equity</u>	<u>Attributable to Parent Sub-total</u>	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Other Reserves</u>	<u>Non-Controlling Interest</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group - Current Year						
Opening Balance at 1 January 2015	85,049	76,637	68,470	7,821	346	8,412
Movements in Equity:						
Total Comprehensive Income for the year	13,751	10,354	-	11,402	(1,048)	3,397
Acquisition of a Non-Controlling Interest Without a Change in Control	3,670	3	-	3	-	3,667
Share Issue Expenses	(181)	(181)	(181)	-	-	-
Share Buy Back	(726)	(726)	(726)	-	-	-
Issue of Share Capital	11,800	11,800	11,800	-	-	-
Dividends Paid	(5,762)	(5,762)	-	(5,762)	-	-
Contribution by Non-Controlling Interests	607	-	-	-	-	607
Closing Balance at 31 December 2015	108,208	92,125	79,363	13,464	(702)	16,083
Group - Previous Year						
Opening Balance at 1 January 2014	46,714	46,091	39,722	5,826	543	623
Movements in Equity:						
Total Comprehensive Income for the year	10,720	8,773	-	8,567	206	1,947
Conversion of Convertible Loan to Equity	(320)	(320)	-	-	(320)	-
Acquisition of a Non-Controlling Interest Without a Change in Control	-	(29)	-	(29)	-	29
Share Issue Expenses	(374)	(374)	(374)	-	-	-
Expiry of Share Options	(21)	(21)	-	-	(21)	-
Exercise of Share Options	263	263	325	-	(62)	-
Issue of Share Capital	28,797	28,797	28,797	-	-	-
Dividends Paid	(6,543)	(6,543)	-	(6,543)	-	-
Contribution by Non-Controlling Interests	5,813	-	-	-	-	5,813
Closing Balance at 31 December 2014	85,049	76,637	68,470	7,821	346	8,412



1(d)(i) A statement (for the issuer and the group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	<u>Total Equity</u>	<u>Share Capital</u>	<u>Other Reserve</u>	<u>Retained Earnings</u>
	\$'000	\$'000	\$'000	\$'000
Company - Current year				
Opening Balance at 1 January 2015	68,764	68,470	-	294
Movements in Equity:				
Total Comprehensive Income for the year	6,398	-	-	6,398
Share Issue Expenses	(181)	(181)	-	-
Share Buy Back	(726)	(726)	-	-
Issue of Share Capital	11,800	11,800	-	-
Dividends Paid	(5,762)	-	-	(5,762)
Closing Balance at 31 December 2015	<u>80,293</u>	<u>79,363</u>	<u>-</u>	<u>930</u>
Company - Current year				
Opening Balance at 1 January 2014	40,315	39,722	403	190
Movements in Equity:				
Total Comprehensive Income for the year	6,647	-	-	6,647
Conversion of Convertible Loan to Equity	(320)	-	(320)	-
Share Issue Expenses	(374)	(374)	-	-
Expiry of Share Options	(21)	-	(21)	-
Exercise of Share Options	263	325	(62)	-
Issue of Share Capital	28,797	28,797	-	-
Dividends Paid	(6,543)	-	-	(6,543)
Closing Balance at 31 December 2014	<u>68,764</u>	<u>68,470</u>	<u>-</u>	<u>294</u>



- 1 (d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares

	<u>Number of Shares</u>	<u>Share Capital</u>
	'000	\$'000
At 1 Jan 2015	778,623	68,470
At 31 Dec 2015	794,273	79,363

Employee Share Option

During the year ended 31 December 2015, no share options were issued or exercised. No share options outstanding as at 31 December 2015.

Ordinary Shares

On 29 October 2015, the Company issued 1,687,763 new ordinary shares as the consideration shares to Dr. Chong Tuck Fung for the acquisition of Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd..

On 7 December 2015, the Company issued 14,999,716 new ordinary shares, as the consideration shares to Dr. Hwang Yee Cheau for the acquisition of TP Dental Surgeons Pte. Ltd..

Convertibles

The Company does not have any outstanding convertible shares in FY 2015. In FY 2014, the Company allotted and issued 19,090,909 new ordinary shares pursuant to the conversion by IFC of the US\$5 million convertible loan into ordinary shares.

Treasury Shares

During the year ended 31 December 2015, the Company has bought back 1,038,200 shares by way of market acquisition and all shares acquired are held as treasury shares (FY 2014:Nil).

Grant of Call Option

The call option remains outstanding as at 31 December 2015.

- 1 (d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<u>As at 31/12/2015</u>	<u>As at 31/12/2014</u>
Total number of issued shares excluding treasury shares	794,272,774	778,623,495



1 (d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been reviewed / audited by the Company's auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as set out in Note 5 of this announcement, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited annual financial statements as at 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current reporting period, the Group adopted all of the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and are effective for first-time adoption during the current reporting period. The adoption of these new and revised FRS and INT FRS has no material effect on the amounts reported for the current or prior reporting periods.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share for the period :-	Group 12 Months ended	
	31/12/2015	31/12/2014
(i) Basic earnings per share (cents)	1.46	1.20
(ii) On a fully diluted basis (cents)	1.39	1.20

The basic EPS for the year ended 31 December 2015 and 31 December 2014 have been computed based on the profit attributable to equity holders of parent, net of tax and the weighted average number of ordinary shares of 779,932,876 shares for 2015 and 714,915,095 shares restated for the impact of rights issue for 2014.



The diluted EPS for the year ended 31 December 2015 is based on the weighted average number of ordinary shares and shares of ordinary shares issuable upon assumed exercise of call option which would have a dilutive effect.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
- current financial period reported on; and
 - immediately preceding financial year.

	Group		Company	
	As at		As at	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Net asset value per ordinary share (cents)	11.6	9.8	10.1	8.8

The net asset value per ordinary share of the Group and the Company as at 31 December 2015 and 31 December 2014 have been calculated based on the total issued number of ordinary shares of 794,272,774 (2014: 778,623,495).

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**
- any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Statement of Comprehensive Income

Revenue

Revenue from dental and medical clinics for the 12 months ended 31 December 2015 ("FY15") increased by 16% to \$97.8 million, from \$84.3 million for the 12 months ended 31 December 2014 ("FY14"). The increase of \$13.5 million was mainly attributed to higher revenue from existing and new dental outlets in Singapore, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as revenue contribution from Aoxin in the People's Republic of China ("PRC") acquired in July 2014.

As at 31 December 2015, the Group has a total of 65 dental outlets, 3 medical outlets and 1 aesthetic centre in operations, compared to 60 dental outlets, 1 mobile dental clinic, 3 medical outlets, 1 aesthetic centre and 2 specialist medical clinics as at 31 December 2014 in Singapore.

As at 31 December 2015 and 31 December 2014, the Group has a total of 8 dental outlets in Malaysia and 3 dental hospitals and 4 dental outlets in PRC.

Revenue contribution from the dental equipment and supplies distribution business for FY15 increased by 2% to \$9.6 million from \$9.4 million in FY14. The increase of \$0.2 million was mainly due to higher revenue from dental equipment and supplies distribution company in Singapore offset by lower revenue from the dental equipment and supplies distribution company in Malaysia.



Revenue contribution from the dental supplies manufacturing business for FY15 increased by 151% to \$16.7 million from \$6.6 million in FY14. The increase of \$10.1 million was due to a full year revenue contribution in FY15 as compared to 5 months revenue contribution in FY14 from Aidite, a dental supplies manufacturing company in PRC acquired in August 2014.

Other Items of Income

Other gains in FY15 amounted to \$3.8 million compared to \$1 million in FY14. Other gains in FY15 were mainly due to the recognition of enhanced special employment credit, PIC cash payout and gain on disposal of Jurong Gateway property.

Other Items of Expense

Consumables and Supplies Used in Dental & Medical Clinics

Consumables and supplies used in FY15 rose by 13% to \$7.6 million from \$6.7 million in FY14. The increase was mainly due to an increase in the revenue from existing dental outlets, increase in cost of purchases in Singapore, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as the acquisition of Aoxin in July 2014.

As a percentage of revenue from the dental and medical clinics, consumables and dental supplies used in the dental and medical outlets in FY15 was 7.7% compared to 7.9% in FY14.

Cost of Sales Dental Equipment and Supplies

The cost of sales from dental equipment and supplies distribution business decreased by 5% to \$6.3 million in FY15 from \$6.7 million in FY14. The decrease was mainly due to lower revenue from the dental equipment and supplies distribution company in Malaysia.

As a percentage of revenue from dental equipment and supplies distribution, cost of sales used in the dental equipment and supplies distribution in FY15 was 66% compared to 71.1% in FY14.

Cost of Dental Supplies Manufacturing

Cost of sales from the dental supplies manufacturing business for FY15 rose 179% to \$6.6 million from \$2.4 million in FY14. The increase was due to the acquisition of Aidite in August 2014 and was about in tandem with the increase in its revenue.

As a percentage of revenue from dental supplies manufacturing business, cost of sales used in the dental supplies manufacturing business in FY15 was 39.4% compared to 35.4% in FY14.

Employee Benefits Expense

Employee benefits expense in FY15 rose 16% to \$63.2 million, from \$54.4 million in FY14 which was in line with the increase in revenue from dental outlets in Singapore, salary revision and an increase in headcount to support more dental outlets in Singapore, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as Aoxin in July 2014 and Aidite in August 2014.

As a percentage of revenue, employee benefits expense in FY15 was 51% compared to 54.2% in FY14.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses in FY15 increased by 39% to \$3.9 million from \$2.8 million in FY14. The increase of \$1.1 million was due mainly to purchase of dental equipment, furniture, fixtures and fittings for existing and new dental outlets in Singapore and the acquisition of Aoxin in July 2014 and Aidite in August 2014.



As a percentage of revenue, depreciation and amortisation expenses in FY15 was 3.2% compared to 2.8% in FY14.

Rental Expense

Rental expense in FY15 increased by 19% to \$10.1 million from \$8.5 million in FY14. The increase of \$1.6 million was due mainly to an increase in the number of dental outlets in Singapore, increase in rental for existing clinics and the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as Aoxin in July 2014.

As a percentage of revenue, rental expense in FY15 was 8.1% compared to 8.5% in FY14.

Other Expenses

Other expenses increased by 43% in FY15 to \$10.7 million from \$7.4 million in FY14. The increase was mainly due to increases in legal and professional fee expenses related to the Medium Term Note ("MTN") Programme and termination of International Finance Corporate ("IFC") term loan as well as the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015, Aoxin in July 2014 and Aidite in August 2014.

As a percentage of revenue, other expenses in FY15 was 8.6% compared to 7.4% in FY14.

Finance Costs

Finance costs in FY15 increased to \$2.7 million from \$0.5 million in FY14. The increase was mainly due to MTN interest.

Profit Before Tax and Net Profit

The Group's profit before tax in FY15 rose 43% to \$16.8 million from \$11.8 million in FY14. The increase of \$5 million was mainly due to the reasons given above.

After deducting provision for income tax expense of \$2 million, the Group's net profit in FY15 increased 41% to \$14.8 million from \$10.5 million in FY14.

Statement of Financial Position

As at 31 December 2015, the Group has cash and cash equivalents of \$64.9 million, MTN, bank borrowings and finance leases amounted to \$80.2 million.

Current Assets

Cash and cash equivalents as at 31 December 2015 increased to \$64.9 million from \$35.7 million as at 31 December 2014. The net increase of \$29.2 million was mainly due to the issuance of the MTN of \$60 million on 19 March 2015.

Trade and other receivables increased to \$22.8 million as at 31 December 2015 from \$16.3 million as at 31 December 2014. The increase of \$6.5 million was due mainly to an increase in trade and other receivables arising from higher revenue of Aidite, receivable arising from PIC cash payout and from asset held for sale, Q & M (Beijing) Pte. Ltd..

Other assets as at 31 December 2015 increased to \$3.9 million from \$2.8 million as at 31 December 2014. The net increase of \$1.1 million was mainly due to an increase in prepayments in Singapore and PRC.

Inventories increased to \$11.2 million as at 31 December 2015 from \$8.6 million as at 31 December 2014. The increase of \$2.6 million was due mainly to increase in inventories from Aidite.



Non-Current Assets

The net book value of property, plant and equipment as at 31 December 2015 decreased to \$34.3 million from \$37.4 million as at 31 December 2014. The decrease of \$3.1 million was mainly due to the sale of Jurong Gateway property in August 2015, offset by the purchase of Serangoon property in July 2015 and purchase of dental equipment for Aoxin in PRC and costs incurred in construction of factory buildings in Aidite in PRC.

Intangible Assets

The intangible assets as at 31 December 2015 increased to \$76.9 million from \$35.3 million as at 31 December 2014. The increase of \$41.6 million was mainly due to the goodwill arising from the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd., Bright Smile Dental Surgery Pte. Ltd. and Aesthetics Dental Surgery Pte. Ltd..

Current Liabilities

Trade and other payables as at 31 December 2015 increased to \$25.7 million from \$21 million as at 31 December 2014. The increase of \$4.7 million was mainly due to the outstanding purchase consideration for the acquisition of Aesthetic Dental Surgery Pte. Ltd. offset by reductions in trade and other payables from Aidite in PRC.

Other financial liabilities as at 31 December 2015 increased to \$15.5 million from \$3.8 million as at 31 December 2014. The increase of \$11.7 million was mainly due to the early redemption of a bank loan maturing on 1 May 2016.

Non-Current Liabilities

At the end of 31 December 2015, the Group's non-current portion of the other financial liabilities increased to \$64.7 million from \$28.5 million due mainly to issuance of the MTN on 19 March 2015 and new bank loan for the purchase of Serangoon property offset by the repayment of bank loan from the sale of Jurong Gateway property.

Statement of Cash Flows

The Group generated net cash flow from operating activities of \$10.9 million in FY15. This was mainly derived from the profit generated in FY15 and offset by the increase in trade and other receivables and inventories.

Net cash used in investing activities in FY15 amounted to \$20.1 million, mainly due to the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd., Bright Smile Dental Surgery Pte. Ltd. in September 2015 and Aesthetics Dental Surgery Pte. Ltd. in November 2015, the purchase of property, plant and equipment offset by sales proceed from disposal of Jurong Gateway property.

Net cash from financing activities in FY15 was \$38.4 million, which arose mainly due to proceeds from the MTN offset by dividend payment of \$5.8 million to the Company's shareholders and repayment of bank loan on the sale of Jurong Gateway property.

Consequent to the above factors, the Group's cash and cash equivalents was \$64.9 million as at 31 December 2015.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement had been issued for the current financial reporting period.



10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

Industry Prospects

Barring any unforeseen circumstances, there are no significant changes in the trends and competitive conditions of the industry in which the Group operates and no major known factors or events that may adversely affect the Group in the next reporting period and the next twelve months.

Recent Developments

- Proposed Spin-off and Listing of the Group's Manufacturing Business in the People's Republic of China

The Singapore Exchange Securities Trading Limited (the "SGX-ST") had on 9 November 2015 informed the Company that it has no objection to the Proposed Spin-off Listing ("SGX-ST Approval") of Aidite.

On 17 November 2015, the Group announced that it has decided to proceed with the Proposed Spin-off Listing of Aidite on the New Third Board of the People's Republic of China ("PRC").

On 1 December 2015, the Group announced that in connection with the Proposed Spin-off Listing, the company had entered into a supplemental master agreement with Mr Li Hongwen and Mr Li Bin, the founders of Aidite, to a restructuring exercise. The restructuring exercise is subject to the Shareholders approval at an EGM to be convened at a later date.

- Completion of the Proposed Acquisition of TP Dental Surgeons Pte. Ltd. – Allotment and Issue of the Consideration Shares

On 7 December 2015, the Group announced allotment and issuance of 14,999,716 new ordinary shares as the Consideration Shares to Dr. Hwang Yee Cheau, for the acquisition of TP Dental Surgeons Pte. Ltd.. The Consideration Shares shall be subjected to a 5 year moratorium period.

- Partial Lifting of Company Moratorium in Respect of Dr. Hwang Yee Cheau for Charitable Purposes

On 14 December 2015, the Group announced that the Board has decided to approve the partial lifting of the Company Moratorium in respect of 333,333 shares held by Dr. Hwang that she intends to donate to NUS as the Company fully supports Dr. Hwang's charitable act.

- Receipt of Approval In-Principle from the SGX-ST for the Listing and Quotation of Consideration Shares in Connection with the Acquisition of Aesthetics Dental Surgery Pte. Ltd.

On 15 December 2015, the Group announced the approval in-principle of the SGX-ST for the listing and quotation of 2,812,938 Consideration Shares on SGX-ST for the acquisition of Aesthetics Dental Surgery Pte. Ltd..



- Incorporation of wholly-owned subsidiary, Q & M Medical Clinic (Bukit Batok) Pte. Ltd. (“QMBB”)
On 17 December 2015, the Group announced the incorporation of a wholly-owned subsidiary in Singapore, “QMBB”.
- Increase in Shareholding and Voluntary Liquidation of Q & M Dental (Beijing) Pte. Ltd. (“Q & M Beijing”)
On 17 December 2015, the Group announced the increase in the Company’s shareholding in Q & M (Beijing) Pte. Ltd. to 100% from 30% previously.
- Update on Proposed Acquisitions of Panjin City Jingcheng Dental Clinics, Panjin Jinsai Dental Clinic and Gaizhou City Dental Clinic Located in Liaoning Province, China
On 31 December 2015, the Group announced the completion of the onshore share transfers of Panjin City Jingcheng Dental Clinics, Panjin Jinsai Dental Clinic and Gaizhou City Dental Clinic. Panjin Jincheng Q & M Dental Co., Ltd., Panjin Jinsai Q & M Dental Co., Ltd. and Gaizhou City Aoxin Q & M Dental Hospital Co., Ltd. are now subsidiaries of the Group.
- Update on Proposed Acquisition of Shenyang Lan Hai Tong Mao Medical Equipment Leasing Co., Ltd. (“Shenyang Lan Hai”) Located in Shenyang City, Liaoning Province, China
On 18 January 2016, the Group announced the completion of the onshore share transfer of Shenyang Lan Hai. Following the onshore share transfer and a change in the name of the company, Shenyang Mao Tai Q & M Medical Equipment Leasing Co., Ltd. is now an indirect subsidiary of the Company.
- Incorporation of an indirect wholly-owned subsidiary, Qinhuangdao Courage Medical Equipment Co., Ltd. (“Courage”)
On 18 January 2016, the Group announced the incorporation of an indirect wholly-owned subsidiary in China, “Courage”.
- Proposed Acquisition of Lee & Lee (Dental Surgeons) Pte. Ltd.
On 28 January 2016, the Group announced that the Company has entered into a binding points of agreement with Dr. Ramaswamy Sreeghandhan, Dr. Choo Keang Hai, Dr. Ronald Tan Hwa Ann and Dr. Fang Chui-Yun Mabel to acquire 100% of the shareholding in Lee & Lee (Dental Surgeons) Pte. Ltd.. The proposed acquisition of Lee & Lee (Dental Surgeons) Pte. Ltd. was completed on 29 February 2016.

Future Plans

The Group intends to continue executing the business plans outlined below.

- Expansion of network of dental clinics in Singapore and acquisitions of specialist dental clinics in Singapore

The Group will continue widening its network of dental clinics in Singapore organically and through acquisition. It will also continue to expand its team of dentists to support the future growth of its operations in Singapore. With 65 dental outlets in Singapore, the Group believes it is well-positioned to cater to the rising demand for primary and higher value specialist dental healthcare services.



- Expansion into private dental healthcare market in Malaysia

Currently, the Group operates 4 dental clinics in Johor, 1 dental centre and 2 dental clinics in Kuala Lumpur and 1 dental clinic in Malacca. The Group is closely monitoring the Malaysian economy before making further expansion into Malaysia.

- Expansion into private dental healthcare market in the People's Republic of China ("PRC")

The main thrust of the Group's proposed joint ventures and organic growth initiatives in PRC is to develop a new and sustainable growth pillar that can yield long term value for the Group. The Group will continue to seek opportunities for the acquisition of larger and established dental institutions and dental supplies manufacturers in PRC.

- Expansion through acquisitions, joint ventures and/or strategic alliances

The Group is continuously looking for opportunities to expand its businesses through acquisitions, joint ventures or strategic alliances with parties who create synergistic value with its existing business in Singapore, PRC and Malaysia.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.42 cents per ordinary share
Tax Rate	One Tier Tax Exempt

Name of dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.42 cents per ordinary share
Tax Rate	One Tier Tax Exempt

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.41 cents per ordinary share
Tax Rate	One Tier Tax Exempt

Name of dividend	Final
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	0.32 cents per ordinary share
Tax Rate	One Tier Tax Exempt



(c) The date the dividend is payable.

The Directors are pleased to recommend a final dividend of 0.42 cents per share in respect of the financial year ended 31 December 2015 for approval by the shareholders at the Annual General Meeting.

The date of payment of the proposed dividends, if approved at the Annual General Meeting, will be paid on 18 May 2016.

(d) Book closure date

Notice is hereby given, subject to the approval of the shareholders of Q & M Dental Group (Singapore) Limited (the "Company") to the proposed final dividend at the forthcoming Annual General Meeting, the Share Transfer Books and Register of Members of the Company will be closed on 6 May 2016 on which day no share transfer will be effected.

Duly completed and stamped transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd), 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 p.m. on 5 May 2016 will be registered to determine members' entitlements to the final dividend. Members (being depositors) whose securities account with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 5 May 2016 will be entitled to the payment of the final dividend.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

**Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segments

The Group has three reportable segments as described below.

- Primary Healthcare comprising dentistry, family medicine, aesthetic and specialist services.
- Dental Equipment Distribution comprising distribution of dental supplies and equipment.
- Dental Supplies Manufacturing comprising distribution of manufactured dental supplies.

	2015	2014
	\$'000	\$'000
Segment Revenue		
Primary Healthcare	97,766	84,265
Dental Equipment & Supplies Distribution	9,569	9,375
Dental Supplies Manufacturing	16,662	6,644
Total	123,997	100,284



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Segment Result	2015	2014
	\$'000	\$'000
Primary Healthcare	10,414	8,430
Dental Equipment & Supplies Distribution	143	378
Dental Supplies Manufacturing	6,288	2,974
Share of Profit of Associate Company	-	2
Consolidated Profit Before Income Tax	16,845	11,784
Income Tax Expense	(2,001)	(1,270)
Profit for the year	14,844	10,514
Segment Asset		
Primary Healthcare	256,711	182,066
Dental Equipment & Supplies Distribution	10,618	12,484
Dental Supplies Manufacturing	38,199	17,503
Elimination of Inter-Segment Assets	(88,938)	(71,388)
Total	216,590	140,665
Segment Liability		
Primary Healthcare	166,341	116,336
Dental Equipment & Supplies Distribution	6,779	6,299
Dental Supplies Manufacturing	23,653	4,244
Elimination of Inter-Segment Liabilities	(88,391)	(71,263)
Total	108,382	55,616
Capital Expenditure		
Primary Healthcare	44,985	46,859
Dental Equipment & Supplies Distribution	149	237
Dental Supplies Manufacturing	11,177	8,136
Total	56,311	55,232
Depreciation		
Primary Healthcare	3,509	2,644
Dental Equipment & Supplies Distribution	35	77
Dental Supplies Manufacturing	28	19
Total	3,572	2,740
Amortisation		
Primary Healthcare	174	80
Dental Equipment & Supplies Distribution	-	-
Dental Supplies Manufacturing	182	-
Total	356	80
Finance Cost		
Primary Healthcare	2,743	512
Dental Equipment & Supplies Distribution	2	4
Dental Supplies Manufacturing	-	-
Total	2,745	516



Geographical segments

The Group has dentistry business in Singapore, Malaysia and PRC, dental equipment and supplies distribution business in Singapore and Malaysia and manufacturing of dental supplies business in PRC.

	2015 \$'000	2014 \$'000
Segment Revenue		
Singapore	87,925	76,848
Malaysia	7,939	9,457
China	28,133	13,979
Total	123,997	100,284
Segment Asset – Non-Current		
Singapore	61,939	34,407
Malaysia	3,844	4,477
China	46,483	34,923
Total	112,266	73,807

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Performance by business segment

The increase in primary healthcare segment revenue and result in FY15 as compared to FY14 was mainly due to higher contribution from existing and new dental outlets in Singapore, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as revenue contribution from Aoxin in the People's Republic of China("PRC") acquired in July 2014.

The decrease in dental equipment and supplies distribution segment result in FY15 as compared to FY14 was mainly due to lower contribution from dental equipment and supplies distribution company in Malaysia.

The increase in dental supplies manufacturing segment revenue and result in FY15 was due to a full year contribution in FY15 as compared to 5 months contribution in FY14 from Aidite, a dental supplies manufacturing company in PRC acquired in August 2014.

Performance by geographical segment

The increase in the contribution to the Group's revenue from Singapore operations in FY15 as compared to FY14 was mainly due to higher contribution from existing and new dental outlets in Singapore, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015.

The decrease in the contribution to the Group's revenue from Malaysia operations in FY15 as compared to FY14 was mainly due to lower contribution from dental equipment and supplies distribution company.

The increase in the contribution to the Group's revenue from PRC operations in FY15 as compared to FY14 was mainly due to full year revenue contribution in 2015 from Aoxin and Aidite. Aoxin was acquired in July 2014 and Aidite was acquired in August 2014.



15. A breakdown of sales

	Group		Change %
	2015 \$'000	2014 \$'000	
15(a) Revenue reported for first half	59,522	39,771	49.7
15(b) Operating profit after tax before deducting non-controlling interests reported for first half year	8,806	2,799	214.6
15(c) Revenue reported for second half	64,475	60,513	6.5
15(d) Operating profit after tax before deducting non-controlling interests reported for second half year.	6,038	7,715	(21.7)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary*	6,575	5,038
Preference	-	-
Total	6,575	5,038

*Total annual dividend for FY15 comprises recommended FY15 final dividend (from FY15H2 profit) of \$3.31 million, and \$3.27 million interim dividend paid in respect of FY15H1 profit.

*Total annual dividend for FY14 comprises recommended FY14 final dividend (from FY14H2 profit) of \$2.49 million, and \$2.55 million interim dividend paid in respect of FY14H1 profit.

17. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").



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18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Foo Siew Jiuan	47	Wife of Dr Ng Chin Siau, Group Chief Executive Officer of Q & M Dental Group (Singapore) Limited ("QDGS"). Sister-in-law of Ng Sook Hwa, Group Financial Controller of QDGS.	General Manager (1999)	None
Ng Sook Hwa	44	Wife of San Yi Leong, Chief Financial Officer of Q & M Dental Holdings (China) Pte. Ltd.. Sister of Dr Ng Chin Siau, Group Chief Executive Officer of QDGS.	Group Financial Controller (June 2011)	None
San Yi Leong	38	Husband of Ng Sook Hwa, Group Financial Controller of QDGS. Brother-in-law of Dr Ng Chin Siau, Group Chief Executive Officer of QDGS.	Chief Financial Officer of Q & M Dental Holdings (China) Pte. Ltd. (March 2015)	Business Development Director of QDGS



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19. Use of proceeds

The Company has fully utilised the \$13 million raised from the rights issue on 10 December 2014.

BY ORDER OF THE BOARD

Ng Chin Siau
Group Chief Executive Officer
29 February 2016